

# Perrigo®



## Global Tax Strategy

This document reviewed and approved by the Audit Committee of the Board of Perrigo Company plc sets out Perrigo's strategy and approach to conducting its tax affairs for the year ending 31 December 2019. This document will be periodically reviewed by the Group Tax team and any amendments will be approved by the Audit Committee.

## About Perrigo

Perrigo is a leading global self-care company, dedicated to making lives better by bringing "Quality, Affordable Self-Care Products™" that consumers trust everywhere they are sold. Perrigo has built a unique business model that is best described as the convergence of a fast-moving consumer goods company, a high-quality pharmaceutical manufacturing organization and a world-class supply chain network. Perrigo is a leading provider of over-the-counter health and wellness solutions that enhance individual well-being by empowering consumers to proactively prevent or treat conditions that can be self-managed. The Company also is a leading provider of branded OTC products throughout Europe and the U.S., as well as a leading producer of "extended topical" prescription drugs. Perrigo, headquartered in Ireland, sells its products primarily in North America and Europe, as well as in other markets, including Australia, Israel and China.

Since the Company's founding in 1887, Perrigo has had a reputation for integrity and responsible conduct. That reputation, built over time, is what sets us apart with our consumers, customers and shareholders. It is the heart of our Company and its success.

## Approach to Doing Business

Perrigo's Code of Conduct, "We are Responsible", sets out the Company's expectations of its employees and our approach to tax aligns with that. The Code contains the global standards we must follow to ensure that we uphold the Company's core values, and it provides principles to guide our conduct and help us do what is right in all our business activities. Perrigo is committed to observing all applicable laws, rules, regulations, and reporting and disclosure requirements governing our business and transactions

Group Tax works with the global business to ensure this tax strategy is adopted and followed consistently across the Group, with clear lines of responsibility and accountability.

### ***Approach to Tax Planning***

Our approach to tax planning is consistent with and is aligned to the Group's Code of Conduct and approach to corporate governance and risk management wherever we operate. The Group Tax team supports our businesses to achieve their commercial objectives. Perrigo is supportive of the importance and the responsibility incumbent upon corporations to not wilfully engage in tax schemes that go against the intention of legislative authority. We conduct transactions with group companies on an arm's length basis and in accordance with relevant OECD guidelines and tax legislation of the countries where we operate.

### ***Relationship with Tax Authorities***

Perrigo is committed to complying with applicable tax laws in a responsible manner and to having open and constructive relationships with tax authorities, including Her Majesty's Revenue and Customs ("HMRC"), where possible. In line with our Code of Conduct, all dealings with tax authorities are conducted with integrity. Wherever possible and appropriate, we seek to be pro-active with tax authorities to resolve material uncertain tax matters as they arise. This includes seeking professional advice and/or advance clearances from tax authorities, including HMRC, on contemplated transactions as appropriate.

### ***Approach to Tax Risk Management***

Perrigo, in recent years, has increased its global footprint significantly. The Board and Audit Committee are committed to ensuring that Perrigo continues to have systems/procedures/processes and qualified tax staff in place to manage the impact of this increased global footprint and the impact of the increasingly complex external tax environment on the company.

Decisions on potential tax risk will be taken within the context of the overall business risk appetite of the company and commitments to our shareholders. Our approach to tax risk is aligned with our wider risk management policies and compliance framework across the organisation, taking into account our brand and our corporate and social responsibility. These policies and processes include but are not limited to, ethical and legal principles as summarized in our Code of Conduct policy to safeguard Perrigo from violating bribery, corruption and third party tax evasion legislation in the conduct of our business; policy around compliance with antitrust and competition laws in countries where we operate; a supplier code of conduct with respect to employment conditions, environmental responsibility, legal and ethical business practices, and facility security and inspections.

We operate an effective tax control framework to identify key tax risks and to manage those risks through appropriately designed and operated controls. We monitor and evaluate our tax controls regularly to ensure they stay fit for purpose and are adapted where necessary to address changing internal and external circumstances.

Diligent professional care and judgement will be employed to assess tax risks to arrive at well-reasoned conclusions on how the risks should be managed. Where there is uncertainty as to the application or interpretation of tax law, appropriate advice evidencing the facts, risks and conclusions may be taken from third party advisors to support the decision-making process. Where external tax advice is sought, we ensure that the principles expressed in this document continue to be adhered to with respect to that advice.

The Group Head of Tax is responsible for driving and implementing our approach to tax as set out in this document. The Audit Committee receives regular updates from the Head of Tax on significant tax risks and developments, and approves the approach adopted for tax provisions on material tax items in the financial statements (IFRS and US GAAP).

A dedicated tax team collaborates with their global business partners to provide advice and guidance necessary to ensure compliance, obtaining external advice where necessary. Group Tax will review the approach to taxation continuously in light of the general business environment, our business operations, tax laws and regulations and emerging business and tax risk.

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<sup>i</sup> This document is compliant with the UK tax strategy publication requirement set out in Part 2 of Schedule 19 FA 2016 as it applies to our UK sub-group. This Tax Strategy document was approved by the Audit Committee of the Board of Directors on 13/12/2018 with annual re-publication approved by the CFO on 11/12/2019. The Global Tax Strategy will be subject to continuous review and annual approval to ensure that the Group is adhering to its strategic aims and objectives.