

Bristol Myers Squibb Global Tax Policy and Approach

Introduction

Bristol Myers Squibb (BMS) is a global biopharmaceutical company whose mission is to discover, develop and deliver innovative medicines that help patients prevail over serious diseases. We focus on areas we believe can make a meaningful difference: oncology, hematology, immunology, cardiovascular and neuroscience.

As a global organization with operations in many countries around the world, we have a duty and responsibility to not only serve our patients, but also have a positive impact in the communities in which we operate. Our [Principles of Integrity](#) guide our decision-making and commit us to the highest standards of responsible and ethical behaviors.

Tax is a critical element of our corporate responsibility and part of our commitment to ensure that we are operating in a way that is ethical and responsible. We are committed to compliance with the tax laws in the countries in which we operate (including at the federal/national and regional/local levels) and to pay our required amount of taxes in full and on time. We are also committed to acting with integrity and to not illegally engage in tax evasion or tax fraud.

We have a robust risk management and governance framework for our tax organization that includes strong internal controls and an established audit network. We engage regularly with external auditors and have cooperative relationships with tax authorities and other key stakeholders.

This document outlines the global approach taken by BMS with respect to taxation and includes:

- Tax Strategy
- Tax Governance, Control, and Risk Management
- Stakeholder Engagement

Tax Strategy

We actively seek to comply with all tax laws in the countries where we operate. We analyze tax implications of our operations to ensure we are complying with the tax rules and regulations within each location. BMS is committed to paying all required taxes in each country, including corporate income taxes, property taxes, customs duties, employment tax, excise taxes, stamp duties, value added taxes, and other indirect taxes. We claim available allowances, deductions, reliefs, incentives, exemptions and credits to the extent allowed under applicable law.

Our tax strategy is informed and driven by our overall business strategy, including how the business operates, grows and develops. The tax impact of a structure or transaction is only one of many factors considered. We have internal controls and processes that are designed to mitigate and eliminate any behavior that could lead to tax evasion or tax fraud, such as seeking to avoid tax through so-called “tax havens” or “tax shelters.” When appropriate, we seek early advice and other input from external parties, including expert advisors and/or governmental authorities to ensure ongoing compliance.

To address patient needs around the world, our business requires a robust global structure of transactions among various affiliated companies. Such complex intercompany relationships are managed through rigorous analyses to ensure compliance with relevant tax laws. BMS maintains and

follows a transfer pricing policy consistent with U.S. and the Organization for Economic Co-operation and Development (“OECD”) Transfer Pricing Guidelines, and the OECD’s Base Erosion and Profit Shifting (“BEPS”) Project deliverables. We have also been analyzing the OECD’s Pillar II Framework to ensure that we will be ready and compliant when various countries’ laws become effective under this framework.

Tax Governance, Control, and Risk Management

As a business, we have developed robust mechanisms to ensure we act ethically and responsibly and uphold our [Principles of Integrity](#). Governance is a critical element of these principles and has helped shape the reporting structure for our tax governance and compliance.

Our tax function is led by the Senior Vice President of Tax who together with the Senior Vice President, Finance, Treasury and Tax Operations, reports to the Chief Financial Officer (CFO). The tax function and CFO periodically report to the Audit Committee of the Board of Directors. Tax risks are discussed with the Board of Directors periodically and, where appropriate, tax decisions are presented to the Board of Directors for review and endorsement.

Our tax function is conducted through a global network of qualified and trained tax professionals, who work closely with our business, and are committed to complying with tax laws and regulations in every country we operate while also satisfying reporting and disclosure requirements.

Our tax processes are subject to internal controls that govern our tax policies and financial reporting procedures; the processes are also subject to internal audits and external financial audit and tax authority reviews. We regularly review internal policies, procedures, training, and compliance programs over our key tax processes, and seek to continuously drive innovation and investment in technology to improve systems and increase the quality of our tax processes and data management.

Even with strong governance and robust tax processes and procedures, many companies know that tax risks naturally exist because tax law is inherently complex and changes in tax laws and regulations can and do occur. Significant judgment is required for determining the Company’s tax liabilities, and the Company’s tax returns are periodically examined by various tax authorities. We have faced, and may continue to face, audit challenges on how we apply a tax law or regulation.

The ultimate resolution of any tax matters may result in payments greater or less than amounts accrued, which could have a negative impact on our provision for income taxes. Where ambiguity or uncertainty is identified, we diligently consult with experts and audit professionals with industry experience to confirm that our tax positions are reasonable. We also monitor proposals and changes to tax laws and regulations in the countries where we operate to assess their impact on our business.

Stakeholder Engagement

We are committed to cooperative and transparent interactions/engagement with tax authorities in all countries of operation. We seek to submit correct tax returns on time. Where appropriate, we seek tax rulings from authorities or other types of agreements, if needed. These arrangements are directed at increasing long-term certainty for both tax authorities and BMS.

In the event a tax authority disagrees with our views on the appropriate tax treatment of a matter, we aim to engage with the tax authority, providing relevant facts and documentation to support our positions and to appropriately resolve disputes cooperatively and efficiently. Where the matter cannot

be settled with tax authorities, we may resolve the issue through appropriate dispute resolution channels.

We monitor tax law proposals in the jurisdictions in which we operate to endeavor to understand the impact of, and to be compliant with, potential tax law changes. Where appropriate and relevant, we may collaborate with industry groups to provide constructive business input on tax policy matters.

We are committed to acting with integrity and transparency. Our U.S. and non-U.S. income taxes and effective tax rate and other material tax items are reported publicly in our filings with the U.S. Securities and Exchange Commission (“SEC”) in accordance with SEC reporting requirements.