

CORPORATE SOCIAL RESPONSIBILITY PERFORMANCE REPORT

Global Reporting Initiative disclosure

Human resources & environmental data

Scope and reporting principles

Assurance report



CEO'S OVERVIEW

Operating in a caring and socially responsible manner, especially when it comes to improving the lives of people with severe diseases through innovative therapies and support programmes, has been one of the distinguishing characteristics of UCB over many years.

Our passion to make a genuine difference to lives of patients and their families is undoubtedly the biggest driver behind our success.

We are patient-centric: we immerse ourselves in our patients' lives.

We involve patients and their carers closely and personally in all facets of our business so that we can understand and develop therapies that take into account both their physiological and social needs.

Of course, we also adhere rigorously to the strict regulations that govern biopharmaceuticals, our relationships with patients and carers, and the operation of our business. In addition, we naturally and wholeheartedly embrace many other aspects of CSR, reflected in our caring about UCB staff as well as in our community and green initiatives.

Reporting on CSR

So why do we report on CSR? Partly because we have a lot to be proud of and we want to publicly recognise and thank all our staff at UCB for their hard work. But we also know we can do better and want to improve so we can make an even bigger, positive difference to the lives of people with severe diseases, to the well-being of our colleagues, and the protection of the environment.

CSR reporting at UCB is part of that quest and leans on four pillars: **patients** (social), **people** (social), **ethics** (social and economic), and **planet** (environment).

To progress in its CSR ambitions, UCB is actively engaging its stakeholders: its employees, patients and their carers, business partners, the authorities and regulators as well as the community at large.

CSR Governance

A dedicated UCB team is setting annual CSR priorities presented and approved by UCB's Executive Committee.

This team focuses on managing and continuously enhancing the CSR reporting procedures and instruments, while leaning on the valuable input of a company-wide CSR network. The UCB 2010 CSR Report network was composed of more than 200 UCB colleagues worldwide (in 2009: 120 UCB staff). Furthermore, benchmarks are being set against which patients, their carers, shareholders and other stakeholders can measure our progress in the coming years and against which we can be held to account.

Accountability essential for both social and economic progress

To measure progress, key performance indicators are assessed according to the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines, which provide an internationally accepted framework for CSR reporting. This approach is entirely voluntarily and adapted to UCB's own requirements. The 2010 UCB CSR uses the GRI guidelines at an application level of C+, checked and reviewed by PricewaterhouseCoopers, whereby 15 GRI indicators were validated (in 2009: 11 validated GRI indicators).

In November 2010, UCB's first CSR report received a special mention from the jury of the Best Belgian Sustainability Report 2009 for its clear and comprehensive vision based on concrete strategies.

We will continue reporting progress against relevant benchmarks in our next CSR reports.

In the meantime, we welcome any suggestions or comments you might have; please email us at csr@ucb.com.

Roch Doliveux
Chief Executive Officer

GLOBAL REPORTING INITIATIVE DISCLOSURE

The table summarises the performance indicators on the economic, environmental and social performance of UCB in 2010. The indicators are reported in line with the GRI Guidelines: 15 fully and 8 partially reported.

Legend: ● indicators fully reported and compliant with the GRI indicators definition
 ◐ indicators partially reported and partially compliant with the GRI indicators definition

		REPORTED	PAGE
GENERAL			
1.	Strategy and analysis		
1.1	Statement of CEO		2-5; 143
2.	Organisational profile		
2.1 - 2.2	Name, products / services	●	6-35
2.3 - 2.7	Structure, geographical presence, markets served	●	73-77; 102
2.8	Scale	●	front and back covers
2.9	Significant changes in size, structure or ownership	●	2-5; 48-69
2.10	Awards received in 2010	●	143
3.	Report parameters		
3.1 - 3.4	Report profile, contacts points	●	143; back cover
3.5 - 3.13	Report scope and assurance	●	149-151
4.	Governance, commitments, and engagement		
4.1 - 4.13	Structure and governance	●	48-69; 143
4.14 - 4.17	Stakeholder engagement	●	143
ECONOMIC			
Economic performance			
EC1*	Economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.(Core)	●	front cover; 70-85
EC3*	Coverage of the organisation's defined benefit plan obligations. (Core)	●	94-96; 104; 121-123
ENVIRONMENTAL			
Energy			
EN3*	Direct energy consumption by primary energy source. (Core)	●	146-147
EN4*	Indirect energy consumption by primary source. (Core)	●	146-147
EN5*	Energy saved due to conservation and efficiency improvements. (Additional)	●	46-47; 146-147
EN7	Initiatives to reduce indirect energy consumption and reductions achieved (Additional)	◐	46-47
Water			
EN8*	Total water withdrawal by source. (Core)	●	146-147
Emissions, effluents, and waste			
EN16*	Total direct and indirect greenhouse gas emissions by weight. (Core)	●	146-147
EN19	Emissions of ozone-depleting substances by weight. (Core)	◐	146-147
EN20	Emissions of volatile organic compounds (chlorinated and non-chlorinated) by weight. (Core)	◐	146-147
EN22*	Total weight of waste by type and disposal method. (Core)	●	146-147
EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally. (Additional)	◐	47; 146-147

SOCIAL PERFORMANCE: LABOR PRACTICES & DECENT WORK

Employment			
LA1*	Total workforce by employment type, employment contract, and region. (Core)	●	front cover; 40-41
LA2*	Total number and rate of employee turnover by age group, gender, and region. (Core)	●	146
Occupational health and safety			
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region. (Core)	●	41;146
Training and education			
LA10	Average hours of training per year per employee by employee category. (Core)	●	39-40; www.ucb-annual-report.com/en/2010/29/Talent-management
LA11	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings. (Additional)	●	39-40
LA12	Percentage of employees receiving regular performance and career development reviews. (Additional)	●	39-40; www.ucb-annual-report.com/en/2010/29/Talent-management
Diversity and equal opportunity			
LA13*	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity. (Core)	●	40-41; front cover

SOCIAL PERFORMANCE: HUMAN RIGHTS

Investment and procurement practices			
HR3*	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained. (Additional)	●	44

SOCIAL PERFORMANCE: SOCIETY

Corruption			
SO3*	Percentage of employees trained in organization's anti-corruption policies and procedures. (Core)	●	44
Public policy			
SO5*	Public policy positions and participation in public policy development and lobbying. (Core)	●	www.ucb-annual-report.com/en/2010/17/Partners

SOCIAL PERFORMANCE: PRODUCT RESPONSIBILITY

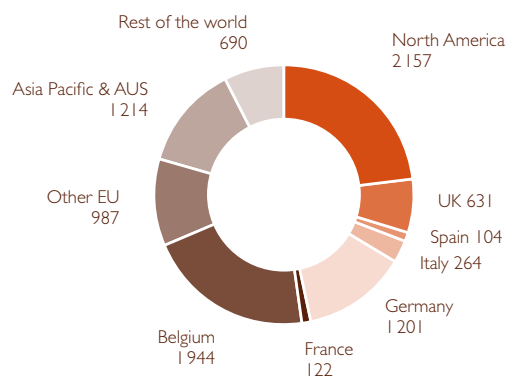
Marketing communications			
PR6*	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship. (Core)	●	45

* Indicators identified by an asterisk (*) have been reviewed for the year 2010 by the Statutory Auditors. Their assurance statement, detailing the work they have performed as well as their comments and conclusions, appears on pages 150-151 of this CSR report..

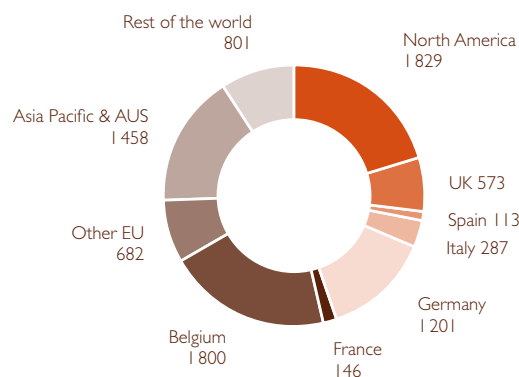
HUMAN RESOURCES AND ENVIRONMENTAL DATA

HUMAN RESOURCES DATA

GRI INDICATOR	DEFINITION	UNIT OF MEASURE	2009	2010	
LA 1	Total workforce	Workforce as of December 31	Total number of employees	9 324	8 898
	Workforce by gender	Male and female Group employees	Number of women	4 433	4 167
				48%	48%
			Number of men	4 891	4 583
				52%	52%
Workforce by area	Europe-5 / Belgium / Other Europe / Asia-Pacific-Australia / North America / Rest of the world	Number of employees		see below	
Workforce by FTE and PTE	Full Time Employees (FTE) and Part-Time Employees (PTE) Group	Number of FTE	8 787	8 352	
			94%	94%	
		Number of PTE	537	546	
			6%	6%	
LA 2	Recruitment	Hired	Number of employees hired	1 648	1 547
	Departure	Left	Number of employees who left the company	3 616	1 973
LA 7	Absenteeism	Number of working days lost due to absenteeism of the main sites and excluding U.S. locations because the absenteeism is not monitored in U.S.	Days	Not reported	39 924
	LTIR	Lost Time Incident Rate	Number of incidents resulting in lost time of one day or more within a 12-month period, per million hours worked	3.34	2.33
	LTSR	Lost Time Severity Rate	Number of lost days resulting from a lost time incident within a 12-month period, per thousand hours worked	0.08	0.05



Workforce by area
(headcount, year-end 2009)



Workforce by area
(headcount, year-end 2010)

ENVIRONMENTAL DATA

GRI INDICATOR		DEFINITION	UNIT OF MEASURE	2009	2010
EN 3	Gas	Gas consumption	m ³	19802 198	24076 327
			Megajoules	731 752 170	913 327 467
	Fuel oil	Fuel oil consumption	liters	1 965 196	733 463
			Megajoules	223 371 916	84 221 836
Fuel for utility vehicle	Vehicle fuel consumption	liters	32 553	12 670	
			Megajoules	3 700 102	1 454 866
EN 4	Electricity	Electricity consumption	KwH	159 292 945	154 489 945
			Megajoules	573 454 602	556 163 802
EN 5	Energy Saved	Energy saved due to conservation and efficiency improvements	KwH		3 777 000
EN 8	Water	Total water	m ³	898 120	1 015 918
		Main water		642 666	651 573
		Ground and surface water		255 454	364 345
		Other		0	0
	COD	Chemical Oxygen Demand in effluents following internal treatment	Tons	146	108
	TSS	Discharge of residual Total Suspended Solids after internal treatment	Tons	40	42
EN 16	Direct & Indirect CO ₂ emissions - Scope 1&2	Electricity	Tons CO ₂	54 443	52 341
		Gas		35 160	42 749
		Fuel		4 962	1 849
EN 19	ODS	Emissions of Ozone Depleting Substances	CFC-II equivalent tons	1.6	1.3
EN 20	Chlorinated VOC	Emissions of chlorinated volatile organic compounds	Tons	6	8
	Non-chlorinated VOC	Emissions of non-chlorinated volatile organic compounds	Tons	119	114
EN 22	Waste disposal	Incinerated	Tons	1 859	1 256
		Re-used as liquid		3 926	2 903
		Solvent recycled by 3 rd party		2 145	2 577
		Packaging recycled by 3 rd party		1 806	1 489
		Other		789	1 639
EN 24	Hazardous waste	Hazardous waste products as defined by locally applicable regulations	Tons	10 415	8 789
	Non-hazardous waste	Other solid waste (excluding emissions and effluents)	Tons	3 273	2 666



SCOPE AND REPORTING PRINCIPLES

Scope

People data are consolidated for all UCB companies worldwide that are globally integrated into our financial consolidation, regardless of their activity (research or industrial sites, sales affiliates, headquarters). Health and Safety data (occupational accidents) addressed the same scope excluding affiliates with less than 10 employees.

Planet data are consolidated for all manufacturing sites, research sites, sales affiliates from India, U.S. and Italy and headquarters in Belgium. This scope covers 74% of UCB's workforce.

For each of these elements we state whether UCB's level of reporting covers the requirements fully or partially.

Reporting principles

In order to ensure the uniformity and reliability of indicators used for all entities, UCB Group implemented the Global Reporting Initiative's G3 Sustainability Reporting Guidelines covering social factors, safety and environmental impacts of a company's performance. We have self-assessed ourselves as a C+ reporter according to GRI-defined application levels.

These guidelines specify the methodologies to be used for indicator reporting for UCB: definitions, methodological principles, calculation formulas and emission factors.

Accuracy

The UCB Corporate Health, Safety & Environment (HSE) department is responsible for ensuring that all data are consolidated on the basis of information provided by the manufacturing and research sites and sales affiliates and administrative headquarters throughout the world.

HSE coordinators for each activity perform an initial validation of safety and environmental data prior to their consolidation. Corporate HSE also verifies data consistency during consolidation. These validations include data comparisons from previous years as well as careful analysis of any significant discrepancies.

Social data regarding the workforce are extracted from a global IT HR system used as management control database for UCB worldwide.

Reliability

In order to obtain an external review of our data's reliability and the thoroughness of our reporting procedures, we asked our Statutory Auditors to perform specific verification of certain social and HSE indicators appearing in tables on pages 144-147. Their assurance statement, describing the work they performed as well as their comments and conclusions, appears on pages 150-151.

In UCB, we will continue to enhance the reliability of data and further strengthen the reporting processes.

ASSURANCE REPORT



To the members of Board of Directors of UCB S.A. (UCB)
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INDEPENDENT ASSURANCE REPORT ON THE UCB CORPORATE SOCIAL RESPONSIBILITY (CSR) REPORT 2010

This report has been prepared in accordance with the terms of our engagement contract dated 3 February 2010, whereby we have been engaged to express a conclusion in connection with the CSR Report of UCB S.A. for the year 2010.

Management's Responsibility

The Board of Directors of the Company is responsible for the preparation of the information and indicators marked with an asterisk (*) in the CSR Report of the UCB and the declaration that its reporting meets the requirements of the Global Reporting Initiative (GRI) G3 application level C+, set out on pages 144-145 ("the Subject Matter Information"), in accordance with the criteria stated in the Scope and Reporting Principles (the "Criteria") described on page 149.

This responsibility includes the selection and application of appropriate methods for the preparation of the Subject Matter Information, for ensuring the reliability of the underlying information and for the use of assumptions and estimates for individual sustainability disclosures which are reasonable in the circumstances. Furthermore, management's responsibility includes the design, implementation and maintenance of systems and processes relevant for the preparation of the Subject Matter Information.

Statutory auditor's Responsibility

Our responsibility is to express an independent conclusion about the Subject Matter Information based on our work performed. Our assurance report has been made in accordance with the terms of our engagement contract. Our report is intended solely for the use of the UCB, in connection with their CSR Report and should not be used for any other purpose. We do not accept, or assume responsibility to anyone else, except to UCB for our work, for this report, or for the conclusions that we have reached.

We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 "Assurance Engagements other than Audits or Reviews of Historical Information". This standard requires that we comply with ethical requirements and that we plan and perform the engagement to obtain limited assurance as to whether the Subject Matter Information has been prepared, in all material respects, in accordance with the Criteria issued by the Company.



The objective of a limited assurance engagement is to reduce the assurance risk to an acceptably low level in the circumstances of the engagement as the basis for a negative form of expression of our conclusion on the Subject Matter Information.

The scope of our work included, amongst others the following procedures:

- assessing and testing the design and functioning of the systems and processes used for data-gathering, collation, consolidation and validation, including the methods used for calculating and estimating the 2010 indicators marked with an asterisk (*) presented on pages 144 and 145;
- conducting interviews with responsible officers;
- inspecting internal and external documents;

We have evaluated the Subject Matter Information against the Criteria. The accuracy and completeness of the Subject Matter Information are subject to inherent limitations given their nature and the methods for determining, calculating or estimating such information. Our Assurance Report should therefore be read in connection with the Criteria.

Conclusion

Based on our work, as described in this Independent Assurance Report, nothing has come to our attention that causes us to believe that the indicators marked with an asterisk (*) presented on pages 144-145 of the 2010 reported figures of the CSR Report and UCB's assertion that the report meets the requirement GRI G3 application level C+ has not been prepared, in all material respects, in accordance with the Criteria.

Brussels, Belgium, 14 March 2011

PricewaterhouseCoopers Bedrijfsrevisoren bcvba
Represented by



Marc Daelman
Partner