

## Sawai Group Tax Policy

We in the Sawai Group believe that a healthy society and its sustainable development are the foundation of why we exist. We therefore fully recognize that taxes play a very important role in the economic and social development of each country and that every company has corporate social responsibility for appropriate tax payments in compliance with tax laws and regulations applicable in each country or region. We are also aware that analyzing and assessing tax risks accurately and paying taxes with a prime focus placed on fairness will help a company maximize its corporate value. From these comprehensive perspectives, we believe that it is important for us to establish and maintain a corporate tax governance system, and based on this belief, we have established the Sawai Group Tax Policy.

### 1. Tax Governance

The Group Officer in charge of Group Financial Department is responsible for the overall tax governance of the Sawai Group. In Japan, the Group has adopted a group tax relief system, with domestic tax affairs overseen and managed by the Group Finance Department. Outside Japan, tax affairs are handled by the department in charge at each overseas Group company. These domestic and overseas departments in charge of tax affairs not only implement preventive measures against the recurrence of the same kinds of tax-related problems as those raised by the tax authorities but also periodically monitor, evaluate, and review these measures and report the results to top management so that an effective system will be established to ensure that necessary measures are implemented.

### 2. Tax Compliance

Each Sawai Group company will pay taxes appropriately and fairly in compliance with tax-related laws and regulations applicable in the countries and regions of its operation, as well as tax-related international guidelines and rules.

### 3. Reducing Tax Risks

To reduce tax risks due to the volatility, uncertainty, and complexity of the business environment, the Sawai Group will seek advice from external tax specialists, collect tax-related information, inquire of and consult with the tax authorities prior to tax payments, and provide tax education to Sawai

Group officers and employees in charge of tax affairs, as well as build full awareness of tax-related rules throughout the Group.

#### 4. Tax Planning

The Sawai Group may utilize tax incentives for businesses that contribute to economic and social development within the scope of rationality with the aim of ensuring the fairness of its tax payments, thereby maximizing its corporate value. Meanwhile, the Group will not use tax incentives in any forms that do not match the objectives or actual state of its businesses. Moreover, the Group will not commit arbitrary forms of tax avoidance or evasion, including the use of tax havens, or plan tax affairs in an abusive manner.

#### 5. Transfer Pricing

The Sawai Group will comply with the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations. Transactions between Sawai Group companies are conducted at prices that are agreed upon based on the arm's length principle in advance on contract or otherwise, according to the functions of those respective companies, risks faced by them, and their major intangible assets. In addition, posterior checks are carried out to verify whether the pricing is in line with the prior agreements, while transfer pricing documentation that proves the appropriateness of the transfer pricing is prepared and kept. Furthermore, we utilize a system for prior confirmation with the tax authorities when necessary to ensure the appropriateness and fairness of our tax payments.

#### 6. Relationship with the Tax Authorities

The Sawai Group will build and maintain a relationship of trust with the tax authorities by responding sincerely to them in accordance with tax-related laws and regulations applicable in the countries and regions of its operation, as well as requirements imposed by the local tax authorities. In the event of disagreement with the tax authorities, we will strive to resolve it through sincere dialogue. If we cannot resolve it, we may adopt appropriate procedures after seeking expert opinions.

#### 7. Tax Transparency

The Sawai Group will disclose its tax information and tax-related policies in a timely and

appropriate manner in accordance with tax-related laws and regulations, disclosure standards, and accounting standards applicable in the countries and regions of its operation.

Supplementary Provisions

This Policy shall be under the charge of the Group Officer in charge of Group Financial Department of Sawai Group Holdings.

Amendment or repeal of this Policy shall require a resolution approved by the Sawai Group Holdings Board of Directors.

Enacted on January 26, 2024, and put into effect on February 1, 2024

Revised on April 26, 2024, and put into effect on June 25, 2024