



# UCB Remuneration Policy 2025



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# UCB REMUNERATION POLICY 2025

In accordance with Article 7:89/1 of Belgian Code of Companies and Associations (the 'BCCA') and the 2020 edition of the Belgian Code of Corporate Governance ('2020 Code') UCB SA/NV, a Belgian listed company, has established a remuneration policy ('Remuneration Policy 2025') which describes the reward philosophy and related policies applicable to the remuneration of UCB's Executive Committee and Non-Executive Directors.

The Remuneration Policy 2025 is overseen by our Governance Nomination & Compensation Committee ('GNCC') and the Board of Directors of UCB ('Board'), whose roles and responsibilities are described in the Corporate Governance Charter adopted by our Board. The Remuneration Policy 2025, which builds on the previous policy 2024 describes UCB's rationale on how we have developed our remuneration policies and practices in line with our strategy, considering relevant market practices, feedback from key stakeholders and the requirements of our Corporate Governance framework.

The Remuneration Policy 2025, upon recommendation of the GNCC, was approved by the Board on February 27, 2025. Subject to its approval by the General Meeting of Shareholders on April 24, 2025, it will be applicable as from the financial year starting on January 1, 2025. It will be made available for viewing on the UCB website for as long as it is applicable. The Remuneration Policy 2025 is intended to be applicable for four years, unless the GNCC seeks approval for material changes of this policy at an earlier point if appropriate.

At UCB we proactively and continuously engage with our stakeholders to understand how we can improve our impact and positive contribution, including in our remuneration practices and policies. Similarly, if a significant portion of votes would be cast against our remuneration policy, UCB would engage with stakeholders to understand their concerns and consider adjustments.

This Policy is published and available on [UCB website](#).

## INTRODUCTION AND SUMMARY OF KEY CHANGES

### Objectives and Principles

UCB's ambition is to transform the lives of people living with severe diseases, allowing them to live as free as possible from the challenges and uncertainty of disease. That commitment comes to life in our activities across neurology, immunology and other areas where our expertise, innovation and ambition align with unmet needs. We are committed to driving sustainable growth that allows us to make a positive impact on society, while reducing our impact on the planet.



Our reward offering is designed to attract, develop, engage and retain talented people who can support us in our ambition. Our priority is to reflect, in our rewards, the strong cultural foundation shared by all our colleagues, to help drive the value creation for our stakeholders, in line with our strategy.

Our reward principles, inspired by our strategy, apply across UCB, from the CEO and Executive Committee to all our employees. As such, our reward practices and programs follow the same principles and frameworks for all our colleagues, aiming for consistency wherever possible. In this policy we also highlight how the different elements of executive remuneration are aligned to wider workforce reward practices.

## **Business context**

UCB has undergone a significant transformation in both global reach and performance, positioning itself for a decade of growth and establishing itself as a global leader in immunology and neurology. UCB is experiencing rapid and significant growth and increasing complexity, since the approval of the previous Remuneration Policy in 2024, given the successful launch phase so far.

Our roles are increasingly complex, necessitating a Board and senior executive team with strong global experience, notably the US. This Remuneration Policy has been designed to ensure our continued competitiveness with top-tier companies, enabling us to attract and retain the best global talent while driving long-term value for our stakeholders globally.

For UCB to maintain a compelling value proposition, it is crucial that our remuneration remains competitive within the global market to eliminate any barriers to attracting and retaining the right leadership talent.

## **Global Peer Group selection**

As UCB continues its transformation, there is a notable shift in our talent needs, along with a greater emphasis on how UCB's business performance and compensation align with relevant global peers. Consequently, the GNCC and the Board of UCB have defined a new peer group of reference for the purpose of this Policy, selecting companies that best represent UCB's most suitable peers, moving from a European peer group to a global one (hereafter the "Global Peer Group"). The approach, methodology and criteria for defining the Global Peer Group are further explained and summarized below:



## OUR APPROACH

With the support of an external consultant, we have defined a new Peer Group, following an assessment against the below revamped criteria:

- **Geographically aligned:** companies headquartered in our key geographies, both European companies with global reach AND US companies
- **Talent relevance:** companies with the highest Talent flows into and out of UCB
- **Industry relevance:** (Bio) Pharmaceuticals AND Biotech – matching UCB’s scientific and commercial interests
- **Innovation-driven:** companies that prioritize R&D (evidence by R&D spending, innovation reputation and market cap to revenue ratios)
- **Size & complexity:** Varying sizes of company with similar activities across entire value chain, both mature and fast-growing



## OUR NEW PEER GROUP

Outcome leads us to **one global biopharma peer group** (vs a purely European one today) that:

- Is overall more **relevant**
- will include around **40% of US** HQ’d peer companies: US being UCB’s largest single market representing **>50% of our revenues** and future growth
- better mirrors UCB’s unique profile, including **dynamic, fast-growing companies** as well as **mature biopharma**
- allows a clear benchmarking approach, as UCB’s current and projected size is **close to median revenue and market capitalization** of this new group

**Both Executive and Board** remuneration will be informed by this new peer group.

As the Global Peer Group may change with industry developments, UCB will share its composition in the annual Remuneration Report or other appropriate channels.

For both the Non-Executive Directors as well as the Executive Committee, UCB targets at least the 25th percentile of the Global Peer Group.

- For the Non-Executive Directors, the BEL20 is also considered as a secondary reference.
- For the Executive Committee, to determine the appropriate positioning against the benchmark, the GNCC will evaluate the executive’s proven impact in leading a global function, considering their track record, depth of experience and the extent to which the executive has the potential to perform similar roles at competitor companies. Additional factors considered include recognition both internally and externally for their leadership, strategic capabilities, future-readiness and any unique market differentiators.

UCB looks to primarily consider our new Global Peer Group to inform pay policy and levels as of 2025. This peer group ensures an understanding of the relevant global market in which UCB operates, given the international character of our Non-Executive Directors as well as Executive Committee and the importance of the U.S. and European markets for UCB.



## Evolution of the policy for 2025

Compared to its previous version (last amended in 2024) our policy continues to evolve, as summarized below:

Policy element	2024 Policy	Revisions for 2025 Policy	Rationale for change
<b>Non-Executive Directors</b>			
<b>Board Attendance Fees</b>	Attendance fees for board meetings in place	Removal of attendance fees	The removal of Board attendance fees allows for a simplified approach that reflects the year-round responsibilities and contributions rather than attendance at meetings solely.  This approach aligns with global and European market practices.
<b>Equity</b>	No equity-based payments / shareholding guideline for Non-Executive Directors	Introduction of a guideline for Non-Executive Directors to acquire UCB shares equivalent to 1/3rd of their annual retainer fee (after tax) in each of the first 3 years after appointment. Once the holding level is reached, shares will be held until at least one year after the end of the mandate.	To further align Non-Executive Directors' interests with shareholder interests in the spirit of the Belgian Corporate Governance Code.
<b>Executive Committee Members</b>			
<b>Fees</b>	Any Board fees for Executive Directors are paid on top of the remuneration received as an Executive. Currently, the only Executive Director is the CEO, so this rule is only applicable to the CEO.	Removal of Board fee for Executive Director role.	To align with global market practice.  (At UCB the CEO is the only Executive Director).
<b>Annual Bonus</b>	CEO: target annual bonus is 90% of base salary  Other Executive Committee members: target annual bonus is 65% of base salary	CEO: increase target annual bonus to 100% of base salary  Other Executive Committee members: maintain target levels	To ensure appropriate competitive positioning of total remuneration versus the Global Peer Group.
	CEO and other Executive Committee members: annual bonus calculation is based on a double multiplier, Corporate objectives between 0-150% x Individual Objectives between 0-175%.	CEO and other Executive Committee members:  Reduce Individual Objectives cap to 150% maximum opportunity.  The overall annual bonus opportunity remains capped	To balance maximum opportunity between individual and corporate objectives – aligned with feedback received from our shareholders via consultation.



	The overall annual bonus opportunity is capped at 175% of their respective targets	at 175% of their respective targets	
<b>Long-term incentives</b>	<p>CEO: target LTI is 140% of base salary with an additional 150% potential multiplier (maximum of 210% of base salary)</p> <p>Other Executive Committee members: target LTI is 80% of base salary with an additional 150% potential multiplier (maximum of 120% of base salary)</p>	<p>CEO: increase target LTI to 370% of base salary. Remove multiplier feature</p> <p>Other Executive Committee members: increase target LTI to 90% - 300% of base salary depending on role and profile. Remove multiplier feature</p>	<p>As UCB has become an increasingly global and more complex business, there is a growing need for top talent internationally. To ensure appropriate competitive positioning of total remuneration versus the Global Peer Group, UCB seeks to increase target LTI levels.</p> <p>The increased LTI levels will ensure stronger alignment between executives and sustainable shareholder value creation. This is key for UCB's growth strategy over the coming years.</p> <p>For Executive Committee members (excluding the CEO), LTI targets will be differentiated, informed by market rates for the role. This will enable UCB to retain flexibility to set LTI levels according to the role and an individual's level of experience and sustained impact.</p> <p>The multiplier feature has been removed from the construct to simplify the approach.</p>
	<p>CEO and other Executive Committee members: The LTI allocation is 70% in performance shares and 30% in stock options (or stock appreciation rights if applicable in the country of contract).</p>	<p>CEO and other Executive Committee members: increase the weighting of performance shares in the LTI mix, i.e. LTI allocation 80% in performance shares and 20% in stock options (or stock appreciation rights if applicable in the country of contract).</p>	<p>This change aims to position UCB appropriately vs. typical LTI design practice in our Global Peer Group and incorporate the perspectives of UCB's shareholders regarding the optimal balance between different plans.</p> <p>Feedback gathered from shareholder consultations emphasized the importance of offering a substantial portion of the LTI opportunity through a plan that includes explicit performance conditions. Additionally, it addresses shareholders' views on the suitable balance between factors that drive long-term financial and operational success and incentives that promote significant growth in shareholder value.</p>
<b>Shareholding requirements</b>	<p>CEO: 150% of gross base salary</p> <p>Other Executive Committee members: 50% of gross base salary</p>	<p>Increase to 300% of gross base salary for CEO and 100% for other Executive Committee members</p>	<p>Continue to align CEO's and other Executive Committee members' interests with shareholder interests.</p>



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## REMUNERATION POLICY FOR NON-EXECUTIVE DIRECTORS

UCB's Remuneration Policy 2025 is aimed to enable us to attract a diverse team of high caliber individuals, with proven experience and impact linked to our strategic imperatives and stakeholder interests, that share our passion for patient value creation. Our Board remuneration also targets to be competitive at a global level, considering our global market footprint.

The level of pay for Non-Executive Directors is informed by benchmarks which include the remuneration of Board and Committee members of comparable global biopharmaceutical and biotechnology companies. We look to attract diverse set of Board member profiles that represent our market footprint, so in terms of remuneration we consider both Global Peer Group as well as BEL 20 benchmarks, with global biopharma data constituting the primary reference given our need to attract experts with a deep, global knowledge of our industry. UCB targets above the 25th percentile of the Global Peer Group.

Non-Executive Directors are remunerated as shown below:

Policy table for Non-Executive Directors	
<b>Annual Retainer/ Payments</b>	<p><b>Purpose</b> Reward individuals for their role as Chair, Vice Chair or member of the Board / Committee(s) and allow UCB to attract global talent with the relevant skills and experience.</p> <p><b>Operation</b> Board members receive fixed fees. Fees are higher for both Vice Chair and Chair of the Board. Committee members receive fixed fees (depending on committee). Fees are higher for Committee Chair mandates. Payments are pro-rated according to months served as active Board member during a calendar year. See below table for details.</p>
<b>Travel Allowance</b>	<p><b>Purpose</b> The Annual Special Travel Allowance applies to all our Board members living in a location with at least 5 hours of time zone difference with Belgium. This is mainly to consider the inconvenience of attending meetings which take place mostly in Europe.</p> <p><b>Operation</b> Fixed annual lump-sum allowance of EUR 45,000. Payments are pro-rated according to months served as active Board member during a calendar year.</p>
<b>Shareholding guideline</b>	<p><b>Purpose</b> To further align the Non-Executive Directors' interests with shareholder interests in the spirit of the Belgian Corporate Governance Code.</p> <p><b>Operation and Opportunity</b> UCB includes a guideline for Non-Executive Directors to acquire UCB shares equivalent to 1/3 of their annual retainer fee (after tax) in each of the first 3 years after appointment. Once the holding level is reached, shares will be held until at least one year after the end of the mandate.</p>



<b>Other</b>	Other components include but are not limited to: liability insurance, reimbursement of expenses for appropriate business travel and accommodation to attend Board and committee meetings (aligned with company travel policy) (in addition to the Annual Special Travel Allowance for eligible Non-Executive Directors) and tax and social security filing support linked to their UCB mandate.
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Non-Executive Remuneration:

	Board fees	Committee fees			Other
	Annual fees	Audit	Scientific	GNCC	Travel Allowance
Chair of the Board	€ 425 000				
Vice Chair	€ 200 000				
Directors	€ 160 000				
Chair of Committee		€ 45 000		€ 35 000	
Member of Committee*		€ 22 500	€ 45 000	€ 17 000	
Annual Special Travel Allowance					€ 45 000

\*Cumulative with annual board fees except for Chair, as included in annual board fees

The GNCC recommends the annual retainer for the Chair, Vice Chair and other members of the Board, as well as for Committee Chairs and members, for approval by the Board and, subsequently, by the General Meeting of Shareholders.

No form of variable or performance-related pay is granted, in alignment with the BCCA and the Corporate Governance Code.

Non-Executive Directors are appointed, and the duration of their terms are approved, by the General Meeting of Shareholders. They are at all times subject to dismissal by the General Meeting of Shareholders.

Each member of the GNCC and Board member acts without conflict and always puts the interests of UCB before his/her personal interests. In case a conflict of interest is recognized in the determination of an element for the Remuneration Policy 2025, conflict of interest guidelines, as outlined in the Governance Charter, are applied (Chapter 3.3.3 and 3.3.4) in addition to the legal provisions set out in the BCCA.



## REMUNERATION POLICY FOR EXECUTIVE COMMITTEE MEMBERS

To ensure that our unique culture is deeply rooted, we continuously review how our reward tools and programs support our patient value strategy and long-term sustainable growth ambition. The following principles serve as a backbone to the design of our rewards offering across our entire workforce, so that it can support us in:

- Stimulating sustainable high performance and supporting our Patient Value ambition in a dynamic talent landscape
- Enabling an environment of innovation, collaboration and personal growth
- Providing an optimal individual experience by caring about our employees as we do for our patients.

The GNCC and the Board ensure that the reward programs applicable to the members of the Executive Committee, including equity incentives, pension schemes and other benefits, are aligned to these principles, are consistent with the overall remuneration framework of the Company and are fair and appropriate to attract, reward, retain and motivate the Executive Committee team.

The remuneration policy for members of the Executive Committee is set by the Board based on recommendations by the GNCC.

### BENCHMARK FOR OUR TOTAL DIRECT COMPENSATION

The form and levels of our executive remuneration are aligned with company performance, individual skills and performance as well as relevant practices of comparable global biopharmaceutical and biotechnology companies with which we compete for talent. The GNCC regularly considers the appropriate mix and level of cash and equity awards to offer to its executives based on recommendations from the Talent and Corporate Communication department. These recommendations are reviewed with our independent compensation consultant. An individual market assessment is conducted regularly to assess the competitiveness of the total direct compensation components for each executive committee member.

The total direct compensation ("TDC") package is composed of two main elements:

- a fixed compensation element: base salary
- a variable compensation element: consisting of an annual bonus and long-term incentives

The CEO and Executive Committee target TDC mix is as shared in the Remuneration Report of our Integrated Annual Report.

The levels of TDC are informed by our Global Peer Group, which is comprised of comparable global biopharmaceutical and biotechnology companies. UCB targets at least the 25th percentile

of the Global Peer Group. To determine the appropriate positioning against the benchmark, the GNCC will evaluate the executive's proven impact in leading a global function, considering his/her track record, depth of experience and the extent to which the executive has the potential to perform similar roles at competitor companies. Additional factors considered include recognition both internally and externally for their leadership, strategic capabilities, future-readiness and any unique market differentiators. The actual compensation for each individual is determined considering their experience in relation to the benchmark as well as their impact on company performance.

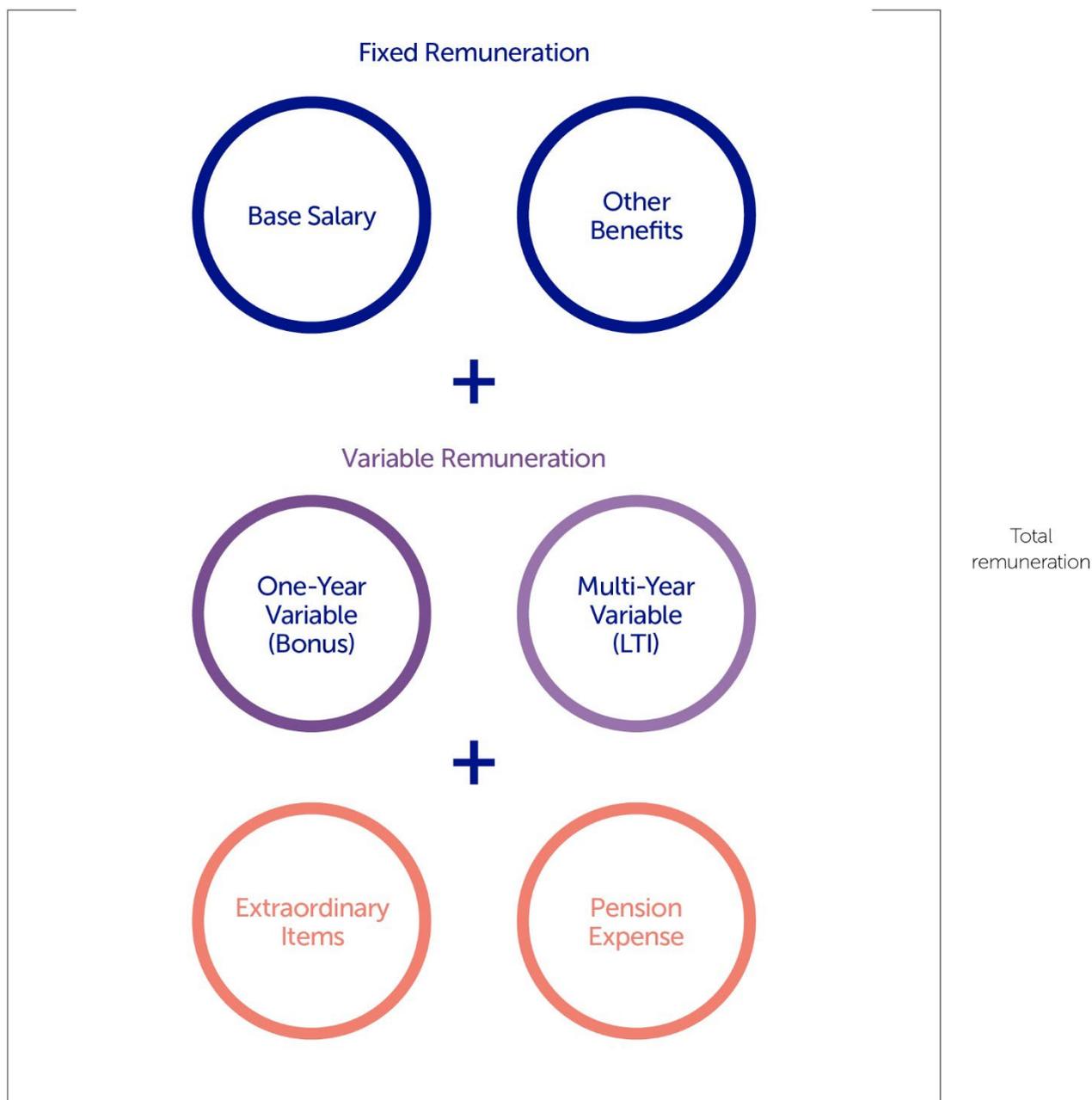
## REWARD ELEMENTS AND PAY FOR PERFORMANCE

Our reward program aims to reward our employees and executives in a competitive and market-aligned manner, for their responsibilities as well as individual and corporate performance.

In addition to the base salary and performance-related variable pay, our executives are eligible for a range of benefits and perquisites. The remuneration structure aims to align with market practices as well as Belgian corporate governance legislation and European regulations on executive compensation.

Below we describe how each element of total remuneration is determined and how performance is embedded in the variable components.





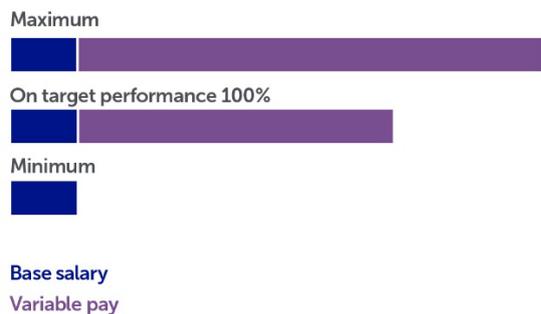
The TDC (base salary plus annual bonus and long-term incentives) is highly variable, depending on individual and corporate performance as illustrated below.

An annual bonus will only be due if an acceptable threshold of company and/or individual performance is achieved. To reach 100% of the annual bonus a stretched target must be met and only with very exceptional company and individual performance can the maximum be achieved.



The Performance Share Plan vests upon condition of the company meeting pre-determined performance targets and can vest between 0% and 150% of the shares originally granted. The Performance Share Plan targets align to the company's value creation goals for its stakeholders and reflect the strategic priorities of the company over a 3 year performance period.

The pay for performance impact can be illustrated as follows for the CEO and is described in more detail later in this section.



Policy table for Executive Committee Members	
<b>Base Salary</b>	<p><b>Purpose</b> Cash compensation that reflects the fulfillment of core job responsibilities, duties, and unique skills, with differentiation based on performance and the impact of contributions.</p> <p><b>Operation</b> The target base salary is defined in relation to the specific job dimensions and the corresponding market benchmark.  The actual base salary level of the individual depends on the extent to which he/she impacts the business and his/her level of skill and experience. The evolution of base salary depends on the level of sustained performance and the evolution of the benchmark.  Annual increases aim to be largely in line with average salary movements across the wider workforce in the applicable geography, while also ensuring that salary reflects the evolving competitive landscape for specific roles and skills.</p> <p><b>Opportunity</b> Actual salaries and annual increases will be reported in the Remuneration Report.</p>
<b>Other Benefits</b>	<p><b>Purpose</b> Provides market-competitive benefits locally and promotes the wellbeing of employees.</p> <p><b>Operation</b> Members of the Executive Committee are provided with certain executive benefits and perquisites in line with their contractual location such as a company car, life insurance and other benefits in kind available. Executive Committee members, when on international assignment with UCB, would be entitled to additional benefits in kind in line with our Corporate International Mobility policies. These may include relocation, housing allowance, home leave, tax and social security equalization. Executive Committee members also participate in an international healthcare plan. Benefits arising from these policies are</p>



	<p>disclosed in the Remuneration Report in the section Compensation of the Chief Executive Officer and the Executive Committee (“Other Benefits”).</p> <p><b>Opportunity</b> Details on the benefits arrangements will be disclosed in the Remuneration Report.</p>									
<p><b>Annual Bonus</b></p>	<p><b>Purpose</b> The annual bonus is designed to reward employees for the performance of the company and of the individual over a time horizon of one year.</p> <p><b>Operation</b> The GNCC will annually assist the Board in determining measures for annual bonus and will also agree to minimum, target and maximum performance for each measure. This will occur prior to the start of the performance period. At the end of the performance period the performance will be assessed against each measure to determine the annual bonus payouts.</p> <p>The annual bonus target is subject to a double performance multiplier which consists of a Corporate Performance Multiplier (“CPM”) and an Individual Performance Multiplier (“IPM”). The same mechanism applies to employees across the organization that participate in the corporate bonus plan.</p> <div data-bbox="351 896 1380 996" data-label="Diagram"> <p style="text-align: center;">Payout Formula</p> <table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <tr> <td style="border: 1px solid black; padding: 5px; text-align: center;">Annual base salary</td> <td style="padding: 0 10px;">×</td> <td style="border: 1px solid black; padding: 5px; text-align: center;">Target incentive</td> <td style="padding: 0 10px;">×</td> <td style="border: 1px solid black; padding: 5px; text-align: center;">Corporate Objectives (0%-150%)</td> <td style="padding: 0 10px;">×</td> <td style="border: 1px solid black; padding: 5px; text-align: center;">Individual Objectives (0%-150%)</td> <td style="padding: 0 10px;">=</td> <td style="border: 1px solid black; padding: 5px; text-align: center;">Realized Annual Bonus</td> </tr> </table> </div> <p>The mechanism provides a direct link between individual contribution and company performance which are interdependent. The calculation mechanism delivers significant value when both company and individual performance are above expectations. Conversely if company and/or individual performance levels are lower than expectations this is reflected through significantly diminished value. As the annual bonus calculation is based on a double multiplier, a multiplier of 0% results in there being no annual bonus payout, regardless of the performance of the other multiplier.</p> <ul style="list-style-type: none"> <li>- Corporate Objectives To encourage focus on revenue growth but also on underlying profitability, UCB currently considers annual Adjusted Earnings Before Interest Tax Depreciation and Amortization (“Adj. EBITDA”) as a shared short-term corporate performance metric, for the CEO and Executive Committee, as well as the wider workforce, under the corporate bonus plan. As Adj. EBITDA is a proxy for UCB’s underlying profitability, this assures that the overall bonus plan is self-funding and rewards collective efforts across the organization. The metric(s) can also evolve in line with company strategic priorities to include other financial as well as extra-financial metrics, which would be explained in the Remuneration Report.</li> <li>The target is set at a level that the Board considers to be suitably challenging while the payout curve is balanced to incentivize high performance, while not encouraging excessive risk-taking. A threshold is set at a level that is deemed to be the minimum acceptable level of performance, and as the target is stretched, the maximum can be reached only if truly exceptional performance is attained. The payout curves may be adapted to reflect evolving probabilities of reaching or exceeding targets in a more volatile market reality, while ensuring employees are incentivized in a fair and competitive way. The payout curve is shared in the Remuneration Report.</li> <li>- Individual Objectives The IPM is defined according to the extent to which pre-defined annual objectives have been met, as well as the extent to which the individual has carried out their duties in line with UCB’s Patient Value principles and expected behaviors. This approach is applied consistently across our employee population.</li> </ul> <p>The CEO’s individual objectives mainly represent the overall company objectives, covering both financial and extra-financial priorities, considering both the short-term impact and overall long-term sustainability.</p>	Annual base salary	×	Target incentive	×	Corporate Objectives (0%-150%)	×	Individual Objectives (0%-150%)	=	Realized Annual Bonus
Annual base salary	×	Target incentive	×	Corporate Objectives (0%-150%)	×	Individual Objectives (0%-150%)	=	Realized Annual Bonus		



The CEO's individual objectives are set considering the value UCB aims to create for its stakeholders (see below). The extent to which the CEO has achieved these objectives is described annually in the Remuneration Report.

Performance measure	Value creation
<p><b>Financial priorities</b></p>	<p><b>Value for shareholders</b> – Sustainability is our business approach. Our financial health is key to our overall sustainability and ability to continue to create value for patients, our employees, and society more widely, now and into the future. Among others, there is a strong focus on delivery on the following financial targets:</p> <ul style="list-style-type: none"> <li>- Revenue</li> <li>- Net Sales across our product portfolio</li> <li>- Cashflow generation</li> </ul> <p>Profitability-related priorities are considered mainly in the CPM which is applied to the total bonus outcome as shown above.</p>
<p><b>Social &amp; Environmental priorities</b></p>	<p><b>Value for patients</b> – building a pipeline of differentiated solutions and improving patient access to these solutions</p> <p><b>Value for our people</b> – fostering a working environment where our people can thrive by being happy, healthy and safe</p> <p><b>Value for the planet</b> – transitioning UCB towards low carbon and green economy</p> <p><b>Other</b> – priorities that span several of the above such as societal value, value creates for communities in the long-term, other company strategic goals and personal development goals</p>

Other Executive Committee members' goals are derived from the same goals and according to their specific area of impact. Sustainability goals are also integrated within the objectives of the entire Executive Committee.

The individual objectives for the CEO are proposed by the GNCC for approval by the Board. For the CEO as well as the Executive Committee, these objectives are set and agreed at the beginning of the year. Feedback is shared with each Executive Committee member throughout the year, to ensure a focus on expected outcomes and to provide essential input into areas of improvement and development. A final review is conducted at the end of the performance period. During the year-end review, the GNCC proposes the IPM for the CEO to the Board based on the performance assessment at the end of the cycle. The CEO proposes the IPM for each of the other Executive Committee members to the GNCC and the Board for review and endorsement.

Additional information on malus and claw back and discretion provisions in relation to the annual bonus for the CEO and our other Executive Committee members can be found in the paragraphs below the Policy table.

**Opportunity**

The target annual bonus is set as 100% of base salary for the CEO and 65% of base salary for the members of the Executive Committee. The overall annual bonus opportunity is capped at 175% of the target for the CEO and the Executive Committee.



<p><b>Long-Term Incentives</b></p>	<p><b>Purpose</b></p> <p>To ensure sustainable performance, our executive remuneration practice links a significant portion of equity-based compensation to mid-term and long-term company financial and extra-financial (sustainability) strategic goals. The LTI program is benchmarked against global biopharmaceutical and biotechnology company practices. Our current program for our Executive Committee is a two-tiered incentive program which includes a stock option plan and a performance share plan. Eligibility for participation in the LTI Plans is at the Board's discretion.</p> <p><b>Operation</b></p> <p>- <b>Stock Options</b></p> <p>The Stock Option plans allow the beneficiary to purchase a UCB share at a certain price following defined vesting period. The vesting period is typically three years from the date of grant but can be longer depending on local practices. The vesting period may also be accelerated in the event of a change of control subject to the discretion of the Board or the GNCC. Once vested, stock options can be exercised when the share price exceeds the exercise (or grant) price and thus executives are incentivized to increase the share price over the vesting period. Other vehicles which follow the same vesting rules as the Stock Option Plans may be used outside of Belgium depending on local practices. UCB does not facilitate entering derivative contracts related to Stock Option, or hedge the risk attached, as this is not consistent with the purpose of the Stock Options. In the U.S., Stock Appreciation Rights are granted instead of stock options. These follow the same vesting rules as the Stock Option Plans but are settled in cash rather than in shares according to the appreciation in value of UCB stock. All stock options and stock appreciation rights expire on their tenth anniversary from the date of grant. The exercise price is fixed on the grant date without further discount on the underlying UCB share price. For executives holding a Belgian contract, taxes are due at the moment of grant based on the underlying value of the options.</p> <p>- <b>Performance Share Plan</b></p> <p>The Performance Share Plan aims at rewarding executives for specific achievements aligned with company strategic priorities. Performance shares are grants of UCB common stock to the executive group for which certain pre-established company-wide targets must be met at the time of scheduled vesting to effectively trigger vesting. The performance criteria and targets are defined by the Board upon proposal of the GNCC. The metrics used in this plan align to company and stakeholders' interests while being within the influence and control of our executives. They are also measurable over the plan's time horizon of 3 years. These criteria can be financial as well as extra-financial, internal or relative to an external reference, depending on the company strategic priorities, and are explained in the Remuneration Report.</p> <p>For each metric, a target is set at a level which is appropriately stretched. The number of shares awarded at grant is then adjusted at the end of the vesting period, 3 years later, based on the company's performance against each metric over this period and according to a pre-defined payout curve. The payout curve is designed considering different probabilities of success along the curve and if actual company performance is below a specified threshold, then no shares vest. The maximum vesting is at 150% of the original grant which is due if results are significantly above target and performance would be considered very exceptional.</p> <p>The vesting period may also be accelerated in the event of a change of control subject to the discretion of the Board or the GNCC.</p> <p>Additional information on malus and claw back and discretion provisions in relation to the long-term incentive for the CEO and our other Executive Committee members can be found in the paragraphs below the Policy table.</p> <p><b>Opportunity</b></p> <p>The long-term incentive target is expressed as a percentage of base pay and is reviewed periodically. The target LTI is set as 370% of base salary for the CEO and other Executive Committee members will be eligible for a target LTI between 90-300% of base salary depending on the role and profile of the individual.</p> <p>The corresponding value is translated into a number of long-term incentives using a fair market valuation of each award and spread across our long-term incentive vehicles based on a set allocation. This allocation is reviewed periodically by the GNCC and any change to the allocation is approved by the Board. As at the</p>
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	<p>date of this Remuneration Policy 2025, the allocation is 20% in stock options (or stock appreciation rights if applicable in the country of contract) and 80% in performance shares.</p>
<b>Share Ownership Guidelines</b>	<p><b>Purpose</b> Continue to align the CEO's and other Executive Committee members' interests with shareholder interests.</p> <p><b>Operation</b> This is in addition to ongoing unvested LTI plans which at any moment also represent an important share-based, long-term interest for the CEO and other Executive Committee members.</p> <p>We expect that shares vesting from the performance share plan, which represents 80% of the annual LTI grant value for the CEO and Executive Committee as at the date of the Remuneration Policy 2025, to be primarily used to reach the share ownership guideline. The vesting of performance shares is dependent on reaching the performance targets. On vesting a number of shares are delivered in cash to fund individual tax and social security obligations and the remaining shares are used to build the shareholding.</p> <p>As from the moment of implementation of these (increased) guidelines or from the date of hire, if later, the CEO and existing Executive Committee members have five years to reach these thresholds.</p> <p>Our stock option plan, which represents 20% of the annual LTI grant value for the CEO and Executive Committee as of the date of the Remuneration Policy 2025, is a long-term plan: options expire 10 years after grant, with a minimum 3 year vesting condition. We believe that this plan has an intrinsic ownership effect from the moment of vesting and UCB does not encourage executives to exercise options to meet the shareholding guideline. In addition, for those Executive Committee members with a Belgian contract, taxes are due at the moment of grant, without certainty of future value, which further emphasizes the ownership principle.</p> <p><b>Opportunity</b> The Board has set a minimum threshold of shares of the company to be held at any time by the CEO and other Executive Committee members, as set out below:</p> <ul style="list-style-type: none"> <li>• CEO: 300% of gross base salary</li> <li>• Executive Committee members: 100% of gross base salary</li> </ul>
<b>Pension</b>	<p><b>Purpose</b> Offers retirement benefits to executives.</p> <p><b>Operation</b> As the Executive Committee is international in composition the members participate in the pension plans available in their country of contract. Each plan varies in line with the local competitive and legal environment.</p> <p>All defined benefit plans at UCB are either frozen or closed to new entrants to the extent feasible. Any new Executive Committee member recruited externally would therefore automatically join either a defined contribution or cash balance plan.</p> <p>The CEO and Belgian based Executive Committee members participate in a cash balance retirement benefit plan which is fully funded by UCB. This is the same plan as applicable to other Belgian eligible employees. The benefit at retirement age is the capitalization at a guaranteed rate of return of the employer's annual contributions during affiliation with the plan. The CEO and other Executive Committee members also participate in the UCB executive supplementary defined contribution plan open to all executives with a Belgian contract.</p> <p><b>Opportunity</b> The details on company contributions or related service cost for the pension plans for the CEO and the other Executive Committee Members are shared in the Remuneration Report.</p>



## OTHER COMMENTS ON VARIABLE PLANS

### - MALUS & CLAWBACK PROVISION

UCB includes clawback and malus conditions in its variable pay plans (annual bonus and LTI plans) for the CEO and Executive Committee. In case of a triggering event (such as a restatement of consolidated financial statements, fraud or serious misconduct, a material breach of UCB's Code of Conduct or Dealing Code and/or conduct or actions that can reasonably be expected to cause reputational harm to UCB) the company will have the ability to clawback up to three years of annual bonus and LTI (vested and unvested) from the CEO and/or any other member of the Executive Committee.

### - APPLICATION OF DISCRETION

The Board, under recommendation of the GNCC, has discretion to adjust outcomes or the performance conditions of the Annual Bonus or Performance Share Plan, as per the respective plan rules, where the occurrence of certain events would unfairly advantage or disadvantage participants in the reasonable opinion of the Board; and/or the Board considers that the amount that a participant would/could receive under the Plan cannot be justified, or unfairly disadvantages or advantages a participant. In exercising this discretion, the Board may consider all circumstances, including but not limited to: the performance of the Company (financial or non-financial); changes in the Company's share price; unanticipated external events; and the performance, conduct and contribution of the participant.

Should the Board, under recommendation of the GNCC, exercise discretion to adjust outcomes as highlighted above, details of the context and the adjustment will be disclosed in the Remuneration Report.

## EXTRA-ORDINARY ITEMS

Under exceptional and isolated circumstances, the GNCC may temporarily deviate from this Remuneration Policy 2025 if such deviation serves the long-term interests and sustainability of UCB or assures its viability. In such case, the GNCC shall present a special request for an exception to the Board, for discussion and approval. As applicable, the Remuneration Report shall include information on any deviation during the relevant financial year, including its justification.

## RECRUITMENT REMUNERATION

When recruiting new executives externally, the GNCC would ensure any arrangements would be in the best interests of the company and its shareholders, not seeking to pay more than necessary to secure the right candidate. A sign-on arrangement may be granted in the form of a cash payment (typically with a clawback in case of voluntary departure in a specified period) and/or



shares (vesting over a multi-year period). The sign-on arrangement is not an automatic practice. This considers various factors such as losses that the candidate would otherwise incur in leaving another employer or other negative cashflow effects. They also consider retention ahead of our annual LTI plans vesting. If a sign-on arrangement is deemed necessary to attract a preferred candidate, the terms of any sign-on will be determined on a case-by-case basis. Preference is given to share-based awards and would typically include a performance requirement. If applied, information and the rationale of this arrangement will be disclosed in the Remuneration Report.

## TERMINATION ARRANGEMENTS

Given the international character of our Executive Committee as well as the dispersal of our various activities across different geographies our members have agreements governed by different legal jurisdictions. That being said, we strictly follow Belgian legal requirements for all agreements, i.e. not to exceed 12 months base salary and annual bonus without prior approval of the shareholders meeting. This would apply unless other local legislation prevailing over individual contractual arrangements would provide for other mandatory requirements, or if termination arrangements pre-dated the entry into force of the above mentioned Belgian legal requirements. The termination arrangements applying to the CEO and each other member of our Executive Committee is shared in the Remuneration Report.

## LEGACY PAYMENTS

The GNCC reserves the right to honor any remuneration payments linked to pre-existing legally binding obligations, in compliance with applicable laws, regulations, and the terms of individual contractual agreements. 'Legacy Payments' refer to any form of compensation, benefits, or obligations that are due to current or former Executives or Board members, under the terms of contractual agreements, compensation plans, or policies that were entered into prior to this Remuneration Policy 2025 coming into effect. This is provided that the terms of the payment were consistent with i) the Remuneration Policy applicable at the time they were awarded or ii) the terms applicable at a time when the individual was not a member of the Board / of the Executive Committee of the Company. Any such Legacy Payments will be reported in the Remuneration Report.

## TERMS AND CONDITIONS

Terms and conditions of this policy and general terms of employment and remuneration of Executive Committee members fully comply with local legal requirements.

The remuneration for Board members is determined by the General Meeting of Shareholders on the recommendation of the Board, acting upon proposals from the GNCC.

The remuneration for the CEO is determined by the Board, acting upon proposals from the GNCC,



whereas the remuneration for the Executive Committee members is determined by the Board, upon proposals from the CEO and the GNCC.

The GNCC regularly discusses and checks the relevance of the Remuneration Policy in view of the developments in the company's organization and strategy, changes in legislation or stakeholder considerations. In this context, the GNCC may propose changes to the Remuneration Policy to the Board, for final submission to the General Meeting of Shareholders. The Remuneration Policy is subject to approval of the General Meeting of Shareholders whenever any significant changes are made and, in any event, at least every four years.

