

## Regeneron's Strategy In Relation To Taxation

### **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 in [Code of Business Conduct and Ethics](#), are the foundations for 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.

### **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 acting in a way that upholds our reputation as 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 it where appropriate). Our governance systems also ensure the 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 Vice President (VP) of Tax oversees a team of experienced in-house professionals who collectively have the appropriate levels of knowledge and skillset to manage the company's tax affairs on a day-to-day basis and who monitor tax risks across the business. The team includes an Executive Director of Tax Operations, Senior Director of Tax Planning, and Director of Transfer Pricing to ensure appropriate experience and technical expertise. Material matters are escalated by the VP of Tax to Regeneron's Chief Financial Officer (CFO). Both the CFO and the VP 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.

### **Our Attitude to Tax Planning:**

Regeneron's tax team collaborate 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 reputation, 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 towards greater transparency that increase understanding of tax systems and build public trust. We support the implementation of the OECD's recommendations on country-by-country reporting (CbCR) as being a key to 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.

**Relationship with Tax Authorities:**

Regeneron seeks to ensure that our relationship with tax authorities is professional, open and transparent, and undertaken in a 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. 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, 2020.