Regeneron’s Strategy In Relation To Taxation

Contents
I. Our approach to tax........................................................................................................ 1
II. How we manage our tax risks ....................................................................................... 1
III. Our attitude to tax planning .......................................................................................... 2
IV. Relationship with tax authorities .................................................................................. 3

I. Our approach to tax

Regeneron is a global fully integrated biopharmaceutical company that discovers, invents, develops, manufactures, and commercializes medicines for the treatment of serious medical conditions. Regeneron’s values, which are incorporated into our Code of Business Conduct and Ethics, are the foundation of our approach to taxation, bringing together Regeneron’s key principles of adhering to the highest ethical standards, acting with integrity and setting forth expectations to ensure we act in accordance with applicable laws, rules and regulations.

Regeneron’s business activities around the world incur a substantial amount, and variety, of taxes. Regeneron pays corporate income taxes, indirect taxes, customs duties, excise taxes, stamp duties, employment taxes, and other business taxes in all jurisdictions where applicable. Regeneron also collects and pays employee taxes and indirect taxes such as Value Added Tax (VAT).

II. How we manage our tax risks

Regeneron is committed to complying with all tax laws and regulations in all countries in which we operate, and to aligning our actions with our commitment to being a responsible corporate citizen. The internal policies and procedures we have in place are designed to ensure we comply with all applicable laws and regulations in the countries in which we operate and minimize our tax risks. Whilst we do not have a prescriptive level of tax risk, we generally have a small appetite for tax risk, and even then, only after undertaking the careful analysis outlined below.

Our systems ensure that issues are identified and that the necessary tax expertise is applied to consider and manage issues (escalating them where appropriate). Our governance systems also ensure that issues are monitored and, if appropriate, managed on an ongoing basis. We have established and maintain robust policies and compliance
processes, to ensure the integrity of our tax returns and timely and accurate tax payments in all countries in which we operate.

Regeneron’s Senior Vice President (SVP) of Tax oversees a team of experienced in-house professionals that collectively has the appropriate level of knowledge and skillset to manage the company’s tax affairs on a day-to-day basis and monitor tax risks across the business. The team includes an Executive Director of Tax Operations, Executive Director of Tax Planning, Senior Director of Transfer Pricing, and Senior Director of Employment Taxes to ensure appropriate experience and technical expertise. Material matters are escalated by the SVP of Tax to Regeneron’s Chief Financial Officer (CFO). Both the CFO and the SVP of Tax regularly report to Regeneron’s Audit Committee and Board of Directors. This strategy is supported by an internal control framework, with control compliance subject to regular reviews by our internal audit team and external auditors.

III. Our attitude to tax planning

Regeneron’s tax team collaborates with the business on commercial decisions to ensure that tax consequences are understood before any final decisions are made. Regeneron will consider the most tax efficient way to undertake business transactions in line with the spirit and letter of the law, whilst aligning with our Code of Business Conduct and Ethics. We will not engage in artificial transactions for tax efficiencies if the underlying commercial and economic value does not support our mission, corporate and social responsibilities, or future working relationship with taxing authorities. We may claim the benefit of legally available and permissible tax incentives, exemptions, and reliefs which are offered by tax authorities to all eligible taxpayers, to support investment, employment and economic development.

External advice will be sought where there is a need for specialist guidance and support, where material or non-routine transactions occur, or where there is uncertainty surrounding new tax legislation or developments. Advice is primarily sought from global accounting and law firms, with local experts consulted as needed.

Regeneron supports the principles behind multilateral initiatives toward greater transparency that increase understanding of tax systems and build public trust. We comply annually with the OECD’s country-by-country reporting (CbCR) requirements in support of the success of the Base Erosion and Profit Shifting (BEPS) project, which aligns with our core values of transparency and integrity. In line with current OECD guidelines and local transfer pricing requirements, we base our transfer pricing policy on the arm’s-length standard and support our transfer prices with economic analysis and reports.
IV. Relationship with tax authorities

Regeneron seeks to ensure that our relationship with tax authorities is professional, open and transparent, and undertaken with the spirit of cooperation in all jurisdictions in which we operate, including the Internal Revenue Service (IRS), Irish Revenue, and HM Revenue and Customs (HMRC) in the US, Ireland and the UK, respectively. We seek to achieve this through integrity and good conduct. We act in a constructive, courteous, and timely manner and ensure full disclosure of relevant information, which is central to our culture and approach to tax compliance. We are committed to ensuring that stakeholders are able to understand the important elements of Regeneron’s tax positions and that the information provided is full, fair and accurate.

This group tax strategy applies to Regeneron Group companies and includes application of UK tax laws and tax laws of all other jurisdictions in which we operate. Regeneron UK Ltd. considers the publication of this tax strategy as complying with their duties under paragraphs 19(2) and 22(2) of Schedule 19 of the Finance Act 2016 to publish a tax strategy in the current financial year. The group tax strategy was updated and published by December 31, 2023.