UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
CORPORATION FINANCE

March 24, 2025

John B. Beckman
Hogan Lovells US LLP

Re: Bristol-Myers Squibb Company (the "Company")
Incoming letter dated January 4, 2025

Dear John B. Beckman:

This letter is in response to your correspondence concerning the shareholder proposal (the "Proposal") submitted to the Company by James McRitchie for inclusion in the Company's proxy materials for its upcoming annual meeting of security holders.

The Proposal requests the board of directors issue a tax transparency report to shareholders prepared in consideration of the indicators and guidelines outlined in the Global Reporting Initiative's Tax Standard.

There appears to be some basis for your view that the Company may exclude the Proposal under Rule 14a-8(i)(7). In our view, the Proposal relates to the Company's ordinary business operations. Accordingly, we will not recommend enforcement action to the Commission if the Company omits the Proposal from its proxy materials in reliance on Rule 14a-8(i)(7).

Copies of all of the correspondence on which this response is based will be made available on our website at https://www.sec.gov/corpfin/2024-2025-shareholder-proposals-no-action.

Sincerely,

Rule 14a-8 Review Team

cc: James McRitchie

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January 4, 2025

Rule 14a-8(i)(7)

VIA ONLINE SHAREHOLDER PROPOSAL FORM

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, N.E.
Washington, D.C. 20549

Re: ***Bristol-Myers Squibb Company – Proposal Submitted by James McRitchie***

To Whom it May Concern:

On behalf of Bristol-Myers Squibb Company (the "***Company***"), we are submitting this letter pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934 to notify the Securities and Exchange Commission (the "***Commission***") of the Company's intention to exclude a shareholder proposal (the "***Proposal***"), and a statement in support thereof (the "***Supporting Statement***") submitted by James McRitchie (the "***Proponent***") from the Company's proxy statement and form of proxy (together, the "***2025 Proxy Materials***") to be distributed to the Company's shareholders in connection with its 2025 annual meeting of shareholders (the "***2025 Annual Meeting***"). The Company respectfully requests confirmation that the staff of the Division of Corporation Finance (the "***Staff***") will not recommend to the Commission that enforcement action be taken if the Company omits the Proposal from the 2025 Proxy Materials for the reasons discussed below.

In accordance with Staff guidance, this letter is being submitted using the Staff's online Shareholder Proposal Form. Pursuant to Rule 14a-8(j), a copy of this submission also is being sent to the Proponent. Rule 14a-8(k) and SLB No. 14D provide that a shareholder proponent is required to send to the Company a copy of any correspondence the proponent elects to submit to the Commission or the Staff. Accordingly, we hereby inform the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff relating to the Proposal, the Proponent should concurrently furnish a copy of that correspondence to the undersigned on behalf of the Company (by e-mail).

Pursuant to the guidance provided in Section F of Staff Legal Bulletin 14F (October 18, 2011), we ask that the Staff provide its response to this request to the undersigned via e-mail at the address noted in the last paragraph of this letter.

The Company intends to file its definitive 2025 Proxy Materials with the Commission on or about March 26, 2025.

THE PROPOSAL

The Proposal sets forth the following resolution to be voted on by shareholders at the 2025 Annual Meeting:

> **Resolved:** Bristol-Myers Squibb (BMY) shareholders request the Board of Directors issue a tax transparency report to shareholders, at a reasonable expense and excluding confidential information, prepared in consideration of the indicators and guidelines outlined in the Global Reporting Initiative's (GRI) Tax Standard.

A copy of the Proponent's complete submission, including the Proposal, the Supporting Statement, and related materials, is attached hereto as Exhibit A.

BASIS FOR EXCLUSION

The Company hereby respectfully requests that the Staff concur in its view that the Proposal may be excluded from the 2025 Proxy Materials pursuant to Rule 14a-8(i)(7) because the Proposal relates to the Company's ordinary business operations and seeks to impermissibly micromanage the Company.

Rule 14a-8(i)(7) – The Proposal Relates to the Company's Ordinary Business Operations and Seeks to Impermissibly Micromanage the Company

A. *Overview of Rule 14a-8(i)(7)*

A shareholder proposal may be excluded under Rule 14a-8(i)(7) if "the proposal deals with a matter relating to the company's ordinary business operations." The term "ordinary business" refers to matters that are not necessarily "ordinary" in the common meaning of the word; instead, the term "is rooted in the corporate law concept of providing management with flexibility in directing certain core matters involving the company's business and operations." *See* Securities Exchange Act Release No. 34-40018 (May 21, 1998) (the "***1998 Release***"). Per the 1998 Release, the underlying policy of the ordinary business exclusion is "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting."

In the 1998 Release, the Commission identified the two "central considerations" for the ordinary business exclusion. The first is the subject matter of the proposal, with the 1998 Release concluding that "[c]ertain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight." The second consideration is the degree to which the proposal attempts to micromanage a company by "probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment," which "may come into play in a number of circumstances, such as where the proposal involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies," even those circumstances where the proposal is found to address a significant social policy. Securities Exchange Act Release No. 34-40018 (May 21, 1998). The Commission noted in the 1998 Release that determinations as to the excludability of proposals on the basis of micromanagement will "be made on a case-by-case basis, taking into account factors such as the nature of the proposal and the circumstances of the company to which it is directed." *Id*. In addition, the Commission has indicated that "the Staff will take a measured approach to evaluating companies' micromanagement arguments" and "will focus on the level of granularity sought in the proposal and whether and to what extent it inappropriately limits discretion of the board or management." *See* Staff Legal Bulletin No. 14L (November 3, 2021).

Framing a shareholder proposal in the form of a request for a report does not change the nature of the proposal. The Commission has stated that a proposal requesting the dissemination of a report may be excludable under Rule 14a-8(i)(7) if the subject matter of the proposed report is within the ordinary business of the issuer. *See* Exchange Act Release No. 20091 (Aug. 16, 1983); *Johnson Controls, Inc.* (October 26, 1999) ("[Where] the subject matter of the additional disclosure sought in a particular proposal involves a matter of ordinary business . . . it may be excluded under [R]ule 14a-8(i)(7)."); *see also Ford Motor Co.* (March 2, 2004) (concurring with the exclusion of a proposal requesting that the company publish a report about global warming/cooling, where the report was required to include details of indirect environmental consequences of its primary automobile manufacturing business).

B. *The Proposal May be Excluded Under Rule 14a-8(i)(7) Because it Relates to the Company's Ordinary Business Operations*

The Commission and Staff have long held that shareholder proposals that relate to a company's management of its tax expense and financial reporting, both core aspects of management's day-to-day running of the company, may be excluded under Rule 14a-8(i)(7). Notably, the Staff has consistently recognized that proposals requiring the assessment and reporting of a company's approach to taxation and its tax management efforts are excludable under Rule 14a-8(i)(7). For example, in *Exxon Mobil Corp.* (March 20, 2024) ("***Exxon Mobil***"), the Staff permitted exclusion of a substantially identical proposal as the Proposal to "issue a tax transparency report to shareholders…prepared in consideration of the indicators and guidelines set forth in the Global Reporting Initiative's (GRI) Tax Standard," stating that such proposal "relates to ordinary business matters." The company in *Exxon Mobil* argued that that "[m]anagement of corporation taxation is a task fundamental to management's ability to run the company on a day-to-day basis" and that the level of information required by the proposal "is competitively sensitive, is not required by SEC public reporting standards, and is a matter to be properly determined by management as part of its risk management and oversight functions." In *Nike, Inc.* (June 22, 2018), the Staff concurred with exclusion of a proposal under Rule 14a-8(i)(7) requesting the company respond to rising public pressure to limit offshore tax avoidance strategies by adopting and disclosing to shareholders a set of principles to guide the Company's tax practices, on the basis that "the Proposal relates to decisions concerning the Company's tax expenses." *See also Allergan plc* (February 7, 2018) (permitting exclusion of a similar proposal) In *The Boeing Co.* (February 8, 2012), a proposal requested the Company to prepare a report "disclosing its assessment of the financial, reputational and commercial effects of changes to, and changes in interpretation and enforcement of, US federal, state, and local tax laws and policy that pose risks to shareholder value." The Staff concurred that the proposal was excludable under Rule 14a-8(i)(7) because it "relate[d] to decisions concerning the company's tax expenses and sources of financing." *See also Amazon.com, Inc.* (March 8, 2012) (same). Similarly, in *Amazon.com, Inc.* (March 21, 2011), the proposal requested the company to prepare a report regarding the board's assessment of "the risks created by the actions [the company] takes to avoid or minimize US federal, state and local taxes." The Staff concurred with the exclusion of the proposal under Rule 14a-8(i)(7) because it "relate[d] to decisions concerning the company's tax expenses and sources of financing." *See also The TJX Companies Inc.* (March 29, 2011) (same); *Wal-Mart Stores, Inc.* (March 21, 2011) (same); *The Home Depot Inc.* (March 2, 2011) (same); and *Lazard Ltd.* (February 16, 2011) (same).

The Staff has also concurred with exclusion under Rule 14a-8(i)(7) where a proposal requests a report on the estimated impacts of a flat tax for the company. *See, e.g., Verizon Communications Inc.* (January 31, 2006); *Johnson & Johnson* (January 24, 2006); and *General Electric Co.* (National Legal and Policy Center) (January 17, 2006). In addition, the Staff has historically found that proposals seeking additional, detailed financial disclosure, the subject matter of which involves ordinary business operations, may be excluded under Rule 14a-8(i)(7). *See, e.g., Citigroup Inc.* (February 20, 2008) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting disclosure of certain prescribed financial information on a website on a quarterly basis); *AmerInst Insurance Group. Ltd.* (April 14, 2005) (permitting the exclusion of a proposal requesting that the board provide each quarter a full, complete and adequate disclosure of the accounting of the line items and amounts of the operating and management expenses of the company); *Johnson Controls, Inc.* (October 26, 1999) (permitting the exclusion of a proposal requesting additional disclosure of financial statements in reports to shareholders); and *Santa Fe Southern Pacific Corp.* (January 30, 1986) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting disclosure of cost basis financial statements to all shareholders, noting that the proposal related to the conduct of ordinary business operations, including "financial disclosure not required by law").

Here, as in *Exxon Mobil*, the Proposal concerns the Company's management of its tax expense and tax strategies because it seeks a tax transparency report "prepared in consideration of the indicators and guidelines outlined in the Global Reporting Initiative's (GRI) Tax Standard." In 2019, the Global Sustainability Standards Board (GSSB), GRI's independent standard-setting body, approved the GRI Tax Standard, known as GRI 207.[1] To implement the Proposal, the Company would be required to consider each of the "indicators and guidelines" prescribed in the four components under GRI 207:

• GRI 207-1 would require the Company to include a description of the Company's approach to tax, including tax strategy, approach to regulatory compliance and how the approach is linked to its business and sustainable development strategies.[2]

• GRI 207-2 would require the Company to include a description of its tax governance and control framework, including the approach to tax risks and how compliance with tax governance and control framework is evaluated. [3]

• GRI 207-3 would require the Company to report on its approach to "stakeholder engagement and management of stakeholder concerns related to tax," including the approach to "engagement with tax authorities" and "public policy advocacy on tax."[4]

• GRI 207-4 would require the Company to disclose, on a country-by country basis, all tax jurisdictions of which the Company and its subsidiaries are tax residents, and for each country, the names of the resident entities, revenues from third-party sales and intra-group transactions, profit and loss before tax, tangible assets other than cash and cash equivalents and corporate income tax paid on a cash basis.[5]

Although the Company's existing policies, principles and disclosures already incorporate many of these concepts, the specific and comprehensive disclosure framework set forth in GRI 207 would override management's judgment and require an analysis and disclosure of complex corporate taxation and financial reporting matters on which "shareholders, as a group, would not be in a position to make an informed judgment," as shareholders would be unable to fully understand the Company's tax strategies and related risk assessments, and the reporting thereof, without the requisite knowledge of tax regulations and policies. *1998 Release*.

The Company is one of the world's leading biopharmaceutical companies and is engaged in the discovery, development, licensing, manufacturing, marketing, distribution, and sale of biopharmaceutical products on a global basis. Its products are sold worldwide, through wholesalers, distributors, specialty pharmacies, retailers, hospitals, clinics and government agencies. The Company operates manufacturing operations in the U.S., Puerto Rico, Switzerland, Ireland, and the Netherlands and has employees in 43 different countries. As a taxpayer with subsidiaries in a number of domestic and foreign jurisdictions, the Company is subject to various tax regimes that involve many complex rules, regulations and tax authorities. Managing the Company's tax strategies requires an intricate understanding of current and pending tax

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[1] https://www.globalreporting.org/standards/standards-development/topic-standard-for-tax/.
[2] *See* GRI 207: Tax 2019 ("GRI 207"), *available at*: https://www.globalreporting.org/pdf.ashx?id=12434.
[3] *Id*. at 9.
[4] *Id*. at 11.
[5] *Id*. at 12.

regulations and policies (including changes in interpretation and enforcement) in every country where the Company operates. The Company's assessment of the impact of tax regulations and the possible implications from changes in tax law and policy necessarily impacts ordinary business decisions on a variety of routine matters that are core to the Company's day-to-day operations, ranging from decisions regarding the management of expenses and sources of financing, legal compliance, product pricing, and the location of manufacturing and research facilities. Tax management, compliance and planning associated with the multitude of jurisdictions where the Company operates is highly complex and requires significant management resources and effort that involves expert judgment and advice from hundreds of internal and external tax professionals with multi-jurisdictional tax expertise.

In addition, the Company is subject to numerous tax reporting obligations, including under Commission regulations, foreign reporting requirements, and the Company's own Global Tax Policy and Approach policy statement,[6] and is also analyzing and planning for new and proposed tax compliance and reporting obligations, which include those proposed by the Financial Accounting Standards Board, the Organisation for Economic Co-operation and Development's (OECD) Inclusive Framework on Base Erosion Profit Shifting's Model Global Anti-Base Erosion (GloBE) rules (Pillar Two), and the European Union's Corporate Sustainability Reporting Directive (CSRD). Navigation of these standards requires significant management expertise and judgment to comply with complex and intricate reporting requirements, and this expertise and judgment is fundamentally a part of the Company's ordinary business of tax compliance and reporting. The Company's compliance with these or other frameworks may implicate some or most of the standards requested by the Proposal, but it is management, and not shareholders, who is best positioned to steer the Company's specific reporting strategy and determine the best way to ensure the Company has met its multi-faceted, and multi-jurisdictional, reporting obligations.

Tax management, compliance and planning is thus a significant component of the Company's business strategies, financial planning, financial reporting and legal compliance, which are precisely the types of ordinary business issues which should remain with the Company's management and board and which would be inappropriate for direct shareholder oversight. Management of corporate taxation, and the public reporting thereof, is fundamental to management's operation of the Company on a day-to-day basis.

Accordingly as in Exxon Mobil, *Nike, Inc.* (June 22, 2018), *The Boeing Co.* (February 8, 2012) and the other precedent cited above, the Proposal relates to the Company's management of its tax expense and financial reporting, both core aspects of management's day-to-day running of the Company, and is therefore excludable under Rule 14a-8(i)(7).

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[6] https://www.bms.com/assets/bms/us/en-us/pdf/global-tax-policy.pdf

C. ***The Proposal Does Not Raise Significant Social Policy Issues that Transcend the Company's Ordinary Business Operations***

In the 1998 Release, the Commission distinguished proposals pertaining to ordinary business matters that are excludable under Rule 14a-8(i)(7) from those that "focus on" significant social policy issues and indicated that proposals that relate to both ordinary business matters and significant social policy issues may be excludable if the proposals do not "transcend the day-to-day business matters." In Staff Legal Bulletin No. 14L (November 3, 2021) ("***SLB 14L***"), the Staff states that in making a determination on whether a proposal raises a significant social policy issue, it will "focus on the social policy significance of the issue that is the subject of the shareholder proposal" and "consider whether the proposal raises issues with a broad societal impact, such that they transcend the ordinary business of the company." The mere fact that a proposal is phrased to reference or invoke issues that could implicate significant social policy issues under the Staff's current interpretation of Rule 14a-8(i)(7) is not sufficient to transcend day-to-day business matters. A proposal may still be excluded when it effectively focuses on an ordinary business matter. When assessing proposals under Rule 14a-8(i)(7), the Staff will also consider the terms of the resolution and its supporting statement as a whole. *See* Staff Legal Bulletin No. 14C (June 28, 2005) ("In determining whether the focus of these proposals is a significant social policy issue, we consider both the proposal and the supporting statement as a whole.").

Accordingly, shareholder proposals that focus on ordinary business matters and only touch upon topics that might raise significant social policy issues—but which do not focus on such issues—are not transformed into proposals that transcend ordinary business. As a result, such proposals remain excludable under Rule 14a-8(i)(7). For example, in *Amazon.com, Inc.* (April 8, 2022), the company argued that the proposal, which requested a report on workforce turnover and an assessment of its impact on the company's diversity, equity and inclusion, merely "touches upon a significant social policy issue" but primarily related to an ordinary business matter, and was distinguishable from a proposal related to human capital management practices that raise specific social policy issues "with a broad societal impact." *See also CIGNA Corp.* (February 23, 2011) (permitting exclusion under Rule 14a-8(i)(7) when, although the proposal addressed the potential significant policy issue of access to affordable health care, it also asked CIGNA to report on expense management, an ordinary business matter); *Capital One Financial Corp.* (February 3, 2005) (permitting exclusion under Rule 14a-8(i)(7) when, although the proposal addressed the significant policy issue of outsourcing, it also asked the company to disclose information about how it manages its workforce, an ordinary business matter).

As demonstrated by the Staff's concurrence in these precedents, citing potential social policy implications in a proposal does not qualify as "focusing" on such issues, even if the social policies happen to be the subject of substantial public focus. The underlying subject of the Proposal—like in Exxon Mobil—is to seek extensive incremental financial disclosure (by jurisdiction) concerning the Company's "business activities, including revenues, profits and losses, and tax payments within each jurisdiction." This level of information is not required by Commission public reporting standards and is a matter to be properly determined by management as part of its own risk management and oversight functions. While the Supporting Statement references alleged profit shifting and tax avoidance among jurisdictions, the focus of the Proposal is primarily related to tax expense management and reporting, an area that has long been held by Staff precedent (as cited above) to be within the realm of day-to-day business matters. Accordingly, the Proposal may be excluded under Rule 14a-8(i)(7).

D. *The Proposal May be Excluded Under Rule 14a-8(i)(7) Because it Seeks to Micromanage the Company*

As mentioned above, a proposal that seeks to micromanage a company is excludable under Rule 14a-8(i)(7). As stated by the Commission, the exclusion of a proposal under Rule 14a-8(i)(7) on micromanagement grounds "may come into play in a number of circumstances, such as where the proposal involves intricate detail, or seeks to impose specific time frames or methods for implementing complex policies." 1998 Release. Proposals that impermissibly micromanage a company "by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment" are excludable under Rule 14a-8(i)(7), even in circumstances where the proposal is found to address a significant social policy. *Id*. The Staff has repeatedly confirmed that the micromanagement basis of exclusion also applies to proposals that call for a study or report. To that end, the Staff has stated that this "approach is consistent with the Commission's views on the ordinary business exclusion, which is designed to preserve management's discretion on ordinary business matters but not prevent shareholders from providing high-level direction on large strategic corporate matters." SLB 14L. SLB 14L set forth the Staff's current approach to the micromanagement analysis, which is to "focus on the level of granularity sought in the proposal and whether and to what extent it inappropriately limits discretion of the board or management." *Id.*

In the period following the release of SLB 14L, the Staff has permitted exclusion under micromanagement grounds of numerous proposals requesting reporting of information that is significantly less complex and detailed than the information requested by the Proposal. *See e.g.*, *Delta Air Lines, Inc.* (April 24, 2024) (permitting exclusion of a proposal requiring a report regarding "union suppression expenditures," including internal and external expenses); *Paramount Global* (April 19, 2024) (permitting exclusion of a proposal requesting disclosure of the recipients of corporate charitable contributions of $5,000 or more); *Walmart Inc.* (April 18, 2024) (permitting exclusion of a proposal submitted by Green Century Capital Management requiring a breakdown of greenhouse gas emissions for different categories of products in a manner inconsistent with existing reporting frameworks); *Amazon.com, Inc.* (April 1, 2024) (permitting exclusion of proposal calling for highly detailed living wage report); *Deere & Co*. (January 3, 2022) (permitting exclusion of proposal requesting publication of employee-training materials). Even when a proposal raises significant social policy issues, the Staff has permitted exclusion on the basis of micromanagement where the proposal seeks information of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment. *See e.g.*, *Air Products & Chemicals*, *Inc.* (November 29, 2024) (permitting exclusion of a proposal requesting a detailed annual report on the company's lobbying activities and payments that would require dozes of distinct pieces of information); *Amazon.com, Inc.* (April 7, 2023) (permitting exclusion of a proposal requesting the company measure and disclose scope 3 greenhouse gas emissions from the company's full value chain by imposing a specific method for implementing a complex policy without affording discretion to management); *Chubb Limited* (March 27, 2023) (permitting exclusion of a proposal requesting the board adopt and disclose a policy related to risks associated with new fossil fuel exploration and development project would micromanage the company); *Phillips 66* (March 20, 2023) (permitting exclusion of a proposal requesting an audited report describing the undiscounted expected value to settle obligations for the company's asset retirement obligations with indeterminate settlement dates); *The Coca-Cola Co.* (February 16, 2022) (permitting exclusion of proposal requiring the company to submit any proposed political statement to the next shareholder meeting for approval prior to issuing the statement publicly).

The Proposal is highly prescriptive and granular in the information covered by its requested report. Section B. above details the extensive disclosures and reporting that would be required of the Company in order to comply with the Proposal's cited GRI 207 reporting standard. Preparing the requested report would require an analysis of financial, economic, and tax-related information for every jurisdiction in which the Company operates and require disclosure that would go far beyond the information called for under existing Commission tax reporting rules and regulations. For example, the report would require, among other things, on a country-by country basis, reporting of all tax jurisdictions of which the Company and its subsidiaries are tax residents, and for each country, the names of the resident entities, revenues from third-party sales and intra-group transactions, profit and loss before tax, tangible assets other than cash and cash equivalents and corporate income tax paid on a cash basis. This information would be unduly burdensome to produce, is competitively sensitive, and is much more detailed than the disclosures made by most of the Company's primary peers. The Proposal would require granular disclosure of tax expenses on a jurisdiction-by jurisdiction basis regardless of their significance to the Company's operations, or even with respect to their significance to the Company's overall tax obligations. This level of detail is asymmetrical to the level of detail that the Company provides with respect to its other business activities or categories of operating expenditures.

Furthermore, the Proposal ignores the fact that tax management and structure are highly complex and based on a range of considerations related to the day-to-day operations of the business, and also that such activities are already subject to disclosure under Commission financial reporting rules and other state and foreign requirements, and that the Company already files publicly accessible information relating to its tax expenses in its financial statements (including an extensive breakdown of the Company's effective tax rate, U.S. statutory Federal income tax rate, tax benefits and expenses, deferred taxes, tax valuation allowance and unrecognized tax benefits)[7]. The Company has also published its aforementioned Global Tax Policy and Approach policy statement that discloses the Company's principles related to tax strategy, tax governance, control and risk management and stakeholder engagement. These existing disclosures are carefully calibrated by management to provide transparency to stakeholders under legal and accounting requirements and additional voluntary disclosure principles, and are properly vetted by internal controls, internal audits and external financial audit

[7] *See, e.g.*, "Note 7. Income Taxes" to the Company's consolidated financial statements included in its Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

and tax authority reviews. As noted above, the Company is also currently analyzing new tax reporting obligations proposed by, among others, the Financial Accounting Standards Board, the OECD Inclusive Framework on Base Erosion Profit Shifting's Model GloBE rules (Pillar Two), and the CSRD. These standards are complex and intricate, and require significant management expertise and judgment to navigate. The Company's management requires flexibility and opportunity to prepare its tax reporting program in compliance with such frameworks and its internal principles in a manner that provides transparency while also protecting competitively sensitive information. Adherence to a new and prescriptive shareholder-imposed tax reporting framework among a sea of overlapping global requirements would limit management's discretion to chart the course of the Company's tax reporting program, reduce management's ability to balance the many competing factors inherent to disclosure determinations and subject the Company to redundant and/or inconsistent reporting requirements, any of which would impermissibly micromanage a foundational management task related to tax compliance and reporting.

In addition, implementation of the Proposal would impermissibly micromanage management's discretion in administering the Company's ordinary business matters relating to tax planning and reporting. Tax planning decisions are made by management and tax professionals with the requisite knowledge of both the applicable tax rules and regulations and the Company's operations to ensure the Company makes properly informed decisions. This requires knowledge across over numerous national jurisdictions with many additional sub-jurisdictions and is not isolated by any specific region. The analysis is further complicated by the need to understand how competing tax regimes relating to operations, manufacturing, employment and sales are interwoven. Taxation in each jurisdiction is overlaid by U.S. federal income tax rules which require the Company, as a U.S. multinational, to account for its global operations and the elements of worldwide taxation to which it is subject. To understand and synthesize such tax data from the Company, and to make decisions regarding the public reporting thereof, requires dedicated teams of tax experts with specialized country knowledge. The Proposal, by overriding management's judgment about tax reporting and planning with that of the shareholders', impermissibly limits management's discretion in this core business area.

In sum, the Proposal seeks to micromanage the Company by probing too deeply into matters of a complex nature in seeking disclosure of the intricate details of the manner in which the Company manages its tax expenses, and limits management's discretion to choose the form, substance, or manner of its disclosure. Accordingly, the Proposal should be excluded under Rule 14a-8(i)(7) because it seeks to micromanage the Company with respect to its global tax policies by probing too deeply into matters of a complex nature in seeking a report that requires detailed and sensitive information about which shareholders would not be in a position to make an informed judgment at an annual meeting.

CONCLUSION

For the reasons discussed above, the Company believes that it may omit the Proposal from its 2025 Proxy Materials. We request the Staff's concurrence in our view or, alternatively, confirmation that the Staff will not recommend any enforcement action if the Company excludes the Proposal.

If you have any questions or need additional information, please feel free to contact me at (202) 637-5464. Correspondence regarding this letter may be sent to me by e-mail at: john.beckman@hoganlovells.com.

Sincerely,

John B. Beckman

Enclosures

cc: Amy Fallone, Bristol-Myers Squibb Company
Lisa A. Atkins, Bristol-Myers Squibb Company
James McRitchie
John Chevedden

<u>Exhibit A</u>

Proponent's Submission

CorpGov.net: Corporations are not Democratic-Free Zones

Bristol-Myers Squibb Company
Route 206 & Province Line Road
Princeton, NJ 08543
Attention: Corporate Secretary
Via: [redacted]@bms.com
cc: Atkins, Lisa <[redacted]@bms.com>; Gardella, Alexis <[redacted]@bms.com>; Lesniewska, Sylwia <[redacted]@bms.com>; Bail, Sophie <[redacted]@bms.com>
Tel: [redacted]

Dear Kimberly Jablonski or current Corporate Secretary:

I am submitting the attached shareholder proposal, which I support, for a vote at the next annual shareholder meeting requesting that Bristol-Myers Squibb Company issue an annual Tax Transparency Report. I will meet Rule 14a-8 requirements, including the continuous ownership of the required stock value until after the date of the next shareholder meeting.

My submitted format, with the shareholder-supplied emphasis, is intended to be used for definitive proxy publication. I am available to meet with a Company representative via phone on December 16 or 17, 2024, at 7:30 am Pacific or at mutually convenient time.

John Chevedden is authorized to present this proposal at the forthcoming shareholder meeting if I am unavailable. Please copy John Chevedden (PH: [redacted], [redacted]) at: [redacted] (at) earthlink.net in future communications.

Avoid the time and expense of filing a deficiency letter to verify ownership by acknowledging receipt of my proposal promptly by emailing [redacted]@corpgov.net. That will prompt me to request the required letter from my broker and submit it to you.

Per SEC SLB 14L https://www.sec.gov/corpfin/staff-legal-bulletin-14l-shareholder-proposals, Section F, Staff "encourages both companies and shareholder proponents to acknowledge receipt of emails when requested." As stated above, I so request.

Sincerely, November 26, 2024

J. McRitchie

James McRitchie Date

James McRitchie

[BMY: Rule 14a-8 Proposal, November 22, 2024]
[This line and any line above it – *Not* for publication. *Proposal number to be assigned by Company.]

ITEM 4* — Tax Transparency Report

Resolved: Bristol-Myers Squibb (BMY) shareholders request the Board of Directors issue a tax transparency report to shareholders, at reasonable expense and excluding confidential information, prepared in consideration of the indicators and guidelines outlined in the Global Reporting Initiative's (GRI) Tax Standard.

Supporting Statement

BMY's tax practices and failure to disclose has harmed our company's reputation, resulting in an investigation into whether BMY was using an "abusive" tax shelter that would cheat the United States out of $1.4 billion in taxes.[1] Tax transparency is required to restore BMY's reputation and prevent future losses.

BMY does not disclose revenues or profits in non-US markets, and foreign tax payments are not disaggregated, challenging investors' ability to evaluate the risks to BMY of taxation reforms or whether BMY is engaged in responsible tax practices that ensure long-term value creation. BMY's alleged profit shifting to Ireland is central to current scrutiny involving its tax practices.[2]

Global OECD tax reforms are now implemented worldwide. There are growing demands for the United Nations to play a stronger role, ensuring multinationals pay taxes where profits are earned. The Financial Accounting Standards Board adopted new reporting requirements on tax payments, effective in 2025. A European Union directive to implement country-by-country reporting (CbCR) is effective in 2024.[3] Similar legislation is expected in Australia in the same timeframe.

Unchecked corporate tax avoidance poses a risk to the long-term portfolios of diversified investors. While such activities may help one company, they can cause externalities for other companies, taxpayers, consumers, and workers — ultimately hampering economic value creation and portfolio growth upon which long-term diversified investors depend.[4]

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[1] https://www.nytimes.com/2021/04/01/business/bristol-myers-taxes-irs.html
[2] https://www.investigate-europe.eu/posts/deadly-prices-pharma-firms-stash-profits-in-europes-tax-havens-as-patients-struggle-with-drug-prices
[3] https://www.internationaltaxreview.com/article/b1vf7yc65qpzcd/this-week-in-tax-eu-on-track-for-public-cbcr-by-2023
[4] https://theshareholdercommons.com/wp-content/uploads/2024/09/Sample-Text_Portfolio-focused-Proxy-Actions_2024September.pdf

The GRI Standards is the world's most utilized reporting standard, actively supported by global investors representing over $10 trillion.[5] The GRI Tax Standard was developed in response to investor concerns regarding the lack of corporate tax transparency and the impact of tax avoidance on governments' ability to fund services and support sustainable development.[6] It is the first comprehensive, global standard for public tax disclosure. It requires public reporting of a company's business activities, including revenues, profits and losses, and tax payments within each jurisdiction.[7]

Profit shifting by corporations is estimated to cost the US government $70 - 100 billion annually.[8] The OECD estimates annual revenue losses of $100 – 240 billion globally.[9] The PRI states that tax avoidance is a key driver of global inequality.[10] Further reforms and greater international scrutiny of BMY's tax practices will continue to put shareholders at risk without greater transparency.

This proposal would bring BMY's disclosures in line with leading companies using the Tax Standard.[11] The reporting burden is negligible, since BMY already reports similar confidential CbCR information shared with OECD tax authorities.

Enhance Shareholder Reputation and Value, Vote FOR
Lobbying Disclosure – Proposal [4*]
Except for footnotes, this line and any line below are n*ot* for publication.
Number 4* to be assigned by the Company

The above graphic is intended to be published with the rule 14a-8 proposal. It would be the same size as the largest management graphic (or highlighted management text) used in conjunction with a management proposal or opposition to a Rule 14a-8 shareholder proposal in the proxy.

The proponent is willing to discuss mutual elimination of both shareholder graphic and any management graphic in the proxy regarding this specific proposal. Reference SEC Staff Legal Bulletin No. 14I (CF) [16].

> Companies should not minimize or otherwise diminish the appearance of a shareholder's graphic. For example, if the Company includes its own graphics in its proxy statement, it should give similar prominence to a shareholder's graphics. If a company's proxy statement appears in black and white, however, the shareholder proposal and accompanying graphics may also appear in black and white.

Notes: This proposal is believed to conform with Staff Legal Bulletin No. 14B (CF), September 15, 2004, including (emphasis added):

> Accordingly, going forward, we believe that it would not be appropriate for companies to exclude supporting statement language and/or an entire proposal in reliance on rule 14a-8(i)(3) in the following circumstances:
>
> - the Company objects to factual assertions because they are not supported;

[5] https://assets.kpmg/content/dam/kpmg/xx/pdf/2020/11/the-time-has-come.pdf
[6] https://www.globalreporting.org/about-gri/news-center/backing-for-gri-s-tax-standard/
[7] https://www.globalreporting.org/standards/standards-development/topic-standard-for-tax/
[8] https://thefactcoalition.org/trillions-at-stake-behind-the-numbers-at-play-in-u-s-international-corporate-tax-reform/
[9] https://www.washingtonpost.com/us-policy/2020/11/19/global-tax-evasion-data/
[10] https://www.globalreporting.org/about-gri/news-center/backing-for-gri-s-tax-standard/
[11] https://www.globalreporting.org/about-gri/news-center/momentum-gathering-behind-public-country-by-country-tax-reporting/

James McRitchie

- the Company objects to factual assertions that, while not materially false or misleading, may be disputed or countered;
- the Company objects to factual assertions because those assertions may be interpreted by shareholders in a manner that is unfavorable to the Company, its directors, or its officers; and/or
- the Company objects to statements because they represent the opinion of the shareholder proponent or a referenced source, but the statements are not identified specifically as such.

It is appropriate under rule 14a-8 for companies to address these objections in their statements of opposition.

See also Sun Microsystems, Inc. (July 21, 2005)

I also take this opportunity to remind you of the SEC's guidance and my request that you acknowledge receipt of this shareholder proposal submission. SLB 14L Section F, https://www.sec.gov/corpfin/staff-legal-bulletin-14l-shareholder-proposals, Staff "encourages both companies and shareholder proponents to acknowledge receipt of emails when requested."

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22 January 2025

Office of the Chief Counsel
Division of Corporation Finance
Securities & Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

By online electronic portal

Re: Shareholder proposal to Bristol-Myers Squibb Co. from James McRitchie

Dear Counsel:

This is a response on behalf of James McRitchie to the letter ("Bristol-Myers Letter") from counsel for Bristol-Myers Squibb ("Bristol-Myers" or the "Company") dated 4 January 2025, in which the Company advises of its intent to omit the McRitchie shareholder proposal (the "Proposal") from the Company's 2025 proxy materials. For the reasons below, we respectfully ask you to advise Bristol-Myers that the Division does not concur with the Company's view that the Proposal may be excluded from Bristol-Myers's proxy materials.

THE PROPOSAL

The Proposal states:

> RESOLVED: Bristol-Myers Squibb (BMY) shareholders request that the Board of Directors issue a tax transparency report to shareholders, at reasonable expense and excluding confidential information, prepared in consideration of the indicators and guidelines set forth in the Global Reporting Initiative's (GRI) Tax Standard.

The Supporting Statement discusses the importance of tax transparency to Bristol-Myers, noting an investigation into whether the Company was using an "abusive" tax shelter to avoid $1.4 billion in taxes. The Company does not disclose revenues or profits in non-U.S. markets, and foreign tax payments are not disaggregated, challenging investors' ability to evaluate the risks to the Company of taxation reforms or whether the Company is engaged in responsible tax practices that ensure long-term value creation.

The Supporting Statement adds that a particular concern is profit shifting of revenue to Ireland, with a growing demand for multinational enterprises to pay taxes where profits are earned. The Financial Accounting Standards Board adopted new reporting requirements on tax payments, effective in 2025. A European Union directive to implement country-by-country reporting ("CbCR") is effective in 2024. Similar legislation is expected in Australia.

The Supporting Statement argues that unchecked corporate tax avoidance poses a risk to the long-term portfolios of diversified investors and recommends adoption of Global Reporting Initiative ("GRI") standards, which were developed in response to concerns about a lack of corporate tax transparency and the impact of tax avoidance on governments' ability to fund services and support sustainable development. Base erosion and profit shifting by multinational enterprises are estimated to cost the U.S. government $70 to $100 billion annually and is viewed as a key driver of global inequality. Other companies make disclosures using the GRI tax standards. Compliance with the Proposal would be impose minimal costs, as Bristol-Myers currently reports country-by-country information to nations in the Organization of Economic Cooperation and Development ("OECD") nations on a confidential basis.

In response Bristol-Myers Squibb states an intent to omit the Proposal from the Company's proxy materials. The Company cites Rule 14a-8(i)(7), which permits the exclusion of proposals dealing with a company's "ordinary business." As we now discuss, however, the Company has failed to sustain its burden of establishing that the Proposal may be excluded, and we respectfully ask the Division to advise the Company accordingly.

DISCUSSION

The Company breaks its analysis into three parts, namely, that the Proposal relates to the Company's ordinary business, is devoid of a transcendent "significant" policy issue, and would micromanage the Company's business. Because the first two points are inter-related – an "ordinary business" matter can be a proper subject for a proposal if it presents a significant policy issue -- we discuss the first two arguments together and then answer the micromanagement point."

I. The Proposal Presents a Significant Policy Issue.

Bristol-Myers' argument that the Proposal deals with ordinary business matters rests on 17 letters from 1986 to 2018, which concluded that various tax-related issues related to promoting compliance and the like did not present issues rising above a company's "ordinary business" operations. Bristol-Myers Letter, pp.

3-5. Curiously, Bristol-Myers never mentions a 2022 decision *involving the same "resolved" clause* in which the Division denied relief, explaining that "the Proposal transcends ordinary business matters." *Amazon.com Inc. (Missionary Oblates of Mary Immaculate-United States Province)* (5 April 2022).

The transcendent policy issue in *Amazon,* as well as here, is known as "base erosion and profit shifting" or "BEPS," which the OECD has described as follows:

> Base erosion and profit shifting (BEPS) – where multinationals shift profits to low or no-tax locations where they have little or no economic activity or erode tax bases through deductible payments like interest or royalties – costs countries USD 100-240 billion in lost revenue annually. That is equivalent to 4-10% of global corporate income tax revenue. Although some BEPS schemes are illegal, most are not. BEPS practices undermine the fairness and integrity of tax systems because businesses that operate across borders can use them to gain a competitive advantage over enterprises operating at a domestic level. In a broader context, when large corporations are seen to be avoiding income tax, it undermines voluntary compliance by all taxpayers.[1]

The practice is most common in industries with significant intangible assets – pharmaceuticals and technology firms are prominent examples – and these patents, trademarks and copyrights are held by overseas subsidiaries or affiliates in countries with a lower tax rate than the home country. Revenues attributed to these subsidiaries or affiliates are thus taxed at a lower rate.

The only post-*Amazon* letter that Bristol-Myers cites is *ExxonMobil Corp. (Oxfam America)* (20 March 2024), where Exxon argued that *Amazon* was "distinguishable because Exxon is in a different type of industry, where BEPS issues are not salient. As Exxon's letter explained (PDF p. 6, emphasis added):

> In the case of some other multi-national companies, the core social policy the Staff was likely concerned about – potential profit allocation by multi-national corporations to other jurisdictions – is not applicable with respect to the Company. *Profit shifting is not widely available to oil and gas companies like the Company, given that large-scale, hard asset businesses producing tangible products are generally taxed in the countries in which they operate*. The Company is in the energy and

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[1] OECD, *Base erosion and profit shifting* (2024), available at https://www.oecd.org/en/topics/policy-issues/base-erosion-and-profit-shifting-beps.html#:~:text=Base%20erosion%20and%20profit%20shifting%20(BEPS)%20%E2%80%93%20where%20multinationals%20shift,billion%20in%20lost%20revenue%20annually.

> petrochemical industry and its principal business involves, among other things, exploration for, and production of, crude oil and natural gas, operating refineries and chemical plants, and selling tangible products to customers through brick and mortar retailers.

This distinction makes sense. BEPS may be a concern in some industries, but not others. Wherever the line may be drawn, however, the issue is plainly "significant" as to Bristol-Myers. If there is any doubt on that score, consider the following statement in a 2022 letter to Bristol-Myers from Senate Finance Committee Chairman Wyden:

> According to public reports, in 2012 Bristol Myers developed a sophisticated tax avoidance strategy where it shifted intellectual property rights for several prescription drugs to a newly created offshore subsidiary to shift untaxed gains and generate amortization deductions. At the time, Bristol Myers's U.S. operations held patents on several drugs with a fair market value that had already been fully amortized for tax purposes, while an Irish Bristol Myers subsidiary held patents that it had not yet fully amortized and thus would produce tax deductions. Bristol Myers then reportedly formed a new foreign partnership in Ireland by transferring the patent rights from existing U.S. and Irish affiliates to the newly created partnership. Bristol Myers then proceeded to allocate tax deductions from the new partnership structure in a way that would use amortization deductions associated with Irish patents to offset U.S. taxes [while simultaneously shifting untaxed gains of the U.S. affiliates to the foreign affiliate] and substantially lowering its tax rate. This strategy was extraordinarily effective, as Bristol Myers's effective tax rate declined from 24.7 percent in 2011 to negative 7 percent in 2012."[2]

In the remainder of this section, we explain how the BEPS issue developed as a matter of policy significance and how it remains a transcendent policy issue today.

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[2] Letter to Giovani Caforio, Chairman of the Board and Chief Executive Officer from Senator Ron Wyden, available at Wydehttps://www.finance.senate.gov/imo/media/doc/RW%20to%20Bristol-Myers%20Squibb%201-18-22%20final.pdfn (18 January 2022).

A. Profit shifting in a digital age: a brief chronology.[3]

In the current age, it is not difficult for multinational companies to hold their intangible assets such as patents, trademarks and copyrights in overseas subsidiaries or affiliates in countries with a lower tax rate than the home country. Until 2017, the United States generally taxed U.S. companies based on their worldwide income, while allowing U.S. companies to defer the tax on earnings by their foreign subsidiaries' active business earnings until the earnings were repatriated to the United States as dividends.

Not surprisingly, this situation gave multinational companies an incentive to hold trillions of dollars overseas rather than repatriating them, a situation that raised policy questions about whether U.S. corporate tax rates were too high and whether money earned by U.S. companies for their U.S. sales and operations were not being fairly taxed in the United States.

This situation led to a perception that companies were not paying a "fair share" of taxes in the countries where they earned profits. As a result, by early 2021, 15 of the 37 member nations of the Organization for Economic Cooperation and Development (and many significant non-OECD countries) had proposed or implemented a "digital services tax" ("DST").[4] Although there are variations between DSTs, they share similar characteristics: they are targeted at larger multinationals over a specified global revenue threshold, and they tax revenue from specified digital streams (*e.g.,* digital content, advertising, sale of user data, etc.). DSTs were largely seen as targeting large U.S. technology companies, and these taxes

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[3] Numerous sources discuss the events described in this section. Some of the more helpful (and succinct) of these are Congressional Research Service, *Issues in International Corporate Taxation: The 2017 Revision (P.L. 115-97)* (updated 16 December 2021), available at https://sgp.fas.org/crs/misc/R45186.pdf; Tax Policy Center, *Key Elements of the U.S. Tax System, Taxes and Multinational Corporations*, available at https://www.taxpolicycenter.org/sites/default/files/briefing-book/taxes_and_multinational_corporations_2.pdf ; OECD BEPS, *International collaboration to end tax avoidance*, available at https://www.oecd.org/tax/beps/; and *Digital Services Tax, Why the World is Watching*, BLOOMBERG TAX (6 January 2021), available at https://news.bloombergtax.com/daily-tax-report/digital-services-tax-why-the-world-is-watching.

4 PwC, *Digital Services Taxes: Are They Here to Stay?*, available at https://www.pwc.com/us/en/services/tax/library/digital-service-taxes.html.

prompted U.S. trade officials to consider retaliatory measures.[5]

The policy response to this situation occurred at several levels.

At the international level, in 2013 the OECD and G/20 nations launched a "Base Erosion and Profit Shifting" ("BEPS") project, under which United States and 140 other jurisdictions, through a set of 15 "actions," sought to end tax avoidance. "Action 13" required multinational companies of a certain size to engage in country-by-country reporting of revenues and other data to the relevant tax authorities using standards developed by the OECD.

Within the United States, the Internal Revenue Service implemented country-by-country reporting requirements for large multinational companies, and in 2017 Congress enacted the Tax Cuts and Jobs Act, which changed the dynamic in significant ways, primarily by lowering the tax on corporate profits earned overseas, in an effort to induce companies to repatriate those assets back to the United States, where they could be put to productive use creating jobs and growing the economy. It was estimated that U.S. companies repatriated $665 billion in 2018, the first year the TCJA was in effect.[6]

The TCJA also eliminated the tax on repatriated dividends that U.S. multinationals received from their foreign subsidiaries, but introduced a new tax on "global intangible low-taxed income" or "GILTI," which is the income earned by overseas affiliates from such intangible items as patents, trademarks and copyrights in low tax jurisdictions, such as Ireland. A new 10.5% tax on such GILTI was intended to discourage profit shifting and to approximate the income from a company's intangible assets that are held overseas. (The TCJA also enacted an alternative minimum tax – the "Base Erosion and Anti-abuse Tax" or "BEAT" to discourage certain payments to foreign entities.)

B. The 2021 OECD agreement.

As this summary indicates, there are limits on what a single country can do on its own to deter efforts by companies to engage in profit shifting to low-tax jurisdictions.

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[5] *Digital Services Tax: Why the World is Watching*, BLOOMBERG TAX (6 January 2021), available at https://news.bloombergtax.com/daily-tax-report/digital-services-tax-why-the-world-is-watching.

[6] CNBC, U*S companies bring home $665 billion in overseas cash last year, falling short of Trump pledge (*27 March 2019), available at https://www.cnbc.com/2019/03/27/us-companies-bring-home-665-billion-in-overseas-cash-last-year.html.

That brings us to October 2021, with a breakthrough agreement in which 137 jurisdictions voted to revamp global tax laws.[7] It is difficult to overstate the significance of this development, and multiple outlets described it as "once-in-a-century."[8] As *Financial Times* put it:

> The deal would be the first fundamental change to the system of cross-border corporate taxation in a century and would impose a minimum 15 per cent global tax rate to end what was seen as harmful competition between countries to attract footloose profits."[9]

This "once-in-a-century" agreement adopted a "two pillar approach":

• Pillar One is expected to reallocate taxing rights on more than US$125 billion to market jurisdictions each year, with developing country revenues expected to exceed those in advance economies, as a proportion of existing revenues. As part of reaching agreement on Pillar One, Austria, France, Italy, Spain and the United Kingdom agreed to withdraw any unilateral tax measures on all companies (including digital services taxes), and refrain from imposing new unilateral measures.[10]

• Pillar Two introduces a global minimum corporate tax rate set at 15% for companies with revenue exceeding €750 million and to generate approximately US$150 billion in additional annual global tax revenues.[11]

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[7] OECD/G20, *Base Erosion and Profit Shifting Project, Statement on a Two-Pillar Solution to Address the Tax Challenges Arising from the Digitalisation of the Economy* (8 October 2021), available at https://www.oecd.org/tax/beps/statement-on-a-two-pillar-solution-to-address-the-tax-challenges-arising-from-the-digitalisation-of-the-economy-october-2021.pdf.

[8] *E.g.*, *Barron's, What's Behind the Tax Deal of the Century?* (12 October 2021), available at https://www.barrons.com/articles/whats-behind-the-tax-deal-of-the-century-51633989261.

[9] *OECD close to final global deal on corporate tax*, FINANCIAL TIMES (2 November 2021), https://www.ft.com/content/3e3e6a7d-67d5-437d-a7b2-29c52ce9c78f..

[10] Joint Statement issued 21 October 2021, available at https://home.treasury.gov/news/press-releases/jy0419..

[11] OECD, *International community strikes a ground-breaking tax deal for the digital age* (8 October 2021), available at https://www.oecd.org/tax/international-community-strikes-a-ground-breaking-tax-deal-for-the-digital-age.htm.

As the *Financial Times* article indicates, the policy significance of the OECD agreement is hard to understate. Speaking at the Davos Agenda in January 2022, Treasury Secretary Janet Yellen summarized what is at stake here and what the OECD agreement can accomplish:

> Over the past several decades the burden of taxation — in the United States and globally — has shifted away from corporations and onto the middle class. A significant reason for this shift is tax competition among nations. This competition has created a race to the bottom in corporate tax rates on footloose capital. In this competition, no country is a winner, and working and middle-class people around the world lose. Large multinational corporations have been incentivized to stash profits in their low-taxed subsidiaries around the world in tax-driven and inefficient transactions. This race-to-the-bottom thus depletes governments of the re- sources they need for the complex challenges they face. From the U.S. perspective, perverse corporate tax incentives have caused some companies to shift real economic activity beyond our borders, further contracting supply and reducing our nation's productive capacity.
>
> This past summer, in a remarkable testament to the power of U.S. leadership and multilateralism, 137 countries—representing nearly 95 percent of the world's GDP—have agreed to rewrite the international tax rules to impose a global minimum tax on corporate foreign earnings.
>
> This historic global tax deal will end this race to the bottom by ensuring that profitable corporations pay their fair share, providing governments with resources to invest in their people and economies. At the same time, it will level the playing field so that all multinational companies will face a minimum tax on their foreign earnings, rather than just U.S. companies. This new system will improve productivity by incentivizing businesses to allocate capital to its most productive use, rather than to the use that produces that best tax result. A more efficient allocation of capital via a more level playing field, achieved in a manner that improves fairness for workers, represents a win-win that aligns with the modern supply side approach.[12]

The OECD agreement is not self-executing, and there were thus efforts to

[12] *Remarks by Secretary of the Treasury Janet L. Yellen at the 2022 "Virtual Davos Agenda" Hosted by the World Economic Forum* (21 January 2022), available at https://home.treasury.gov/news/press-releases/jy0565.

implement it in various countries.[13] For the United States this could mean that apart from changes already made under existing law, there was a need for an international convention (yet to be drafted) or domestic legislation.

C. More recent developments.

Over the past three years there has been considerable activity and debate regarding the TCJA and Pillar 1/Pillar 2 regime, both globally and in the United States. These developments have been chronicled in numerous sources, but a good summary of international developments to date appears in a recent G20 report to member nations' finance ministers and central bank governors.[14]

Domestically, there has been considerable activity as well. Biden's "Build Back Better Act" bill in 2021 proposed changes to the GILTI structure,[15] although those changes were not incorporated in the final version of the legislation. In addition, there has been considerable attention of late on the many provisions in the TCJA that are set to expire at the end of this year unless they are extended.

The policy concerns have been multi-faceted, with opposition from some who are concerned about an undue impact of U.S. corporations competing internationally,[16] while others remain critical of profit shifting even after passage of the TCJA. One constant has been concern about offshore activities of Bristol-Myers and other U.S. pharmaceutical companies, as evidenced by a November 2020 *Tax Notes* report, based on a review of Form 10-Ks from 2015-2019, which concluded that despite the TCJA's reduced incentives to shift profits outside the United States, "the pharmaceutical industry as a whole hasn't significantly shifted

[13] International Tax Review, *EU on track for public CbCR by 2023*, available at https://www.internationaltaxreview.com/article/b1vf7yc65qpzcd/this-week-in-tax-eu-on-track-for-public-cbcr-by-2023.

[14] OECD Secretary-General Tax Report to G20 Finance Ministers and Central Bank Governors (October 2024), available at https://www.oecd.org/content/dam/oecd/en/publications/reports/2024/10/oecd-secretary-general-tax-report-to-g20-finance-ministers-and-central-bank-governors-g20-brazil-october-2024_33399b18/fe5ba0b2-en.pdf

[15] FACT Coalition, *FACT Sheet: Build Back Better and International Tax Reform Summary* (February 2021) available at https://thefactcoalition.org/fact-sheet-build-back-better-international-tax-reform-summary/.

[16] *E.g.,* Reuters, *Yellen defends global corporate minimum tax deal amid Republican criticism* (30 April 2024), available at https://www.reuters.com/world/us/yellen-us-negotiating-rd-tax-credit-part-global-tax-deal-2024-04-30/.

profits into the United States."[17]

The competing viewpoints, with a focus on the drug industry, were on display in a May 2023 Senate Finance Committee hearing, at which time Democratic members focused on a recent report showing that pharmaceutical companies were reporting a collective 75% of taxable income in foreign subsidiaries, including for some drugs that are household names, while Republican members expressed concern about the tax burden on U.S. companies under Pillar Two and related issues.[18]

Much has happened around the world over the last decade, as the European Union and other countries have sought to adopt policies to promote tax transparency and to deal with the underlying conditions that prompted the 2021 agreement discussed above.[19] To be sure, a new Administration in Washington may choose to take a different approach from the Biden policy discussed above, but companies such as Bristol-Myers operate globally, and the policy issues raised here will remain salient regardless of any shifts in U.S. policy.

D. Profit shifting as a sustainability issue.

There is a final, perhaps less obvious, public policy issue at stake here, and that is sustainability. As the OECD observed in 2015, when the BEPS project was at an earlier phase:

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[17] Tax Notes, *TCJA Not Enough to Shift Big Pharma Profits to U.S.* (30 November 2020) (copy attached as Exhibit 1).

[18] EY, *Senate Finance Committee holds Rx, international tax hearing* (12 May 2023), available at https://taxnews.ey.com/news/2023-0874-senate-finance-committee-holds-rx-international-tax-hearing. The Joint Committee on Taxation report is *Present Law and Economic Background Relating to Pharmaceutical Manufacturers U.S. International Tax Policy* (11 May 2023), available at https://www.jct.gov/getattachment/0740c591-8b12-447a-a33b-503ce7f5bb3a/x-8-23.pdf

[19] *E.g.*, EY, *How a decade of transparency forever changed the tax world* (November 2024), available at https://www.ey.com/en_us/insights/tax/how-a-decade-of-transparency-forever-changed-the-tax-world; PwC, *Global Tax Transparency and Tax Sustainability Reporting Study 2024* https://www.pwc.com/gx/en/services/tax/tax-esg/tax-transparency-and-tax-sustainability-reporting-study-2024.pdf; EU Tax Observatory, *Advancing Corporate Tax Transparency* (June 2024), available at https://www.taxobservatory.eu/www-site/uploads/2024/06/Advancing_tax_transparency_2024.pdf

> Taxation plays a central role in promoting sustainable development. Developing countries face significant challenges in improving thei tax capacities and mobilising domestic resources. Their engagement in the international tax agenda, including on BEPS, is therefore important to address their specific challenges. [20]

In March 2020, the General Assembly of the United Nations set up a high-level body to assess the impacts of illicit financial flows on achieving the 2030 sustainable development goals ("SDGs"), and propose recommendations to ensure the integrity of global financial systems for sustainable development. The body, the Financial Accountability, Transparency and Integrity ("FACTI") Panel identified "tax abuse" as a key impediment to achieving sustainable development.

A key recommendation of the UN FACTI panel was to introduce requirements that "all private multinational entities publish accounting and financial information on a country-by-country basis."[21] The panel stated:

> There is a public interest in the transparency of corporations, to enable stakeholders such as outside investors (*e.g.* pension funds) to appropriately judge the value of an enterprise, including by weighing the risks embedded in the approach of the MNE [multinational enterprise] management to tax planning. [22]

That report also discussed how developing nations can be adversely affected by the current tax situation, as did another OECD BEPS report that cited developing nations' "higher reliance on corporate income tax means they suffer from BEPS disproportionately."[23]

This is not simply the view of OECD or its member nations. Consider this

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[20] OECD, *Mobilising domestic resources through tackling base erosion and profit shifting* (July 2015), available at https://www.oecd.org/dac/financing-sustainable-development/Addis%20flyer%20-%20BEPS.pdf.

[21] FACTI, *Financial Integrity for Sustainable Development: Report of the High Level Panel on International Financial Accountability, Transparency and Integrity for Achieving the 2030 Agenda,* at p. 20 (February 2021), available at https://uploads-ssl.webflow.com/5e0bd9edab846816e263d633/602e91032a209d0601ed4a2c_FACTI_Panel_Report.pdf.

[22] Id. at 21.

[23] OECD, BEPS, *International collaboration to end tax avoidance*, available at https://www.oecd.org/tax/beps/.

statement by BP, an oil giant that operates in many parts of the developing world, which wrote in its 2020 tax report "How tax fits into our sustainability frame:

> Our sustainability frame connects the business opportunity of the energy transition with the needs of society and the environment. We believe the taxes we pay and collect can have a role to play in getting to net zero, improving people's lives and caring for the planet.
>
> The taxes we pay and collect help support sustainable economic growth in the countries where we operate. Governments can use taxes to help fund development plans to build vital infrastructure, create jobs, and facilitate a just energy transition.[24]

A 2022 news report summarized developments in this are as follows:

> In 2014, the Dow Jones Sustainability Index began to include elements with respect to tax strategy, policy and reporting in its indexing criteria. This inclusion was part of a larger focus on the effective tax rates of major multinationals and whether such companies were paying their fair share of taxation.
>
> In 2017, the U.K. began to require large companies to publicly report their U.K. tax strategy. This reporting includes information with respect to the company's approach to managing tax risk, its approach to tax planning and how it works with the U.K. taxing authority. While some companies responded to the U.K. rules by publishing a global tax policy statement, most companies complied by issuing a U.K.-specific tax policy statement.[25]

* * *

In short, these factors – a once-in-a-century international agreement, significant legislative activity domestically, a clearly developing world-wide trend line, companies' integrating their tax policy into sustainability policy – surely indicate that base erosion and profit shifting issues have "significant" policy imlications that transcend the ordinary business of Bristol-Myers or any business.

II. <u>The Proposal Does Not Involve Micromanagement.</u>

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[24] BP, *Tax Report 2020* at p. 8, available at https://www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/sustainability/group-reports/bp-tax-report-2020.pdf.

[25] *Tax Reporting Considerations Amid Calls For Transparency*, LAW 360 (9 February 2022) (copy attached as Exhibit 2).

Bristol-Myers makes an argument that was not explicitly raised in the 2022 *Amazon* letter, namely, that the Proposal engages in micromanagement. The argument seems to focus on the fact that the Proposal seeks country-by-country reporting using the *GRI Tax Standard* developed by the Global Reporting Initiative. Unfortunately, the Company's argument does not convey an accurate picture of what the Proposal is seeking or what disclosure would entail.

In *Amendments To Rules On Shareholder Proposals*, Exchange Act Release No. 40018, 63 Fed. Reg. 29106 (28 May 1998), the Commission emphasized that the "ordinary business" exception rests on two considerations: (1) the fact that tasks are so fundamental to management's ability to run a company that they don't lend themselves to shareholder oversight, and (2) some proposals may be viewed as an effort to micromanage the company by probing too deeply into matter that shareholders, as a group, are not in a position to make an informed judgment. *Id*. at 29108 (footnote omitted). Even so, the Commission has long held the view that some topics may transcend ordinary business concerns if they have "significant policy, economic or other implications inherent in them." *Adoption of Amendments Relating to Proposals by Security Holders*, Exchange Act Release No. 12999, 41 Fed. Reg.52994, 52998 (3 December 1976).

There are two principal reasons why the specific request does not involve micrdomanagement. First, country-by-country reporting is a significant policy issue. Second, while Bristol-Myers is willing to hurl around descriptions such as "highly prescriptive" and "granular" and "burdensome" (Bristol-Myers Letter, p. 9), those descriptions are at odds with the facts, which the Company never addresses..

Is country-by-country reporting a significant issue? As a barometer of policy significance of this issue, consider the views stated in a June 2020 Deloitte survey of nearly 300 tax and finance managers and executives in 38 countries:

- 57% of respondents agreed or strongly agreed that their organization's tax strategy is now part of a corporate responsibility agenda, not a compliance issue;

- 71% agreed or strongly agreed that public reporting of country-by-country type information will occur over the next few years.[26]

[26] Deloitte, *Finding Opportunity in the Midst of Uncertainty* at pp. 10, 32 (June 2020), available at https://www2.deloitte.com/content/dam/Deloitte/global/Documents/Tax/dttl-tax-beps-survey-2020-report.pdf.

Along the same lines a 2021 global study of 1300 public companies by FTSE Russell disclosed that 24% of companies surveyed in "developed Europe" disclose geographic breakdowns of corporate taxes paid.[27]

A significant factual point that Bristol-Myers never mentions is that U.S. multinational companies must currently make country-by-country financial disclosures to the Internal Revenue Service. According to the IRS website:

> Parent entities of U.S. multinational enterprise (MNE) groups with $850 million or more of revenue in a previous annual reporting period file Form 8975, Country-by-Country Report. Form 8975 is used to report a U.S. MNE group's income, taxes paid, and other indicators of economic activity on a country-by-country basis.[28]

As noted above, this reporting requirement is a step to implement "Action 13" of the 15 actions recommended by the OECD Base Erosion and Profit Shifting project. As a result, Bristol-Myers is presumably telling the IRS at least some of the country-by-country financial information sought by the Proposal, and, as the Supporting Statement notes, Bristol-Myers is presumably making country-by-country reporting to OECD tax authorities.

We turn now to the criticism of the recommended standard, *GRI Tax Standard*, also known as *GRI 207: Tax 2019*, which became effective on 1 January 2021.[29] The reason for recommending the *GRI Tax Standard*, is as follows: Before that January 2021 date, much of the country-by-country-reporting occurred using OECD reporting standards and earlier versions of the *GRI Tax Standard*; the OECD standards and the GRI standards are closely aligned, however,[30] and at this

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[27] Edmund Bourne, Charles Dodsworth, and Jaakko Kooroshy, *Global Trends in Corporate Tax Disclosure* at 14 (2021), available at https://content.ftserussell.com/sites/default/files/global_trends_in_corporate_tax_disclosure_final_2.pdf.

[28] IRS, *U.S. Multinational Enterprises,* available at https://www.irs.gov/businesses/international-businesses/us-multinational-enterprises. A link to the two-page Form 8975 is included in the text, and Schedule A to that Form (https://www.irs.gov/pub/irs-pdf/f8975sa.pdf) sets forth the items to be reported.

[29] A copy of the *GRI Tax Standard* is attached for convenience as Exhibit 3. Further information about GRI is available at https://www.globalreporting.org/about-gri/.

[30] *Comparison of GRI 207: Tax 2019 & OECD Action 13 BEPS Country-by-Country Report*, available at https://www.globalreporting.org/standards/media/2537/comparison-gri-207-tax-2019-oecd-beps.pdf.

point, the *GRI Tax Standard* is the most up-to-date set of standards. As Royal Dutch Shell explained in its 2020 tax report:

> GRI 207 provides best practice reporting guidance and contains many measures that Shell had already adopted. Some elements, such as the country-by-country reporting requirement, concerned information that we published according to OECD guidelines. In our Sustainability Report, we report performance against the GRI standards, including on tax.[31]

Thus, the reporting to date tends to focus on country-by-country reporting as an element of a company's sustainability practices. In addition to the BP and Shell reports cited above, other examples include:

• **Randstad,** a Dutch company, provides an excellent example of what compliance with the Proposal could resemble. That company's annual report reflects what reporting under the *GRI Tax Standard* would look like. The country-by-country reporting (at pp. 228-230) includes all relevant GRI indicators and lists all countries and subsidiaries (at pp. 231-234), and while an index (at p. 239) explains where the reader can find elsewhere in the annual report Randstad's narrative discussion on the GRI 207 standards. For convenience, we attach those pages as Exhibit 4.[32]

• In 2021 AngloAmerican plc, a British-listed mining company, published two documents using the *GRI Tax Standard* to summarize the company's activities in 2020. The first was its *Tax and Contribution Report for 2020*, based on the *GRI Tax Standard,* which included (at p. 11) a GRI Content Index identifying where the reader could find the narrative disclosures contemplated by the *GRI Tax Standard* (the GRI 207-1, -2,-3 and -4 factors outlined there).[33]

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[31] Royal Dutch Shell, *Tax Contribution Report* 2020, at 20, available at https://reports.shell.com/tax-contribution-report/2020/_assets/downloads/shell-tax-contribution-report-2020.pdf.

[32] Randstad, *Annual Report 2020* (February 2021), available at https://www.randstad.com/s3fs-media/rscom/public/2021-02/randstad-annual-report-2020.pdf.

[33] AngloAmerican, *Tax and Economic Contribution Report 2020* (May 2021), available at https://www.angloamerican.com/~/media/Files/A/Anglo-American-Group/PLC/investors/annual-reporting/2021/tax-and-economic-contribution-report-2020.pdf.

The second report contains country-by-country reports prepared using GRI 207 criteria. The country-by-country reporting in that addendum includes all relevant GRI indicators (at pp. 3-6), as well as a full list of subsidiaries in those countries (at pp. 7-23).[34] The Content Index in the report for 2020 and the country-by country disclosures in the second report are consistent with what the Proposal requests, and copies of the relevant pages are attached as Exhibit 5.

• Philips, a technology company, includes a three-page country-by-country report in its 2020 report[35] (at pp. 67-69) and an "approach to tax" summary (at pp. 4-5). These disclosures are consistent with what the Proposal requests, and copies of the relevant pages are attached as Exhibit 6.

CONCLUSION

For the foregoing reasons, we respectfully ask you to advise Bristol-Myers Squibb that the Division does not concur with the Company's position that this Proposal may be excluded from the Company's proxy materials.

Thank you for your consideration of these points. Please do not hesitate to contact me if there is any additional information that we can provide.

Respectfully submitted,

Cornish F. Hitchcock

Cornish F. Hitchcock

cc: John B. Beckman

[34] AngloAmerican, *Country by country reporting publication (Report 2020),* available at https://www.angloamerican.com/~/media/Files/A/Anglo-American-Group/PLC/investors/annual-reporting/2021/anglo-american-country-by-country-report-2020.pdf.

[35] Philips, *2020 Country Activity and Tax Report* (February 2021), available at PhilipsCountryActivityAndTaxReport2020.pdf.

<u>Exhibits</u>

EXHIBIT 1

Martin A. Sullivan, *Irish Data Confirm IP Shift from Havens to the United States*, at pp. 1, 3, TAX NOTES (18 January 2022)

Irish Data Confirm Tech IP Shift From Havens to the United States

POSTED ON JAN. 18, 2022

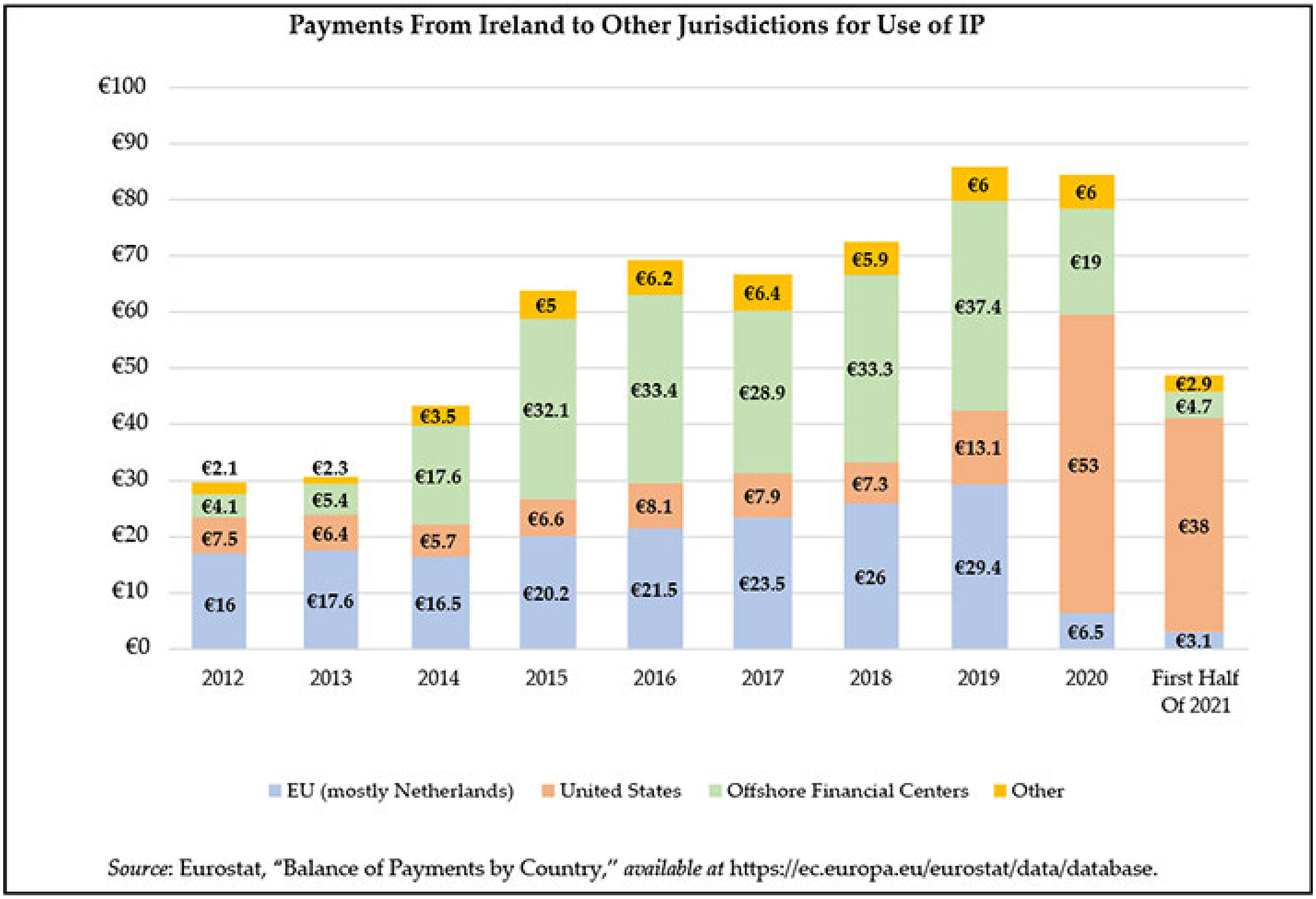
By

MARTIN A. SULLIVAN
Contact Author

In 2020 large amounts of U.S. technology companies' worldwide profits shifted into the United States. We can infer this from foreign-domestic profit splits in some company annual reports, from increases in the benefits of the deduction for foreign-derived intangible income, and now from Ireland's revenue statistics that show a sharp rise in royalties paid by Irish subsidiaries for intellectual property held in the United States.

That last development, a €40 billion increase between 2019 and 2020, was previously reported by Seamus Coffey of University College Cork and Daniel Bunn of the Tax Foundation. (Prior coverage and citations are provided at the end of this article.)

The figure shows the amount and the destination of payments for the use of IP by businesses located in Ireland. This is a component of balance of payments data compiled by Eurostat, the statistical office of the European Union. The four destinations shown in the table are the United States, offshore financial centers, the European Union, and other geographic locations. Offshore financial centers are 40 mostly very small jurisdictions, including Bermuda, the Cayman Islands, and Jersey. Most payments to the European Union are to the Netherlands, so it is a good proxy for the Netherlands' data (which isn't publicly available for all years).



In the aggregate, total payments to Ireland for the use of IP rose from €29.7 billion in 2012 to €84.4 billion in 2020. (Since 2015 the value of the euro has mostly remained between $1.1 and $1.2.) In a typical case, these are payments for the right to manufacture and sell products using technology developed in the United States. In the case of a "double Irish, Dutch sandwich" structure (which isn't possible after 2020 because of a change in Irish law), payments flow through tax free to the Netherlands on their way to a holding company, typically in Bermuda, to which trademarks and patents have been transferred from their U.S. parent company.

> ***If payments to the United States continue at the same pace for all of 2021, they will be nearly 50 percent greater than they were in 2020.***

After years during which most of these royalties were paid by companies in Ireland to offshore financial centers and the Netherlands, the composition of the payments changed abruptly in 2020. From 2019 to 2020, royalties to the United States increased by €39.9 billion (from €13.1 billion to €53 billion). Royalties paid to Europe (mostly the Netherlands) and to offshore financial centers (from €66.8 billion to €24.4 billion) dropped €41.3 billion in that single year.

Only data for the first half of 2021 are currently available. But these early indications show that the trend of IP transferring may be growing. If payments to the United States continue at the same pace for all of 2021, they will be nearly 50 percent greater than they were in 2020.

Google and Facebook in 2020

These data are generally consistent with information available about individual company intragroup transactions in 2020. Alphabet Inc. (formerly Google) stated: "As of December 31, 2019, we have simplified our corporate legal entity structure and now license intellectual property from the U.S. that was previously licensed from Bermuda resulting in an increase in the portion of our income earned in the U.S." In 2020 Alphabet's domestic profit before tax increased by $21 billion, and the domestic profit share of worldwide before-tax profit jumped from 41 percent to 78 percent.

Although we can find no similar statement by Meta Platforms Inc. (formerly Facebook) in its Schedules 10-K, news outlets reported the following statement from the company in December 2020:

> Intellectual property licenses related to our international operations have been repatriated back to the U.S. This change, which has been effective since July this year, best aligns corporate structure with where we expect to have most of our activities and people. We believe it is consistent with recent and upcoming tax law changes that policymakers are advocating for around the world.

In its annual report for 2020, Meta's domestic profit before tax increased by $19 billion, and the domestic profit share of worldwide before-tax profit jumped from 27 percent to 73 percent.

The actions by those two giant multinationals are strong support that at least some of the incentive effects of the Tax Cuts and Jobs Act are materializing, albeit with a three-year delay. The TCJA's reduction in the differential between the effective tax rates on U.S. and foreign intangible income is pulling IP back into the United States. And along with it should come more taxable profit. So there is a Laffer Curve type of effect. At least in these circumstances, U.S. rate reduction increases revenue.

Future IP Transfers?

In an exhaustive search of more than 180 large corporations' annual reports for the years before 2020, Thomas Horst found that in recent years only three companies — Microsoft, Qualcomm Technologies Inc., and McKesson Corp. — conducted intra-entity transfers of IP from foreign subsidiaries to the United States. Although Horst cautioned that the OECD's efforts to reduce profit shifting could spark more repatriations in 2020 — a forecast that proved correct — he concluded that by the end of 2019, "the IP repatriations by Microsoft, Qualcomm, and McKesson appear to be exceptions to the general pattern of retaining foreign subsidiaries' ownership of foreign IP."

Based on our review of these three companies' annual reports, we would expect only Microsoft's transfers of "intangible properties held by our foreign subsidiaries to the U.S. and Ireland" in the second calendar quarter of 2019 to possibly register in a major way in 2019 data. But there is no change in the geographic dispersion of royalty payments from Ireland in 2019 in anywhere near the same order of magnitude of change that occurred in 2020. This is a bit puzzling, and so is Microsoft's statement in its latest annual report that in "fiscal year 2021 and 2020 [ending June 30], our foreign regional operating centers in Ireland and Puerto Rico, which are taxed at rates lower than the U.S., generated 82 percent and 86 percent of our foreign income before tax." Apparently, even after intangible transfers to the United States, the proportions of Microsoft's low-taxed income are large and similar to those reported before 2019 transfers.

As much as we would like to make things simple for readers, it is difficult to provide a neat, overall summary of the recent changes in the actual taxation of big-tech IP. In large part that's because of a lack of detailed data and because of the oft-used crypto techno-accounting explanations that most normal human beings, including investors who are the intended audience, cannot begin to understand. It is also attributable to the diversity of results we can observe.

Clearly, some companies since passage of the TCJA, and now most recently in 2021, are shifting profit to the United States. For example, in its recently published annual report for the fiscal year ending October 31, 2021, HP Inc. reported its U.S. share of worldwide profits was 67 percent, up from 27 percent for the prior year. Similarly, for its fiscal year ending in July 2021, Cisco Systems Inc. is reporting 93 percent of its profit as domestic, up from 57 percent for the prior year. (But there is no mention of intra-entity transfers to the United States by either of those companies in their reports.) In contrast, Micron Technology Inc. reports losses into the United States despite worldwide profits exceeding $6 billion for the fiscal year ending September 2, 2021. Apple's

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reported share of domestic profits declined to 37 percent in its fiscal year ending September 25, 2021, from 43 percent in the prior year.

As we have endeavored to highlight in this article, some large U.S. technology multinationals are repatriating intangible assets to the United States, and this may be a growing trend. But there is a lot of diversity, so average changes don't tell the whole story. In 2019 and 2020, for example, some tech companies were onshoring *to* Ireland. Adobe and Dell Technologies Inc. were in this category. Meanwhile, in 2020 some companies were conducting intra-entity transfers but didn't reveal the new locations (the United States, Ireland, others?) to which intangible assets were transferred. IBM Corp. and Oracle are in this category. Still other companies give no explicit indication (that we can find) of any recent intragroup intangible asset transfers, leaving us to strongly suspect large amounts of profits from intangible assets continue to be booked in tax havens. Apple, Amazon, and Oracle are in this category.

> ***Apparently, even after intangible transfers to the United States, the proportions of Microsoft's low-taxed income are large and similar to those reported before 2019 transfers.***

Regularly updated statistics from Ireland as well as upcoming annual reports from companies with fiscal years ending December 31, 2021, will soon help us better answer this question: Is IP that has for so long been stashed in offshore centers returning to the United States?

References

Daniel Bunn, "New Research Shows Major Changes for U.S. Companies Earning Profits From Ireland," Tax Foundation (June 16, 2021).

Seamus Coffey, "The Changing Nature of Outbound Royalties From Ireland and Their Impact on Taxation of Profits of U.S. Multinationals," Irish Ministry of Finance (May 2021).

Thomas Horst, "The TCJA's Incentives for and Impediments to Repatriating Intangible Property," *Tax Notes Int'l*, Feb. 10, 2020, p. 635.

Martin A. Sullivan, "Big Tech Is Moving Profit to the United States," *Tax Notes Federal*, Aug. 23, 2021, p. 1209.

Sullivan, "Reported FDII Benefits Surge for Big Tech," *Tax Notes Federal*, Dec. 6, 2021, p. 1327.

EXHIBIT 2

Tax Reporting Considerations Amid Calls For Transparency, LAW 360 (9 February 2022)

EXHIBIT 3

GRI 207: Tax 2019

EXHIBIT 4

Randstad, *Annual Report 2020* (February 2021) (Excerpts)

annual report 2020

#newways.

randstad

human forward.

tax disclosures.

country-by-country reporting

in millions of €, unless otherwise indicated

country[1]	third-party revenue 2020	third-party revenue 2019[3]	revenue/income from intra-group transactions 2020	revenue/income from intra-group transactions 2019[3]	tangible assets other than cash and cash equivalents[2] 2020	tangible assets other than cash and cash equivalents[2] 2019[3]	number of candidates (average) 2020	number of candidates (average) 2019[3]	number of corporate employees (average) 2020	number of corporate employees (average) 2019[3]
Andorra	1	1	-	-	-	-	-	-	-	-
Argentina	109	104	-	-	1	1	9,500	8,500	360	370
Australia	617	601	2	2	3	4	8,800	8,700	780	820
Austria	94	98	-	-	-	-	2,100	2,300	80	100
Belgium	1,355	1,546	8	4	7	6	37,400	45,100	1,760	2,060
Brazil	95	104	-	-	1	1	8,600	5,800	450	500
Canada	439	511	3	3	3	3	8,500	10,100	1,100	1,090
Chile	44	47	-	-	-	-	3,600	3,200	120	130
China	73	83	-	-	1	1	3,400	4,000	510	580
Czech republic	52	48	16	16	-	1	3,500	3,200	390	460
Denmark	36	35	-	-	-	-	400	500	50	60
France	3,070	3,733	14	6	22	26	71,400	87,200	4,220	4,740
Germany	1,593	2,106	1	-	6	6	31,200	40,200	2,560	2,990
Greece	90	95	-	-	-	-	4,200	4,600	70	70
Hong kong	11	15	1	-	-	-	100	100	70	80
Hungary	17	19	1	6	-	1	400	500	290	310
India	293	284	5	4	2	1	58,300	56,000	1,360	1,620
Ireland	9	3	-	-	-	-	100	-	10	10
Italy	1,455	1,644	1	-	6	10	41,800	49,900	2,050	2,280
Japan	804	805	-	-	5	6	23,900	25,100	1,690	1,690
Luxembourg	55	64	42	46	-	-	1,600	1,900	70	70
Malaysia	2	3	6	7	-	-	-	-	200	250
Mexico	40	50	-	-	-	-	3,500	4,300	140	200
New zealand	27	31	-	-	-	-	500	600	60	70
Norway	77	90	-	-	1	1	700	900	150	150
Poland	266	265	1	1	1	2	17,800	18,700	730	760
Portugal	322	367	1	1	5	3	20,600	24,800	400	450
Romania	6	8	6	5	-	-	300	400	80	80
Singapore	55	58	86	109	-	-	800	800	170	180
Spain	948	1,115	-	-	1	2	32,700	40,200	1,410	1,720
Sweden	332	395	-	1	2	-	5,700	6,700	510	670
Switzerland	454	456	242	243	1	1	5,900	6,200	300	310
The Netherlands	2,832	3,353	212	320	46	53	63,000	77,800	4,200	4,640
Turkey	8	11	-	-	-	-	500	600	40	40
United Kingdom	766	906	8	1	3	3	14,200	16,400	1,460	1,600
United States	4,266	4,617	5	13	22	25	83,400	93,400	6,830	7,130
Uruguay	5	5	-	-	-	-	400	300	10	
Total	**20,718**	**23,676**	**661**	**788**	**139**	**157**	**568,800**	**649,000**	**34,680**	**38,280**

1 Countries of which all positions in the table are zero, have not been included.
2 Represents property, plant and equipment.
3 For comparison purposes only.

country-by-country reporting (continued)

in millions of €, unless otherwise indicated

country[1]	profit/(loss) before tax		applicable tax rate		corporate income tax due on profit before tax[2]		current corporate income tax accrued		Explanation differences taxes accrued and taxes due	corporate income tax paid	
	2020	2019[3]	2020	2019[3]	2020	2019[3]	2020	2019[3]	2020	2020	2019[3]
Andorra	-	-	10.0%	10.0%	-	-	-	-		-	-
Argentina	2	1	30.0%	30.0%	1	-	1	-		1	1
Australia	1	5	30.0%	30.0%	-	2	2	2	1) 3)	-	-
Austria	1	-	25.0%	25.0%	-	-	-	-		-	-
Belgium	33	49	25.0%	29.6%	8	15	20	21	1) 2) 3)	39	26
Brazil	1	-	34.0%	34.0%	-	-	1	-	1) 3)	1	-
Canada	16	21	26.6%	26.7%	4	6	4	6		7	6
Chile	1	1	27.0%	27.0%	-	-	-	-		-	-
China	2	2	25.0%	25.0%	-	1	1	2	1)	2	1
Czech republic	4	1	19.0%	19.0%	1	-	-	-	1) 2) 3)	-	-
Denmark	-	-	22.0%	22.0%	-	-	-	-		-	-
France	41	123	32.0%	34.4%	13	42	50	85	1) 2) 3)	65	51
Germany	(59)	(22)	30.1%	30.1%	(18)	(6)	-	1	1) 2) 3)	18	13
Greece	3	2	24.0%	28.0%	1	1	1	1		1	1
Hong kong	-	(10)	16.5%	16.5%	-	(2)	-	-		-	-
Hungary	2	3	9.0%	9.0%	-	-	1	1	1) 2)	1	1
India	5	4	25.2%	25.2%	1	1	1	2		(5)	1
Ireland	1	(1)	12.5%	12.5%	-	-	-	-		-	-
Italy	34	73	24.0%	24.0%	8	17	16	22	1) 2) 3)	21	26
Japan	47	39	34.6%	34.6%	16	14	13	12	1) 2)	1	(10)
Luxembourg	37	21	25.7%	25.7%	10	6	33	11	3)	-	(1)
Malaysia	(1)	(1)	24.0%	24.0%	-	-	-	-		-	-
Mexico	-	(1)	30.0%	30.0%	-	-	-	-		-	-
New zealand	-	1	28.0%	28.0%	-	-	-	-		-	-
Norway	(9)	(4)	22.0%	22.0%	(2)	(1)	(2)	(1)		-	-
Poland	10	6	19.0%	19.0%	2	1	2	2		2	1
Portugal	6	7	22.5%	22.5%	1	1	2	2	1) 3)	3	2
Romania	-	1	16.0%	16.0%	-	-	-	-		-	-
Singapore	14	55	17.0%	17.0%	2	9	-	5	3)	5	6
Spain	26	53	25.0%	25.0%	7	13	9	12	1) 2)	5	10
Sweden	(11)	(8)	21.4%	21.4%	(2)	(2)	-	5	3)	(1)	3
Switzerland	270	248	21.2%	21.2%	57	53	7	8	3)	5	6
The Netherlands	25	157	25.0%	25.0%	6	39	22	39	1) 2) 3)	9	57
Turkey	-	-	22.0%	22.0%	-	-	-	-		-	-
United Kingdom	(118)	(19)	19.0%	19.0%	(22)	(3)	(5)	(4)	1) 2) 3)	-	1
United States	(20)	12	26.4%	26.4%	(5)	3	11	19	1) 3)	1	2
Uruguay	-	-	25.0%	25.0%	-	-	-	-		-	-
Total	**364**	**819**			**89**	**210**	**190**	**253**		**181**	**204**

1 Countries of which all positions in the table are zero, have not been included.
2 Applicable tax rate multiplied by profit/(loss) before tax.
3 For comparison purposes only.

notes to country-by-country reporting

number of employees

The number of candidates (average) is the average number of temporary employees working for our clients.

The number of corporate employees (average) relates to our own staff, which consists of staff at our headoffices, and front-office employees who are located at one of our outlets, directly meeting the demands of clients and candidates.

differences between taxes accrued and taxes due

Explanations for differences between 'taxes accrued' and 'taxes due' (profit/(loss) before tax multiplied by applicable tax rate) are as follows:

1. Disallowed (business) expenses;
2. Prior-year adjustments;
3. (Non-)deductible/taxable tax items based on local legislation.

countries and entities

entities by country

andorra
Principal activity: HR services

- Skillmind Recursos Humans SL
- Randstad Recursos Humans SL

argentina
Principal activity: HR services

- Soluciones Randstad SA
- Trading International SA
- Trading Servicios SA
- Randstad Argentina SA

australia
Principal activity: HR services

- Randstad Holdings Pty Limited
- Randstad Pty Limited
- Digby Morgan Pty Limited
- HR Partners Pty Limited
- Skout Solutions Pty Limited (50%)
- HREXL Group Pty Limited
- Aurec Group Pty Limited
- Aurec Pty Limited

austria
Principal activity: HR services

- Randstad Austria GmbH
- Randstad Deutschland GmbH
- Monster Worldwide Austria GmbH

belgium
Principal activity: HR services

- Randstad Group Belgium nv
- Randstad Construct nv
- Tempo-Team at Home nv
- Tech Deploy nv
- Randstad Professionals nv
- Randstad Sourceright nv
- Tempo-Team nv
- Randstad Belgium nv
- Randstad Outsourcing nv
- Tempo-Team Professionals nv
- Tempo-Team Childcare nv
- Tempo-Team Construct nv
- Monster Belgium nv
- Ausy IT Consulting nv
- Ausy Consulting nv
- Ausy Group Belgium nv

brazil
Principal activity: HR services

- Randstad Brasil Recursos Humanos Ltda
- Randstad Professionals Recrutamento Especializado Ltda

entities by country

canada
Principal activity: HR services

- Randstad Interim Inc.
- Monster Worldwide Holdings Canada Limited
- Monster Worldwide Canada Inc.
- Randstad Solutions Inc.

chile
Principal activity: HR services

- Randstad Investments Chile Ltda
- Randstad Chile SA
- Randstad Servicios Ltda
- Randstad Empresa de Servicios Transitorios Ltda

china
Principal activity: HR services

- Randstad Management (Shanghai) Co. Limited
- Guangzhou Randstad Human Resource Service Co., Limited
- Randstad Management (Beijing) Co. Limited
- Sichuan Randstad Human Resources Co. Limited
- Shanghai Temporary Staffing Co. Limited
- Beijing Randstad Human Resource Service Co. Limited
- Talent Shanghai Co. Limited
- Jiangsu Randstad Human Resource Service Co. Limited
- Randstad Shanghai Talent Service Co. Limited
- FuJian Randstad Human Resources Service Co., Limited
- Hubei Randstad Human Resources Co., Limited
- Tianjin Randstad Management Co. Limited
- Shanghai Randstad Enterprise Management Service Co. Limited

cyprus
Principal activity: HR services

- Randstad Cyprus Ltd

czech republic
Principal activity: HR services

- Randstad sro
- Monster Worldwide CZ s.r.o.
- Smithburg s.r.o
- Randstad HR Solutions s.r.o

denmark
Principal activity: HR services

- Randstad A/S

finland
Principal activity: HR services

- Alma Career Oy (16.6%)

entities by country

france

Principal activity: HR services

- Randstad France SAS
- Groupe Randstad France SAS
- Randstad SAS
- Randstad Sourceright SAS
- Select TT SAS
- SCI Immobiliere de Passage de Bayardet
- HR Consultancy Partners SAS
- Randstad Services dans la Formation SAS
- Atoll SAS
- Atout Travail Temporaire SAS
- Internim SAS
- Atrium SAS
- Arve Interim SAS
- Ainterim SAS
- Alp'emploi SAS
- Interim d'Oc SAS
- Interim 31 SAS
- FASTROAD TT SAS (49.9%)
- Monster Worldwide SAS
- Ausy SAS
- Ausy Technology Sarl
- Ausy Expertise et Recherce Sarl
- Optedis SA
- Randstad Monaco, Sam Secrétariat et Services

germany

Principal activity: HR services

- Randstad Financial Services GmbH
- Randstad Deutschland GmbH & Co. KG
- Randstad Deutschland Administration GmbH
- Randstad Group Germany bv - Zweigniederlassung/branch office
- Randstad Deutschland GmbH - Zweigniederlassung/branch office
- Randstad Sourceright GmbH
- Tempo-Team Management Holding GmbH
- Tempo-Team Outsourcing GmbH
- Tempo-Team Personaldienstleistungen GmbH
- Tempo-Team Engineering GmbH
- Tempo-Team Managed Services Provider GmbH
- GULP Solution Services Holding GmbH
- GULP Solution Services Verwaltungs GmbH
- GULP Solution Services Management GmbH
- GULP Solution Services GmbH & Co. KG
- Randstad Automotive GmbH & Co. KG
- Randstad Outsourcing GmbH
- GULP Holding GmbH
- GULP Information Services GmbH
- GULP Consulting Services GmbH
- Qualitair Aviation Deutschland GmbH
- Team2Venture Gmbh
- Monster Worldwide Deutschland Holdings GmbH
- Monster Worldwide Deutschland GmbH
- Ausy GmbH
- Ausy Consulting GmbH
- Ausy Engineering GmbH
- Ausy Technologies Germany AG
- Mühlenhoff + Partner GmbH
- IEBP - Institut zur Entwicklung beruflicher Perspektiven GmbH
- IEBP-Transfergesellschaft GmbH
- SPEQTRUM GmBH
- Qualitair Aviation Deutschland GmbH

greece

Principal activity: HR services

- Randstad Hellas AE
- Randstad AE

entities by country

hong kong[1]

Principal activity: HR services

- Randstad Hong Kong Limited
- Monster.com Asia Pacific Ltd.
- Monster.com Asia Ltd.
- Stadhold Limited

hungary

Principal activity: HR services

- Randstad Hungary Kft
- Randstad Sourceright Kft

india

Principal activity: HR services

- Randstad Technologies Private Limited
- Team HR Services Private Limited
- Randstad India Private Limited
- Randstad Offshore Services Private Limited
- RiseSmart HR Private Limited
- Gozaik Software India Private Limited
- Ausy Technologies India Pvt Ltd

ireland

Principal activity: HR services

- Randstad Ireland Operations Limited
- Monster Worldwide Holdings (Ireland) Limited
- Monster Worldwide Ireland Limited

italy

Principal activity: HR services

- Randstad Group Italia SpA
- Randstad Services S.r.l.
- Randstad Italia SpA società di fornitura di lavoro temporaneo
- Intempo Agenzia per il Lavoro Spa (75%)
- Randstad HR Solutions srl società con unico socio
- TMP Worldwide Italia SpA
- Monster Italia Srl
- AUSY Italy Srl

japan

Principal activity: HR services

- Randstad Japan Holding GK
- Randstad KK

luxembourg

Principal activity: HR services and participating in and financing of Group entities

- Randstad Group Luxembourg Sarl
- Randstad Holding Luxembourg Sarl
- Randstad Interim SA
- Randstad HR services SA
- Randstad Luxembourg Financial Holding Sarl
- Randstad Luxembourg North America Sarl
- Monster Luxembourg SA
- Ausy Luxembourg PSF SA
- Stadhold Insurances (Luxembourg) SA
- Stadhold Reinsurances (Luxembourg) SA

1 Region in the case of Hong Kong SAR (Special Administrative Region).

entities by country

malaysia

Principal activity: HR services

- Randstad Sourceright Sdn. Bhd.
- Agensi Pekerjaan Randstad Sdh Bhd (49%)
- Randstad Talent Sdn. Bhd.
- Monster Technologies Malaysia Sdn. Bhd.

malta

Principal activity: HR services

- Qualitair Aviation Malta Holding Limited
- Qualitair Aviation Malta Limited

mexico

Principal activity: HR services

- Randstad Mexico, S de R.L. de C.V.

new zealand

Principal activity: HR services

- Randstad Limited
- Skout Solutions (NZ) Limited (50%)

netherlands

Principal activity: HR services and participating in and financing of Group entities

- Randstad N.V.
- Randstad North America Beheer bv
- Randstad Holding Nederland bv
- Randstad Groep Nederland bv
- Randstad Nederland bv
- Randstad Customer Intelligence bv
- Randstad Payroll Publiek bv
- Randstad HealthAtWork bv
- Randstad Payroll Solutions bv
- Randstad Payroll Solutions T&L bv
- Randstad Payroll Solutions MVL bv
- Randstad Payroll Solutions Publiek bv
- Randstad Payroll Solutions Projecten bv
- Randstad HR Solutions bv
- Randstad Transport bv
- Randstad Uitzendbureau bv
- Tempo-Team Group bv
- Otter-Westelaken Groep bv
- Tempo-Team Contracting Services bv
- Tempo-Team Employability bv
- Tempo-Team HealthAtWork bv
- Tempo-Team Payroll Services bv
- Tempo-Team Uitzenden bv
- Tempo-Team Payrolling MVL bv
- Tempo-Team Payrolling Publiek bv
- Tempo-Team Payroll Publiek bv
- SPARQ bv
- SPARQ Outsourcing bv
- Select AV Personeel bv
- Tempo-Team Freelance Professionals bv
- Yacht Group Nederland bv
- Yacht NL bv
- Yacht bv
- Yacht Externen Management bv
- Yacht Inhouse Services bv
- Tempo-Team Professionals bv
- Randstad Sourceright bv
- Randstad Holding International bv
- Randstad Innovation Fund bv

entities by country

netherlands (continued)

- Randstad Global IT Solutions bv
- Randstad Sourceright International bv
- Randstad Enterprise bv
- Vedior International Contracts bv
- Vedior Investments bv
- Randstad Holding International Services bv
- Randstad Asia Pacific bv
- Randstad Eastern Europe bv
- Randstad Latin America bv
- Evro Participations bv
- Qualitair Aviation Holland
- Randstad Sourceright EMEA bv
- Randstad Group Germany bv
- Monster Worldwide Netherlands Holding bv
- Monster Worldwide Netherlands bv
- BMC Groep bv
- BMC Advies bv
- BMC Implementatie bv
- SGBO bv

norway

Principal activity: HR services

- Randstad Norway AS
- Dfind AS
- Randstad AS
- Randstad Care AS
- Dfind Consulting AS
- Dfind EPI AS
- Dfind Direction AS

poland

Principal activity: HR services

- Randstad Polska Sp. z o.o.
- APO Sp. z o.o.
- Gerendis APO Sp. z o.o. Sp. k
- Randstad Services APO Sp. z o.o. Sp. K
- Randstad Sourceright Sp. z o.o.
- Randstad Payroll Solutions Sp. z o.o.
- Monster Worldwide Polska Sp. Z.o.o.
- Ausy Technologies Poland Sp. Z o.o.

portugal

Principal activity: HR services

- Randstad Recursos Humanos, Empresa de Trabalho Temporario, SA
- Randstad II - Prestacao de Servicos, Lda
- Solisform - Formacao e Servicos Lda
- Tempo-Team Recursos Humanos, Empresa de Trabalho Temporario, Lda
- AUSYpt Lda

romania

Principal activity: HR services

- Randstad Romania Srl
- Randstad Staffing Srl
- Ausy Technologies Romania SRL

singapore

Principal activity: HR services and financing of Group entities

- Randstad (PTE) Ltd
- Randstad FTC Ptte Ltd

entities by country

south africa
Principal activity: HR services

- Monster Recruitment South Africa (Pty) Ltd

spain
Principal activity: HR services

- Randstad España, SL Sociedad Unipersonal
- Randstad Consultores, y Soluciones de Recursos Humanos, S.L.U.
- Randstad Project Services, SL Sociedad Unipersonal
- Vexter Outsourcing SAU
- Randstad Technologies, SAU
- Randstad Empleo Empresa De Trabajo Temporal, SA Sociedad Unipersonal
- Monster Worldwide, SL

sweden
Principal activity: HR services

- Randstad Nordic AB
- Randstad Sweden Group AB
- Randstad AB
- Randstad Sourceright AB
- Randstad Solutions AB
- Randstad RiseSmartAB
- Randstad Care AB
- Monster Worldwide Scandinavia AB

switzerland
Principal activity: HR services and financing of Group entities

- Randstad (Schweiz) AG
- Swiss Jobs AG
- Randstad Sourceright AG
- Randstad Finance GmbH
- Qualitair Aviation Switzerland GmbH
- GULP Schweiz AG
- Monster Worldwide Switzerland AG
- AUSY Switzerland AG
- Hutac Sarl (83%)

tunisia
Principal activity: HR services

- Ausy Tunisie Sarl

turkey
Principal activity: HR services

- Randstad Search and Selection Personel Secme ve Yerlestirme Limited Sirketi
- Randstad Work Solutions Istihdam ve Insan Kaynaklary Limited Sirketi

entities by country

united kingdom
Principal activity: HR services

- Randstad Group UK
- Randstad UK Holding Limited
- Randstad Middle East Limited
- Digby Morgan Consulting Limited
- Randstad CPE Limited
- Vedior UK Limited
- Randstad Financial & Professional Limited
- Joslin Rowe Associates Limited
- Randstad Technologies Limited
- Randstad Sourceright Limited
- Qualitair Aviation Group Limited
- Qualitair Aviation Services Limited
- Pareto Law Limited
- Randstad Solutions Limited
- Randstad Public Services Limited
- Human Resources International Limited
- Randstad HR Solutions Limited
- Randstad Education Limited
- Randstad Luxembourg UK Limited
- Monster Worldwide Holdings Limited
- Monster Worldwide Limited
- Monster Executive Services Limited
- Monster Worldwide Services Holdings Limited

united states
Principal activity: HR services

- Randstad North America, Inc.
- B2B General Partner, LLC
- Randstad Federal LLC
- SFN Group, LLC
- Randstad Professionals US, LLC
- Randstad Technologies, LLC
- Randstad Insurance, LLC
- Randstad General Partner (US) LLC
- Randstad US, LLC
- Randstad Inhouse Services, LLC
- Spherion Staffing LLC
- Spherion Financial Corporation
- Randstad HR Solutions of Delaware, LLC
- Temp Force, LLC
- RiseSmart, Inc.
- Pareto Law Inc.
- Monster Worldwide, Inc
- Monster International Holding Corp
- Monster Worldwide South Carolina, Inc.
- Gozaik LLC
- Military Advantage, Inc.
- Affinity Labs LLC
- Fastweb, LLC
- FinAid Page, Inc.
- Monster Government Solutions, LLC
- Monster Emerging Markets, LLC
- OCC.com, Inc.
- Monster CZ Holdings, LLC
- Celerity IT, LLC
- Celerity Federal Group, LLC

uruguay
Principal activity: HR services

- Randstad Uruguay SA

ref.	description	reference
tax disclosures		
207-1	Our approach to tax Our approach to tax compliance	Tax transparency and compliance (see page 74)
207-2	Our tax governance and control framework	Tax transparency and compliance (see page 74) Tax risk management (see page 97)
207-3	Our approach to stakeholder engagement and management of concerns related to tax	Tax transparency and compliance (see page 74)
207-4	Country-by-country reporting	Country-by-country tax reporting (see page 228)

topic-specific disclosures

ref.	description	reference
client and talent data protection		Definition: Keeping client and candidate data and networks safe and protecting privacy in order to create a more secure digital environment where people can safely work and socialize.
418-1	Substantiated complaints regarding breaches of customer privacy and losses of customer data	Misconduct reporting (see page 69)
diversity & inclusive employment		Definition: Ensure fairness, equality and diversity in attracting, hiring, compensating, motivating and promoting a top performing workforce, including employees and talent. This involves the inclusion of everyone in the workplace independent of age, color, disability, gender, marital status, nationality, race, religion or sexual orientation or any other irrelevant or illegal characteristics (at all levels in the organization).
405-1	Diversity of governance bodies and employees	Gender equality, inclusion and diversity Executive Board biographies (see page 108) Supervisory Board biographies (see page 110) Composition, diversity and independence (see page 112)
talent attraction & staff retention		Definition: Our policy for successful talent management improves employee quality and increases employee loyalty. This will, in turn, ensure an adequate pipeline of talent, with the aim of delivering results to our clients, talent and shareholders.
401-1	New employee hires and employee turnover	Employee engagement (see page 50)
business principles & human rights		Definition: Promoting and living Randstad's business principles to project a positive message and maintaining our core values. It ensures that business needs as well as our business and personal behavior are well aligned and reinforce one another. It includes recognising our role in public labor market debates and therefore aiming to increase our efforts in safeguarding human rights.
412-1	Operations that have been subject to human rights reviews or impact assessments	Sustainability basics - human rights (see page 66)
412-2	Employee training on human rights policies or procedures	Sustainability basics - business principles (see page 65)
legislation & regulation		Definition: Adherence to laws and regulations as a fundamental part of Randstad's role as a corporate citizen in the business world, as well as being a trusted HR partner.
419-1	Non-compliance with laws and regulations in the social and economic area	Risk & opportunity management - Compliance (see page 104)

EXHIBIT 5

AngloAmerican, *Country by country reporting publication (Report 2020)* (Excerpts)

Country by country reporting publication

Report 2020

AngloAmerican

Anglo American is a leading global mining company with a world class portfolio of mining and processing operations and undeveloped resources. We provide the metals and minerals to meet the growing consumer driven demands of the world's developed and maturing economies. And we do so in a way that not only generates sustainable returns for our shareholders, but also strives to make a real and lasting positive contribution to society.

We take a responsible approach to the management of taxes, supporting active and constructive engagement with our stakeholders to deliver long-term sustainable value. Our approach to tax is based on three key pillars: responsibility, compliance and transparency. We are proud of our open and transparent approach to tax reporting. In addition to our mandatory disclosure obligations, we are committed to furthering our involvement in voluntary compliance initiatives, such as the Tax Transparency Code (developed by the Board of Taxation in Australia), the Responsible Tax Principles (developed by the B Team), the Extractive Industries Transparency Initiative (both directly and as part of the International Council on Mining and Metals) and the Tax Transparency Standard GRI 207: Tax 2019 (developed by the Global Reporting Initiative, effective from 1 January 2021). We are active participants in discussions with key stakeholders on how best to continue our journey towards clearer, more transparent and more meaningful tax reporting.

In previous years, our country-by-country report was published in line with the OECD standard, as it is submitted to HM Revenue & Customs in the UK (and shared with other tax administrations to aid their risk assessments of the Group). This year, in light of our commitments to comply with GRI 207, we are instead publishing our aggregated country-by-country reporting data in accordance with the requirements of GRI 207-4. The main differences between these two standards are (i) reallocation of withholding taxes to the country to which the tax is suffered (rather than the location of the entity paying the withholding taxes), and (ii) an explanation of any significant differences between the effective tax rate suffered and the statutory tax rates in each country of operation.

We have included footnotes to set out points for further clarification where required. This document accompanies, and should be read in conjunction with, the content of the Tax and Economic Contribution Report 2020.

As we strive to deliver attractive and sustainable returns to our shareholders, we are acutely aware of the potential value creation we can offer to our diverse range of stakeholders. Through our business activities – employing people, paying taxes to, and collecting taxes on behalf of, governments, and procuring from host communities – we make a significant and positive contribution to the jurisdictions in which we operate. Beyond our direct mining activities, we create and sustain jobs, build infrastructure, support education and help improve healthcare for employees and local communities. By re-imagining mining, we are improving people's lives.

For any enquiries about this document please contact GroupTaxReporting@angloamerican.com

In this document, references to 'Anglo American', the 'Anglo American Group', the 'Group', 'we', 'us', and 'our' are to refer to either Anglo American plc and its subsidiaries and/or those who work for them generally, or where it is not necessary to refer to a particular entity, entities or persons. The use of those generic terms herein is for convenience only, and is in no way indicative of how the Anglo American Group or any entity within it is structured, managed or controlled. Anglo American subsidiaries, and their management, are responsible for their own day-to-day operations, including but not limited to securing and maintaining all relevant licences and permits, operational adaptation and implementation of Group policies, management, training and any applicable local grievance mechanisms. Anglo American produces group-wide policies and procedures to ensure best uniform practices and standardisation across the Anglo American Group but is not responsible for the day to day implementation of such policies. Such policies and procedures constitute prescribed minimum standards only. Group operating subsidiaries are responsible for adapting those policies and procedures to reflect local conditions where appropriate, and for implementation, oversight and monitoring within their specific businesses.

TABLE 1 REVENUE

Currency USD	Revenues												
Tax Jurisdiction	Unrelated Party	Related Party	Total	Profit/(Loss) before Income Tax	Income Tax Paid (on Cash Basis)	Income Tax Accrued (Current Year)	Stated Capital[3]	Accumulated Earnings	Number of Employees	Tangible Assets other than Cash and Cash Equivalents (Mandatory)	CBCR Effective Tax Rate[4] %	Statutory Corporate Tax Rate[5] %	Explanation of significant differences in the rates[6]
Angola	–	–	–	(1,090,097)	–	–	2,130,413	3,305,180	–	–	0%	30%	Accounting and tax losses made in the period.
Argentina	–	–	–	(709,254)	–	–	19,619,021	18,791,734	6	2,166	0%	30%	Accounting and tax losses made in the period.
Australia	1,641,195,131	107,627,732	1,748,822,863	(438,069,598)	53,488,517	–	2,597,312,080	1,311,565,103	1,972	3,818,148,698	0%	30%	Accounting and tax losses made in the period.
Belgium	105	9,766,430	9,766,535	668,482	–	(1,318)	11,340,705	(11,751,010)	76	4,025,592	0%	25%	Offset of losses made in previous periods. Expenditure permanently treated as non-deductible for tax purposes.
Bermuda[1]	893,263	132,849,291	133,742,554	(224,139,225)	–	(54,929)	214,532,169	(607,940,546)	–	–	0%	0%	Withholding taxes arising in the period.
Botswana	2,374,968,667	1,686,403,489	4,061,372,156	(31,294,368)	(72,987,648)	(38,368,940)	262,193,179	(154,784,304)	1,512	1,790,906,893	-123%	22%	Impact of some entities making losses for both accounting and tax purposes, with other entities in the same jurisdiction paying tax on profits made during the period. Withholding taxes arising in the period.
Brazil	79,749,164	2,719,983,653	2,799,732,817	753,390,403	(14,227)	(1,843)	23,606,274,447	9,564,402,759	3,908	1,793,166,470	0%	34%	Offset of foreign exchange losses arising in the period.
Canada	13,447,939	178,316,035	191,763,974	(63,513,607)	(4,950,799)	(1,721,179)	384,037,925	3,491,698,372	689	422,451,872	-3%	23%	Accounting and tax losses made in the period. Mining taxes arising in the period
Chile	1,592,235,696	3,107,142,566	4,699,378,262	1,319,267,298	(315,063,534)	(396,764,855)	3,545,237,597	(7,007,630,499)	4,042	6,507,850,647	30%	27%	Mining taxes arising in the period Withholding taxes arising in the period.
China	1,065,333,407	34,157,788	1,099,491,195	(1,043,168)	(2,220,308)	(1,117,432)	41,178,052	21,440,155	269	67,339,650	-107%	25%	Impact of some entities making losses for both accounting and tax purposes, with other entities in the same jurisdiction paying tax on profits made during the period. Expenditure permanently treated as non-deductible for tax purposes.
Colombia	–	–	–	(351,546)	–	–	25,000,773	24,669,218	1	3,872	0%	33%	Accounting and tax losses made in the period.
Democratic republic of Congo	–	–	–	64,278,169	–	–	21,123,599	–	–	–	0%	30%	Income not treated as taxable under local tax law.
Ecuador	–	–	–	(6,358,157)	–	–	6,683,843	22,508,417	13	604,128	0%	25%	Accounting and tax losses made in the period.

TABLE 1 REVENUE CONTINUED

Currency USD Tax Jurisdiction	Revenues Unrelated Party	Related Party	Total	Profit/(Loss) before Income Tax	Income Tax Paid (on Cash Basis)	Income Tax Accrued (Current Year)	Stated Capital[(3)]	Accumulated Earnings	Number of Employees	Tangible Assets other than Cash and Cash Equivalents (Mandatory)	CBCR Effective Tax Rate[(4)] %	Statutory Corporate Tax Rate[(5)] %	Explanation of significant differences in the rates[(6)]
Finland	26	2,226	2,252	(16,183,944)	–	–	164,511,243	130,313,917	3	3,742,181	0%	20%	Accounting and tax losses made in the period.
France	4,639,124	3,072,663	7,711,787	394,376	(41,724)	(69,102)	–	5,115,096	24	15,401,720	18%	31%	Reduced rate of tax applicable under local tax law to companies which make profits below a specified threshold. Differences in profits calculated under IFRS and under local GAAP.
Germany	81,865,119	3,999,070	85,864,189	9,106,260	(1,377,449)	(2,460,970)	30,315,789	(19,062,924)	354	37,365,279	27%	29%	Local tax law requires the taxation of certain types of income at rates other than the headline statutory rate.
Hong Kong	12,342,071	3,391,039	15,733,110	(3,500,683)	(243,741)	(140,485)	13,069,782	1,787,565	42	36,918,521	-4%	17%	Impact of some entities making losses for both accounting and tax purposes, with other entities in the same jurisdiction paying tax on profits made during the period.
India	9,587,672	13,836,252	23,423,924	(505,213)	(1,527,338)	(340,706)	12,466,186	(876,654)	118	7,873,864	-67%	25%	Impact of some entities making losses for both accounting and tax purposes, with other entities in the same jurisdiction paying tax on profits made during the period.
Indonesia	–	–	–	–	–	–	4,400,000	220	–	–	0%	25%	No activities took place during the period.
Ireland	75,342,569	94,760,263	170,102,832	13,847,673	(3,571,846)	(1,768,244)	30,504,929	(75,369,536)	470	69,457,954	13%	13%	
Isle of Man	–	62,795	62,795	(2,994,276)	–	–	160,440	82,877,858	–	–	0%	0%	
Israel	8,534	622,838	631,372	55,706	(9,776)	–	4,010,000	2,545,982	3	187,382	0%	23%	Expenditure not treated as deductible for tax purposes in the same period as it is accrued for accounting purposes.
Italy	–	2,914,658	2,914,658	186,497	(20,305)	(51,837)	30,417	(484,698)	8	348,163	28%	24%	Expenditure permanently treated as non-deductible for tax purposes.
Japan	20,839,139	7,686,377	28,525,516	656,150	(168,071)	(189,058)	5,386,326	12,250,545	24	598,577	29%	37%	Impact of some entities making losses for both accounting and tax purposes, with other entities in the same jurisdiction paying tax on profits made during the period.
Luxembourg	–	–	–	(36,177)	–	–	12,064	(50,199)	–	–	0%	25%	Accounting and tax losses made in the period.
Macau	798,930	–	798,930	(250,790)	–	–	12,523	2,763,490	–	1,845,748	0%	12%	Accounting and tax losses made in the period.

TABLE 1 REVENUE CONTINUED

Currency USD Tax Jurisdiction	Revenues Unrelated Party	 Related Party	 Total	Profit/(Loss) before Income Tax	Income Tax Paid (on Cash Basis)	Income Tax Accrued (Current Year)	Stated Capital[3]	Accumulated Earnings	Number of Employees	Tangible Assets other than Cash and Cash Equivalents (Mandatory)	CBCR Effective Tax Rate[4] %	Statutory Corporate Tax Rate[5] %	Explanation of significant differences in the rates[6]
Mexico	–	–	–	(12,207)	–	–	124,172	3,066,609	–	–	0%	30%	Accounting and tax losses made in the period.
Mozambique	–	–	–	–	–	–	–	–	–	–	0%	32%	No activities took place during the period.
Namibia	190,021,274	809,187,144	999,208,418	76,042,691	(44,953,752)	(45,276,731)	116,683,849	(185,704,888)	1,444	324,074,559	60%	55%	Impact of some entities making losses for both accounting and tax purposes, with other entities in the same jurisdiction paying tax on profits made during the period. Expenditure permanently treated as non-deductible for tax purposes. Capital gains taxation arising in the period.
Netherlands	–	301,124	301,124	38,571	(7,452)	(7,452)	53,001,191	3,027,059	2	–	19%	25%	Reduced rate of tax applicable under local tax law to companies which make profits below a specified threshold. Expenditure permanently treated as non-deductible for tax purposes.
North Macedonia	20	–	20	(54,737)	–	–	89,405	4,522	–	–	0%	1%	Accounting and tax losses made in the period.
Papua New Guinea	–	–	–	–	–	–	15,920,676	–	–	–	0%	30%	No activities took place during the period.
Peru	15,409,374	–	15,409,374	(34,227,144)	(31,368)	–	2,898,385,804	511,385,196	463	4,775,979,442	0%	30%	Accounting and tax losses made in the period.
Philippines	–	–	–	–	–	–	34,152,277	81	–	–	0%	30%	No activities took place during the period.
Sierra Leone	–	–	–	(635,649)	–	–	673,480	1,795,429	–	–	0%	30%	Accounting and tax losses made in the period.
Singapore[2]	18,082,151,637	1,409,543,628	19,491,695,265	713,806,372	(12,789,411)	(36,900,865)	183,266,521	(642,337,493)	326	311,198,242	5%	17%	CBC rate is aligned to the applicable rate granted under local tax incentives (see footnote).
South Africa	1,138,890,053	12,940,666,113	14,079,556,166	4,053,741,677	(1,162,491,582)	(1,171,644,334)	6,886,152,002	(16,451,397,664)	44,694	12,092,186,916	29%	28%	Impact of some entities making losses for both accounting and tax purposes, with other entities in the same jurisdiction paying tax on profits made during the period.
Sweden	607,985	273,254	881,239	558,181	(40,143)	(40,158)	1,906,000	(2,659,212)	2	–	7%	21%	Offset of losses made in previous periods.
Switzerland	29,945	–	29,945	(169,129)	–	–	111,160	(46,058,032)	–	–	0%	16%	Accounting and tax losses made in the period.

TABLE 1 REVENUE CONTINUED

Currency USD Tax Jurisdiction	Revenues Unrelated Party	 Related Party	 Total	Profit/(Loss) before Income Tax	Income Tax Paid (on Cash Basis)	Income Tax Accrued (Current Year)	Stated Capital[3]	Accumulated Earnings	Number of Employees	Tangible Assets other than Cash and Cash Equivalents (Mandatory)	CBCR Effective Tax Rate[4] %	Statutory Corporate Tax Rate[5] %	Explanation of significant differences in the rates[6]
Taiwan	5,894,289	–	5,894,289	(1,321,552)	–	–	177,550	4,437,356	11	5,079,377	0%	20%	Accounting and tax losses made in the period.
Tanzania	–	–	–	–	–	–	1,870,120	–	–	–	0%	30%	No activities took place during the period.
United Arab Emirates	160,171	107,823,573	107,983,744	126,549	–	–	13,624	(286,860)	8	42,388	0%	0%	
United Kingdom	6,090,068,095	6,722,610,851	12,812,678,946	(529,948,944)	(84,768,988)	(207,246,396)	155,508,206,501	(48,008,133,437)	1,504	2,136,304,041	-39%	19%	Accounting and tax losses made in the period. Withholding taxes arising in the period. Taxation of profits made in other countries.
United States of America	92,284,942	49,085,468	141,370,410	(10,026,135)	(828,293)	(900,258)	1,425,237,021	674,486,073	140	200,750,655	-9%	27%	Impact of some entities making losses for both accounting and tax purposes, with other entities in the same jurisdiction paying tax on profits made during the period.
Venezuela	–	–	–	(6,737,073)	–	–	94,207,361	162,184,096	–	3	0%	34%	Accounting and tax losses made in the period.
Zambia	–	–	–	(6,689,020)	–	–	24,894,701	23,350,884	16	–	0%	35%	Accounting and tax losses made in the period.
Zimbabwe	397,387	326,295,377	326,692,764	151,601,064	(6,625,688)	(9,484,557)	50,000	(129,763,379)	1,448	503,803,891	6%	25%	Application of a 15% statutory rate available in accordance with legislated tax incentives given under the Special Mining Lease regime. Offset of losses made in previous periods.

Basis of Preparation: The principal subsidiaries, joint operations, joint ventures and associates of the Group and the Group percentage of equity capital are set out in note 34 of the Group Consolidated Financial Statements for the period. All these interests are held indirectly by the parent Company and are consolidated within the financial statements, and included accordingly within this report as Constituent Entities.

(1) The operations in Bermuda represent captive insurance activities for the Group, including managing group insurance/reinsurance arrangements and liaising with external captive managers and reinsurance providers. These operations are priced on an arm's length basis and therefore will generate profits in some years and losses in others.

(2) Anglo American has operations in Singapore including the running of a dedicated regional sales and marketing hub for the sale and trading of products sourced from Anglo equity mines and third party suppliers. Any related party transactions are conducted on an arm's length basis in accordance with OECD principles and local legislation. Anglo American pays corporate income tax on the profits it derives on the running of the regional sales and marketing hub in Singapore in accordance with legislated tax incentives granted to Anglo American for the significant contributions made to the Singaporean economy.

(3) The stated capital information in this document has been extracted from the Group's consolidation system. It is possible that certain jurisdictions which are showing no amounts may actually have some nominal share capital. Any such variances do not have a material impact on the analysis of this data.

(4) The CBCR effective tax rate is calculated by reference to the 'income tax accrued (current year)' divided by the 'profit before income tax' (both as disclosed in table 1 of this report).

(5) Statutory corporate tax rates are determined by reference to the headline statutory corporate income tax rate that is generally applicable under the tax law of the relevant country. These include the impact of any local/state taxes. For the purpose of this report, deferred taxes are excluded.

(6) Significant differences are those that explain the primary difference(s) between the CBCR effective tax rate and the Statutory tax rate.

TABLE 2 ENTITIES

Tax Jurisdiction	Name	Main Business Activities: Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
Angola	Anglo American Discovery (Cunene) – Prospeccao E Exploracao Mineira (SU), LDA													Yes	Exploration
Angola	Anglo American Discovery (Moxico) – Prospeccao E Exploracao Mineira (SU), LDA													Yes	Exploration
Angola	De Beers Angola Holdings SARL											Yes			
Angola	De Beers Centenary Angola Properties Angola Branch						Yes								
Argentina	Minera Anglo American Argentina S.A.U													Yes	Exploration
Australia	Anglo American Australia Finance Limited								Yes						
Australia	Anglo American Australia Holdings Pty Limited												Yes		
Australia	Anglo American Australia Limited											Yes			
Australia	Anglo American Exploration (Australia) Pty Limited													Yes	Exploration
Australia	Anglo American Metallurgical Coal Assets Eastern Australia Limited											Yes			
Australia	Anglo American Metallurgical Coal Assets Pty Ltd											Yes			
Australia	Anglo American Metallurgical Coal Finance Limited								Yes						
Australia	Anglo American Metallurgical Coal Holdings Limited											Yes			
Australia	Anglo American Metallurgical Coal Pty Ltd						Yes								
Australia	Anglo American Technical & Sustainability Services Australia Branch						Yes								
Australia	Anglo American Thermal Coal (Australia) Pty. Ltd.						Yes								
Australia	Anglo Coal (Archveyor Management) Pty Ltd												Yes		
Australia	Anglo Coal (Capcoal Management) Pty Limited						Yes								
Australia	Anglo Coal (Dawson Management) Pty Ltd						Yes								
Australia	Anglo Coal (Dawson Services) Pty Ltd													Yes	Employment company
Australia	Anglo Coal (Dawson South Management) Pty Ltd						Yes								
Australia	Anglo Coal (Dawson South) Pty Ltd						Yes								
Australia	Anglo Coal (Dawson) Holdings Pty Ltd											Yes			
Australia	Anglo Coal (Dawson) Limited				Yes										

TABLE 2 ENTITIES CONTINUED

Tax Jurisdiction	Name	Main Business Activities													
		Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
Australia	Anglo Coal (German Creek) Pty Ltd				Yes										
Australia	Anglo Coal (Grasstree Management) Pty Limited						Yes								
Australia	Anglo Coal (Grosvenor Management) Pty Ltd						Yes								
Australia	Anglo Coal (Grosvenor) Pty Ltd				Yes										
Australia	Anglo Coal (Jellinbah) Holdings Pty Ltd											Yes			
Australia	Anglo Coal (Moranbah North Management) Pty Limited						Yes								
Australia	Anglo Coal (Roper Creek) Pty Ltd				Yes										
Australia	Anglo Coal (Theodore South) Pty Ltd				Yes									Yes	JV participant company
Australia	Anglo Operations (Australia) Pty Ltd											Yes			
Australia	Dawson Coal Processing Pty Ltd													Yes	Employment company
Australia	Dawson Highwall Mining Pty Ltd												Yes		
Australia	Dawson Sales Pty Ltd					Yes									
Australia	Dawson South Sales Pty Ltd					Yes									
Australia	De Beers Australia Exploration Limited						Yes								
Australia	German Creek Coal Pty. Limited					Yes									
Australia	Jena Pty. Limited											Yes			
Australia	Jena Unit Trust				Yes										
Australia	Monash Energy Coal Limited												Yes		
Australia	Moranbah North Coal (No2) Pty Ltd				Yes										
Australia	Moranbah North Coal (Sales) Pty Ltd					Yes									
Australia	Moranbah North Coal Pty Ltd				Yes										
Belgium	De Beers Auction Sales Belgium NV						Yes								
Belgium	International Institute of Diamond Grading and Research (Belgium) NV					Yes	Yes								
Bermuda	Coromin Insurance Limited										Yes	Yes			
Bermuda	Holdac Insurance Limited										Yes				

TABLE 2 ENTITIES CONTINUED

Tax Jurisdiction	Name	Main Business Activities: Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
Botswana	Ambase Prospecting (Botswana) (Pty) Ltd												Yes		In voluntary liquidation
Botswana	Anglo American Corporation Botswana (Services) Limited						Yes								
Botswana	Anglo Coal Botswana (Pty) Ltd												Yes		
Botswana	De Beers Global Sightholder Sales (Pty) Ltd					Yes									
Botswana	De Beers Holdings Botswana (Pty) Ltd													Yes	Exploration
Botswana	Debswana Diamond Company (Pty) Ltd				Yes										
Botswana	Debswana Wellness Fund						Yes								
Botswana	Diamond Trading Company Botswana (Pty) Ltd					Yes									
Botswana	Tokafala (Proprietary) Limited						Yes					Yes			
Brazil	Anglo American Investimentos – Minério de Ferro Ltda.											Yes			
Brazil	Anglo American Minério de Ferro Brasil S.A	Yes			Yes		Yes					Yes			
Brazil	Anglo American Niquel Brasil Ltda.	Yes			Yes	Yes	Yes					Yes			
Brazil	Anglo Ferrous Brazil Participações S.A.											Yes	Yes		
Brazil	Câmara de Comércio Brasil República Sul Africana												Yes		To be liquidated
Brazil	Element Six Ltda.												Yes		To be liquidated
Brazil	Ferroport Logística Comercial Exportadora S.A.				Yes		Yes					Yes			
Canada	0912055 B.C. Ltd.												Yes		
Canada	Anglo American Exploration (Canada) Ltd.													Yes	Exploration
Canada	Auspotash Corporation												Yes		
Canada	Central Ecuador Holdings Ltd.											Yes			
Canada	De Beers Canada Holdings Inc.											Yes			
Canada	De Beers Canada Inc.				Yes		Yes								
Canada	Peace River Coal Inc.				Yes								Yes		
Canada	Peregrine Diamonds Ltd		Yes												
Chile	Anglo American Chile Inversiones S.A.					Yes									
Chile	Anglo American Chile Ltda						Yes								

TABLE 2 ENTITIES CONTINUED

		Main Business Activities													
Tax Jurisdiction	Name	Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
Chile	Anglo American Copper Finance SpA									Yes					
Chile	Anglo American Marketing Chile SpA					Yes									
Chile	Anglo American Sur S.A.				Yes										
Chile	Anglo American Technical & Sustainability Services Ltd, Agencia en Chile						Yes								
Chile	Compañía Minera Dona Ines De Collahuasi SCM				Yes										
Chile	Compañía Minera Westwall S.C.M													Yes	Exploration
Chile	Inversiones Anglo American Norte SpA											Yes			
Chile	Inversiones Anglo American Sur SpA											Yes			
Chile	Inversiones Minorco Chile SpA											Yes			
China	Anglo American Resources Trading (China) Co. Ltd.					Yes									
China	De Beers Jewellers Commercial (Shanghai) Co., Ltd					Yes									
China	Element Six Hard Materials (Wuxi) Co., Ltd				Yes										
China	Element Six Trading (Shanghai) Co., Ltd					Yes									
China	Forevermark Marketing (Shanghai) Company Limited					Yes	Yes								
China	Forevermark Marketing (Shanghai) Limited, Xi'an No. 1 Branch					Yes									
China	Forevermark Marketing Shanghai Company Limited – Beijing Branch					Yes									
China	Forevermark Marketing Shanghai Company Limited – Shanghai Branch					Yes									
China	Platinum Guild International (Shanghai) Co., Limited													Yes	Consultancy, market research and promotion
Colombia	Anglo American Colombia Exploration S.A.											Yes			
Congo (Democratic Republic of the)	Ambase Exploration Africa (DRC) Sprl												Yes		In voluntary liquidation
Ecuador	Anglo American Ecuador S.A.						Yes							Yes	Exploration
Ecuador	Central Ecuador EC-CT S.A.						Yes								
Finland	AA Sakatti Mining Oy				Yes									Yes	Exploration

TABLE 2 ENTITIES CONTINUED

Tax Jurisdiction	Name	Main Business Activities: Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
France	De Beers Jewellers French Branch					Yes									
Germany	Element Six GmbH				Yes	Yes									
Hong Kong	De Beers Auction Sales Holdings Limited		Yes												
Hong Kong	De Beers Jewellers (Hong Kong) Limited					Yes									
Hong Kong	Forevermark Limited					Yes	Yes								
Hong Kong	Platinum Guild International (Hong Kong) Limited													Yes	Consultancy, market research and promotion
India	Anglo American Services (India) Private Limited						Yes								
India	De Beers India Private Ltd						Yes								
India	Platinum Guild India Private Limited													Yes	Consultancy, market research and promotion
India	Sirius Minerals India Private Limited						Yes								
Indonesia	PT Anglo American Indonesia												Yes		
Indonesia	PT Minorco Services Indonesia												Yes		
Ireland	Coromin Insurance (Ireland) DAC										Yes				
Ireland	Element Six (Holdings) Limited											Yes			
Ireland	Element Six (Trade Marks) Limited												Yes		
Ireland	Element Six Abrasives Treasury Limited								Yes						
Ireland	Element Six Limited			Yes	Yes	Yes	Yes					Yes			
Ireland	Element Six Treasury Limited								Yes						
Isle of Man	Element Six (Legacy Pensions) Limited				Yes										
Israel	De Beers Auction Sales Israel Ltd						Yes								
Italy	Forevermark Italy S.R.L.					Yes	Yes								
Japan	De Beers Jewellers Japan K.K.					Yes									
Japan	Element Six Limited					Yes									
Japan	Forevermark KK					Yes	Yes								

TABLE 2 ENTITIES CONTINUED

Tax Jurisdiction	Name	Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
		Main Business Activities													
Japan	PGI KK													Yes	Consultancy, market research and promotion
Luxembourg	Kumba Iron Ore Holdings Sarl											Yes			
Macau	De Beers Jewellers (Macau) Company Limited					Yes									
Mexico	Anglo American Mexico S.A. de C.V.											Yes			
Mexico	Servicios Anglo American Mexico S.A. de C.V.													Yes	Exploration
Mozambique	Anglo American Corporation Mocambique Servicos Limitada												Yes		
Namibia	Ambase Prospecting (Namibia) (Pty) Ltd													Yes	Exploration
Namibia	De Beers Marine Namibia (Pty) Ltd				Yes										
Namibia	De Beers Namibia Holdings (Pty) Ltd											Yes			
Namibia	Debmarine Namdeb Foundation						Yes								
Namibia	DTC Valuations Namibia (Pty) Ltd												Yes		
Namibia	Exclusive Properties (Pty) Ltd						Yes								
Namibia	Longboat Trading (Pty) Ltd												Yes		Not managed
Namibia	Namdeb Diamond Corporation (Pty) Ltd				Yes										
Namibia	Namdeb Holdings (Pty) Ltd											Yes			
Namibia	Namdeb Hospital Pharmacy (Pty) Ltd						Yes								
Namibia	Namdeb Properties (Pty) Ltd						Yes								
Namibia	Namibia Diamond Trading Company (Pty) Ltd					Yes									
Namibia	Oranjemund Town Management Company (Pty) Ltd						Yes								
Netherlands	Element Six N.V.					Yes									
North Macedonia	Anglo American Exploration West Tetyan Skopje	Yes												Yes	Exploration
Papua New Guinea	Anglo American (Star Mountain) Limited												Yes		
Papua New Guinea	Anglo American Exploration (PNG) Limited												Yes		
Peru	Anglo American Chile Ltda – Peru PE						Yes								

TABLE 2 ENTITIES CONTINUED

Tax Jurisdiction	Name	Main Business Activities: Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
Peru	Anglo American Marketing Peru S.A.					Yes									Not yet operational
Peru	Anglo American Peru S.A.						Yes							Yes	Exploration
Peru	Anglo American Quellaveco S.A.				Yes										
Peru	Anglo American Servicios Perú S.A.						Yes						Yes		
Peru	Anglo American Technical & Sustainability Services Ltd	Yes													Not yet operational
Peru	Asociación Michiquillay													Yes	Not-for-profit organisation. Development and execution for Social Responsibility Programmes
Peru	Asociación Quellaveco													Yes	Not-for-profit organisation. Development and execution for Social Responsibility Programmes
Peru	Cobre del Norte S.A.						Yes								
Philippines	Anglo American Exploration (Philippines) Inc.											Yes	Yes		
Sierra Leone	Gemfair (SL) Limited					Yes									
Singapore	Anglo American Exploration (Singapore) Pte. Ltd												Yes	Yes	Exploration
Singapore	Anglo American Marketing Limited – Singapore branch					Yes									
Singapore	Anglo American Shipping Pte.Limited					Yes									Ocean freight chartering
Singapore	Anglo Platinum Marketing Limited – Singapore branch					Yes									
Singapore	De Beers Auction Sales Singapore Pte. Ltd.					Yes									
Singapore	Kumba Singapore Pte. Ltd.					Yes									
Singapore	MR Iron Ore Marketing Services Pte. Ltd.						Yes								
Singapore	Sirius Minerals (Singapore) Pte. Ltd						Yes								

TABLE 2 ENTITIES CONTINUED

		Main Business Activities													
Tax Jurisdiction	Name	Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
South Africa	Amaprop Townships Ltd												Yes	Yes	Holder of property
South Africa	Ambase Investment Africa (Botswana) (Pty) Ltd												Yes		
South Africa	Ambase Investment Africa (DRC) (Pty) Ltd												Yes		
South Africa	Ambase Investment Africa (Namibia) (Pty) Ltd												Yes		
South Africa	Ambase Investment Africa (Tanzania) (Pty) Ltd											Yes			
South Africa	Ambase Investment Africa (Zambia) (Pty) Ltd											Yes			Exploration company
South Africa	Anglo American Corporation of South Africa (Pty) Ltd												Yes		
South Africa	Anglo American EMEA Shared Services (Pty) Ltd						Yes								
South Africa	Anglo American Farms (Pty) Ltd											Yes			
South Africa	Anglo American Farms Investment Holdings (Pty) Ltd											Yes			
South Africa	Anglo American Group Employee Shareholder Nominees (Pty) Ltd						Yes								
South Africa	Anglo American Inyosi Coal (Pty) Ltd				Yes										
South Africa	Anglo American Marketing South Africa												Yes		
South Africa	Anglo American Platinum Limited											Yes			
South Africa	Anglo American Properties Ltd						Yes								
South Africa	Anglo American Prospecting Services (Pty) Ltd												Yes		
South Africa	Anglo American SA Finance Limited								Yes						
South Africa	Anglo American Sebenza Fund (Pty) Ltd						Yes								
South Africa	Anglo American SEFA Mining Fund (Pty) Ltd											Yes			
South Africa	Anglo American South Africa Investments Proprietary Limited											Yes			
South Africa	Anglo American South Africa Proprietary Limited											Yes			
South Africa	Anglo American Technical & Sustainability Services South Africa Branch												Yes		
South Africa	Anglo American Zimele (Pty) Ltd													Yes	Not managed
South Africa	Anglo American Zimele Community Fund (Pty) Ltd						Yes								

TABLE 2 ENTITIES CONTINUED

Tax Jurisdiction	Name	Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
		Main Business Activities													
South Africa	Anglo American Zimele Loan Fund (Pty) Ltd													Yes	Enterprise development initiative and funding managing
South Africa	Anglo Coal Investment Africa (Botswana) (Pty) Ltd											Yes			
South Africa	Anglo Corporate Enterprises (Pty) Ltd						Yes								
South Africa	Anglo Corporate Services South Africa Proprietary Limited						Yes								
South Africa	Anglo Inyosi Coal Security Company Limited												Yes		
South Africa	Anglo Operations (Pty) Ltd				Yes		Yes					Yes			
South Africa	Anglo Platinum Management Services (Pty) Ltd												Yes		
South Africa	Anglo South Africa (Pty) Ltd											Yes			
South Africa	Anglo South Africa Capital (Pty) Ltd											Yes			
South Africa	Anseld Holdings Proprietary Limited												Yes		
South Africa	Asambeni Mining (Proprietary) Limited												Yes		
South Africa	Atomatic Trading (Pty) Limited					Yes									
South Africa	Balgo Nominees (Pty) Ltd											Yes			
South Africa	Blinkwater Farms 244KR (Pty) Ltd												Yes		
South Africa	Butsanani Energy Investment Holdings (Pty) Ltd				Yes										Mining operations commenced
South Africa	Colliery Training College (Pty) Limited							Yes							
South Africa	DBCM Holdings (Pty) Ltd											Yes			
South Africa	De Beers Consolidated Mines (Pty) Ltd				Yes										
South Africa	De Beers Group Services (Pty) Ltd						Yes								
South Africa	De Beers Marine (Pty) Ltd				Yes										
South Africa	De Beers Marine Proprietary Limited – Greenland Branch													Yes	Exploration and sampling

TABLE 2 ENTITIES CONTINUED

		Main Business Activities													
Tax Jurisdiction	Name	Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
South Africa	De Beers Marine Proprietary Limited – Namibia Branch													Yes	Support activities for Prospecting and Mining activities
South Africa	De Beers Marine Proprietary Limited – Romania Branch						Yes								
South Africa	De Beers Matlafalang Business Development (Pty) Ltd												Yes		
South Africa	De Beers Sightholder Sales South Africa (Pty) Ltd					Yes	Yes								
South Africa	Dido Nominees (Pty) Ltd												Yes		
South Africa	Element Six (Production) Proprietary Limited				Yes										
South Africa	Element Six South Africa Proprietary Limited												Yes		
South Africa	Element Six Technologies Proprietary Limited												Yes		
South Africa	Ingagane Colliery (Pty) Ltd												Yes		
South Africa	KIO Investments Holdings (Pty) Ltd											Yes			
South Africa	Kumba BSP Trust											Yes			
South Africa	Kumba Iron Ore Limited											Yes			
South Africa	Longboat (Pty) Ltd											Yes			
South Africa	Mafube Coal Mining (Pty) Ltd				Yes										
South Africa	Main Street 1252 (Pty) Ltd (RF)											Yes			
South Africa	Marikana Ferrochrome Limited												Yes		
South Africa	Marikana Minerals (Pty) Ltd											Yes	Yes		In voluntary liquidation
South Africa	Matthey Rustenburg Refiners (Pty) Ltd												Yes		In voluntary liquidation
South Africa	Micawber 146 (Pty) Ltd													Yes	Not managed
South Africa	Mogalakwena Mine Solar Power (Pty) Ltd													Yes	Medical Services
South Africa	Mogalakwena Platinum Mines												Yes		
South Africa	Newshelf 1316 (Pty) Ltd												Yes		
South Africa	Newshelf 480 (Pty) Ltd						Yes								
South Africa	Norsand Holdings (Pty) Ltd					Yes									

TABLE 2 ENTITIES CONTINUED

Tax Jurisdiction	Name	Main Business Activities: Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
South Africa	Peruke (Pty) Ltd	Yes													
South Africa	Platmed (Pty) Ltd						Yes								
South Africa	Platmed Properties (Pty) Ltd						Yes								
South Africa	Precious Metals Refiners Proprietary Limited												Yes		
South Africa	Resident Nominees (Pty) Ltd												Yes		
South Africa	Rietvlei Mining Company (Pty) Ltd				Yes										
South Africa	Rustenburg Base Metals Refiners Proprietary Limited												Yes		
South Africa	Rustenburg Platinum Mines Limited				Yes										
South Africa	Sibelo Resource Development (Pty) Ltd												Yes		
South Africa	Sishen Iron Ore Company (Pty) Ltd				Yes										
South Africa	South Africa Coal Operations Proprietary Limited											Yes			
South Africa	Spectrem Air Pty Ltd													Yes	Conducting airborne geophysical surveys
South Africa	Springfield Collieries Limited												Yes		
South Africa	Tenon Investment Holdings (Pty) Ltd											Yes			
South Africa	The Village of Cullinan (Pty) Ltd												Yes		
South Africa	Vergelegen Wine Estate (Pty) Ltd											Yes			
South Africa	Vergelegen Wines (Pty) Ltd				Yes		Yes								
South Africa	Whiskey Creek Management Services (Pty) Ltd						Yes								
Sweden	Element Six AB				Yes		Yes								
Switzerland	Element Six SA					Yes									
Switzerland	PGI SA													Yes	Consultancy, market research and promotion
Taiwan, Province of China	De Beers Jewellers Taiwan Branch					Yes									
Tanzania, United Republic of	Ambase Prospecting (Tanzania) (Pty) Ltd												Yes		

TABLE 2 ENTITIES CONTINUED

		Main Business Activities													
Tax Jurisdiction	Name	Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
United Arab Emirates	De Beers DMCC					Yes									
United Arab Emirates	Element Six Ltd Dubai Branch					Yes									
United Kingdom	A.R.H. Investments Limited(3)											Yes			
United Kingdom	A.R.H. Limited(3)												Yes		
United Kingdom	Ambras Holdings Limited(3)											Yes			
United Kingdom	Ammin Coal Holdings Limited(3)											Yes			
United Kingdom	Anglo African Exploration Holdings Limited(3)											Yes			
United Kingdom	Anglo American (TIH) B.V.(5)											Yes			
United Kingdom	Anglo American (TIIL) Investments Limited												Yes		
United Kingdom	Anglo American Amcoll (UK) Ltd(3)											Yes			
United Kingdom	Anglo American Australia Investments Limited											Yes			
United Kingdom	Anglo American Buttercup Company Limited(3)											Yes			
United Kingdom	Anglo American Capital Australia Limited												Yes		
United Kingdom	Anglo American Capital plc								Yes						
United Kingdom	Anglo American Chile Investments (UK) Ltd(3)											Yes			
United Kingdom	Anglo American Clarent (UK) Ltd(3)											Yes			
United Kingdom	Anglo American CMC Holdings Limited											Yes			
United Kingdom	Anglo American Corporate Secretary Limited						Yes								
United Kingdom	Anglo American Corporation de Chile Holdings Limited(3)											Yes			
United Kingdom	Anglo American Diamond Holdings Limited											Yes			
United Kingdom	Anglo American Exploration (Philippines) B.V.(5)											Yes			
United Kingdom	Anglo American Exploration B.V.(5)											Yes			
United Kingdom	Anglo American Exploration Colombia Limited(3)											Yes			
United Kingdom	Anglo American Exploration Overseas Holdings Limited(3)											Yes			
United Kingdom	Anglo American Finance (UK) Limited								Yes			Yes			

TABLE 2 ENTITIES CONTINUED

		Main Business Activities													
Tax Jurisdiction	Name	Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
United Kingdom	Anglo American Finland Holdings 1 Limited[3]											Yes			
United Kingdom	Anglo American Finland Holdings 2 Limited[3]											Yes			
United Kingdom	Anglo American Foundation												Yes		
United Kingdom	Anglo American Holdings Limited											Yes			
United Kingdom	Anglo American International B.V.[5]											Yes			
United Kingdom	Anglo American International Holdings Limited											Yes			
United Kingdom	Anglo American International Limited[4]											Yes			
United Kingdom	Anglo American Investments (UK) Limited											Yes			
United Kingdom	Anglo American Liberia Holdings Limited[3]											Yes			
United Kingdom	Anglo American Marketing Limited					Yes									
United Kingdom	Anglo American Medical Plan Limited												Yes		
United Kingdom	Anglo American Medical Plan Trust													Yes	Trust
United Kingdom	Anglo American Midway Investment Limited[3]											Yes			
United Kingdom	Anglo American Netherlands B.V.[5]											Yes			
United Kingdom	Anglo American Overseas Limited[3]											Yes			
United Kingdom	Anglo American Plc						Yes					Yes			
United Kingdom	Anglo American PNG Holdings Limited											Yes			
United Kingdom	Anglo American Prefco Limited								Yes			Yes			
United Kingdom	Anglo American Projects UK Limited (11)						Yes								
United Kingdom	Anglo American REACH Limited						Yes								
United Kingdom	Anglo American Services (UK) Ltd						Yes		Yes			Yes			
United Kingdom	Anglo American Services Overseas Limited						Yes								
United Kingdom	Anglo American Technical & Sustainability Limited						Yes								
United Kingdom	Anglo American Technical & Sustainability Services Ltd						Yes								
United Kingdom	Anglo American Woodsmith Limited				Yes										
United Kingdom	Anglo Australia Investments Limited											Yes			
United Kingdom	Anglo Base Metals Marketing Limited					Yes									

TABLE 2 ENTITIES CONTINUED

		Main Business Activities													
Tax Jurisdiction	Name	Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
United Kingdom	Anglo Diamond Investments Limited(3)											Yes			
United Kingdom	Anglo Iron Ore Investments Limited(3)											Yes			
United Kingdom	Anglo Loma Investments Limited(3)											Yes			
United Kingdom	Anglo Operations (International) Limited(3)											Yes			
United Kingdom	Anglo Operations (Netherlands) B.V.(5)											Yes			
United Kingdom	Anglo Peru Investments Limited(3)											Yes			
United Kingdom	Anglo Platinum Marketing Limited					Yes									
United Kingdom	Anglo Quellaveco Limited(3)											Yes			
United Kingdom	Anglo South American Investments Limited(3)											Yes			
United Kingdom	Anglo UK Pension Trustee Limited												Yes		
United Kingdom	Anglo Venezuela Investments Limited(3)								Yes						
United Kingdom	Anmercosa Finance Limited						Yes								
United Kingdom	Aval Holdings Limited(3)											Yes			
United Kingdom	Birchall Gardens LLP													Yes	Property Investment
United Kingdom	Charterhouse CAP Limited			Yes		Yes									
United Kingdom	Cheviot Holdings Limited(3)											Yes			
United Kingdom	De Beers Centenary AG(6)								Yes			Yes			
United Kingdom	De Beers Centenary Angola Properties Ltd(1)						Yes					Yes			
United Kingdom	De Beers Centenary Limited(3)											Yes			
United Kingdom	De Beers Exploration Holdings Limited(3)											Yes			
United Kingdom	De Beers Holdings Investments Limited(3)											Yes			
United Kingdom	De Beers Intangibles Limited												Yes		
United Kingdom	De Beers Investments plc(3)											Yes			
United Kingdom	De Beers Jewellers Limited					Yes									
United Kingdom	De Beers Jewellers Trade Mark Limited					Yes									
United Kingdom	De Beers Jewellers UK Limited					Yes									
United Kingdom	De Beers plc(3)											Yes			

TABLE 2 ENTITIES CONTINUED

		Main Business Activities													
Tax Jurisdiction	Name	Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
United Kingdom	De Beers Trademarks Limited												Yes		
United Kingdom	De Beers UK Limited	Yes	Yes			Yes						Yes			
United Kingdom	Delibes Holdings Limited[(1)]											Yes			
United Kingdom	Ebbsfleet Property Limited													Yes	Holder of property
United Kingdom	Element Six (Production) Limited													Yes	Holder of property
United Kingdom	Element Six (UK) Limited	Yes	Yes				Yes							Yes	Pension entity
United Kingdom	Element Six Abrasives Holdings Limited											Yes			
United Kingdom	Element Six Holdings Limited											Yes			
United Kingdom	Element Six Limited						Yes								
United Kingdom	Element Six Technologies Limited												Yes		
United Kingdom	Erabas B.V.[(5)]											Yes			
United Kingdom	Ferro Nickel Marketing Limited					Yes	Yes								
United Kingdom	Forevermark Limited		Yes			Yes	Yes					Yes			
United Kingdom	Gemfair Limited												Yes		
United Kingdom	Highbirch Limited[(3)]											Yes			
United Kingdom	IIDGR (UK) Limited				Yes										
United Kingdom	Inglewood Holdings Limited[(3)]											Yes			
United Kingdom	Kumba International Trading Limited[(3)]					Yes						Yes			
United Kingdom	Lightbox Jewelry Ltd.											Yes			
United Kingdom	Loma de Niquel Holdings B.V.[(5)]											Yes			
United Kingdom	Loma de Niquel Holdings Limited[(1)]											Yes			
United Kingdom	Minorco Exploration (Indonesia) B.V.[(5)]											Yes			
United Kingdom	Minorco Overseas Holdings Limited[(3)]											Yes			
United Kingdom	Minorco Peru Holdings Limited[(3)]											Yes			
United Kingdom	Minpress Investments Limited[(3)]											Yes			
United Kingdom	Reunion Mining Limited											Yes			

TABLE 2 ENTITIES CONTINUED

Tax Jurisdiction	Name	Main Business Activities: Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
United Kingdom	Rhoanglo Trustees Limited												Yes		
United Kingdom	Sach 1 Limited								Yes						
United Kingdom	Sach 2 Limited								Yes						
United Kingdom	Scallion Limited [(1)]											Yes			
United Kingdom	Security Nominees Limited												Yes		
United Kingdom	Sirius Minerals Finance Limited[(3)]								Yes						Fundraising
United Kingdom	Sirius Minerals Finance No.2 Limited[(3)]								Yes						Fundraising
United Kingdom	Sirius Minerals Foundation													Yes	Charity
United Kingdom	Sirius Minerals Holdings Limited											Yes			
United Kingdom	Swanscombe Development LLP													Yes	Holder of property
United Kingdom	The Diamond Trading Company Limited												Yes		
United Kingdom	TRACR Limited					Yes									
United Kingdom	York Potash Holdings Limited											Yes			
United Kingdom	York Potash Intermediate Holdings Plc											Yes			
United Kingdom	York Potash Ltd				Yes										
United Kingdom	York Potash Processing & Ports Limited						Yes								
United Kingdom	YPF Ltd												Yes		
United States of America	Anglo American US Holdings Inc.											Yes			
United States of America	Dakota Salts LLC						Yes								
United States of America	De Beers Jewellers US, Inc.					Yes									
United States of America	Element Six Technologies (OR) Corp.												Yes		
United States of America	Element Six Technologies U.S. Corporation				Yes										
United States of America	Element Six US Corporation					Yes									

TABLE 2 ENTITIES CONTINUED

Tax Jurisdiction	Name	Main Business Activities: Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
United States of America	Forevermark US Inc.					Yes	Yes								
United States of America	Lightbox Jewelry Inc.					Yes									
United States of America	Platinum Guild International (U.S.A.) Jewelry Inc.													Yes	Consultancy, market research and promotion
Venezuela (Bolivarian Republic of)	Minera Loma de Niquel C.A.											Yes			
Zambia	Anglo Exploration (Zambia) (Pty) Ltd													Yes	Exploration
Zimbabwe	Amzim Holdings Limited											Yes			
Zimbabwe	Anglo American Corporation Zimbabwe Limited											Yes			
Zimbabwe	Broadlands Park Limited											Yes			
Zimbabwe	Southridge Limited						Yes								
Zimbabwe	Unki Mines (Private) Limited				Yes										

(1) Incorporated in the British Virgin Islands.
(2) Incorporated in Cyprus.
(3) Incorporated in Jersey.
(4) Incorporated in Mauritius.
(5) Incorporated in the Netherlands.
(6) Incorporated in Switzerland.

Tax Jurisdiction

The tax jurisdiction in which constituent entities of Anglo American are resident for tax purposes. A tax jurisdiction is defined as a State as well as a non-State jurisdiction which has fiscal autonomy. Where a constituent entity is resident in more than one tax jurisdiction, the applicable tax treaty tie breaker has been applied to determine the tax jurisdiction of residence. Where no applicable tax treaty exists, the constituent entity is reported in the tax jurisdiction of the constituent entity's place of effective management. The place of effective management is determined in accordance with the provisions of Article 4 of the OECD Model Tax Convention and its accompanying Commentary.

Revenues

Under the heading Revenues, Anglo American reports the following information: (i) the sum of revenues of all the constituent entities of the Group in the relevant tax jurisdiction generated from transactions with associated enterprises; (ii) the sum of revenues of all the constituent entities of the Group in the relevant tax jurisdiction generated from transactions with independent parties; and (iii) the total of (i) and (ii). Revenues include revenues from sales of inventory and properties, services, royalties, interest, premiums and any other amounts. Revenues exclude payments received from other constituent entities that are treated as dividends in the payor's tax jurisdiction.

Profit/(Loss) before Income Tax

The sum of the profit (loss) before income tax for all the constituent entities resident for tax purposes in the relevant tax jurisdiction. The profit (loss) before income tax includes all extraordinary income and expense items.

Income Tax Paid (on Cash Basis)

The total amount of income tax actually paid during the fiscal year by all the constituent entities resident for tax purposes in the relevant tax jurisdiction. Taxes paid include cash taxes paid by the constituent entity to the residence jurisdiction and to all other tax jurisdictions. Taxes paid include withholding taxes paid by other entities (associated enterprises and independent enterprises) with respect to payments to the constituent entity. Thus, if company A resident in tax jurisdiction A earns interest in tax jurisdiction B, the tax withheld in tax jurisdiction B is reported by company A.

Income Tax Accrued (Current Year)

The sum of the accrued current tax expense recorded on taxable profits or losses of the year of reporting of all the constituent entities resident for tax purposes in the relevant tax jurisdiction. The current tax expense reflects only operations in the current year and does not include deferred taxes or provisions for uncertain tax liabilities.

Accumulated Earnings

The sum of the stated capital of all the constituent entities resident for tax purposes in the relevant tax jurisdiction. With regard to permanent establishments, the stated capital is reported by the legal entity of which it is a permanent establishment unless there is a defined capital requirement in the permanent establishment tax jurisdiction for regulatory purposes.

Number of Employees

The total number of employees on a full-time equivalent (FTE) basis of all the constituent entities resident for tax purposes in the relevant tax jurisdiction. The number of employees has been reported on the basis of average employment levels for the year.

Tangible Assets other than Cash and Cash Equivalents

The sum of the net book values of tangible assets of all the constituent entities resident for tax purposes in the relevant tax jurisdiction. With regard to permanent establishments, assets are reported by reference to the tax jurisdiction in which the permanent establishment is situated. Tangible assets for this purpose do not include cash or cash equivalents, intangibles, or financial assets.

Constituent Entities Resident in the Tax Jurisdiction

The constituent entities of Anglo American which are resident for tax purposes in the relevant tax jurisdiction (on a tax jurisdiction-by-tax jurisdiction basis and by legal entity name). Any permanent establishment is listed by reference to the tax jurisdiction in which it is situated.

Main Business Activity(ies)

The nature of the main business activity(ies) carried by the constituent entity in the relevant tax jurisdiction, by ticking one or more of the appropriate boxes.

The definitions included in this appendix are consistent with OECD guidelines.
This report has been prepared based on the requirements of GRI 207-4.
See page 2 of this report for further details.

EXHIBIT 6

Philips, *2020 Country Activity and Tax Report* (February 2021) (Excerpts)

2020
Country Activity and Tax Report

2 Our approach to tax

As a purpose-driven company, we take a fully integrated approach to doing business responsibly and sustainably. In the Social responsibility domain, we consider our tax payments as a contribution to the communities in which we operate and an integral part of our social value creation.

2.1 Philips’ approach to tax

Tax is central to our commitment to create superior, long-term value for our multiple stakeholders. We acknowledge that the success of our business is also dependent on external factors such as public infrastructure, access to skilled labor and public administration. Philips therefore has a responsibility to contribute, through our tax payments, to government revenues in the countries in which we operate, thereby helping to drive economic and social prosperity.

Given the importance of tax collection to the macro-economic stability of communities, we consider tax in the context of the broader society, inspired by our stakeholder dialogues, global initiatives of the OECD (Organization for Economic Cooperation and Development) and United Nations, human rights, international (tax) laws and regulations. We aim to live up to the highest standards of governance. We will, therefore, also ensure transparency regarding our tax contributions for all countries in which we operate.

Philips’ approach to tax is an integral part of the Philips General Business Principles (GBP), which reflect our commitment to always act with integrity towards our employees, customers, business partners and shareholders, as well as the wider community in which we operate (https://www.philips.com/gbp). Employees are urged to report suspected violations of our GBP, including our tax principles.

The GBP are actively promoted throughout the Tax Function, and its staff regularly completes the relevant training programs, receiving practical guidance on how to apply and uphold the GBP in their daily work.

Under the ultimate responsibility of the Board of Management, the Chief Financial Officer annually reviews, evaluates, approves and where necessary adjusts Philips’ approach to tax.

2.2 Philips' tax principles

We act as a responsible taxpayer, ensuring compliance with local and international tax laws and regulations. We act in accordance with the spirit and letter of tax laws and regulations, both in our general approach to tax and in executing our tax strategy of using tax assets and applying tax incentives. We are guided by global initiatives promoting tax transparency and responsible tax management.

Business operations drive the design of our business models, while the Tax Function advises and supports implementation. Philips reports taxable income in the countries in which it creates value, in accordance with internationally accepted standards. Our transfer pricing policies are aimed at appropriate, arm’s-length remuneration for activities among Philips-related parties. These policies are applied across all markets in which we operate, with the remuneration received corresponding to the local value creation.

We do not control legal entities in countries that do not share tax information under Tax Information Exchange Agreements, and do not control legal entities without commercial and/or economic activities solely for the purpose of tax avoidance.

We seek to build open and constructive relationships with tax authorities and participate in co-operative compliance programs, e.g. in the Netherlands.

We acknowledge the importance of transparency in respect of our tax contributions. Therefore, we make certain voluntary disclosures, in addition to the international and local public disclosure and reporting requirements we already comply with (such as International Financial Reporting Standards (IFRS) and the EU Directive on cross-border tax arrangements, DAC6).

2.3 Tax governance, control, and risk management

Under the responsibility of the Chief Financial Officer, a globally organized and experienced Group Tax Function is in place. It advises management and the businesses on the tax implications of decisions, performs appropriate tax planning to support business goals and ensures compliance with all tax laws. Country tax experts and tax business partners carry out these activities, supported by globally organized experts in areas such as transfer pricing and indirect tax. A globally organized team of tax accountants is responsible for tax accounting and reporting at Group level. The Tax Function is set up in such a way that it interacts with the key stakeholders in the businesses, markets and functions.

Philips has a Tax Control Framework in place. The execution of monitoring controls on a quarterly basis creates awareness and provides assurance of adherence to up-to-date tax policies. The Tax Control Framework is part of the Philips Business Control Framework, which sets the standard for Internal Control over Financial Reporting at Philips. The Audit Committee of the Supervisory Board regularly review controls and key tax-related matters, including this report as part of the Annual Report process. Furthermore, the company's external auditor provides assurance on our financials, including our tax positions, and taxes paid. We refer to the independent auditor's reports of our external auditor on the Annual Report 2020 and this Country Activity and Tax Report 2020, respectively.

Philips' approach to risk management includes tax risks, as they could have a significant adverse financial impact. Uncertainty is inherent to tax positions, and discussions on the interpretation of tax laws are inevitable. In line with the open and constructive relationships that Philips wants to build and maintain with tax authorities, we seek upfront certainty on interpretations of regulations whenever deemed relevant and tax authorities are willing to provide clarification. For a further explanation of Philips' approach to risk management and the tax risks to which Philips is exposed, please refer to the Risk Management chapter of our Annual Report.

We strive for full and timely tax compliance. To minimize any tax compliance risk, a quarterly review process is in place to secure timely and correct tax filings and tax payments, supported by compliance KPIs for the respective departments. In the execution of tax compliance, third-party tax service providers are often involved under the supervision of the Tax Function.

We continually seek to invest in technologies to improve data management, and thus the overall quality of direct and indirect tax compliance, control and reporting. We strongly believe in the benefits technology can offer to enable earlier access to tax-relevant data, particularly as the legal and regulatory environment is rapidly evolving and tax authorities are increasingly embracing digitalization. Over the past years, the Tax Function has evolved from being a manually oriented function to being a more data-driven, digitally enabled one.

When we plan new business models, processes are in place to review these from a tax perspective before implementation can start. Equally, in the event of acquisitions, a tax due diligence is always part of the process, and the input of the Tax Function is taken into account before a decision to acquire is taken. Acquisitions are immediately followed by implementation of the tax due diligence recommendations, which can be far-reaching. In the case of divestments, a routine process is applied, covering and connecting all functions, starting from carve-out of the business to delivering a fully independent operating business. Tax is typically involved in most workstreams, but in particular in the legal and finance-related workstreams.

2.4 Stakeholder engagement

We seek an open dialogue with our stakeholders, including relevant tax authorities, our shareholders, customers, business partners, employees, governments, regulators, non-governmental organizations and the communities in which we operate. Philips shares its views on tax developments through interest organizations such as employers' federations. We actively participate in the public debate around taxation, for example in the media. Furthermore, regular discussions are held with investors on the topic of tax in relation to sustainability.

Across all our activities, we derive significant value from the diverse stakeholders we engage with, listen to and learn from. We are seeking to intensify our stakeholder dialogues in order to align our approach to tax with our stakeholders' expectations on a continuous basis.

2.5 Tax transparency

In addition to our compliance with disclosure and reporting requirements such as the mandatory disclosure of country-by-country reporting to the Dutch tax authorities, we voluntarily make certain additional disclosures, such as this Country Activity and Tax Report. Philips furthermore supports and participates in transparency initiatives such as the Dow Jones Sustainability Index (DJSI) and the Tax Transparency Benchmark of the Dutch Association of Investors for Sustainable Development (VBDO).

4.3 Country summary

The table below gives an overview of all countries per geographic cluster.

Philips Group
Tax contribution - Summary in millions of EUR (employees in full number)

		Financials					Total tax contribution					
	Number of employees	Revenues from third parties	Revenues from related parties	Profit/Loss before tax	Tangible assets	Corporate income tax accrued	Corporate income tax paid	VAT	Payroll taxes	Customs duties	Other taxes	Total
Western Europe												
Germany	3,825	1,344.51	1,849.48	502.12	172.69	117.55	185.12	103.73	199.13	1.18	0.34	**489.50**
Netherlands	11,461	1,573.46	6,474.28	472.51	657.56	34.21	56.39	(107.52)	483.82	11.34	26.32	**470.35**
France	915	493.24	46.66	12.94	21.94	1.95	0.48	66.20	49.03	0.03	4.14	**119.88**
United Kingdom	1,135	495.40	173.83	24.17	40.82	0.69	0.26	32.94	44.29	0.10	1.05	**78.64**
Italy	991	425.24	59.33	19.81	28.41	1.10	0.56	34.33	35.29	0.07	0.91	**71.16**
Spain	510	245.51	19.67	3.49	4.93	0.69	1.87	42.17	17.01	0.02	0.64	**61.71**
Sweden	278	153.46	8.41	4.50	3.91	0.61	(0.07)	39.52	13.84	0.01	0.28	**53.58**
Belgium	317	227.05	20.52	5.50	15.57	1.68	0.23	24.01	16.87	0.41	0.43	**41.95**
Austria	475	51.68	65.16	(4.79)	50.79	(0.86)	1.02	18.00	21.40	0.01	0.07	**40.50**
Denmark	165	93.16	15.41	2.51	26.99	0.31	0.86	12.88	3.87	0.07	-	**17.68**
Finland	171	40.66	16.71	1.86	2.21	-		8.67	3.77	-		**12.44**
Portugal	75	40.84	2.94	2.49	0.81	0.39	0.07	7.80	1.95	-	0.17	**9.99**
Greece	55	34.64	1.92	0.94	1.65		0.04	7.08	2.23	-	0.22	**9.57**
Switzerland	222	188.35	24.75	6.13	11.70	1.31	0.84	3.48	4.44	0.65		**9.41**
Norway	53	44.66	2.23	(1.62)	0.80	0.48	0.40	4.65	2.15	0.01	0.02	**7.23**
Ireland	25	8.10	1.01	0.68	0.54	0.38	0.43	1.04	1.44			**2.91**
Luxembourg	0		0.07	0.17		0.03	0.05	0.99	0.12		0.01	**1.17**
North America												
United States	20,322	6,692.25	3,681.98	240.21	886.84	77.76	81.71	62.24	572.02	28.22	8.76	**752.95**
Canada	805	290.05	19.77	(7.89)	7.95	5.13	4.39	23.79	18.29	1.38	0.06	**47.91**
Other mature geographies												
Japan	2,244	1,111.02	38.50	71.04	129.17	24.36	23.85	82.27	53.04	0.84	0.77	**160.77**
Australia	580	335.08	14.06	9.98	8.42	5.31	3.70	23.93	20.68	0.05	0.02	**48.38**
South Korea	377	301.32	10.11	11.60	7.69	3.62	3.47	8.68	6.90	0.78	0.13	**19.96**
Israel	1,422	17.82	480.03	65.92	49.43	11.55	10.37	(39.40)	42.44	0.47		**13.88**
New Zealand	41	30.26	1.38	0.73	0.58	0.35	0.40	4.21	1.41	0.02		**6.04**

	Number of employees	Financials					Total tax contribution					
		Revenues from third parties	Revenues from related parties	Profit/Loss before tax	Tangible assets	Corporate income tax accrued	Corporate income tax paid	VAT	Payroll taxes	Customs duties	Other taxes	Total
Growth geographies												
China	8,240	1,505.37	808.45	139.76	144.85	29.98	38.19	127.74	97.48	23.77	34.84	**322.02**
India	9,315	366.26	280.15	32.38	76.04	12.55	10.12	28.67	44.78	21.40	7.48	**112.45**
Brazil	1,990	240.74	19.72	(28.56)	19.6	0.31	3.04	55.28	12.95	6.91		**78.18**
Poland	1,597	249.05	59.43	7.09	19.27	4.12	2.24	23.51	17.06		0.16	**42.97**
Russian Federation	578	390.00	10.57	10.38	8.03	5.27	13.75	9.19	6.58	11.91	0.84	**42.27**
Indonesia	4,003	143.46	383.35	13.43	72.95	5.61	6.50	11.85	2.51	1.96	1.35	**24.17**
Argentina	167	80.31	4.34	2.03	0.49	-	0.36	12.01	1.74	3.09	6.01	**23.21**
Mexico	263	107.15	3.00	(0.35)	3.74	(0.10)	0.40	2.72	3.55	11.20	0.59	**18.46**
Singapore	666	155.08	357.18	5.51	61.73	0.26	0.80	4.60	11.18		0.52	**17.10**
Czech Republic	128	93.59	5.98	2.86	1.24	0.63	0.53	11.77	3.68		0.14	**16.12**
Turkey	225	166.89	4.56	10.69	0.78	1.89	0.47	1.66	1.29	11.72	0.26	**15.40**
Taiwan	192	132.60	1.98	2.45	1.74	0.62	0.82	5.54	2.97	3.03	0.54	**12.90**
Thailand	159	134.76	3.91	(0.02)	1.50	0.39	0.63	7.56	0.98	2.03	0.60	**11.80**
Romania	1,752	125.74	233.67	11.15	41.58	2.43	3.05	(1.62)	8.05	1.25	0.70	**11.43**
Saudi Arabia	181	98.17	3.31	3.60	3.48	2.13	2.60	4.25	0.82	1.82		**9.49**
Chile	98	60.39	1.40	(1.73)	1.84	1.07	(0.53)	6.45	1.90	0.71	0.79	**9.32**
Costa Rica	3,119		161.76	(1.14)	72.18				9.25			**9.25**
South Africa	199	42.65	3.39	(1.17)	0.73	(0.24)	0.39	1.32	3.27	2.00	0.62	**7.60**
Hungary	85	37.10	5.39	1.72	0.65	0.06	0.36	4.35	1.40	0.01	0.10	**6.22**
Colombia	106	21.63	1.70	1.86	0.84	0.81	0.82	3.37	1.16	0.03		**5.38**
Ukraine	72	51.62	0.92	0.72	0.83	0.64	0.43	0.86	0.64	2.60		**4.53**
Malaysia	123	81.70	1.68	2.14	0.11	0.04	0.55	(1.03)	1.70	3.23	-	**4.45**
Hong Kong	393	750.69	58.40	10.00	2.85	-			2.43		1.68	**4.11**
Egypt	108	23.00	1.87	0.40	3.41	3.03	1.02	1.02	0.98	0.90	0.08	**4.00**
Philippines	201	19.88	5.18	(1.03)	0.90	0.01	0.11	2.12	1.08	0.33	0.20	**3.84**
Panama	542	3.92	32.01	1.89	5.83	0.03	0.02		2.67			**2.69**
Peru	34	8.93	1.41	1.79	0.17	2.18	0.94	1.18	0.50			**2.62**
Kenya	53	13.31	1.99	(1.27)	0.52	0.11	0.25	0.57	0.93	0.55		**2.30**
Vietnam	81	19.19	2.09	1.80	1.96	0.11	0.17	0.96	0.80	0.04	0.06	**2.03**
Latvia	27	28.39	0.77	0.77	0.25	0.07	0.27	1.08	0.56		0.02	**1.93**
Puerto Rico	31	17.06	0.97	2.12	0.11	1.21	0.13	1.23	0.41			**1.77**
Bangladesh	20	1.41	3.68	1.17	0.60	0.71	0.51	0.18	0.02	0.29	0.05	**1.05**
Ghana	16	0.55	0.92	0.08	0.12	0.01	0.05	0.18	0.06	0.04		**0.33**
Slovenia	9		0.86	0.03	0.10	0.01	0.01	(0.02)	0.29			**0.28**

		Financials					Total tax contribution					
	Number of employees	Revenues from third parties	Revenues from related parties	Profit/Loss before tax	Tangible assets	Corporate income tax accrued	Corporate income tax paid	VAT	Payroll taxes	Customs duties	Other taxes	**Total**
Croatia	32		2.57	0.31	0.53	0.05	0.02	(0.06)	0.31		-	**0.27**
Morocco	11		1.09	0.02	0.08	0.06	-	0.10	0.15		0.01	**0.26**
Lebanon	17			(1.59)	0.26				0.24			**0.24**
Bulgaria	26		1.89	0.08	0.58	0.01	0.01	(0.04)	0.22		-	**0.19**
Kazakhstan	24		0.93	0.07	0.13	0.02	0.02	-	0.15		-	**0.17**
Sri Lanka	5	-	0.58	0.34	0.00	0.09	0.04	0.05	0.02		0.00	**0.11**
Belarus	8		0.40	0.03	-	-	0.01	0.01	0.08		-	**0.10**
United Arab Emirates	210	126.77	11.98	(0.98)	0.50				0.05			**0.05**
Myanmar	0			0.21		0.05	0.02	-	0.02			**0.04**
Serbia	9		0.64	0.08	0.16	0.01		(0.03)	0.07		-	**0.04**
Qatar	10		1.59	0.05	0.13	0.03	0.02		0.01			**0.03**
Tanzania	0	0.24		(0.01)			0.01					**0.01**
Nigeria	0			(0.03)		-						**0.00**
Paraguay	0			(0.49)	0.13							**0.00**
Venezuela	0		0.01	0.01								**0.00**
Uruguay	0		0.03	(0.25)	-	-	(0.01)					**(0.01)**

Philips Group
Tax contribution - Grand total in millions of EUR (Employees are in full number)

		Key financials					Tax contribution					
	Number of employees	Revenues from third parties	Revenues from related parties	Profit/Loss before tax	Tangible assets	Corporate income tax accrued	Corporate income tax paid	VAT	Payroll taxes	Customs duties	Other taxes	**Total**
Grand total												
Philips Group	81,592	19,535	15,515	1,499	2,682	360	466	794	1,862	156	102	**3,381**

Reference to presentation of the financial data in this report
- ‘blank’ represents "No" data
- ‘-‘ represents data "< EUR 0.01 million”
- amounts may not add up due to rounding

The data presented in the above table reconciles with the data stated in the audited consolidated financial statements, in the 2020 Annual Report, as follows:
- **Revenues from third party sales:** Per chapter 10.4 Consolidated statements of income, ‘‘Sales’ tie-out to the EUR 19,535 million per this report.

GIBSON DUNN

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March 18, 2022

VIA E-MAIL

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: *Amazon.com, Inc.*
Shareholder Proposal of Missionary Oblates of Mary Immaculate-United States Province
Securities Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

This letter relates to the no-action request (the "No-Action Request") submitted to the staff of the Division of Corporation Finance (the "Staff") on January 21, 2022 on behalf of our client, Amazon.com, Inc. (the "Company"), in response to the shareholder proposal (the "Proposal") and statement in support thereof (the "Supporting Statement") received from Missionary Oblates of Mary Immaculate-United States Province (the "Proponent").

The Proposal requests that the Company "issue a tax transparency report to shareholders . . . prepared in consideration of the indicators and guidelines set forth in the Global Reporting Initiative's (GRI) Tax Standard." As discussed in the No-Action Request, the GRI Tax Standard calls for disclosures that are far more extensive and detailed than the country-by-country reporting to the I.R.S. required under U.S. tax rules. The GRI Tax Standard requires disclosures covering four broad topics, including a company's tax strategy, tax governance, and tax control framework, as well as country-by-country reporting of resident entities, number of employees, revenues, profit and loss before tax, tangible assets, and corporate income tax paid on a cash basis, as well as a reconciliation of all reported amounts to audited consolidated financial statements and, where such data does not reconcile with "information on public record," an explanation. In the No-Action Request, the Company argued that the Proposal is properly excludable from the Company's proxy statement and form of proxy for its 2022 Annual Meeting of Shareholders (collectively, the "2022 Proxy Materials") pursuant to Rule 14a-8(i)(7) because the Proposal relates to the Company's ordinary business operations (management of tax expense and compliance with laws).

The Proponent submitted a letter, dated February 16, 2022, setting forth arguments opposing the No-Action Request (the "Proponent's Letter"). The Proponent's Letter fails to identify, much less explain, any distinction between the Proposal and the extensive precedent treating corporate tax planning and other tax matters, including reporting on taxes, as not implicating a significant social policy issue. Instead, the Proponent's Letter references a disconnected litany of tax policy developments that have occurred "worldwide over the past decade."[1] The discussion in the Proponent's Letter demonstrates that there is no significant development that would justify departing from well-settled Rule 14a-8 precedent. Specifically:

- As the Proponent's Letter indicates on page 4, the issues it addresses on page 3 have been addressed by the Organization for Economic Cooperation and Development (in 2013) and by the U.S. (in 2017). However, the fact that IRS rules now require all companies to provide the IRS with country-by-country reporting does not differentiate this aspect of tax compliance and tax reporting from any other tax reporting requirement that is currently applicable or has been required in the past. The fact that information is reported to the IRS has never made, and does not make, such information a significant social policy issue.
- The fact that there are various tax law proposals pending or that have been recently introduced does not distinguish the present situation from the past. Many of the precedents cited in the No-Action Request relied on then-recent extensive tax law changes or pending tax reforms as the basis for seeking public disclosure, and yet that has never resulted in tax reporting being viewed as a significant public policy issue that transcends a company's ordinary business.
- Contrary to the assertion on page 5 of the Proponent's Letter, the Company has disclosed, both in a blog posting[2] and in its most recent Form 10-K,[3] that it repatriated intangible assets to the U.S.

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1 Proponent's Letter at 2.

2 *See* Amazon is investing in American jobs, workers, and communities, *available at* https://www.aboutamazon.com/news/policy-news-views/amazon-is-investing-in-american-jobs-workers-and-communities?_sm_au_=iHVTVn3Z3qFt4Hr5FcVTvKQkcK8MG ("Additionally, in 2021, we made the decision to consolidate intellectual property (IP) rights, and we now hold our IP domestically").

3 Amazon.com, Inc. Annual Report on Form 10-K for the Fiscal Year Ended December 31, 2021 at 62 (referring to the distribution of certain intangible assets from Luxembourg to the U.S).

- Pursuant to ASC 740, all U.S. public companies report tax settlements, such as the settlements cited on page 11 of the Proponent's Letter, as well as further information on their uncertain tax positions.

The Proponent's Letter asserts that enhanced transparency of financial results on a geographic basis, including country-by-country tax reporting, would provide investors with more information and labels the topic as an issue that "involves sustainability." However, those claims do not demonstrate that the Proposal raises an issue with a broad societal impact that transcends a company's ordinary business. There have consistently been new tax laws and new taxing initiatives, including through international organizations, and countries have always used tax laws as a mean to promote the countries' sustainable development.

For example, in *Amazon.com, Inc.* (avail. Mar. 8, 2012), the proposal requested a report on the effects of changes to, and changes in interpretation and enforcement of, U.S. federal, state, and local tax laws and policies that pose risks to shareholder value. The proponents argued that tax risk and enhanced disclosure of corporate tax strategy were significant policy issues due to "Amazon's highly publicized opposition to collecting sales tax in many states to which it ships goods, taken together with the intense level of public debate on Amazon's practice in this regard," including "[t]he widespread attention now being paid to aggressive corporate tax strategies by political actors and in the media, and [the Company]'s identification as 'among the most vocal opponents of government attempts to tax e-commerce.'" The proponent letter cites to a "variety of legislative measures [that] are under consideration" and "[g]roups [that] have announced they will lobby for similar measures in other states" as well as a hearing by the House Judiciary Committee on "whether Congress should enact sales tax reform legislation." The same proponent made a similar argument in *The Boeing Co.* (avail. Feb. 8, 2012). In both instances, the Staff concurred that the proposals could be excluded under Rule 14a-8(i)(7), noting that the proposals, just as with the Proposal here, addressed the companies' tax expenses and source of financing. In *General Electric Co. (National Legal and Policy Center)* (avail. Jan. 17, 2006), where the proposal requested a report on the estimated impacts of a flat tax, the proponent argued that proposed legislation to implement a flat tax constituted a significant policy issue, stating that "[t]he potential impacts of a significant overhaul of the Internal Revenue Code manifestly are out of the realm of 'ordinary business operations' and amount to a significant public policy that, if enacted into law, could significantly benefit the Company and shareholders." As with the Proponent here, in *Allergan plc* (avail. Feb. 7, 2018), the proponent argued that offshore tax strategies raised a significant social policy issue due to "consistent and sustained societal debate," and pointed to recent legislative measures introduced to reduce tax avoidance in the

U.S. and abroad, including Congressional hearings on the issue. In both *General Electric* and *Allergan*, the Staff concurred that the proposals could be excluded under Rule 14a-8(i)(7).

The Proponent's Letter does not distinguish the Proposal from the well-established precedent cited in the No-Action Request and above, each concurring in the exclusion of proposals requesting additional reporting on tax strategy, tax payments, or changes in tax laws. As such, the Proposal is properly excludable under Rule 14a-8(i)(7).

CONCLUSION

Based upon the foregoing analysis, the Company intends to exclude the Proposal from its 2022 Proxy Materials for the reasons set forth in the No-Action Request, and we respectfully request that the Staff concur that the Proposal may be excluded under Rule 14a-8(i)(7).

Correspondence regarding this letter should be sent to shareholderproposals@gibsondunn.com. If we can be of any further assistance in this matter, please do not hesitate to call me at (202) 955-8671, or Mark Hoffman, the Company's Vice President & Associate General Counsel, Corporate and Securities, and Legal Operations, and Assistant Secretary, at (206) 266-2132.

Sincerely,

Ronald O. Mueller

Ronald O. Mueller

cc: Mark Hoffman, Amazon.com, Inc.
Reverend Séamus Finn, Missionary Oblates of Mary Immaculate-United States Province

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January 24, 2025

Rule 14a-8(i)(7)

VIA ONLINE SHAREHOLDER PROPOSAL FORM

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, N.E.
Washington, D.C. 20549

Re: ***Bristol-Myers Squibb Company – Proposal Submitted by James McRitchie***

To Whom it May Concern:

On behalf of Bristol-Myers Squibb Company (the "***Company***"), we are submitting this letter to respond to the Proponent's letter to the Staff dated January 22, 2025 (the "***Proponent's Response***"), objecting to the Company's intention, expressed in our letter to the Staff dated January 4, 2025 (the "***Initial Letter***"), to omit the Proposal from its 2025 Proxy Materials. For ease of reference, capitalized terms used in this letter have the same meaning ascribed to them in the Initial Letter.

As explained in the Initial Letter, the Proposal is excludable under Rule 14a-8(i)(7) because the Proposal relates to the Company's ordinary business operations and seeks to impermissibly micromanage the Company. The Company's responses to certain claims in the Proponent's Response are set forth below.

1. Significant Social Policy

The Proponent's Response asserts that the subject matter of the Proposal involves a significant social policy that transcends ordinary business matters. It cites a previous Staff no-action decision, *Amazon.com Inc.* (April 5, 2022), as support for its proposition that the Staff views the tax reporting issue raised by the Proposal as involving significant social policy. However, as explained in the Initial Response, the Staff has more recently determined, in *Exxon Mobil Corp.* (March 20, 2024), that a substantially identical proposal to the Proposal related to ordinary business matters (and therefore did not involve a significant social policy). The Proponent's

Response argues that the differing outcomes in *Amazon* and *Exxon* can be explained by the relevance of the particular social policy to each company in question.[1] However, the Proponent appears to be relying on a prior interpretation of the significant social policy exception that has been rescinded by the Staff. In SLB 14L, the Staff rescinded earlier guidance regarding the significant social policy exception, which previously focused on the nexus of a social policy to the company.[2] Instead, following the release of SLB 14L, the Staff "will consider whether the proposal raises issues with a broad <u>societal</u> impact, such that they transcend the ordinary business of the company" (emphasis added). While it is true that Exxon operates in a different industry, like Amazon and the Company it is a multinational corporation faced with similar questions regarding its tax reporting (including country-by-country reporting).

In other words, the Staff has most recently determined (in 2024) that the policy issue raised by the Proposal did not involve a significant social policy that transcended ordinary business, and has on numerous other occasions in prior years (as described on pages 3 and 4 of the Initial Letter) determined that matters involving a company's management of its tax expense and financial reporting do not implicate a significant social policy.

In addition, although the Proponent's Response details at length various initiatives and statements by regulators and international organizations about taxation of multinational corporations, we note that almost none of such examples given by the Proponent occurred subsequent to the Staff's *Exxon* decision in 2024, providing little evidence that the societal significance of the policy issue has changed. Matters of taxation have always been of interest to international regulators and policymakers. However, not every matter relating to public policy is a significant social policy, as there are numerous administrative and governmental topics (including, as the Staff has found on prior occasions, tax policy) that do not have broad social implications such that they transcend the ordinary business of companies.[3]

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[1] The Proponent claims that *Exxon* is distinguishable from *Amazon* because Exxon Mobil, as a company involved in oil and gas extraction, operates in an industry where the social policy related to tax profit shifting is not applicable. The Proponent's Response nevertheless later confusingly cites statements from BP p.l.c., "an oil giant that operates in many parts of the developing world," as evidence of why the tax reporting issues raised by Proposal <u>do</u> relate to a significant social policy for the a company in the oil and gas industry.

[2] *See* SLB 14L, which states:

> Based on a review of the rescinded SLBs and staff experience applying the guidance in them, we recognize that an undue emphasis was placed on evaluating the significance of a policy issue to a particular company at the expense of whether the proposal focuses on a significant social policy, complicating the application of Commission policy to proposals. In particular, we have found that focusing on the significance of a policy issue to a particular company has drawn the staff into factual considerations that do not advance the policy objectives behind the ordinary business exception. We have also concluded that such analysis did not yield consistent, predictable results.

[3] We reiterate that, as stated in the Initial Letter, even if the Proposal is determined to touch upon a significant social policy, shareholder proposals that focus on ordinary business matters and only touch upon topics that might raise significant social policy issues—but which do not focus on such issues—are not transformed into proposals that transcend ordinary business. The focus of the Proposal is primarily related to tax expense

Finally, the Proponent claims that the policy issue raised by the Proposal is significant because it also relates to sustainability. This is a new proposition that does not appear anywhere in the Proposal or Supporting Statement, and would not be at all apparent to shareholders voting on the Proposal. As discussed in the Initial Letter, even if the Proposal did indirectly touch upon a significant policy issue such as sustainability, the Proposal clearly does not focus on this policy issue such that the Proposal should transcend the Company's ordinary business of tax management and reporting.

2. Micromanagement

The Proponent's Response also claims that the Proposal should not be excludable on the basis of micromanagement in part because "country-by-country reporting is a significant policy issue." However, as explained in the Initial Letter, even when a proposal raises significant social policy issues, the Staff permits exclusion of proposals if they micromanage the company. *See e.g., Air Products & Chemicals, Inc.* (November 29, 2024); *Amazon.com, Inc.* (April 7, 2023); *Chubb Limited* (March 27, 2023); *The Coca-Cola Co.* (February 16, 2022), each as described in the Initial Letter.

Separately, the Proponent's Response provides examples of tax disclosures made by a handful of other companies as support for why the Proposal does not micromanage the Company. Selected disclosures from other companies, many of which are incorporated in foreign jurisdictions subject to differing regulatory requirements, are irrelevant to the question of whether the Proposal inappropriately limits the discretion of the board or management in this instance.

As stated in the Initial Letter, tax management and structure, and the reporting thereof, are highly complex decisions based on a range of considerations related to the day-to-day operations of the business. The Proposal inappropriately limits management's discretion to choose the form, substance or manner of its disclosure, and therefore impermissibly micromanages the Company.

* * *

management and reporting, an area that has long been held by Staff precedent to be within the realm of day-to-day business matters.

Accordingly, nothing in the Proponent's Response changes the facts or conclusions set forth in the Initial Letter, and therefore the Company continues to believe that it may omit the Proposal from its 2025 Proxy Materials in reliance on Rule 14a-8(i)(7). If you have any questions or need additional information, please feel free to contact me at (202) 637-5846.

Sincerely,

Weston J. Gaines

Enclosures

cc: Amy Fallone, Bristol-Myers Squibb Company
Lisa A. Atkins, Bristol-Myers Squibb Company
John Beckman, Hogan Lovells US LLP
James McRitchie
John Chevedden

Exhibit A

Initial Letter

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January 4, 2025

Rule 14a-8(i)(7)

VIA ONLINE SHAREHOLDER PROPOSAL FORM

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, N.E.
Washington, D.C. 20549

Re: ***Bristol-Myers Squibb Company – Proposal Submitted by James McRitchie***

To Whom it May Concern:

On behalf of Bristol-Myers Squibb Company (the "***Company***"), we are submitting this letter pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934 to notify the Securities and Exchange Commission (the "***Commission***") of the Company's intention to exclude a shareholder proposal (the "***Proposal***"), and a statement in support thereof (the "***Supporting Statement***") submitted by James McRitchie (the "***Proponent***") from the Company's proxy statement and form of proxy (together, the "***2025 Proxy Materials***") to be distributed to the Company's shareholders in connection with its 2025 annual meeting of shareholders (the "***2025 Annual Meeting***"). The Company respectfully requests confirmation that the staff of the Division of Corporation Finance (the "***Staff***") will not recommend to the Commission that enforcement action be taken if the Company omits the Proposal from the 2025 Proxy Materials for the reasons discussed below.

In accordance with Staff guidance, this letter is being submitted using the Staff's online Shareholder Proposal Form. Pursuant to Rule 14a-8(j), a copy of this submission also is being sent to the Proponent. Rule 14a-8(k) and SLB No. 14D provide that a shareholder proponent is required to send to the Company a copy of any correspondence the proponent elects to submit to the Commission or the Staff. Accordingly, we hereby inform the Proponent that if the Proponent elects to submit additional correspondence to the Commission or the Staff relating to the Proposal, the Proponent should concurrently furnish a copy of that correspondence to the undersigned on behalf of the Company (by e-mail).

Pursuant to the guidance provided in Section F of Staff Legal Bulletin 14F (October 18, 2011), we ask that the Staff provide its response to this request to the undersigned via e-mail at the address noted in the last paragraph of this letter.

The Company intends to file its definitive 2025 Proxy Materials with the Commission on or about March 26, 2025.

THE PROPOSAL

The Proposal sets forth the following resolution to be voted on by shareholders at the 2025 Annual Meeting:

> **Resolved:** Bristol-Myers Squibb (BMY) shareholders request the Board of Directors issue a tax transparency report to shareholders, at a reasonable expense and excluding confidential information, prepared in consideration of the indicators and guidelines outlined in the Global Reporting Initiative's (GRI) Tax Standard.

A copy of the Proponent's complete submission, including the Proposal, the Supporting Statement, and related materials, is attached hereto as Exhibit A.

BASIS FOR EXCLUSION

The Company hereby respectfully requests that the Staff concur in its view that the Proposal may be excluded from the 2025 Proxy Materials pursuant to Rule 14a-8(i)(7) because the Proposal relates to the Company's ordinary business operations and seeks to impermissibly micromanage the Company.

Rule 14a-8(i)(7) – The Proposal Relates to the Company's Ordinary Business Operations and Seeks to Impermissibly Micromanage the Company

A. *Overview of Rule 14a-8(i)(7)*

A shareholder proposal may be excluded under Rule 14a-8(i)(7) if "the proposal deals with a matter relating to the company's ordinary business operations." The term "ordinary business" refers to matters that are not necessarily "ordinary" in the common meaning of the word; instead, the term "is rooted in the corporate law concept of providing management with flexibility in directing certain core matters involving the company's business and operations." *See* Securities Exchange Act Release No. 34-40018 (May 21, 1998) (the "***1998 Release***"). Per the 1998 Release, the underlying policy of the ordinary business exclusion is "to confine the resolution of ordinary business problems to management and the board of directors, since it is impracticable for shareholders to decide how to solve such problems at an annual shareholders meeting."

In the 1998 Release, the Commission identified the two "central considerations" for the ordinary business exclusion. The first is the subject matter of the proposal, with the 1998 Release concluding that "[c]ertain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight." The second consideration is the degree to which the proposal attempts to micromanage a company by "probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment," which "may come into play in a number of circumstances, such as where the proposal involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies," even those circumstances where the proposal is found to address a significant social policy. Securities Exchange Act Release No. 34-40018 (May 21, 1998). The Commission noted in the 1998 Release that determinations as to the excludability of proposals on the basis of micromanagement will "be made on a case-by-case basis, taking into account factors such as the nature of the proposal and the circumstances of the company to which it is directed." *Id*. In addition, the Commission has indicated that "the Staff will take a measured approach to evaluating companies' micromanagement arguments" and "will focus on the level of granularity sought in the proposal and whether and to what extent it inappropriately limits discretion of the board or management." *See* Staff Legal Bulletin No. 14L (November 3, 2021).

Framing a shareholder proposal in the form of a request for a report does not change the nature of the proposal. The Commission has stated that a proposal requesting the dissemination of a report may be excludable under Rule 14a-8(i)(7) if the subject matter of the proposed report is within the ordinary business of the issuer. *See* Exchange Act Release No. 20091 (Aug. 16, 1983); *Johnson Controls, Inc.* (October 26, 1999) ("[Where] the subject matter of the additional disclosure sought in a particular proposal involves a matter of ordinary business . . . it may be excluded under [R]ule 14a-8(i)(7)."); *see also Ford Motor Co.* (March 2, 2004) (concurring with the exclusion of a proposal requesting that the company publish a report about global warming/cooling, where the report was required to include details of indirect environmental consequences of its primary automobile manufacturing business).

B. ***The Proposal May be Excluded Under Rule 14a-8(i)(7) Because it Relates to the Company's Ordinary Business Operations***

The Commission and Staff have long held that shareholder proposals that relate to a company's management of its tax expense and financial reporting, both core aspects of management's day-to-day running of the company, may be excluded under Rule 14a-8(i)(7). Notably, the Staff has consistently recognized that proposals requiring the assessment and reporting of a company's approach to taxation and its tax management efforts are excludable under Rule 14a-8(i)(7). For example, in *Exxon Mobil Corp.* (March 20, 2024) ("***Exxon Mobil***"), the Staff permitted exclusion of a substantially identical proposal as the Proposal to "issue a tax transparency report to shareholders…prepared in consideration of the indicators and guidelines set forth in the Global Reporting Initiative's (GRI) Tax Standard," stating that such proposal "relates to ordinary business matters." The company in *Exxon Mobil* argued that that "[m]anagement of corporation taxation is a task fundamental to management's ability to run the company on a day-to-day basis" and that the level of information required by the proposal "is competitively sensitive, is not required by SEC public reporting standards, and is a matter to be properly determined by management as part of its risk management and oversight functions." In *Nike, Inc.* (June 22, 2018), the Staff concurred with exclusion of a proposal under Rule 14a-8(i)(7) requesting the company respond to rising public pressure to limit offshore tax avoidance strategies by adopting and disclosing to shareholders a set of principles to guide the Company's tax practices, on the basis that "the Proposal relates to decisions concerning the Company's tax expenses." *See also Allergan plc* (February 7, 2018) (permitting exclusion of a similar proposal) In *The Boeing Co.* (February 8, 2012), a proposal requested the Company to prepare a report "disclosing its assessment of the financial, reputational and commercial effects of changes to, and changes in interpretation and enforcement of, US federal, state, and local tax laws and policy that pose risks to shareholder value." The Staff concurred that the proposal was excludable under Rule 14a-8(i)(7) because it "relate[d] to decisions concerning the company's tax expenses and sources of financing." *See also Amazon.com, Inc.* (March 8, 2012) (same). Similarly, in *Amazon.com, Inc.* (March 21, 2011), the proposal requested the company to prepare a report regarding the board's assessment of "the risks created by the actions [the company] takes to avoid or minimize US federal, state and local taxes." The Staff concurred with the exclusion of the proposal under Rule 14a-8(i)(7) because it "relate[d] to decisions concerning the company's tax expenses and sources of financing." *See also The TJX Companies Inc.* (March 29, 2011) (same); *Wal-Mart Stores, Inc.* (March 21, 2011) (same); *The Home Depot Inc.* (March 2, 2011) (same); and *Lazard Ltd.* (February 16, 2011) (same).

The Staff has also concurred with exclusion under Rule 14a-8(i)(7) where a proposal requests a report on the estimated impacts of a flat tax for the company. *See, e.g., Verizon Communications Inc.* (January 31, 2006); *Johnson & Johnson* (January 24, 2006); and *General Electric Co.* (National Legal and Policy Center) (January 17, 2006). In addition, the Staff has historically found that proposals seeking additional, detailed financial disclosure, the subject matter of which involves ordinary business operations, may be excluded under Rule 14a-8(i)(7). *See, e.g., Citigroup Inc.* (February 20, 2008) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting disclosure of certain prescribed financial information on a website on a quarterly basis); *AmerInst Insurance Group. Ltd.* (April 14, 2005) (permitting the exclusion of a proposal requesting that the board provide each quarter a full, complete and adequate disclosure of the accounting of the line items and amounts of the operating and management expenses of the company); *Johnson Controls, Inc.* (October 26, 1999) (permitting the exclusion of a proposal requesting additional disclosure of financial statements in reports to shareholders); and *Santa Fe Southern Pacific Corp.* (January 30, 1986) (permitting exclusion under Rule 14a-8(i)(7) of a proposal requesting disclosure of cost basis financial statements to all shareholders, noting that the proposal related to the conduct of ordinary business operations, including "financial disclosure not required by law").

Here, as in *Exxon Mobil*, the Proposal concerns the Company's management of its tax expense and tax strategies because it seeks a tax transparency report "prepared in consideration of the indicators and guidelines outlined in the Global Reporting Initiative's (GRI) Tax Standard." In 2019, the Global Sustainability Standards Board (GSSB), GRI's independent standard-setting body, approved the GRI Tax Standard, known as GRI 207.[1] To implement the Proposal, the Company would be required to consider each of the "indicators and guidelines" prescribed in the four components under GRI 207:

• GRI 207-1 would require the Company to include a description of the Company's approach to tax, including tax strategy, approach to regulatory compliance and how the approach is linked to its business and sustainable development strategies.[2]

• GRI 207-2 would require the Company to include a description of its tax governance and control framework, including the approach to tax risks and how compliance with tax governance and control framework is evaluated. [3]

• GRI 207-3 would require the Company to report on its approach to "stakeholder engagement and management of stakeholder concerns related to tax," including the approach to "engagement with tax authorities" and "public policy advocacy on tax."[4]

• GRI 207-4 would require the Company to disclose, on a country-by country basis, all tax jurisdictions of which the Company and its subsidiaries are tax residents, and for each country, the names of the resident entities, revenues from third-party sales and intra-group transactions, profit and loss before tax, tangible assets other than cash and cash equivalents and corporate income tax paid on a cash basis.[5]

Although the Company's existing policies, principles and disclosures already incorporate many of these concepts, the specific and comprehensive disclosure framework set forth in GRI 207 would override management's judgment and require an analysis and disclosure of complex corporate taxation and financial reporting matters on which "shareholders, as a group, would not be in a position to make an informed judgment," as shareholders would be unable to fully understand the Company's tax strategies and related risk assessments, and the reporting thereof, without the requisite knowledge of tax regulations and policies. *1998 Release*.

The Company is one of the world's leading biopharmaceutical companies and is engaged in the discovery, development, licensing, manufacturing, marketing, distribution, and sale of biopharmaceutical products on a global basis. Its products are sold worldwide, through wholesalers, distributors, specialty pharmacies, retailers, hospitals, clinics and government agencies. The Company operates manufacturing operations in the U.S., Puerto Rico, Switzerland, Ireland, and the Netherlands and has employees in 43 different countries. As a taxpayer with subsidiaries in a number of domestic and foreign jurisdictions, the Company is subject to various tax regimes that involve many complex rules, regulations and tax authorities. Managing the Company's tax strategies requires an intricate understanding of current and pending tax

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[1] https://www.globalreporting.org/standards/standards-development/topic-standard-for-tax/.

[2] *See* GRI 207: Tax 2019 ("GRI 207"), *available at*: https://www.globalreporting.org/pdf.ashx?id=12434.

[3] *Id*. at 9.

[4] *Id*. at 11.

[5] *Id*. at 12.

regulations and policies (including changes in interpretation and enforcement) in every country where the Company operates. The Company's assessment of the impact of tax regulations and the possible implications from changes in tax law and policy necessarily impacts ordinary business decisions on a variety of routine matters that are core to the Company's day-to-day operations, ranging from decisions regarding the management of expenses and sources of financing, legal compliance, product pricing, and the location of manufacturing and research facilities. Tax management, compliance and planning associated with the multitude of jurisdictions where the Company operates is highly complex and requires significant management resources and effort that involves expert judgment and advice from hundreds of internal and external tax professionals with multi-jurisdictional tax expertise.

In addition, the Company is subject to numerous tax reporting obligations, including under Commission regulations, foreign reporting requirements, and the Company's own Global Tax Policy and Approach policy statement,[6] and is also analyzing and planning for new and proposed tax compliance and reporting obligations, which include those proposed by the Financial Accounting Standards Board, the Organisation for Economic Co-operation and Development's (OECD) Inclusive Framework on Base Erosion Profit Shifting's Model Global Anti-Base Erosion (GloBE) rules (Pillar Two), and the European Union's Corporate Sustainability Reporting Directive (CSRD). Navigation of these standards requires significant management expertise and judgment to comply with complex and intricate reporting requirements, and this expertise and judgment is fundamentally a part of the Company's ordinary business of tax compliance and reporting. The Company's compliance with these or other frameworks may implicate some or most of the standards requested by the Proposal, but it is management, and not shareholders, who is best positioned to steer the Company's specific reporting strategy and determine the best way to ensure the Company has met its multi-faceted, and multi-jurisdictional, reporting obligations.

Tax management, compliance and planning is thus a significant component of the Company's business strategies, financial planning, financial reporting and legal compliance, which are precisely the types of ordinary business issues which should remain with the Company's management and board and which would be inappropriate for direct shareholder oversight. Management of corporate taxation, and the public reporting thereof, is fundamental to management's operation of the Company on a day-to-day basis.

Accordingly as in Exxon Mobil, *Nike, Inc.* (June 22, 2018), *The Boeing Co.* (February 8, 2012) and the other precedent cited above, the Proposal relates to the Company's management of its tax expense and financial reporting, both core aspects of management's day-to-day running of the Company, and is therefore excludable under Rule 14a-8(i)(7).

[6] https://www.bms.com/assets/bms/us/en-us/pdf/global-tax-policy.pdf

C. ***The Proposal Does Not Raise Significant Social Policy Issues that Transcend the Company's Ordinary Business Operations***

In the 1998 Release, the Commission distinguished proposals pertaining to ordinary business matters that are excludable under Rule 14a-8(i)(7) from those that "focus on" significant social policy issues and indicated that proposals that relate to both ordinary business matters and significant social policy issues may be excludable if the proposals do not "transcend the day-to-day business matters." In Staff Legal Bulletin No. 14L (November 3, 2021) ("***SLB 14L***"), the Staff states that in making a determination on whether a proposal raises a significant social policy issue, it will "focus on the social policy significance of the issue that is the subject of the shareholder proposal" and "consider whether the proposal raises issues with a broad societal impact, such that they transcend the ordinary business of the company." The mere fact that a proposal is phrased to reference or invoke issues that could implicate significant social policy issues under the Staff's current interpretation of Rule 14a-8(i)(7) is not sufficient to transcend day-to-day business matters. A proposal may still be excluded when it effectively focuses on an ordinary business matter. When assessing proposals under Rule 14a-8(i)(7), the Staff will also consider the terms of the resolution and its supporting statement as a whole. *See* Staff Legal Bulletin No. 14C (June 28, 2005) ("In determining whether the focus of these proposals is a significant social policy issue, we consider both the proposal and the supporting statement as a whole.").

Accordingly, shareholder proposals that focus on ordinary business matters and only touch upon topics that might raise significant social policy issues—but which do not focus on such issues—are not transformed into proposals that transcend ordinary business. As a result, such proposals remain excludable under Rule 14a-8(i)(7). For example, in *Amazon.com, Inc.* (April 8, 2022), the company argued that the proposal, which requested a report on workforce turnover and an assessment of its impact on the company's diversity, equity and inclusion, merely "touches upon a significant social policy issue" but primarily related to an ordinary business matter, and was distinguishable from a proposal related to human capital management practices that raise specific social policy issues "with a broad societal impact." *See also CIGNA Corp.* (February 23, 2011) (permitting exclusion under Rule 14a-8(i)(7) when, although the proposal addressed the potential significant policy issue of access to affordable health care, it also asked CIGNA to report on expense management, an ordinary business matter); *Capital One Financial Corp.* (February 3, 2005) (permitting exclusion under Rule 14a-8(i)(7) when, although the proposal addressed the significant policy issue of outsourcing, it also asked the company to disclose information about how it manages its workforce, an ordinary business matter).

As demonstrated by the Staff's concurrence in these precedents, citing potential social policy implications in a proposal does not qualify as "focusing" on such issues, even if the social policies happen to be the subject of substantial public focus. The underlying subject of the Proposal—like in Exxon Mobil—is to seek extensive incremental financial disclosure (by jurisdiction) concerning the Company's "business activities, including revenues, profits and losses, and tax payments within each jurisdiction." This level of information is not required by Commission public reporting standards and is a matter to be properly determined by management as part of its own risk management and oversight functions. While the Supporting Statement references alleged profit shifting and tax avoidance among jurisdictions, the focus of the Proposal is primarily related to tax expense management and reporting, an area that has long been held by Staff precedent (as cited above) to be within the realm of day-to-day business matters. Accordingly, the Proposal may be excluded under Rule 14a-8(i)(7).

D. *The Proposal May be Excluded Under Rule 14a-8(i)(7) Because it Seeks to Micromanage the Company*

As mentioned above, a proposal that seeks to micromanage a company is excludable under Rule 14a-8(i)(7). As stated by the Commission, the exclusion of a proposal under Rule 14a-8(i)(7) on micromanagement grounds "may come into play in a number of circumstances, such as where the proposal involves intricate detail, or seeks to impose specific time frames or methods for implementing complex policies." 1998 Release. Proposals that impermissibly micromanage a company "by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment" are excludable under Rule 14a-8(i)(7), even in circumstances where the proposal is found to address a significant social policy. *Id*. The Staff has repeatedly confirmed that the micromanagement basis of exclusion also applies to proposals that call for a study or report. To that end, the Staff has stated that this "approach is consistent with the Commission's views on the ordinary business exclusion, which is designed to preserve management's discretion on ordinary business matters but not prevent shareholders from providing high-level direction on large strategic corporate matters." SLB 14L. SLB 14L set forth the Staff's current approach to the micromanagement analysis, which is to "focus on the level of granularity sought in the proposal and whether and to what extent it inappropriately limits discretion of the board or management." *Id.*

In the period following the release of SLB 14L, the Staff has permitted exclusion under micromanagement grounds of numerous proposals requesting reporting of information that is significantly less complex and detailed than the information requested by the Proposal. *See e.g.*, *Delta Air Lines, Inc.* (April 24, 2024) (permitting exclusion of a proposal requiring a report regarding "union suppression expenditures," including internal and external expenses); *Paramount Global* (April 19, 2024) (permitting exclusion of a proposal requesting disclosure of the recipients of corporate charitable contributions of $5,000 or more); *Walmart Inc.* (April 18, 2024) (permitting exclusion of a proposal submitted by Green Century Capital Management requiring a breakdown of greenhouse gas emissions for different categories of products in a manner inconsistent with existing reporting frameworks); *Amazon.com, Inc.* (April 1, 2024) (permitting exclusion of proposal calling for highly detailed living wage report); *Deere & Co*. (January 3, 2022) (permitting exclusion of proposal requesting publication of employee-training materials). Even when a proposal raises significant social policy issues, the Staff has permitted exclusion on the basis of micromanagement where the proposal seeks information of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment. *See e.g.*, *Air Products & Chemicals*, *Inc.* (November 29, 2024) (permitting exclusion of a proposal requesting a detailed annual report on the company's lobbying activities and payments that would require dozes of distinct pieces of information); *Amazon.com, Inc.* (April 7, 2023) (permitting exclusion of a proposal requesting the company measure and disclose scope 3 greenhouse gas emissions from the company's full value chain by imposing a specific method for implementing a complex policy without affording discretion to management); *Chubb Limited* (March 27, 2023) (permitting exclusion of a proposal requesting the board adopt and disclose a policy related to risks associated with new fossil fuel exploration and development project would micromanage the company); *Phillips 66* (March 20, 2023) (permitting exclusion of a proposal requesting an audited report describing the undiscounted expected value to settle obligations for the company's asset retirement obligations with indeterminate settlement dates); *The Coca-Cola Co.* (February 16, 2022) (permitting exclusion of proposal requiring the company to submit any proposed political statement to the next shareholder meeting for approval prior to issuing the statement publicly).

The Proposal is highly prescriptive and granular in the information covered by its requested report. Section B. above details the extensive disclosures and reporting that would be required of the Company in order to comply with the Proposal's cited GRI 207 reporting standard. Preparing the requested report would require an analysis of financial, economic, and tax-related information for every jurisdiction in which the Company operates and require disclosure that would go far beyond the information called for under existing Commission tax reporting rules and regulations. For example, the report would require, among other things, on a country-by country basis, reporting of all tax jurisdictions of which the Company and its subsidiaries are tax residents, and for each country, the names of the resident entities, revenues from third-party sales and intra-group transactions, profit and loss before tax, tangible assets other than cash and cash equivalents and corporate income tax paid on a cash basis. This information would be unduly burdensome to produce, is competitively sensitive, and is much more detailed than the disclosures made by most of the Company's primary peers. The Proposal would require granular disclosure of tax expenses on a jurisdiction-by jurisdiction basis regardless of their significance to the Company's operations, or even with respect to their significance to the Company's overall tax obligations. This level of detail is asymmetrical to the level of detail that the Company provides with respect to its other business activities or categories of operating expenditures.

Furthermore, the Proposal ignores the fact that tax management and structure are highly complex and based on a range of considerations related to the day-to-day operations of the business, and also that such activities are already subject to disclosure under Commission financial reporting rules and other state and foreign requirements, and that the Company already files publicly accessible information relating to its tax expenses in its financial statements (including an extensive breakdown of the Company's effective tax rate, U.S. statutory Federal income tax rate, tax benefits and expenses, deferred taxes, tax valuation allowance and unrecognized tax benefits)[7]. The Company has also published its aforementioned Global Tax Policy and Approach policy statement that discloses the Company's principles related to tax strategy, tax governance, control and risk management and stakeholder engagement. These existing disclosures are carefully calibrated by management to provide transparency to stakeholders under legal and accounting requirements and additional voluntary disclosure principles, and are properly vetted by internal controls, internal audits and external financial audit

[7] *See, e.g.*, "Note 7. Income Taxes" to the Company's consolidated financial statements included in its Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

and tax authority reviews. As noted above, the Company is also currently analyzing new tax reporting obligations proposed by, among others, the Financial Accounting Standards Board, the OECD Inclusive Framework on Base Erosion Profit Shifting's Model GloBE rules (Pillar Two), and the CSRD. These standards are complex and intricate, and require significant management expertise and judgment to navigate. The Company's management requires flexibility and opportunity to prepare its tax reporting program in compliance with such frameworks and its internal principles in a manner that provides transparency while also protecting competitively sensitive information. Adherence to a new and prescriptive shareholder-imposed tax reporting framework among a sea of overlapping global requirements would limit management's discretion to chart the course of the Company's tax reporting program, reduce management's ability to balance the many competing factors inherent to disclosure determinations and subject the Company to redundant and/or inconsistent reporting requirements, any of which would impermissibly micromanage a foundational management task related to tax compliance and reporting.

In addition, implementation of the Proposal would impermissibly micromanage management's discretion in administering the Company's ordinary business matters relating to tax planning and reporting. Tax planning decisions are made by management and tax professionals with the requisite knowledge of both the applicable tax rules and regulations and the Company's operations to ensure the Company makes properly informed decisions. This requires knowledge across over numerous national jurisdictions with many additional sub-jurisdictions and is not isolated by any specific region. The analysis is further complicated by the need to understand how competing tax regimes relating to operations, manufacturing, employment and sales are interwoven. Taxation in each jurisdiction is overlaid by U.S. federal income tax rules which require the Company, as a U.S. multinational, to account for its global operations and the elements of worldwide taxation to which it is subject. To understand and synthesize such tax data from the Company, and to make decisions regarding the public reporting thereof, requires dedicated teams of tax experts with specialized country knowledge. The Proposal, by overriding management's judgment about tax reporting and planning with that of the shareholders', impermissibly limits management's discretion in this core business area.

In sum, the Proposal seeks to micromanage the Company by probing too deeply into matters of a complex nature in seeking disclosure of the intricate details of the manner in which the Company manages its tax expenses, and limits management's discretion to choose the form, substance, or manner of its disclosure. Accordingly, the Proposal should be excluded under Rule 14a-8(i)(7) because it seeks to micromanage the Company with respect to its global tax policies by probing too deeply into matters of a complex nature in seeking a report that requires detailed and sensitive information about which shareholders would not be in a position to make an informed judgment at an annual meeting.

CONCLUSION

For the reasons discussed above, the Company believes that it may omit the Proposal from its 2025 Proxy Materials. We request the Staff's concurrence in our view or, alternatively, confirmation that the Staff will not recommend any enforcement action if the Company excludes the Proposal.

If you have any questions or need additional information, please feel free to contact me at (202) 637-5464. Correspondence regarding this letter may be sent to me by e-mail at: john.beckman@hoganlovells.com.

Sincerely,

John B. Beckman

Enclosures

cc: Amy Fallone, Bristol-Myers Squibb Company
Lisa A. Atkins, Bristol-Myers Squibb Company
James McRitchie
John Chevedden

<u>Exhibit A</u>

Proponent's Submission

Bristol-Myers Squibb Company
Route 206 & Province Line Road
Princeton, NJ 08543
Attention: Corporate Secretary
Via: [redacted]@bms.com
cc: Atkins, Lisa <[redacted]@bms.com>; Gardella, Alexis <[redacted]@bms.com>; Lesniewska, Sylwia <[redacted]@bms.com>; Bail, Sophie <[redacted]@bms.com>
Tel: [redacted]

Dear Kimberly Jablonski or current Corporate Secretary:

I am submitting the attached shareholder proposal, which I support, for a vote at the next annual shareholder meeting requesting that Bristol-Myers Squibb Company issue an annual Tax Transparency Report. I will meet Rule 14a-8 requirements, including the continuous ownership of the required stock value until after the date of the next shareholder meeting.

My submitted format, with the shareholder-supplied emphasis, is intended to be used for definitive proxy publication. I am available to meet with a Company representative via phone on December 16 or 17, 2024, at 7:30 am Pacific or at mutually convenient time.

John Chevedden is authorized to present this proposal at the forthcoming shareholder meeting if I am unavailable. Please copy John Chevedden (PH: [redacted], [redacted]) at: [redacted] (at) earthlink.net in future communications.

Avoid the time and expense of filing a deficiency letter to verify ownership by acknowledging receipt of my proposal promptly by emailing [redacted]@corpgov.net. That will prompt me to request the required letter from my broker and submit it to you.

Per SEC SLB 14L https://www.sec.gov/corpfin/staff-legal-bulletin-14l-shareholder-proposals, Section F, Staff "encourages both companies and shareholder proponents to acknowledge receipt of emails when requested." As stated above, I so request.

Sincerely, November 26, 2024

J. McRitchie

James McRitchie Date

James McRitchie

[BMY: Rule 14a-8 Proposal, November 22, 2024]
[This line and any line above it – *Not* for publication. *Proposal number to be assigned by Company.]

ITEM 4* — Tax Transparency Report

Resolved: Bristol-Myers Squibb (BMY) shareholders request the Board of Directors issue a tax transparency report to shareholders, at reasonable expense and excluding confidential information, prepared in consideration of the indicators and guidelines outlined in the Global Reporting Initiative's (GRI) Tax Standard.

Supporting Statement

BMY's tax practices and failure to disclose has harmed our company's reputation, resulting in an investigation into whether BMY was using an "abusive" tax shelter that would cheat the United States out of $1.4 billion in taxes.[1] Tax transparency is required to restore BMY's reputation and prevent future losses.

BMY does not disclose revenues or profits in non-US markets, and foreign tax payments are not disaggregated, challenging investors' ability to evaluate the risks to BMY of taxation reforms or whether BMY is engaged in responsible tax practices that ensure long-term value creation. BMY's alleged profit shifting to Ireland is central to current scrutiny involving its tax practices.[2]

Global OECD tax reforms are now implemented worldwide. There are growing demands for the United Nations to play a stronger role, ensuring multinationals pay taxes where profits are earned. The Financial Accounting Standards Board adopted new reporting requirements on tax payments, effective in 2025. A European Union directive to implement country-by-country reporting (CbCR) is effective in 2024.[3] Similar legislation is expected in Australia in the same timeframe.

Unchecked corporate tax avoidance poses a risk to the long-term portfolios of diversified investors. While such activities may help one company, they can cause externalities for other companies, taxpayers, consumers, and workers — ultimately hampering economic value creation and portfolio growth upon which long-term diversified investors depend.[4]

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[1] https://www.nytimes.com/2021/04/01/business/bristol-myers-taxes-irs.html
[2] https://www.investigate-europe.eu/posts/deadly-prices-pharma-firms-stash-profits-in-europes-tax-havens-as-patients-struggle-with-drug-prices
[3] https://www.internationaltaxreview.com/article/b1vf7yc65qpzcd/this-week-in-tax-eu-on-track-for-public-cbcr-by-2023
[4] https://theshareholdercommons.com/wp-content/uploads/2024/09/Sample-Text_Portfolio-focused-Proxy-Actions_2024September.pdf

* James McRitchie

The GRI Standards is the world's most utilized reporting standard, actively supported by global investors representing over $10 trillion.[5] The GRI Tax Standard was developed in response to investor concerns regarding the lack of corporate tax transparency and the impact of tax avoidance on governments' ability to fund services and support sustainable development.[6] It is the first comprehensive, global standard for public tax disclosure. It requires public reporting of a company's business activities, including revenues, profits and losses, and tax payments within each jurisdiction.[7]

Profit shifting by corporations is estimated to cost the US government $70 - 100 billion annually.[8] The OECD estimates annual revenue losses of $100 – 240 billion globally.[9] The PRI states that tax avoidance is a key driver of global inequality.[10] Further reforms and greater international scrutiny of BMY's tax practices will continue to put shareholders at risk without greater transparency.

This proposal would bring BMY's disclosures in line with leading companies using the Tax Standard.[11] The reporting burden is negligible, since BMY already reports similar confidential CbCR information shared with OECD tax authorities.

Enhance Shareholder Reputation and Value, Vote FOR
Lobbying Disclosure – Proposal [4*]

Except for footnotes, this line and any line below are n*ot* for publication.
Number 4* to be assigned by the Company

The above graphic is intended to be published with the rule 14a-8 proposal. It would be the same size as the largest management graphic (or highlighted management text) used in conjunction with a management proposal or opposition to a Rule 14a-8 shareholder proposal in the proxy.

The proponent is willing to discuss mutual elimination of both shareholder graphic and any management graphic in the proxy regarding this specific proposal. Reference SEC Staff Legal Bulletin No. 14I (CF) [16].

> Companies should not minimize or otherwise diminish the appearance of a shareholder's graphic. For example, if the Company includes its own graphics in its proxy statement, it should give similar prominence to a shareholder's graphics. If a company's proxy statement appears in black and white, however, the shareholder proposal and accompanying graphics may also appear in black and white.

Notes: This proposal is believed to conform with Staff Legal Bulletin No. 14B (CF), September 15, 2004, including (emphasis added):

> Accordingly, going forward, we believe that it would not be appropriate for companies to exclude supporting statement language and/or an entire proposal in reliance on rule 14a-8(i)(3) in the following circumstances:
>
> * the Company objects to factual assertions because they are not supported;

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5 https://assets.kpmg/content/dam/kpmg/xx/pdf/2020/11/the-time-has-come.pdf
6 https://www.globalreporting.org/about-gri/news-center/backing-for-gri-s-tax-standard/
7 https://www.globalreporting.org/standards/standards-development/topic-standard-for-tax/
8 https://thefactcoalition.org/trillions-at-stake-behind-the-numbers-at-play-in-u-s-international-corporate-tax-reform/
9 https://www.washingtonpost.com/us-policy/2020/11/19/global-tax-evasion-data/
10 https://www.globalreporting.org/about-gri/news-center/backing-for-gri-s-tax-standard/
11 https://www.globalreporting.org/about-gri/news-center/momentum-gathering-behind-public-country-by-country-tax-reporting/

- the Company objects to factual assertions that, while not materially false or misleading, may be disputed or countered;
- the Company objects to factual assertions because those assertions may be interpreted by shareholders in a manner that is unfavorable to the Company, its directors, or its officers; and/or
- the Company objects to statements because they represent the opinion of the shareholder proponent or a referenced source, but the statements are not identified specifically as such.

It is appropriate under rule 14a-8 for companies to address these objections in their statements of opposition.

See also Sun Microsystems, Inc. (July 21, 2005)

I also take this opportunity to remind you of the SEC's guidance and my request that you acknowledge receipt of this shareholder proposal submission. SLB 14L Section F, https://www.sec.gov/corpfin/staff-legal-bulletin-14l-shareholder-proposals, Staff "encourages both companies and shareholder proponents to acknowledge receipt of emails when requested."

<u>Exhibit B</u>

Proponent's Response

HITCHCOCK LAW FIRM PLLC
5614 CONNECTICUT AVENUE, N.W. • NO. 304
WASHINGTON, D.C. 20015-2604
(202) 489-4813

CORNISH F. HITCHCOCK
E-MAIL: [redacted]

22 January 2025

Office of the Chief Counsel
Division of Corporation Finance
Securities & Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

By online electronic portal

Re: Shareholder proposal to Bristol-Myers Squibb Co. from James McRitchie

Dear Counsel:

This is a response on behalf of James McRitchie to the letter ("Bristol-Myers Letter") from counsel for Bristol-Myers Squibb ("Bristol-Myers" or the "Company") dated 4 January 2025, in which the Company advises of its intent to omit the McRitchie shareholder proposal (the "Proposal") from the Company's 2025 proxy materials. For the reasons below, we respectfully ask you to advise Bristol-Myers that the Division does not concur with the Company's view that the Proposal may be excluded from Bristol-Myers's proxy materials.

THE PROPOSAL

The Proposal states:

> RESOLVED: Bristol-Myers Squibb (BMY) shareholders request that the Board of Directors issue a tax transparency report to shareholders, at reasonable expense and excluding confidential information, prepared in consideration of the indicators and guidelines set forth in the Global Reporting Initiative's (GRI) Tax Standard.

The Supporting Statement discusses the importance of tax transparency to Bristol-Myers, noting an investigation into whether the Company was using an "abusive" tax shelter to avoid $1.4 billion in taxes. The Company does not disclose revenues or profits in non-U.S. markets, and foreign tax payments are not disaggregated, challenging investors' ability to evaluate the risks to the Company of taxation reforms or whether the Company is engaged in responsible tax practices that ensure long-term value creation.

The Supporting Statement adds that a particular concern is profit shifting of revenue to Ireland, with a growing demand for multinational enterprises to pay taxes where profits are earned. The Financial Accounting Standards Board adopted new reporting requirements on tax payments, effective in 2025. A European Union directive to implement country-by-country reporting ("CbCR") is effective in 2024. Similar legislation is expected in Australia.

The Supporting Statement argues that unchecked corporate tax avoidance poses a risk to the long-term portfolios of diversified investors and recommends adoption of Global Reporting Initiative ("GRI") standards, which were developed in response to concerns about a lack of corporate tax transparency and the impact of tax avoidance on governments' ability to fund services and support sustainable development. Base erosion and profit shifting by multinational enterprises are estimated to cost the U.S. government $70 to $100 billion annually and is viewed as a key driver of global inequality. Other companies make disclosures using the GRI tax standards. Compliance with the Proposal would be impose minimal costs, as Bristol-Myers currently reports country-by-country information to nations in the Organization of Economic Cooperation and Development ("OECD") nations on a confidential basis.

In response Bristol-Myers Squibb states an intent to omit the Proposal from the Company's proxy materials. The Company cites Rule 14a-8(i)(7), which permits the exclusion of proposals dealing with a company's "ordinary business." As we now discuss, however, the Company has failed to sustain its burden of establishing that the Proposal may be excluded, and we respectfully ask the Division to advise the Company accordingly.

DISCUSSION

The Company breaks its analysis into three parts, namely, that the Proposal relates to the Company's ordinary business, is devoid of a transcendent "significant" policy issue, and would micromanage the Company's business. Because the first two points are inter-related – an "ordinary business" matter can be a proper subject for a proposal if it presents a significant policy issue -- we discuss the first two arguments together and then answer the micromanagement point."

I. The Proposal Presents a Significant Policy Issue.

Bristol-Myers' argument that the Proposal deals with ordinary business matters rests on 17 letters from 1986 to 2018, which concluded that various tax-related issues related to promoting compliance and the like did not present issues rising above a company's "ordinary business" operations. Bristol-Myers Letter, pp.

3-5. Curiously, Bristol-Myers never mentions a 2022 decision *involving the same "resolved" clause* in which the Division denied relief, explaining that "the Proposal transcends ordinary business matters." *Amazon.com Inc. (Missionary Oblates of Mary Immaculate-United States Province)* (5 April 2022).

The transcendent policy issue in *Amazon,* as well as here, is known as "base erosion and profit shifting" or "BEPS," which the OECD has described as follows:

> Base erosion and profit shifting (BEPS) – where multinationals shift profits to low or no-tax locations where they have little or no economic activity or erode tax bases through deductible payments like interest or royalties – costs countries USD 100-240 billion in lost revenue annually. That is equivalent to 4-10% of global corporate income tax revenue. Although some BEPS schemes are illegal, most are not. BEPS practices undermine the fairness and integrity of tax systems because businesses that operate across borders can use them to gain a competitive advantage over enterprises operating at a domestic level. In a broader context, when large corporations are seen to be avoiding income tax, it undermines voluntary compliance by all taxpayers.[1]

The practice is most common in industries with significant intangible assets – pharmaceuticals and technology firms are prominent examples – and these patents, trademarks and copyrights are held by overseas subsidiaries or affiliates in countries with a lower tax rate than the home country. Revenues attributed to these subsidiaries or affiliates are thus taxed at a lower rate.

The only post-*Amazon* letter that Bristol-Myers cites is *ExxonMobil Corp. (Oxfam America)* (20 March 2024), where Exxon argued that *Amazon* was "distinguishable because Exxon is in a different type of industry, where BEPS issues are not salient. As Exxon's letter explained (PDF p. 6, emphasis added):

> In the case of some other multi-national companies, the core social policy the Staff was likely concerned about – potential profit allocation by multi-national corporations to other jurisdictions – is not applicable with respect to the Company. *Profit shifting is not widely available to oil and gas companies like the Company, given that large-scale, hard asset businesses producing tangible products are generally taxed in the countries in which they operate*. The Company is in the energy and

[1] OECD, *Base erosion and profit shifting* (2024), available at https://www.oecd.org/en/topics/policy-issues/base-erosion-and-profit-shifting-beps.html#:~:text=Base%20erosion%20and%20profit%20shifting%20(BEPS)%20%E2%80%93%20where%20multinationals%20shift,billion%20in%20lost%20revenue%20annually.

> petrochemical industry and its principal business involves, among other things, exploration for, and production of, crude oil and natural gas, operating refineries and chemical plants, and selling tangible products to customers through brick and mortar retailers.

This distinction makes sense. BEPS may be a concern in some industries, but not others. Wherever the line may be drawn, however, the issue is plainly "significant" as to Bristol-Myers. If there is any doubt on that score, consider the following statement in a 2022 letter to Bristol-Myers from Senate Finance Committee Chairman Wyden:

> According to public reports, in 2012 Bristol Myers developed a sophisticated tax avoidance strategy where it shifted intellectual property rights for several prescription drugs to a newly created offshore subsidiary to shift untaxed gains and generate amortization deductions. At the time, Bristol Myers's U.S. operations held patents on several drugs with a fair market value that had already been fully amortized for tax purposes, while an Irish Bristol Myers subsidiary held patents that it had not yet fully amortized and thus would produce tax deductions. Bristol Myers then reportedly formed a new foreign partnership in Ireland by transferring the patent rights from existing U.S. and Irish affiliates to the newly created partnership. Bristol Myers then proceeded to allocate tax deductions from the new partnership structure in a way that would use amortization deductions associated with Irish patents to offset U.S. taxes [while simultaneously shifting untaxed gains of the U.S. affiliates to the foreign affiliate] and substantially lowering its tax rate. This strategy was extraordinarily effective, as Bristol Myers's effective tax rate declined from 24.7 percent in 2011 to negative 7 percent in 2012."[2]

In the remainder of this section, we explain how the BEPS issue developed as a matter of policy significance and how it remains a transcendent policy issue today.

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[2] Letter to Giovani Caforio, Chairman of the Board and Chief Executive Officer from Senator Ron Wyden, available at Wydehttps://www.finance.senate.gov/imo/media/doc/RW%20to%20Bristol-Myers%20Squibb%201-18-22%20final.pdfn (18 January 2022).

A. Profit shifting in a digital age: a brief chronology.[3]

In the current age, it is not difficult for multinational companies to hold their intangible assets such as patents, trademarks and copyrights in overseas subsidiaries or affiliates in countries with a lower tax rate than the home country. Until 2017, the United States generally taxed U.S. companies based on their worldwide income, while allowing U.S. companies to defer the tax on earnings by their foreign subsidiaries' active business earnings until the earnings were repatriated to the United States as dividends.

Not surprisingly, this situation gave multinational companies an incentive to hold trillions of dollars overseas rather than repatriating them, a situation that raised policy questions about whether U.S. corporate tax rates were too high and whether money earned by U.S. companies for their U.S. sales and operations were not being fairly taxed in the United States.

This situation led to a perception that companies were not paying a "fair share" of taxes in the countries where they earned profits. As a result, by early 2021, 15 of the 37 member nations of the Organization for Economic Cooperation and Development (and many significant non-OECD countries) had proposed or implemented a "digital services tax" ("DST").[4] Although there are variations between DSTs, they share similar characteristics: they are targeted at larger multinationals over a specified global revenue threshold, and they tax revenue from specified digital streams (*e.g.,* digital content, advertising, sale of user data, etc.). DSTs were largely seen as targeting large U.S. technology companies, and these taxes

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[3] Numerous sources discuss the events described in this section. Some of the more helpful (and succinct) of these are Congressional Research Service, *Issues in International Corporate Taxation: The 2017 Revision (P.L. 115-97)* (updated 16 December 2021), available at https://sgp.fas.org/crs/misc/R45186.pdf; Tax Policy Center, *Key Elements of the U.S. Tax System, Taxes and Multinational Corporations*, available at https://www.taxpolicycenter.org/sites/default/files/briefing-book/taxes_and_multinational_corporations_2.pdf ; OECD BEPS, *International collaboration to end tax avoidance*, available at https://www.oecd.org/tax/beps/; and *Digital Services Tax, Why the World is Watching*, BLOOMBERG TAX (6 January 2021), available at https://news.bloombergtax.com/daily-tax-report/digital-services-tax-why-the-world-is-watching.

4 PwC, *Digital Services Taxes: Are They Here to Stay?*, available at https://www.pwc.com/us/en/services/tax/library/digital-service-taxes.html.

prompted U.S. trade officials to consider retaliatory measures.[5]

The policy response to this situation occurred at several levels.

At the international level, in 2013 the OECD and G/20 nations launched a "Base Erosion and Profit Shifting" ("BEPS") project, under which United States and 140 other jurisdictions, through a set of 15 "actions," sought to end tax avoidance. "Action 13" required multinational companies of a certain size to engage in country-by-country reporting of revenues and other data to the relevant tax authorities using standards developed by the OECD.

Within the United States, the Internal Revenue Service implemented country-by-country reporting requirements for large multinational companies, and in 2017 Congress enacted the Tax Cuts and Jobs Act, which changed the dynamic in significant ways, primarily by lowering the tax on corporate profits earned overseas, in an effort to induce companies to repatriate those assets back to the United States, where they could be put to productive use creating jobs and growing the economy. It was estimated that U.S. companies repatriated $665 billion in 2018, the first year the TCJA was in effect.[6]

The TCJA also eliminated the tax on repatriated dividends that U.S. multinationals received from their foreign subsidiaries, but introduced a new tax on "global intangible low-taxed income" or "GILTI," which is the income earned by overseas affiliates from such intangible items as patents, trademarks and copyrights in low tax jurisdictions, such as Ireland. A new 10.5% tax on such GILTI was intended to discourage profit shifting and to approximate the income from a company's intangible assets that are held overseas. (The TCJA also enacted an alternative minimum tax – the "Base Erosion and Anti-abuse Tax" or "BEAT" to discourage certain payments to foreign entities.)

B. The 2021 OECD agreement.

As this summary indicates, there are limits on what a single country can do on its own to deter efforts by companies to engage in profit shifting to low-tax jurisdictions.

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[5] *Digital Services Tax: Why the World is Watching*, BLOOMBERG TAX (6 January 2021), available at https://news.bloombergtax.com/daily-tax-report/digital-services-tax-why-the-world-is-watching.

[6] CNBC, U*S companies bring home $665 billion in overseas cash last year, falling short of Trump pledge (*27 March 2019), available at https://www.cnbc.com/2019/03/27/us-companies-bring-home-665-billion-in-overseas-cash-last-year.html.

That brings us to October 2021, with a breakthrough agreement in which 137 jurisdictions voted to revamp global tax laws.[7] It is difficult to overstate the significance of this development, and multiple outlets described it as "once-in-a-century."[8] As *Financial Times* put it:

> The deal would be the first fundamental change to the system of cross-border corporate taxation in a century and would impose a minimum 15 per cent global tax rate to end what was seen as harmful competition between countries to attract footloose profits."[9]

This "once-in-a-century" agreement adopted a "two pillar approach":

• Pillar One is expected to reallocate taxing rights on more than US$125 billion to market jurisdictions each year, with developing country revenues expected to exceed those in advance economies, as a proportion of existing revenues. As part of reaching agreement on Pillar One, Austria, France, Italy, Spain and the United Kingdom agreed to withdraw any unilateral tax measures on all companies (including digital services taxes), and refrain from imposing new unilateral measures.[10]

• Pillar Two introduces a global minimum corporate tax rate set at 15% for companies with revenue exceeding €750 million and to generate approximately US$150 billion in additional annual global tax revenues.[11]

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[7] OECD/G20, *Base Erosion and Profit Shifting Project, Statement on a Two-Pillar Solution to Address the Tax Challenges Arising from the Digitalisation of the Economy* (8 October 2021), available at https://www.oecd.org/tax/beps/statement-on-a-two-pillar-solution-to-address-the-tax-challenges-arising-from-the-digitalisation-of-the-economy-october-2021.pdf.

[8] *E.g.*, *Barron's, What's Behind the Tax Deal of the Century?* (12 October 2021), available at https://www.barrons.com/articles/whats-behind-the-tax-deal-of-the-century-51633989261.

[9] *OECD close to final global deal on corporate tax*, FINANCIAL TIMES (2 November 2021), https://www.ft.com/content/3e3e6a7d-67d5-437d-a7b2-29c52ce9c78f..

[10] Joint Statement issued 21 October 2021, available at https://home.treasury.gov/news/press-releases/jy0419..

[11] OECD, *International community strikes a ground-breaking tax deal for the digital age* (8 October 2021), available at https://www.oecd.org/tax/international-community-strikes-a-ground-breaking-tax-deal-for-the-digital-age.htm.

As the *Financial Times* article indicates, the policy significance of the OECD agreement is hard to understate. Speaking at the Davos Agenda in January 2022, Treasury Secretary Janet Yellen summarized what is at stake here and what the OECD agreement can accomplish:

> Over the past several decades the burden of taxation — in the United States and globally — has shifted away from corporations and onto the middle class. A significant reason for this shift is tax competition among nations. This competition has created a race to the bottom in corporate tax rates on footloose capital. In this competition, no country is a winner, and working and middle-class people around the world lose. Large multinational corporations have been incentivized to stash profits in their low-taxed subsidiaries around the world in tax-driven and inefficient transactions. This race-to-the-bottom thus depletes governments of the re- sources they need for the complex challenges they face. From the U.S. perspective, perverse corporate tax incentives have caused some companies to shift real economic activity beyond our borders, further contracting supply and reducing our nation's productive capacity.
>
> This past summer, in a remarkable testament to the power of U.S. leadership and multilateralism, 137 countries—representing nearly 95 percent of the world's GDP—have agreed to rewrite the international tax rules to impose a global minimum tax on corporate foreign earnings.
>
> This historic global tax deal will end this race to the bottom by ensuring that profitable corporations pay their fair share, providing governments with resources to invest in their people and economies. At the same time, it will level the playing field so that all multinational companies will face a minimum tax on their foreign earnings, rather than just U.S. companies. This new system will improve productivity by incentivizing businesses to allocate capital to its most productive use, rather than to the use that produces that best tax result. A more efficient allocation of capital via a more level playing field, achieved in a manner that improves fairness for workers, represents a win-win that aligns with the modern supply side approach.[12]

The OECD agreement is not self-executing, and there were thus efforts to

[12] *Remarks by Secretary of the Treasury Janet L. Yellen at the 2022 "Virtual Davos Agenda" Hosted by the World Economic Forum* (21 January 2022), available at https://home.treasury.gov/news/press-releases/jy0565.

implement it in various countries.[13] For the United States this could mean that apart from changes already made under existing law, there was a need for an international convention (yet to be drafted) or domestic legislation.

C. More recent developments.

Over the past three years there has been considerable activity and debate regarding the TCJA and Pillar 1/Pillar 2 regime, both globally and in the United States. These developments have been chronicled in numerous sources, but a good summary of international developments to date appears in a recent G20 report to member nations' finance ministers and central bank governors.[14]

Domestically, there has been considerable activity as well. Biden's "Build Back Better Act" bill in 2021 proposed changes to the GILTI structure,[15] although those changes were not incorporated in the final version of the legislation. In addition, there has been considerable attention of late on the many provisions in the TCJA that are set to expire at the end of this year unless they are extended.

The policy concerns have been multi-faceted, with opposition from some who are concerned about an undue impact of U.S. corporations competing internationally,[16] while others remain critical of profit shifting even after passage of the TCJA. One constant has been concern about offshore activities of Bristol-Myers and other U.S. pharmaceutical companies, as evidenced by a November 2020 *Tax Notes* report, based on a review of Form 10-Ks from 2015-2019, which concluded that despite the TCJA's reduced incentives to shift profits outside the United States, "the pharmaceutical industry as a whole hasn't significantly shifted

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[13] International Tax Review, *EU on track for public CbCR by 2023*, available at https://www.internationaltaxreview.com/article/b1vf7yc65qpzcd/this-week-in-tax-eu-on-track-for-public-cbcr-by-2023.

[14] OECD Secretary-General Tax Report to G20 Finance Ministers and Central Bank Governors (October 2024), available at https://www.oecd.org/content/dam/oecd/en/publications/reports/2024/10/oecd-secretary-general-tax-report-to-g20-finance-ministers-and-central-bank-governors-g20-brazil-october-2024_33399b18/fe5ba0b2-en.pdf

[15] FACT Coalition, *FACT Sheet: Build Back Better and International Tax Reform Summary* (February 2021) available at https://thefactcoalition.org/fact-sheet-build-back-better-international-tax-reform-summary/.

[16] *E.g.,* Reuters, *Yellen defends global corporate minimum tax deal amid Republican criticism* (30 April 2024), available at https://www.reuters.com/world/us/yellen-us-negotiating-rd-tax-credit-part-global-tax-deal-2024-04-30/.

profits into the United States."[17]

The competing viewpoints, with a focus on the drug industry, were on display in a May 2023 Senate Finance Committee hearing, at which time Democratic members focused on a recent report showing that pharmaceutical companies were reporting a collective 75% of taxable income in foreign subsidiaries, including for some drugs that are household names, while Republican members expressed concern about the tax burden on U.S. companies under Pillar Two and related issues.[18]

Much has happened around the world over the last decade, as the European Union and other countries have sought to adopt policies to promote tax transparency and to deal with the underlying conditions that prompted the 2021 agreement discussed above.[19] To be sure, a new Administration in Washington may choose to take a different approach from the Biden policy discussed above, but companies such as Bristol-Myers operate globally, and the policy issues raised here will remain salient regardless of any shifts in U.S. policy.

D. Profit shifting as a sustainability issue.

There is a final, perhaps less obvious, public policy issue at stake here, and that is sustainability. As the OECD observed in 2015, when the BEPS project was at an earlier phase:

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[17] Tax Notes, *TCJA Not Enough to Shift Big Pharma Profits to U.S.* (30 November 2020) (copy attached as Exhibit 1).

[18] EY, *Senate Finance Committee holds Rx, international tax hearing* (12 May 2023), available at https://taxnews.ey.com/news/2023-0874-senate-finance-committee-holds-rx-international-tax-hearing. The Joint Committee on Taxation report is *Present Law and Economic Background Relating to Pharmaceutical Manufacturers U.S. International Tax Policy* (11 May 2023), available at https://www.jct.gov/getattachment/0740c591-8b12-447a-a33b-503ce7f5bb3a/x-8-23.pdf

[19] *E.g.*, EY, *How a decade of transparency forever changed the tax world* (November 2024), available at https://www.ey.com/en_us/insights/tax/how-a-decade-of-transparency-forever-changed-the-tax-world; PwC, *Global Tax Transparency and Tax Sustainability Reporting Study 2024* https://www.pwc.com/gx/en/services/tax/tax-esg/tax-transparency-and-tax-sustainability-reporting-study-2024.pdf; EU Tax Observatory, *Advancing Corporate Tax Transparency* (June 2024), available at https://www.taxobservatory.eu/www-site/uploads/2024/06/Advancing_tax_transparency_2024.pdf

> Taxation plays a central role in promoting sustainable development. Developing countries face significant challenges in improving thei tax capacities and mobilising domestic resources. Their engagement in the international tax agenda, including on BEPS, is therefore important to address their specific challenges. [20]

In March 2020, the General Assembly of the United Nations set up a high-level body to assess the impacts of illicit financial flows on achieving the 2030 sustainable development goals ("SDGs"), and propose recommendations to ensure the integrity of global financial systems for sustainable development. The body, the Financial Accountability, Transparency and Integrity ("FACTI") Panel identified "tax abuse" as a key impediment to achieving sustainable development.

A key recommendation of the UN FACTI panel was to introduce requirements that "all private multinational entities publish accounting and financial information on a country-by-country basis."[21] The panel stated:

> There is a public interest in the transparency of corporations, to enable stakeholders such as outside investors (*e.g.* pension funds) to appropriately judge the value of an enterprise, including by weighing the risks embedded in the approach of the MNE [multinational enterprise] management to tax planning. [22]

That report also discussed how developing nations can be adversely affected by the current tax situation, as did another OECD BEPS report that cited developing nations' "higher reliance on corporate income tax means they suffer from BEPS disproportionately."[23]

This is not simply the view of OECD or its member nations. Consider this

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[20] OECD, *Mobilising domestic resources through tackling base erosion and profit shifting* (July 2015), available at https://www.oecd.org/dac/financing-sustainable-development/Addis%20flyer%20-%20BEPS.pdf.

[21] FACTI, *Financial Integrity for Sustainable Development: Report of the High Level Panel on International Financial Accountability, Transparency and Integrity for Achieving the 2030 Agenda,* at p. 20 (February 2021), available at https://uploads-ssl.webflow.com/5e0bd9edab846816e263d633/602e91032a209d0601ed4a2c_FACTI_Panel_Report.pdf.

[22] Id. at 21.

[23] OECD, BEPS, *International collaboration to end tax avoidance*, available at https://www.oecd.org/tax/beps/.

statement by BP, an oil giant that operates in many parts of the developing world, which wrote in its 2020 tax report "How tax fits into our sustainability frame:

> Our sustainability frame connects the business opportunity of the energy transition with the needs of society and the environment. We believe the taxes we pay and collect can have a role to play in getting to net zero, improving people's lives and caring for the planet.
>
> The taxes we pay and collect help support sustainable economic growth in the countries where we operate. Governments can use taxes to help fund development plans to build vital infrastructure, create jobs, and facilitate a just energy transition.[24]

A 2022 news report summarized developments in this are as follows:

> In 2014, the Dow Jones Sustainability Index began to include elements with respect to tax strategy, policy and reporting in its indexing criteria. This inclusion was part of a larger focus on the effective tax rates of major multinationals and whether such companies were paying their fair share of taxation.
>
> In 2017, the U.K. began to require large companies to publicly report their U.K. tax strategy. This reporting includes information with respect to the company's approach to managing tax risk, its approach to tax planning and how it works with the U.K. taxing authority. While some companies responded to the U.K. rules by publishing a global tax policy statement, most companies complied by issuing a U.K.-specific tax policy statement.[25]

* * *

In short, these factors – a once-in-a-century international agreement, significant legislative activity domestically, a clearly developing world-wide trend line, companies' integrating their tax policy into sustainability policy – surely indicate that base erosion and profit shifting issues have "significant" policy imlications that transcend the ordinary business of Bristol-Myers or any business.

II. <u>The Proposal Does Not Involve Micromanagement.</u>

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[24] BP, *Tax Report 2020* at p. 8, available at https://www.bp.com/content/dam/bp/business-sites/en/global/corporate/pdfs/sustainability/group-reports/bp-tax-report-2020.pdf.

[25] *Tax Reporting Considerations Amid Calls For Transparency*, LAW 360 (9 February 2022) (copy attached as Exhibit 2).

Bristol-Myers makes an argument that was not explicitly raised in the 2022 *Amazon* letter, namely, that the Proposal engages in micromanagement. The argument seems to focus on the fact that the Proposal seeks country-by-country reporting using the *GRI Tax Standard* developed by the Global Reporting Initiative. Unfortunately, the Company's argument does not convey an accurate picture of what the Proposal is seeking or what disclosure would entail.

In *Amendments To Rules On Shareholder Proposals*, Exchange Act Release No. 40018, 63 Fed. Reg. 29106 (28 May 1998), the Commission emphasized that the "ordinary business" exception rests on two considerations: (1) the fact that tasks are so fundamental to management's ability to run a company that they don't lend themselves to shareholder oversight, and (2) some proposals may be viewed as an effort to micromanage the company by probing too deeply into matter that shareholders, as a group, are not in a position to make an informed judgment. *Id.* at 29108 (footnote omitted). Even so, the Commission has long held the view that some topics may transcend ordinary business concerns if they have "significant policy, economic or other implications inherent in them." *Adoption of Amendments Relating to Proposals by Security Holders*, Exchange Act Release No. 12999, 41 Fed. Reg.52994, 52998 (3 December 1976).

There are two principal reasons why the specific request does not involve micrdomanagement. First, country-by-country reporting is a significant policy issue. Second, while Bristol-Myers is willing to hurl around descriptions such as "highly prescriptive" and "granular" and "burdensome" (Bristol-Myers Letter, p. 9), those descriptions are at odds with the facts, which the Company never addresses..

Is country-by-country reporting a significant issue? As a barometer of policy significance of this issue, consider the views stated in a June 2020 Deloitte survey of nearly 300 tax and finance managers and executives in 38 countries:

- 57% of respondents agreed or strongly agreed that their organization's tax strategy is now part of a corporate responsibility agenda, not a compliance issue;

- 71% agreed or strongly agreed that public reporting of country-by-country type information will occur over the next few years.[26]

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[26] Deloitte, *Finding Opportunity in the Midst of Uncertainty* at pp. 10, 32 (June 2020), available at https://www2.deloitte.com/content/dam/Deloitte/global/Documents/Tax/dttl-tax-beps-survey-2020-report.pdf.

Along the same lines a 2021 global study of 1300 public companies by FTSE Russell disclosed that 24% of companies surveyed in "developed Europe" disclose geographic breakdowns of corporate taxes paid.[27]

A significant factual point that Bristol-Myers never mentions is that U.S. multinational companies must currently make country-by-country financial disclosures to the Internal Revenue Service. According to the IRS website:

> Parent entities of U.S. multinational enterprise (MNE) groups with $850 million or more of revenue in a previous annual reporting period file Form 8975, Country-by-Country Report. Form 8975 is used to report a U.S. MNE group's income, taxes paid, and other indicators of economic activity on a country-by-country basis.[28]

As noted above, this reporting requirement is a step to implement "Action 13" of the 15 actions recommended by the OECD Base Erosion and Profit Shifting project. As a result, Bristol-Myers is presumably telling the IRS at least some of the country-by-country financial information sought by the Proposal, and, as the Supporting Statement notes, Bristol-Myers is presumably making country-by-country reporting to OECD tax authorities.

We turn now to the criticism of the recommended standard, *GRI Tax Standard*, also known as *GRI 207: Tax 2019*, which became effective on 1 January 2021.[29] The reason for recommending the *GRI Tax Standard*, is as follows: Before that January 2021 date, much of the country-by-country-reporting occurred using OECD reporting standards and earlier versions of the *GRI Tax Standard*; the OECD standards and the GRI standards are closely aligned, however,[30] and at this

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[27] Edmund Bourne, Charles Dodsworth, and Jaakko Kooroshy, *Global Trends in Corporate Tax Disclosure* at 14 (2021), available at https://content.ftserussell.com/sites/default/files/global_trends_in_corporate_tax_disclosure_final_2.pdf.

[28] IRS, *U.S. Multinational Enterprises,* available at https://www.irs.gov/businesses/international-businesses/us-multinational-enterprises. A link to the two-page Form 8975 is included in the text, and Schedule A to that Form (https://www.irs.gov/pub/irs-pdf/f8975sa.pdf) sets forth the items to be reported.

[29] A copy of the *GRI Tax Standard* is attached for convenience as Exhibit 3. Further information about GRI is available at https://www.globalreporting.org/about-gri/.

[30] *Comparison of GRI 207: Tax 2019 & OECD Action 13 BEPS Country-by-Country Report*, available at https://www.globalreporting.org/standards/media/2537/comparison-gri-207-tax-2019-oecd-beps.pdf.

point, the *GRI Tax Standard* is the most up-to-date set of standards. As Royal Dutch Shell explained in its 2020 tax report:

> GRI 207 provides best practice reporting guidance and contains many measures that Shell had already adopted. Some elements, such as the country-by-country reporting requirement, concerned information that we published according to OECD guidelines. In our Sustainability Report, we report performance against the GRI standards, including on tax.[31]

Thus, the reporting to date tends to focus on country-by-country reporting as an element of a company's sustainability practices. In addition to the BP and Shell reports cited above, other examples include:

• **Randstad,** a Dutch company, provides an excellent example of what compliance with the Proposal could resemble. That company's annual report reflects what reporting under the *GRI Tax Standard* would look like. The country-by-country reporting (at pp. 228-230) includes all relevant GRI indicators and lists all countries and subsidiaries (at pp. 231-234), and while an index (at p. 239) explains where the reader can find elsewhere in the annual report Randstad's narrative discussion on the GRI 207 standards. For convenience, we attach those pages as Exhibit 4.[32]

• In 2021 AngloAmerican plc, a British-listed mining company, published two documents using the *GRI Tax Standard* to summarize the company's activities in 2020. The first was its *Tax and Contribution Report for 2020*, based on the *GRI Tax Standard,* which included (at p. 11) a GRI Content Index identifying where the reader could find the narrative disclosures contemplated by the *GRI Tax Standard* (the GRI 207-1, -2,-3 and -4 factors outlined there).[33]

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[31] Royal Dutch Shell, *Tax Contribution Report* 2020, at 20, available at https://reports.shell.com/tax-contribution-report/2020/_assets/downloads/shell-tax-contribution-report-2020.pdf.

[32] Randstad, *Annual Report 2020* (February 2021), available at https://www.randstad.com/s3fs-media/rscom/public/2021-02/randstad-annual-report-2020.pdf.

[33] AngloAmerican, *Tax and Economic Contribution Report 2020* (May 2021), available at https://www.angloamerican.com/~/media/Files/A/Anglo-American-Group/PLC/investors/annual-reporting/2021/tax-and-economic-contribution-report-2020.pdf.

The second report contains country-by-country reports prepared using GRI 207 criteria. The country-by-country reporting in that addendum includes all relevant GRI indicators (at pp. 3-6), as well as a full list of subsidiaries in those countries (at pp. 7-23).[34] The Content Index in the report for 2020 and the country-by country disclosures in the second report are consistent with what the Proposal requests, and copies of the relevant pages are attached as Exhibit 5.

• Philips, a technology company, includes a three-page country-by-country report in its 2020 report[35] (at pp. 67-69) and an "approach to tax" summary (at pp. 4-5). These disclosures are consistent with what the Proposal requests, and copies of the relevant pages are attached as Exhibit 6.

CONCLUSION

For the foregoing reasons, we respectfully ask you to advise Bristol-Myers Squibb that the Division does not concur with the Company's position that this Proposal may be excluded from the Company's proxy materials.

Thank you for your consideration of these points. Please do not hesitate to contact me if there is any additional information that we can provide.

Respectfully submitted,

Cornish F. Hitchcock

Cornish F. Hitchcock

cc: John B. Beckman

[34] AngloAmerican, *Country by country reporting publication (Report 2020),* available at https://www.angloamerican.com/~/media/Files/A/Anglo-American-Group/PLC/investors/annual-reporting/2021/anglo-american-country-by-country-report-2020.pdf.

[35] Philips, *2020 Country Activity and Tax Report* (February 2021), available at PhilipsCountryActivityAndTaxReport2020.pdf.

<u>Exhibits</u>

<u>PDF Page</u>:

EXHIBIT 1

Martin A. Sullivan, *Irish Data Confirm IP Shift from Havens to the United States*, at pp. 1, 3, TAX NOTES (18 January 2022)

Irish Data Confirm Tech IP Shift From Havens to the United States

POSTED ON JAN. 18, 2022

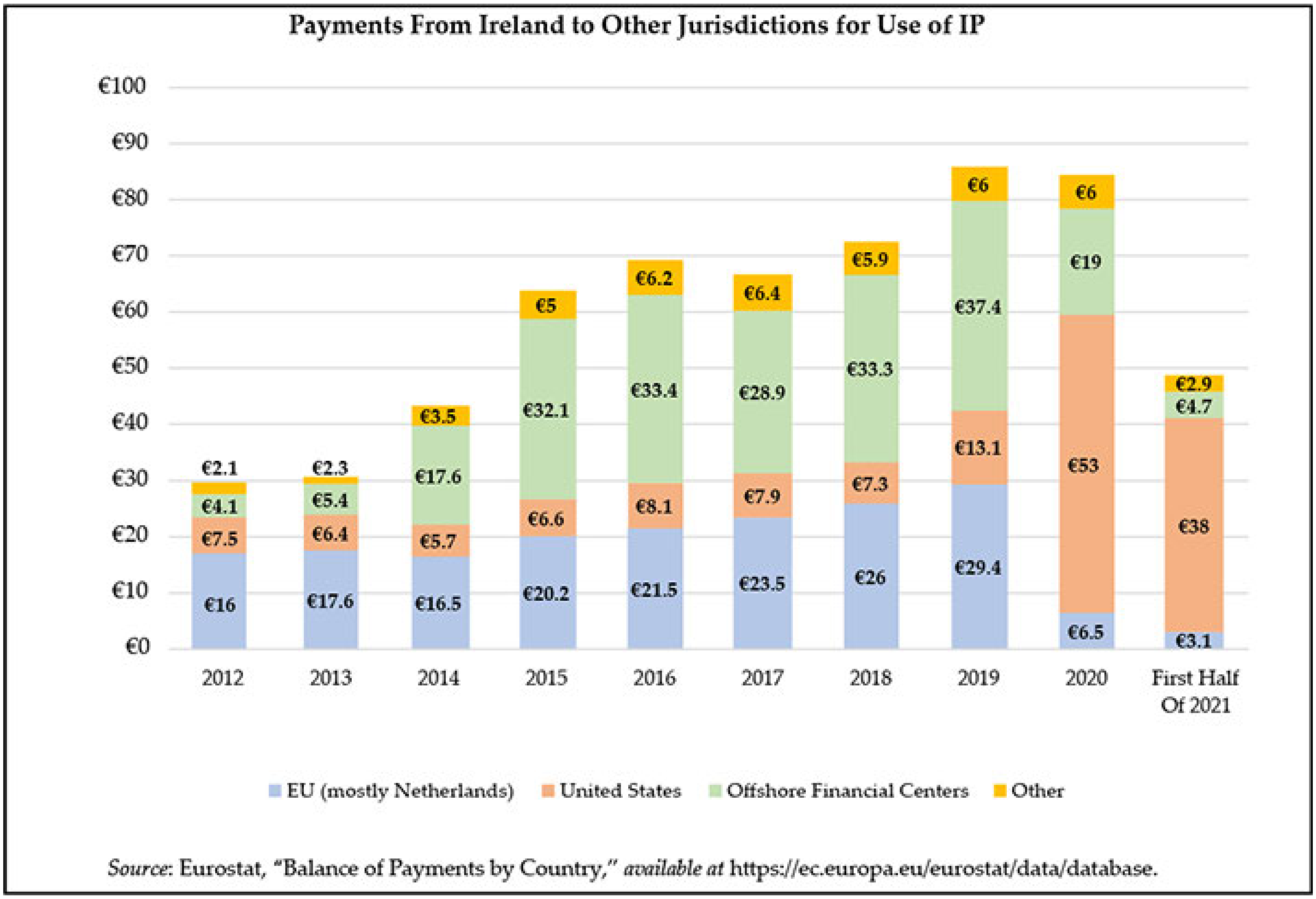
By

MARTIN A. SULLIVAN
Contact Author

In 2020 large amounts of U.S. technology companies' worldwide profits shifted into the United States. We can infer this from foreign-domestic profit splits in some company annual reports, from increases in the benefits of the deduction for foreign-derived intangible income, and now from Ireland's revenue statistics that show a sharp rise in royalties paid by Irish subsidiaries for intellectual property held in the United States.

That last development, a €40 billion increase between 2019 and 2020, was previously reported by Seamus Coffey of University College Cork and Daniel Bunn of the Tax Foundation. (Prior coverage and citations are provided at the end of this article.)

The figure shows the amount and the destination of payments for the use of IP by businesses located in Ireland. This is a component of balance of payments data compiled by Eurostat, the statistical office of the European Union. The four destinations shown in the table are the United States, offshore financial centers, the European Union, and other geographic locations. Offshore financial centers are 40 mostly very small jurisdictions, including Bermuda, the Cayman Islands, and Jersey. Most payments to the European Union are to the Netherlands, so it is a good proxy for the Netherlands' data (which isn't publicly available for all years).



In the aggregate, total payments to Ireland for the use of IP rose from €29.7 billion in 2012 to €84.4 billion in 2020. (Since 2015 the value of the euro has mostly remained between $1.1 and $1.2.) In a typical case, these are payments for the right to manufacture and sell products using technology developed in the United States. In the case of a "double Irish, Dutch sandwich" structure (which isn't possible after 2020 because of a change in Irish law), payments flow through tax free to the Netherlands on their way to a holding company, typically in Bermuda, to which trademarks and patents have been transferred from their U.S. parent company.

> ***If payments to the United States continue at the same pace for all of 2021, they will be nearly 50 percent greater than they were in 2020.***

After years during which most of these royalties were paid by companies in Ireland to offshore financial centers and the Netherlands, the composition of the payments changed abruptly in 2020. From 2019 to 2020, royalties to the United States increased by €39.9 billion (from €13.1 billion to €53 billion). Royalties paid to Europe (mostly the Netherlands) and to offshore financial centers (from €66.8 billion to €24.4 billion) dropped €41.3 billion in that single year.

Only data for the first half of 2021 are currently available. But these early indications show that the trend of IP transferring may be growing. If payments to the United States continue at the same pace for all of 2021, they will be nearly 50 percent greater than they were in 2020.

Google and Facebook in 2020

These data are generally consistent with information available about individual company intragroup transactions in 2020. Alphabet Inc. (formerly Google) stated: "As of December 31, 2019, we have simplified our corporate legal entity structure and now license intellectual property from the U.S. that was previously licensed from Bermuda resulting in an increase in the portion of our income earned in the U.S." In 2020 Alphabet's domestic profit before tax increased by $21 billion, and the domestic profit share of worldwide before-tax profit jumped from 41 percent to 78 percent.

Although we can find no similar statement by Meta Platforms Inc. (formerly Facebook) in its Schedules 10-K, news outlets reported the following statement from the company in December 2020:

> Intellectual property licenses related to our international operations have been repatriated back to the U.S. This change, which has been effective since July this year, best aligns corporate structure with where we expect to have most of our activities and people. We believe it is consistent with recent and upcoming tax law changes that policymakers are advocating for around the world.

In its annual report for 2020, Meta's domestic profit before tax increased by $19 billion, and the domestic profit share of worldwide before-tax profit jumped from 27 percent to 73 percent.

The actions by those two giant multinationals are strong support that at least some of the incentive effects of the Tax Cuts and Jobs Act are materializing, albeit with a three-year delay. The TCJA's reduction in the differential between the effective tax rates on U.S. and foreign intangible income is pulling IP back into the United States. And along with it should come more taxable profit. So there is a Laffer Curve type of effect. At least in these circumstances, U.S. rate reduction increases revenue.

Future IP Transfers?

In an exhaustive search of more than 180 large corporations' annual reports for the years before 2020, Thomas Horst found that in recent years only three companies — Microsoft, Qualcomm Technologies Inc., and McKesson Corp. — conducted intra-entity transfers of IP from foreign subsidiaries to the United States. Although Horst cautioned that the OECD's efforts to reduce profit shifting could spark more repatriations in 2020 — a forecast that proved correct — he concluded that by the end of 2019, "the IP repatriations by Microsoft, Qualcomm, and McKesson appear to be exceptions to the general pattern of retaining foreign subsidiaries' ownership of foreign IP."

Based on our review of these three companies' annual reports, we would expect only Microsoft's transfers of "intangible properties held by our foreign subsidiaries to the U.S. and Ireland" in the second calendar quarter of 2019 to possibly register in a major way in 2019 data. But there is no change in the geographic dispersion of royalty payments from Ireland in 2019 in anywhere near the same order of magnitude of change that occurred in 2020. This is a bit puzzling, and so is Microsoft's statement in its latest annual report that in "fiscal year 2021 and 2020 [ending June 30], our foreign regional operating centers in Ireland and Puerto Rico, which are taxed at rates lower than the U.S., generated 82 percent and 86 percent of our foreign income before tax." Apparently, even after intangible transfers to the United States, the proportions of Microsoft's low-taxed income are large and similar to those reported before 2019 transfers.

As much as we would like to make things simple for readers, it is difficult to provide a neat, overall summary of the recent changes in the actual taxation of big-tech IP. In large part that's because of a lack of detailed data and because of the oft-used crypto techno-accounting explanations that most normal human beings, including investors who are the intended audience, cannot begin to understand. It is also attributable to the diversity of results we can observe.

Clearly, some companies since passage of the TCJA, and now most recently in 2021, are shifting profit to the United States. For example, in its recently published annual report for the fiscal year ending October 31, 2021, HP Inc. reported its U.S. share of worldwide profits was 67 percent, up from 27 percent for the prior year. Similarly, for its fiscal year ending in July 2021, Cisco Systems Inc. is reporting 93 percent of its profit as domestic, up from 57 percent for the prior year. (But there is no mention of intra-entity transfers to the United States by either of those companies in their reports.) In contrast, Micron Technology Inc. reports losses into the United States despite worldwide profits exceeding $6 billion for the fiscal year ending September 2, 2021. Apple's reported share of domestic profits declined to 37 percent in its fiscal year ending September 25, 2021, from 43 percent in the prior year.

As we have endeavored to highlight in this article, some large U.S. technology multinationals are repatriating intangible assets to the United States, and this may be a growing trend. But there is a lot of diversity, so average changes don't tell the whole story. In 2019 and 2020, for example, some tech companies were onshoring *to* Ireland. Adobe and Dell Technologies Inc. were in this category. Meanwhile, in 2020 some companies were conducting intra-entity transfers but didn't reveal the new locations (the United States, Ireland, others?) to which intangible assets were transferred. IBM Corp. and Oracle are in this category. Still other companies give no explicit indication (that we can find) of any recent intragroup intangible asset transfers, leaving us to strongly suspect large amounts of profits from intangible assets continue to be booked in tax havens. Apple, Amazon, and Oracle are in this category.

> ***Apparently, even after intangible transfers to the United States, the proportions of Microsoft's low-taxed income are large and similar to those reported before 2019 transfers.***

Regularly updated statistics from Ireland as well as upcoming annual reports from companies with fiscal years ending December 31, 2021, will soon help us better answer this question: Is IP that has for so long been stashed in offshore centers returning to the United States?

References

Daniel Bunn, "New Research Shows Major Changes for U.S. Companies Earning Profits From Ireland," Tax Foundation (June 16, 2021).

Seamus Coffey, "The Changing Nature of Outbound Royalties From Ireland and Their Impact on Taxation of Profits of U.S. Multinationals," Irish Ministry of Finance (May 2021).

Thomas Horst, "The TCJA's Incentives for and Impediments to Repatriating Intangible Property," *Tax Notes Int'l*, Feb. 10, 2020, p. 635.

Martin A. Sullivan, "Big Tech Is Moving Profit to the United States," *Tax Notes Federal*, Aug. 23, 2021, p. 1209.

Sullivan, "Reported FDII Benefits Surge for Big Tech," *Tax Notes Federal*, Dec. 6, 2021, p. 1327.

EXHIBIT 2

Tax Reporting Considerations Amid Calls For Transparency, LAW 360 (9 February 2022)

Copyright

Copyright

EXHIBIT 3

GRI 207: Tax 2019

EXHIBIT 4

Randstad, *Annual Report 2020* (February 2021) (Excerpts)

annual report 2020

#newways.

randstad

human forward.

tax disclosures.

country-by-country reporting

in millions of €, unless otherwise indicated

	third-party revenue		revenue/income from intra-group transactions		tangible assets other than cash and cash equivalents[2]		number of candidates (average)		number of corporate employees (average)	
country[1]	2020	2019[3]	2020	2019[3]	2020	2019[3]	2020	2019[3]	2020	2019[3]
Andorra	1	1	-	-	-	-	-	-	-	-
Argentina	109	104	-	-	1	1	9,500	8,500	360	370
Australia	617	601	2	2	3	4	8,800	8,700	780	820
Austria	94	98	-	-	-	-	2,100	2,300	80	100
Belgium	1,355	1,546	8	4	7	6	37,400	45,100	1,760	2,060
Brazil	95	104	-	-	1	1	8,600	5,800	450	500
Canada	439	511	3	3	3	3	8,500	10,100	1,100	1,090
Chile	44	47	-	-	-	-	3,600	3,200	120	130
China	73	83	-	-	1	1	3,400	4,000	510	580
Czech republic	52	48	16	16	-	1	3,500	3,200	390	460
Denmark	36	35	-	-	-	-	400	500	50	60
France	3,070	3,733	14	6	22	26	71,400	87,200	4,220	4,740
Germany	1,593	2,106	1	-	6	6	31,200	40,200	2,560	2,990
Greece	90	95	-	-	-	-	4,200	4,600	70	70
Hong kong	11	15	1	-	-	-	100	100	70	80
Hungary	17	19	1	6	-	1	400	500	290	310
India	293	284	5	4	2	1	58,300	56,000	1,360	1,620
Ireland	9	3	-	-	-	-	100	-	10	10
Italy	1,455	1,644	1	-	6	10	41,800	49,900	2,050	2,280
Japan	804	805	-	-	5	6	23,900	25,100	1,690	1,690
Luxembourg	55	64	42	46	-	-	1,600	1,900	70	70
Malaysia	2	3	6	7	-	-	-	-	200	250
Mexico	40	50	-	-	-	-	3,500	4,300	140	200
New zealand	27	31	-	-	-	-	500	600	60	70
Norway	77	90	-	-	1	1	700	900	150	150
Poland	266	265	1	1	1	2	17,800	18,700	730	760
Portugal	322	367	1	1	5	3	20,600	24,800	400	450
Romania	6	8	6	5	-	-	300	400	80	80
Singapore	55	58	86	109	-	-	800	800	170	180
Spain	948	1,115	-	-	1	2	32,700	40,200	1,410	1,720
Sweden	332	395	-	1	2	-	5,700	6,700	510	670
Switzerland	454	456	242	243	1	1	5,900	6,200	300	310
The Netherlands	2,832	3,353	212	320	46	53	63,000	77,800	4,200	4,640
Turkey	8	11	-	-	-	-	500	600	40	40
United Kingdom	766	906	8	1	3	3	14,200	16,400	1,460	1,600
United States	4,266	4,617	5	13	22	25	83,400	93,400	6,830	7,130
Uruguay	5	5	-	-	-	-	400	300	10	
Total	**20,718**	**23,676**	**661**	**788**	**139**	**157**	**568,800**	**649,000**	**34,680**	**38,280**

1 Countries of which all positions in the table are zero, have not been included.
2 Represents property, plant and equipment.
3 For comparison purposes only.

country-by-country reporting (continued)

in millions of €, unless otherwise indicated

country[1]	profit/(loss) before tax		applicable tax rate		corporate income tax due on profit before tax[2]		current corporate income tax accrued		Explanation differences taxes accrued and taxes due	corporate income tax paid	
	2020	2019[3]	2020	2019[3]	2020	2019[3]	2020	2019[3]	2020	2020	2019[3]
Andorra	-	-	10.0%	10.0%	-	-	-	-		-	-
Argentina	2	1	30.0%	30.0%	1	-	1	-		1	1
Australia	1	5	30.0%	30.0%	-	2	2	2	1) 3)	-	-
Austria	1	-	25.0%	25.0%	-	-	-	-		-	-
Belgium	33	49	25.0%	29.6%	8	15	20	21	1) 2) 3)	39	26
Brazil	1	-	34.0%	34.0%	-	-	1	-	1) 3)	1	-
Canada	16	21	26.6%	26.7%	4	6	4	6		7	6
Chile	1	1	27.0%	27.0%	-	-	-	-		-	-
China	2	2	25.0%	25.0%	-	1	1	2	1)	2	1
Czech republic	4	1	19.0%	19.0%	1	-	-	-	1) 2) 3)	-	-
Denmark	-	-	22.0%	22.0%	-	-	-	-		-	-
France	41	123	32.0%	34.4%	13	42	50	85	1) 2) 3)	65	51
Germany	(59)	(22)	30.1%	30.1%	(18)	(6)	-	1	1) 2) 3)	18	13
Greece	3	2	24.0%	28.0%	1	1	1	1		1	1
Hong kong	-	(10)	16.5%	16.5%	-	(2)	-	-		-	-
Hungary	2	3	9.0%	9.0%	-	-	1	1	1) 2)	1	1
India	5	4	25.2%	25.2%	1	1	1	2		(5)	1
Ireland	1	(1)	12.5%	12.5%	-	-	-	-		-	-
Italy	34	73	24.0%	24.0%	8	17	16	22	1) 2) 3)	21	26
Japan	47	39	34.6%	34.6%	16	14	13	12	1) 2)	1	(10)
Luxembourg	37	21	25.7%	25.7%	10	6	33	11	3)	-	(1)
Malaysia	(1)	(1)	24.0%	24.0%	-	-	-	-		-	-
Mexico	-	(1)	30.0%	30.0%	-	-	-	-		-	-
New zealand	-	1	28.0%	28.0%	-	-	-	-		-	-
Norway	(9)	(4)	22.0%	22.0%	(2)	(1)	(2)	(1)		-	-
Poland	10	6	19.0%	19.0%	2	1	2	2		2	1
Portugal	6	7	22.5%	22.5%	1	1	2	2	1) 3)	3	2
Romania	-	1	16.0%	16.0%	-	-	-	-		-	-
Singapore	14	55	17.0%	17.0%	2	9	-	5	3)	5	6
Spain	26	53	25.0%	25.0%	7	13	9	12	1) 2)	5	10
Sweden	(11)	(8)	21.4%	21.4%	(2)	(2)	-	5	3)	(1)	3
Switzerland	270	248	21.2%	21.2%	57	53	7	8	3)	5	6
The Netherlands	25	157	25.0%	25.0%	6	39	22	39	1) 2) 3)	9	57
Turkey	-	-	22.0%	22.0%	-	-	-	-		-	-
United Kingdom	(118)	(19)	19.0%	19.0%	(22)	(3)	(5)	(4)	1) 2) 3)	-	1
United States	(20)	12	26.4%	26.4%	(5)	3	11	19	1) 3)	1	2
Uruguay	-	-	25.0%	25.0%	-	-	-	-		-	-
Total	**364**	**819**			**89**	**210**	**190**	**253**		**181**	**204**

1 Countries of which all positions in the table are zero, have not been included.
2 Applicable tax rate multiplied by profit/(loss) before tax.
3 For comparison purposes only.

notes to country-by-country reporting

number of employees

The number of candidates (average) is the average number of temporary employees working for our clients.

The number of corporate employees (average) relates to our own staff, which consists of staff at our headoffices, and front-office employees who are located at one of our outlets, directly meeting the demands of clients and candidates.

differences between taxes accrued and taxes due

Explanations for differences between 'taxes accrued' and 'taxes due' (profit/(loss) before tax multiplied by applicable tax rate) are as follows:

1. Disallowed (business) expenses;
2. Prior-year adjustments;
3. (Non-)deductible/taxable tax items based on local legislation.

countries and entities

entities by country

andorra
Principal activity: HR services

- Skillmind Recursos Humans SL
- Randstad Recursos Humans SL

argentina
Principal activity: HR services

- Soluciones Randstad SA
- Trading International SA
- Trading Servicios SA
- Randstad Argentina SA

australia
Principal activity: HR services

- Randstad Holdings Pty Limited
- Randstad Pty Limited
- Digby Morgan Pty Limited
- HR Partners Pty Limited
- Skout Solutions Pty Limited (50%)
- HREXL Group Pty Limited
- Aurec Group Pty Limited
- Aurec Pty Limited

austria
Principal activity: HR services

- Randstad Austria GmbH
- Randstad Deutschland GmbH
- Monster Worldwide Austria GmbH

belgium
Principal activity: HR services

- Randstad Group Belgium nv
- Randstad Construct nv
- Tempo-Team at Home nv
- Tech Deploy nv
- Randstad Professionals nv
- Randstad Sourceright nv
- Tempo-Team nv
- Randstad Belgium nv
- Randstad Outsourcing nv
- Tempo-Team Professionals nv
- Tempo-Team Childcare nv
- Tempo-Team Construct nv
- Monster Belgium nv
- Ausy IT Consulting nv
- Ausy Consulting nv
- Ausy Group Belgium nv

brazil
Principal activity: HR services

- Randstad Brasil Recursos Humanos Ltda
- Randstad Professionals Recrutamento Especializado Ltda

entities by country

canada
Principal activity: HR services

- Randstad Interim Inc.
- Monster Worldwide Holdings Canada Limited
- Monster Worldwide Canada Inc.
- Randstad Solutions Inc.

chile
Principal activity: HR services

- Randstad Investments Chile Ltda
- Randstad Chile SA
- Randstad Servicios Ltda
- Randstad Empresa de Servicios Transitorios Ltda

china
Principal activity: HR services

- Randstad Management (Shanghai) Co. Limited
- Guangzhou Randstad Human Resource Service Co., Limited
- Randstad Management (Beijing) Co. Limited
- Sichuan Randstad Human Resources Co. Limited
- Shanghai Temporary Staffing Co. Limited
- Beijing Randstad Human Resource Service Co. Limited
- Talent Shanghai Co. Limited
- Jiangsu Randstad Human Resource Service Co. Limited
- Randstad Shanghai Talent Service Co. Limited
- FuJian Randstad Human Resources Service Co., Limited
- Hubei Randstad Human Resources Co., Limited
- Tianjin Randstad Management Co. Limited
- Shanghai Randstad Enterprise Management Service Co. Limited

cyprus
Principal activity: HR services

- Randstad Cyprus Ltd

czech republic
Principal activity: HR services

- Randstad sro
- Monster Worldwide CZ s.r.o.
- Smithburg s.r.o
- Randstad HR Solutions s.r.o

denmark
Principal activity: HR services

- Randstad A/S

finland
Principal activity: HR services

- Alma Career Oy (16.6%)

tax disclosures.

entities by country

france
Principal activity: HR services

- Randstad France SAS
- Groupe Randstad France SAS
- Randstad SAS
- Randstad Sourceright SAS
- Select TT SAS
- SCI Immobiliere de Passage de Bayardet
- HR Consultancy Partners SAS
- Randstad Services dans la Formation SAS
- Atoll SAS
- Atout Travail Temporaire SAS
- Internim SAS
- Atrium SAS
- Arve Interim SAS
- Ainterim SAS
- Alp'emploi SAS
- Interim d'Oc SAS
- Interim 31 SAS
- FASTROAD TT SAS (49.9%)
- Monster Worldwide SAS
- Ausy SAS
- Ausy Technology Sarl
- Ausy Expertise et Recherce Sarl
- Optedis SA
- Randstad Monaco, Sam Secrétariat et Services

germany
Principal activity: HR services

- Randstad Financial Services GmbH
- Randstad Deutschland GmbH & Co. KG
- Randstad Deutschland Administration GmbH
- Randstad Group Germany bv - Zweigniederlassung/branch office
- Randstad Deutschland GmbH - Zweigniederlassung/branch office
- Randstad Sourceright GmbH
- Tempo-Team Management Holding GmbH
- Tempo-Team Outsourcing GmbH
- Tempo-Team Personaldienstleistungen GmbH
- Tempo-Team Engineering GmbH
- Tempo-Team Managed Services Provider GmbH
- GULP Solution Services Holding GmbH
- GULP Solution Services Verwaltungs GmbH
- GULP Solution Services Management GmbH
- GULP Solution Services GmbH & Co. KG
- Randstad Automotive GmbH & Co. KG
- Randstad Outsourcing GmbH
- GULP Holding GmbH
- GULP Information Services GmbH
- GULP Consulting Services GmbH
- Qualitair Aviation Deutschland GmbH
- Team2Venture Gmbh
- Monster Worldwide Deutschland Holdings GmbH
- Monster Worldwide Deutschland GmbH
- Ausy GmbH
- Ausy Consulting GmbH
- Ausy Engineering GmbH
- Ausy Technologies Germany AG
- Mühlenhoff + Partner GmbH
- IEBP - Institut zur Entwicklung beruflicher Perspektiven GmbH
- IEBP-Transfergesellschaft GmbH
- SPEQTRUM GmBH
- Qualitair Aviation Deutschland GmbH

greece
Principal activity: HR services

- Randstad Hellas AE
- Randstad AE

entities by country

hong kong[1]
Principal activity: HR services

- Randstad Hong Kong Limited
- Monster.com Asia Pacific Ltd.
- Monster.com Asia Ltd.
- Stadhold Limited

hungary
Principal activity: HR services

- Randstad Hungary Kft
- Randstad Sourceright Kft

india
Principal activity: HR services

- Randstad Technologies Private Limited
- Team HR Services Private Limited
- Randstad India Private Limited
- Randstad Offshore Services Private Limited
- RiseSmart HR Private Limited
- Gozaik Software India Private Limited
- Ausy Technologies India Pvt Ltd

ireland
Principal activity: HR services

- Randstad Ireland Operations Limited
- Monster Worldwide Holdings (Ireland) Limited
- Monster Worldwide Ireland Limited

italy
Principal activity: HR services

- Randstad Group Italia SpA
- Randstad Services S.r.l.
- Randstad Italia SpA società di fornitura di lavoro temporaneo
- Intempo Agenzia per il Lavoro Spa (75%)
- Randstad HR Solutions srl società con unico socio
- TMP Worldwide Italia SpA
- Monster Italia Srl
- AUSY Italy Srl

japan
Principal activity: HR services

- Randstad Japan Holding GK
- Randstad KK

luxembourg
Principal activity: HR services and participating in and financing of Group entities

- Randstad Group Luxembourg Sarl
- Randstad Holding Luxembourg Sarl
- Randstad Interim SA
- Randstad HR services SA
- Randstad Luxembourg Financial Holding Sarl
- Randstad Luxembourg North America Sarl
- Monster Luxembourg SA
- Ausy Luxembourg PSF SA
- Stadhold Insurances (Luxembourg) SA
- Stadhold Reinsurances (Luxembourg) SA

1 Region in the case of Hong Kong SAR (Special Administrative Region).

entities by country

malaysia
Principal activity: HR services

- Randstad Sourceright Sdn. Bhd.
- Agensi Pekerjaan Randstad Sdh Bhd (49%)
- Randstad Talent Sdn. Bhd.
- Monster Technologies Malaysia Sdn. Bhd.

malta
Principal activity: HR services

- Qualitair Aviation Malta Holding Limited
- Qualitair Aviation Malta Limited

mexico
Principal activity: HR services

- Randstad Mexico, S de R.L. de C.V.

new zealand
Principal activity: HR services

- Randstad Limited
- Skout Solutions (NZ) Limited (50%)

netherlands
Principal activity: HR services and participating in and financing of Group entities

- Randstad N.V.
- Randstad North America Beheer bv
- Randstad Holding Nederland bv
- Randstad Groep Nederland bv
- Randstad Nederland bv
- Randstad Customer Intelligence bv
- Randstad Payroll Publiek bv
- Randstad HealthAtWork bv
- Randstad Payroll Solutions bv
- Randstad Payroll Solutions T&L bv
- Randstad Payroll Solutions MVL bv
- Randstad Payroll Solutions Publiek bv
- Randstad Payroll Solutions Projecten bv
- Randstad HR Solutions bv
- Randstad Transport bv
- Randstad Uitzendbureau bv
- Tempo-Team Group bv
- Otter-Westelaken Groep bv
- Tempo-Team Contracting Services bv
- Tempo-Team Employability bv
- Tempo-Team HealthAtWork bv
- Tempo-Team Payroll Services bv
- Tempo-Team Uitzenden bv
- Tempo-Team Payrolling MVL bv
- Tempo-Team Payrolling Publiek bv
- Tempo-Team Payroll Publiek bv
- SPARQ bv
- SPARQ Outsourcing bv
- Select AV Personeel bv
- Tempo-Team Freelance Professionals bv
- Yacht Group Nederland bv
- Yacht NL bv
- Yacht bv
- Yacht Externen Management bv
- Yacht Inhouse Services bv
- Tempo-Team Professionals bv
- Randstad Sourceright bv
- Randstad Holding International bv
- Randstad Innovation Fund bv

entities by country

netherlands (continued)

- Randstad Global IT Solutions bv
- Randstad Sourceright International bv
- Randstad Enterprise bv
- Vedior International Contracts bv
- Vedior Investments bv
- Randstad Holding International Services bv
- Randstad Asia Pacific bv
- Randstad Eastern Europe bv
- Randstad Latin America bv
- Evro Participations bv
- Qualitair Aviation Holland
- Randstad Sourceright EMEA bv
- Randstad Group Germany bv
- Monster Worldwide Netherlands Holding bv
- Monster Worldwide Netherlands bv
- BMC Groep bv
- BMC Advies bv
- BMC Implementatie bv
- SGBO bv

norway
Principal activity: HR services

- Randstad Norway AS
- Dfind AS
- Randstad AS
- Randstad Care AS
- Dfind Consulting AS
- Dfind EPI AS
- Dfind Direction AS

poland
Principal activity: HR services

- Randstad Polska Sp. z o.o.
- APO Sp. z o.o.
- Gerendis APO Sp. z o.o. Sp. k
- Randstad Services APO Sp. z o.o. Sp. K
- Randstad Sourceright Sp. z o.o.
- Randstad Payroll Solutions Sp. z o.o.
- Monster Worldwide Polska Sp. Z.o.o.
- Ausy Technologies Poland Sp. Z o.o.

portugal
Principal activity: HR services

- Randstad Recursos Humanos, Empresa de Trabalho Temporario, SA
- Randstad II - Prestacao de Servicos, Lda
- Solisform - Formacao e Servicos Lda
- Tempo-Team Recursos Humanos, Empresa de Trabalho Temporario, Lda
- AUSYpt Lda

romania
Principal activity: HR services

- Randstad Romania Srl
- Randstad Staffing Srl
- Ausy Technologies Romania SRL

singapore
Principal activity: HR services and financing of Group entities

- Randstad (PTE) Ltd
- Randstad FTC Ptte Ltd

entities by country

south africa
Principal activity: HR services

- Monster Recruitment South Africa (Pty) Ltd

spain
Principal activity: HR services

- Randstad España, SL Sociedad Unipersonal
- Randstad Consultores, y Soluciones de Recursos Humanos, S.L.U.
- Randstad Project Services, SL Sociedad Unipersonal
- Vexter Outsourcing SAU
- Randstad Technologies, SAU
- Randstad Empleo Empresa De Trabajo Temporal, SA Sociedad Unipersonal
- Monster Worldwide, SL

sweden
Principal activity: HR services

- Randstad Nordic AB
- Randstad Sweden Group AB
- Randstad AB
- Randstad Sourceright AB
- Randstad Solutions AB
- Randstad RiseSmartAB
- Randstad Care AB
- Monster Worldwide Scandinavia AB

switzerland
Principal activity: HR services and financing of Group entities

- Randstad (Schweiz) AG
- Swiss Jobs AG
- Randstad Sourceright AG
- Randstad Finance GmbH
- Qualitair Aviation Switzerland GmbH
- GULP Schweiz AG
- Monster Worldwide Switzerland AG
- AUSY Switzerland AG
- Hutac Sarl (83%)

tunisia
Principal activity: HR services

- Ausy Tunisie Sarl

turkey
Principal activity: HR services

- Randstad Search and Selection Personel Secme ve Yerlestirme Limited Sirketi
- Randstad Work Solutions Istihdam ve Insan Kaynaklary Limited Sirketi

entities by country

united kingdom
Principal activity: HR services

- Randstad Group UK
- Randstad UK Holding Limited
- Randstad Middle East Limited
- Digby Morgan Consulting Limited
- Randstad CPE Limited
- Vedior UK Limited
- Randstad Financial & Professional Limited
- Joslin Rowe Associates Limited
- Randstad Technologies Limited
- Randstad Sourceright Limited
- Qualitair Aviation Group Limited
- Qualitair Aviation Services Limited
- Pareto Law Limited
- Randstad Solutions Limited
- Randstad Public Services Limited
- Human Resources International Limited
- Randstad HR Solutions Limited
- Randstad Education Limited
- Randstad Luxembourg UK Limited
- Monster Worldwide Holdings Limited
- Monster Worldwide Limited
- Monster Executive Services Limited
- Monster Worldwide Services Holdings Limited

united states
Principal activity: HR services

- Randstad North America, Inc.
- B2B General Partner, LLC
- Randstad Federal LLC
- SFN Group, LLC
- Randstad Professionals US, LLC
- Randstad Technologies, LLC
- Randstad Insurance, LLC
- Randstad General Partner (US) LLC
- Randstad US, LLC
- Randstad Inhouse Services, LLC
- Spherion Staffing LLC
- Spherion Financial Corporation
- Randstad HR Solutions of Delaware, LLC
- Temp Force, LLC
- RiseSmart, Inc.
- Pareto Law Inc.
- Monster Worldwide, Inc
- Monster International Holding Corp
- Monster Worldwide South Carolina, Inc.
- Gozaik LLC
- Military Advantage, Inc.
- Affinity Labs LLC
- Fastweb, LLC
- FinAid Page, Inc.
- Monster Government Solutions, LLC
- Monster Emerging Markets, LLC
- OCC.com, Inc.
- Monster CZ Holdings, LLC
- Celerity IT, LLC
- Celerity Federal Group, LLC

uruguay
Principal activity: HR services

- Randstad Uruguay SA

ref.	description	reference
tax disclosures		
207-1	Our approach to tax Our approach to tax compliance	Tax transparency and compliance (see page 74)
207-2	Our tax governance and control framework	Tax transparency and compliance (see page 74) Tax risk management (see page 97)
207-3	Our approach to stakeholder engagement and management of concerns related to tax	Tax transparency and compliance (see page 74)
207-4	Country-by-country reporting	Country-by-country tax reporting (see page 228)

topic-specific disclosures

ref.	description	reference
client and talent data protection		Definition: Keeping client and candidate data and networks safe and protecting privacy in order to create a more secure digital environment where people can safely work and socialize.
418-1	Substantiated complaints regarding breaches of customer privacy and losses of customer data	Misconduct reporting (see page 69)
diversity & inclusive employment		Definition: Ensure fairness, equality and diversity in attracting, hiring, compensating, motivating and promoting a top performing workforce, including employees and talent. This involves the inclusion of everyone in the workplace independent of age, color, disability, gender, marital status, nationality, race, religion or sexual orientation or any other irrelevant or illegal characteristics (at all levels in the organization).
405-1	Diversity of governance bodies and employees	Gender equality, inclusion and diversity Executive Board biographies (see page 108) Supervisory Board biographies (see page 110) Composition, diversity and independence (see page 112)
talent attraction & staff retention		Definition: Our policy for successful talent management improves employee quality and increases employee loyalty. This will, in turn, ensure an adequate pipeline of talent, with the aim of delivering results to our clients, talent and shareholders.
401-1	New employee hires and employee turnover	Employee engagement (see page 50)
business principles & human rights		Definition: Promoting and living Randstad's business principles to project a positive message and maintaining our core values. It ensures that business needs as well as our business and personal behavior are well aligned and reinforce one another. It includes recognising our role in public labor market debates and therefore aiming to increase our efforts in safeguarding human rights.
412-1	Operations that have been subject to human rights reviews or impact assessments	Sustainability basics - human rights (see page 66)
412-2	Employee training on human rights policies or procedures	Sustainability basics - business principles (see page 65)
legislation & regulation		Definition: Adherence to laws and regulations as a fundamental part of Randstad's role as a corporate citizen in the business world, as well as being a trusted HR partner.
419-1	Non-compliance with laws and regulations in the social and economic area	Risk & opportunity management - Compliance (see page 104)

EXHIBIT 5

AngloAmerican, *Country by country reporting publication (Report 2020)* (Excerpts)

Country by country reporting publication

Report 2020

AngloAmerican

Anglo American is a leading global mining company with a world class portfolio of mining and processing operations and undeveloped resources. We provide the metals and minerals to meet the growing consumer driven demands of the world's developed and maturing economies. And we do so in a way that not only generates sustainable returns for our shareholders, but also strives to make a real and lasting positive contribution to society.

We take a responsible approach to the management of taxes, supporting active and constructive engagement with our stakeholders to deliver long-term sustainable value. Our approach to tax is based on three key pillars: responsibility, compliance and transparency. We are proud of our open and transparent approach to tax reporting. In addition to our mandatory disclosure obligations, we are committed to furthering our involvement in voluntary compliance initiatives, such as the Tax Transparency Code (developed by the Board of Taxation in Australia), the Responsible Tax Principles (developed by the B Team), the Extractive Industries Transparency Initiative (both directly and as part of the International Council on Mining and Metals) and the Tax Transparency Standard GRI 207: Tax 2019 (developed by the Global Reporting Initiative, effective from 1 January 2021). We are active participants in discussions with key stakeholders on how best to continue our journey towards clearer, more transparent and more meaningful tax reporting.

In previous years, our country-by-country report was published in line with the OECD standard, as it is submitted to HM Revenue & Customs in the UK (and shared with other tax administrations to aid their risk assessments of the Group). This year, in light of our commitments to comply with GRI 207, we are instead publishing our aggregated country-by-country reporting data in accordance with the requirements of GRI 207-4. The main differences between these two standards are (i) reallocation of withholding taxes to the country to which the tax is suffered (rather than the location of the entity paying the withholding taxes), and (ii) an explanation of any significant differences between the effective tax rate suffered and the statutory tax rates in each country of operation.

We have included footnotes to set out points for further clarification where required. This document accompanies, and should be read in conjunction with, the content of the Tax and Economic Contribution Report 2020.

As we strive to deliver attractive and sustainable returns to our shareholders, we are acutely aware of the potential value creation we can offer to our diverse range of stakeholders. Through our business activities – employing people, paying taxes to, and collecting taxes on behalf of, governments, and procuring from host communities – we make a significant and positive contribution to the jurisdictions in which we operate. Beyond our direct mining activities, we create and sustain jobs, build infrastructure, support education and help improve healthcare for employees and local communities. By re-imagining mining, we are improving people's lives.

For any enquiries about this document please contact GroupTaxReporting@angloamerican.com

In this document, references to 'Anglo American', the 'Anglo American Group', the 'Group', 'we', 'us', and 'our' are to refer to either Anglo American plc and its subsidiaries and/or those who work for them generally, or where it is not necessary to refer to a particular entity, entities or persons. The use of those generic terms herein is for convenience only, and is in no way indicative of how the Anglo American Group or any entity within it is structured, managed or controlled. Anglo American subsidiaries, and their management, are responsible for their own day-to-day operations, including but not limited to securing and maintaining all relevant licences and permits, operational adaptation and implementation of Group policies, management, training and any applicable local grievance mechanisms. Anglo American produces group-wide policies and procedures to ensure best uniform practices and standardisation across the Anglo American Group but is not responsible for the day to day implementation of such policies. Such policies and procedures constitute prescribed minimum standards only. Group operating subsidiaries are responsible for adapting those policies and procedures to reflect local conditions where appropriate, and for implementation, oversight and monitoring within their specific businesses.

TABLE 1 REVENUE

Currency USD Tax Jurisdiction	Revenues Unrelated Party	 Related Party	 Total	Profit/(Loss) before Income Tax	Income Tax Paid (on Cash Basis)	Income Tax Accrued (Current Year)	Stated Capital[3]	Accumulated Earnings	Number of Employees	Tangible Assets other than Cash and Cash Equivalents (Mandatory)	CBCR Effective Tax Rate[4] %	Statutory Corporate Tax Rate[5] %	Explanation of significant differences in the rates[6]
Angola	–	–	–	(1,090,097)	–	–	2,130,413	3,305,180	–	–	0%	30%	Accounting and tax losses made in the period.
Argentina	–	–	–	(709,254)	–	–	19,619,021	18,791,734	6	2,166	0%	30%	Accounting and tax losses made in the period.
Australia	1,641,195,131	107,627,732	1,748,822,863	(438,069,598)	53,488,517	–	2,597,312,080	1,311,565,103	1,972	3,818,148,698	0%	30%	Accounting and tax losses made in the period.
Belgium	105	9,766,430	9,766,535	668,482	–	(1,318)	11,340,705	(11,751,010)	76	4,025,592	0%	25%	Offset of losses made in previous periods. Expenditure permanently treated as non-deductible for tax purposes.
Bermuda[1]	893,263	132,849,291	133,742,554	(224,139,225)	–	(54,929)	214,532,169	(607,940,546)	–	–	0%	0%	Withholding taxes arising in the period.
Botswana	2,374,968,667	1,686,403,489	4,061,372,156	(31,294,368)	(72,987,648)	(38,368,940)	262,193,179	(154,784,304)	1,512	1,790,906,893	-123%	22%	Impact of some entities making losses for both accounting and tax purposes, with other entities in the same jurisdiction paying tax on profits made during the period. Withholding taxes arising in the period.
Brazil	79,749,164	2,719,983,653	2,799,732,817	753,390,403	(14,227)	(1,843)	23,606,274,447	9,564,402,759	3,908	1,793,166,470	0%	34%	Offset of foreign exchange losses arising in the period.
Canada	13,447,939	178,316,035	191,763,974	(63,513,607)	(4,950,799)	(1,721,179)	384,037,925	3,491,698,372	689	422,451,872	-3%	23%	Accounting and tax losses made in the period. Mining taxes arising in the period
Chile	1,592,235,696	3,107,142,566	4,699,378,262	1,319,267,298	(315,063,534)	(396,764,855)	3,545,237,597	(7,007,630,499)	4,042	6,507,850,647	30%	27%	Mining taxes arising in the period Withholding taxes arising in the period.
China	1,065,333,407	34,157,788	1,099,491,195	(1,043,168)	(2,220,308)	(1,117,432)	41,178,052	21,440,155	269	67,339,650	-107%	25%	Impact of some entities making losses for both accounting and tax purposes, with other entities in the same jurisdiction paying tax on profits made during the period. Expenditure permanently treated as non-deductible for tax purposes.
Colombia	–	–	–	(351,546)	–	–	25,000,773	24,669,218	1	3,872	0%	33%	Accounting and tax losses made in the period.
Democratic republic of Congo	–	–	–	64,278,169	–	–	21,123,599	–	–	–	0%	30%	Income not treated as taxable under local tax law.
Ecuador	–	–	–	(6,358,157)	–	–	6,683,843	22,508,417	13	604,128	0%	25%	Accounting and tax losses made in the period.

TABLE 1 REVENUE CONTINUED

Currency USD Tax Jurisdiction	Revenues Unrelated Party	Related Party	Total	Profit/(Loss) before Income Tax	Income Tax Paid (on Cash Basis)	Income Tax Accrued (Current Year)	Stated Capital[3]	Accumulated Earnings	Number of Employees	Tangible Assets other than Cash and Cash Equivalents (Mandatory)	CBCR Effective Tax Rate[4] %	Statutory Corporate Tax Rate[5] %	Explanation of significant differences in the rates[6]
Finland	26	2,226	2,252	(16,183,944)	–	–	164,511,243	130,313,917	3	3,742,181	0%	20%	Accounting and tax losses made in the period.
France	4,639,124	3,072,663	7,711,787	394,376	(41,724)	(69,102)	–	5,115,096	24	15,401,720	18%	31%	Reduced rate of tax applicable under local tax law to companies which make profits below a specified threshold. Differences in profits calculated under IFRS and under local GAAP.
Germany	81,865,119	3,999,070	85,864,189	9,106,260	(1,377,449)	(2,460,970)	30,315,789	(19,062,924)	354	37,365,279	27%	29%	Local tax law requires the taxation of certain types of income at rates other than the headline statutory rate.
Hong Kong	12,342,071	3,391,039	15,733,110	(3,500,683)	(243,741)	(140,485)	13,069,782	1,787,565	42	36,918,521	-4%	17%	Impact of some entities making losses for both accounting and tax purposes, with other entities in the same jurisdiction paying tax on profits made during the period.
India	9,587,672	13,836,252	23,423,924	(505,213)	(1,527,338)	(340,706)	12,466,186	(876,654)	118	7,873,864	-67%	25%	Impact of some entities making losses for both accounting and tax purposes, with other entities in the same jurisdiction paying tax on profits made during the period.
Indonesia	–	–	–	–	–	–	4,400,000	220	–	–	0%	25%	No activities took place during the period.
Ireland	75,342,569	94,760,263	170,102,832	13,847,673	(3,571,846)	(1,768,244)	30,504,929	(75,369,536)	470	69,457,954	13%	13%	
Isle of Man	–	62,795	62,795	(2,994,276)	–	–	160,440	82,877,858	–	–	0%	0%	
Israel	8,534	622,838	631,372	55,706	(9,776)	–	4,010,000	2,545,982	3	187,382	0%	23%	Expenditure not treated as deductible for tax purposes in the same period as it is accrued for accounting purposes.
Italy	–	2,914,658	2,914,658	186,497	(20,305)	(51,837)	30,417	(484,698)	8	348,163	28%	24%	Expenditure permanently treated as non-deductible for tax purposes.
Japan	20,839,139	7,686,377	28,525,516	656,150	(168,071)	(189,058)	5,386,326	12,250,545	24	598,577	29%	37%	Impact of some entities making losses for both accounting and tax purposes, with other entities in the same jurisdiction paying tax on profits made during the period.
Luxembourg	–	–	–	(36,177)	–	–	12,064	(50,199)	–	–	0%	25%	Accounting and tax losses made in the period.
Macau	798,930	–	798,930	(250,790)	–	–	12,523	2,763,490	–	1,845,748	0%	12%	Accounting and tax losses made in the period.

TABLE 1 REVENUE CONTINUED

Currency USD Tax Jurisdiction	Revenues Unrelated Party	Related Party	Total	Profit/(Loss) before Income Tax	Income Tax Paid (on Cash Basis)	Income Tax Accrued (Current Year)	Stated Capital[3]	Accumulated Earnings	Number of Employees	Tangible Assets other than Cash and Cash Equivalents (Mandatory)	CBCR Effective Tax Rate[4] %	Statutory Corporate Tax Rate[5] %	Explanation of significant differences in the rates[6]
Mexico	–	–	–	(12,207)	–	–	124,172	3,066,609	–	–	0%	30%	Accounting and tax losses made in the period.
Mozambique	–	–	–	–	–	–	–	–	–	–	0%	32%	No activities took place during the period.
Namibia	190,021,274	809,187,144	999,208,418	76,042,691	(44,953,752)	(45,276,731)	116,683,849	(185,704,888)	1,444	324,074,559	60%	55%	Impact of some entities making losses for both accounting and tax purposes, with other entities in the same jurisdiction paying tax on profits made during the period. Expenditure permanently treated as non-deductible for tax purposes. Capital gains taxation arising in the period.
Netherlands	–	301,124	301,124	38,571	(7,452)	(7,452)	53,001,191	3,027,059	2	–	19%	25%	Reduced rate of tax applicable under local tax law to companies which make profits below a specified threshold. Expenditure permanently treated as non-deductible for tax purposes.
North Macedonia	20	–	20	(54,737)	–	–	89,405	4,522	–	–	0%	1%	Accounting and tax losses made in the period.
Papua New Guinea	–	–	–	–	–	–	15,920,676	–	–	–	0%	30%	No activities took place during the period.
Peru	15,409,374	–	15,409,374	(34,227,144)	(31,368)	–	2,898,385,804	511,385,196	463	4,775,979,442	0%	30%	Accounting and tax losses made in the period.
Philippines	–	–	–	–	–	–	34,152,277	81	–	–	0%	30%	No activities took place during the period.
Sierra Leone	–	–	–	(635,649)	–	–	673,480	1,795,429	–	–	0%	30%	Accounting and tax losses made in the period.
Singapore[2]	18,082,151,637	1,409,543,628	19,491,695,265	713,806,372	(12,789,411)	(36,900,865)	183,266,521	(642,337,493)	326	311,198,242	5%	17%	CBC rate is aligned to the applicable rate granted under local tax incentives (see footnote).
South Africa	1,138,890,053	12,940,666,113	14,079,556,166	4,053,741,677	(1,162,491,582)	(1,171,644,334)	6,886,152,002	(16,451,397,664)	44,694	12,092,186,916	29%	28%	Impact of some entities making losses for both accounting and tax purposes, with other entities in the same jurisdiction paying tax on profits made during the period.
Sweden	607,985	273,254	881,239	558,181	(40,143)	(40,158)	1,906,000	(2,659,212)	2	–	7%	21%	Offset of losses made in previous periods.
Switzerland	29,945	–	29,945	(169,129)	–	–	111,160	(46,058,032)	–	–	0%	16%	Accounting and tax losses made in the period.

TABLE 1 REVENUE CONTINUED

Currency USD Tax Jurisdiction	Revenues Unrelated Party	Related Party	Total	Profit/(Loss) before Income Tax	Income Tax Paid (on Cash Basis)	Income Tax Accrued (Current Year)	Stated Capital[3]	Accumulated Earnings	Number of Employees	Tangible Assets other than Cash and Cash Equivalents (Mandatory)	CBCR Effective Tax Rate[4] %	Statutory Corporate Tax Rate[5] %	Explanation of significant differences in the rates[6]
Taiwan	5,894,289	–	5,894,289	(1,321,552)	–	–	177,550	4,437,356	11	5,079,377	0%	20%	Accounting and tax losses made in the period.
Tanzania	–	–	–	–	–	–	1,870,120	–	–	–	0%	30%	No activities took place during the period.
United Arab Emirates	160,171	107,823,573	107,983,744	126,549	–	–	13,624	(286,860)	8	42,388	0%	0%	
United Kingdom	6,090,068,095	6,722,610,851	12,812,678,946	(529,948,944)	(84,768,988)	(207,246,396)	155,508,206,501	(48,008,133,437)	1,504	2,136,304,041	-39%	19%	Accounting and tax losses made in the period. Withholding taxes arising in the period. Taxation of profits made in other countries.
United States of America	92,284,942	49,085,468	141,370,410	(10,026,135)	(828,293)	(900,258)	1,425,237,021	674,486,073	140	200,750,655	-9%	27%	Impact of some entities making losses for both accounting and tax purposes, with other entities in the same jurisdiction paying tax on profits made during the period.
Venezuela	–	–	–	(6,737,073)	–	–	94,207,361	162,184,096	–	3	0%	34%	Accounting and tax losses made in the period.
Zambia	–	–	–	(6,689,020)	–	–	24,894,701	23,350,884	16	–	0%	35%	Accounting and tax losses made in the period.
Zimbabwe	397,387	326,295,377	326,692,764	151,601,064	(6,625,688)	(9,484,557)	50,000	(129,763,379)	1,448	503,803,891	6%	25%	Application of a 15% statutory rate available in accordance with legislated tax incentives given under the Special Mining Lease regime. Offset of losses made in previous periods.

Basis of Preparation: The principal subsidiaries, joint operations, joint ventures and associates of the Group and the Group percentage of equity capital are set out in note 34 of the Group Consolidated Financial Statements for the period. All these interests are held indirectly by the parent Company and are consolidated within the financial statements, and included accordingly within this report as Constituent Entities.

(1) The operations in Bermuda represent captive insurance activities for the Group, including managing group insurance/reinsurance arrangements and liaising with external captive managers and reinsurance providers. These operations are priced on an arm's length basis and therefore will generate profits in some years and losses in others.

(2) Anglo American has operations in Singapore including the running of a dedicated regional sales and marketing hub for the sale and trading of products sourced from Anglo equity mines and third party suppliers. Any related party transactions are conducted on an arm's length basis in accordance with OECD principles and local legislation. Anglo American pays corporate income tax on the profits it derives on the running of the regional sales and marketing hub in Singapore in accordance with legislated tax incentives granted to Anglo American for the significant contributions made to the Singaporean economy.

(3) The stated capital information in this document has been extracted from the Group's consolidation system. It is possible that certain jurisdictions which are showing no amounts may actually have some nominal share capital. Any such variances do not have a material impact on the analysis of this data.

(4) The CBCR effective tax rate is calculated by reference to the 'income tax accrued (current year)' divided by the 'profit before income tax' (both as disclosed in table 1 of this report).

(5) Statutory corporate tax rates are determined by reference to the headline statutory corporate income tax rate that is generally applicable under the tax law of the relevant country. These include the impact of any local/state taxes. For the purpose of this report, deferred taxes are excluded.

(6) Significant differences are those that explain the primary difference(s) between the CBCR effective tax rate and the Statutory tax rate.

TABLE 2 ENTITIES

Tax Jurisdiction	Name	Main Business Activities: Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
Angola	Anglo American Discovery (Cunene) – Prospeccao E Exploracao Mineira (SU), LDA													Yes	Exploration
Angola	Anglo American Discovery (Moxico) – Prospeccao E Exploracao Mineira (SU), LDA													Yes	Exploration
Angola	De Beers Angola Holdings SARL											Yes			
Angola	De Beers Centenary Angola Properties Angola Branch						Yes								
Argentina	Minera Anglo American Argentina S.A.U													Yes	Exploration
Australia	Anglo American Australia Finance Limited								Yes						
Australia	Anglo American Australia Holdings Pty Limited												Yes		
Australia	Anglo American Australia Limited											Yes			
Australia	Anglo American Exploration (Australia) Pty Limited													Yes	Exploration
Australia	Anglo American Metallurgical Coal Assets Eastern Australia Limited											Yes			
Australia	Anglo American Metallurgical Coal Assets Pty Ltd											Yes			
Australia	Anglo American Metallurgical Coal Finance Limited								Yes						
Australia	Anglo American Metallurgical Coal Holdings Limited											Yes			
Australia	Anglo American Metallurgical Coal Pty Ltd						Yes								
Australia	Anglo American Technical & Sustainability Services Australia Branch						Yes								
Australia	Anglo American Thermal Coal (Australia) Pty. Ltd.						Yes								
Australia	Anglo Coal (Archveyor Management) Pty Ltd												Yes		
Australia	Anglo Coal (Capcoal Management) Pty Limited						Yes								
Australia	Anglo Coal (Dawson Management) Pty Ltd						Yes								
Australia	Anglo Coal (Dawson Services) Pty Ltd													Yes	Employment company
Australia	Anglo Coal (Dawson South Management) Pty Ltd						Yes								
Australia	Anglo Coal (Dawson South) Pty Ltd						Yes								
Australia	Anglo Coal (Dawson) Holdings Pty Ltd											Yes			
Australia	Anglo Coal (Dawson) Limited				Yes										

TABLE 2 ENTITIES CONTINUED

Tax Jurisdiction	Name	Main Business Activities: Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
Australia	Anglo Coal (German Creek) Pty Ltd				Yes										
Australia	Anglo Coal (Grasstree Management) Pty Limited						Yes								
Australia	Anglo Coal (Grosvenor Management) Pty Ltd						Yes								
Australia	Anglo Coal (Grosvenor) Pty Ltd				Yes										
Australia	Anglo Coal (Jellinbah) Holdings Pty Ltd											Yes			
Australia	Anglo Coal (Moranbah North Management) Pty Limited						Yes								
Australia	Anglo Coal (Roper Creek) Pty Ltd				Yes										
Australia	Anglo Coal (Theodore South) Pty Ltd				Yes									Yes	JV participant company
Australia	Anglo Operations (Australia) Pty Ltd											Yes			
Australia	Dawson Coal Processing Pty Ltd													Yes	Employment company
Australia	Dawson Highwall Mining Pty Ltd												Yes		
Australia	Dawson Sales Pty Ltd					Yes									
Australia	Dawson South Sales Pty Ltd					Yes									
Australia	De Beers Australia Exploration Limited						Yes								
Australia	German Creek Coal Pty. Limited					Yes									
Australia	Jena Pty. Limited											Yes			
Australia	Jena Unit Trust				Yes										
Australia	Monash Energy Coal Limited												Yes		
Australia	Moranbah North Coal (No2) Pty Ltd				Yes										
Australia	Moranbah North Coal (Sales) Pty Ltd					Yes									
Australia	Moranbah North Coal Pty Ltd				Yes										
Belgium	De Beers Auction Sales Belgium NV						Yes								
Belgium	International Institute of Diamond Grading and Research (Belgium) NV					Yes	Yes								
Bermuda	Coromin Insurance Limited										Yes	Yes			
Bermuda	Holdac Insurance Limited										Yes				

TABLE 2 ENTITIES CONTINUED

Tax Jurisdiction	Name	Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
		Main Business Activities													
Botswana	Ambase Prospecting (Botswana) (Pty) Ltd												Yes		In voluntary liquidation
Botswana	Anglo American Corporation Botswana (Services) Limited						Yes								
Botswana	Anglo Coal Botswana (Pty) Ltd												Yes		
Botswana	De Beers Global Sightholder Sales (Pty) Ltd					Yes									
Botswana	De Beers Holdings Botswana (Pty) Ltd													Yes	Exploration
Botswana	Debswana Diamond Company (Pty) Ltd				Yes										
Botswana	Debswana Wellness Fund						Yes								
Botswana	Diamond Trading Company Botswana (Pty) Ltd					Yes									
Botswana	Tokafala (Proprietary) Limited						Yes					Yes			
Brazil	Anglo American Investimentos – Minério de Ferro Ltda.											Yes			
Brazil	Anglo American Minério de Ferro Brasil S.A	Yes			Yes		Yes					Yes			
Brazil	Anglo American Niquel Brasil Ltda.	Yes			Yes	Yes	Yes					Yes			
Brazil	Anglo Ferrous Brazil Participações S.A.											Yes	Yes		
Brazil	Câmara de Comércio Brasil República Sul Africana												Yes		To be liquidated
Brazil	Element Six Ltda.												Yes		To be liquidated
Brazil	Ferroport Logística Comercial Exportadora S.A.				Yes		Yes					Yes			
Canada	0912055 B.C. Ltd.												Yes		
Canada	Anglo American Exploration (Canada) Ltd.													Yes	Exploration
Canada	Auspotash Corporation												Yes		
Canada	Central Ecuador Holdings Ltd.											Yes			
Canada	De Beers Canada Holdings Inc.											Yes			
Canada	De Beers Canada Inc.				Yes		Yes								
Canada	Peace River Coal Inc.				Yes								Yes		
Canada	Peregrine Diamonds Ltd		Yes												
Chile	Anglo American Chile Inversiones S.A.					Yes									
Chile	Anglo American Chile Ltda						Yes								

TABLE 2 ENTITIES CONTINUED

Tax Jurisdiction	Name	Main Business Activities: Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
Chile	Anglo American Copper Finance SpA									Yes					
Chile	Anglo American Marketing Chile SpA					Yes									
Chile	Anglo American Sur S.A.				Yes										
Chile	Anglo American Technical & Sustainability Services Ltd, Agencia en Chile						Yes								
Chile	Compañía Minera Dona Ines De Collahuasi SCM				Yes										
Chile	Compañía Minera Westwall S.C.M													Yes	Exploration
Chile	Inversiones Anglo American Norte SpA											Yes			
Chile	Inversiones Anglo American Sur SpA											Yes			
Chile	Inversiones Minorco Chile SpA											Yes			
China	Anglo American Resources Trading (China) Co. Ltd.					Yes									
China	De Beers Jewellers Commercial (Shanghai) Co., Ltd					Yes									
China	Element Six Hard Materials (Wuxi) Co., Ltd				Yes										
China	Element Six Trading (Shanghai) Co., Ltd					Yes									
China	Forevermark Marketing (Shanghai) Company Limited					Yes	Yes								
China	Forevermark Marketing (Shanghai) Limited, Xi'an No. 1 Branch					Yes									
China	Forevermark Marketing Shanghai Company Limited – Beijing Branch					Yes									
China	Forevermark Marketing Shanghai Company Limited – Shanghai Branch					Yes									
China	Platinum Guild International (Shanghai) Co., Limited													Yes	Consultancy, market research and promotion
Colombia	Anglo American Colombia Exploration S.A.											Yes			
Congo (Democratic Republic of the)	Ambase Exploration Africa (DRC) Sprl												Yes		In voluntary liquidation
Ecuador	Anglo American Ecuador S.A.						Yes							Yes	Exploration
Ecuador	Central Ecuador EC-CT S.A.						Yes								
Finland	AA Sakatti Mining Oy				Yes									Yes	Exploration

TABLE 2 ENTITIES CONTINUED

Tax Jurisdiction	Name	Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
		Main Business Activities													
France	De Beers Jewellers French Branch					Yes									
Germany	Element Six GmbH				Yes	Yes									
Hong Kong	De Beers Auction Sales Holdings Limited		Yes												
Hong Kong	De Beers Jewellers (Hong Kong) Limited					Yes									
Hong Kong	Forevermark Limited					Yes	Yes								
Hong Kong	Platinum Guild International (Hong Kong) Limited													Yes	Consultancy, market research and promotion
India	Anglo American Services (India) Private Limited						Yes								
India	De Beers India Private Ltd						Yes								
India	Platinum Guild India Private Limited													Yes	Consultancy, market research and promotion
India	Sirius Minerals India Private Limited						Yes								
Indonesia	PT Anglo American Indonesia												Yes		
Indonesia	PT Minorco Services Indonesia												Yes		
Ireland	Coromin Insurance (Ireland) DAC										Yes				
Ireland	Element Six (Holdings) Limited											Yes			
Ireland	Element Six (Trade Marks) Limited												Yes		
Ireland	Element Six Abrasives Treasury Limited								Yes						
Ireland	Element Six Limited			Yes	Yes	Yes	Yes					Yes			
Ireland	Element Six Treasury Limited								Yes						
Isle of Man	Element Six (Legacy Pensions) Limited				Yes										
Israel	De Beers Auction Sales Israel Ltd						Yes								
Italy	Forevermark Italy S.R.L.					Yes	Yes								
Japan	De Beers Jewellers Japan K.K.					Yes									
Japan	Element Six Limited					Yes									
Japan	Forevermark KK					Yes	Yes								

TABLE 2 ENTITIES CONTINUED

Tax Jurisdiction	Name	Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
		Main Business Activities													
Japan	PGI KK													Yes	Consultancy, market research and promotion
Luxembourg	Kumba Iron Ore Holdings Sarl											Yes			
Macau	De Beers Jewellers (Macau) Company Limited					Yes									
Mexico	Anglo American Mexico S.A. de C.V.											Yes			
Mexico	Servicios Anglo American Mexico S.A. de C.V.													Yes	Exploration
Mozambique	Anglo American Corporation Mocambique Servicos Limitada												Yes		
Namibia	Ambase Prospecting (Namibia) (Pty) Ltd													Yes	Exploration
Namibia	De Beers Marine Namibia (Pty) Ltd				Yes										
Namibia	De Beers Namibia Holdings (Pty) Ltd											Yes			
Namibia	Debmarine Namdeb Foundation						Yes								
Namibia	DTC Valuations Namibia (Pty) Ltd												Yes		
Namibia	Exclusive Properties (Pty) Ltd						Yes								
Namibia	Longboat Trading (Pty) Ltd												Yes		Not managed
Namibia	Namdeb Diamond Corporation (Pty) Ltd				Yes										
Namibia	Namdeb Holdings (Pty) Ltd											Yes			
Namibia	Namdeb Hospital Pharmacy (Pty) Ltd						Yes								
Namibia	Namdeb Properties (Pty) Ltd						Yes								
Namibia	Namibia Diamond Trading Company (Pty) Ltd					Yes									
Namibia	Oranjemund Town Management Company (Pty) Ltd						Yes								
Netherlands	Element Six N.V.					Yes									
North Macedonia	Anglo American Exploration West Tetyan Skopje	Yes												Yes	Exploration
Papua New Guinea	Anglo American (Star Mountain) Limited												Yes		
Papua New Guinea	Anglo American Exploration (PNG) Limited												Yes		
Peru	Anglo American Chile Ltda – Peru PE						Yes								

TABLE 2 ENTITIES CONTINUED

		Main Business Activities													
Tax Jurisdiction	Name	Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
Peru	Anglo American Marketing Peru S.A.					Yes									Not yet operational
Peru	Anglo American Peru S.A.						Yes							Yes	Exploration
Peru	Anglo American Quellaveco S.A.				Yes										
Peru	Anglo American Servicios Perú S.A.						Yes						Yes		
Peru	Anglo American Technical & Sustainability Services Ltd	Yes													Not yet operational
Peru	Asociación Michiquillay													Yes	Not-for-profit organisation. Development and execution for Social Responsibility Programmes
Peru	Asociación Quellaveco													Yes	Not-for-profit organisation. Development and execution for Social Responsibility Programmes
Peru	Cobre del Norte S.A.						Yes								
Philippines	Anglo American Exploration (Philippines) Inc.											Yes	Yes		
Sierra Leone	Gemfair (SL) Limited					Yes									
Singapore	Anglo American Exploration (Singapore) Pte. Ltd												Yes	Yes	Exploration
Singapore	Anglo American Marketing Limited – Singapore branch					Yes									
Singapore	Anglo American Shipping Pte.Limited					Yes									Ocean freight chartering
Singapore	Anglo Platinum Marketing Limited – Singapore branch					Yes									
Singapore	De Beers Auction Sales Singapore Pte. Ltd.					Yes									
Singapore	Kumba Singapore Pte. Ltd.					Yes									
Singapore	MR Iron Ore Marketing Services Pte. Ltd.						Yes								
Singapore	Sirius Minerals (Singapore) Pte. Ltd						Yes								

TABLE 2 ENTITIES CONTINUED

Tax Jurisdiction	Name	Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
		Main Business Activities													
South Africa	Amaprop Townships Ltd												Yes	Yes	Holder of property
South Africa	Ambase Investment Africa (Botswana) (Pty) Ltd												Yes		
South Africa	Ambase Investment Africa (DRC) (Pty) Ltd												Yes		
South Africa	Ambase Investment Africa (Namibia) (Pty) Ltd												Yes		
South Africa	Ambase Investment Africa (Tanzania) (Pty) Ltd											Yes			
South Africa	Ambase Investment Africa (Zambia) (Pty) Ltd											Yes			Exploration company
South Africa	Anglo American Corporation of South Africa (Pty) Ltd												Yes		
South Africa	Anglo American EMEA Shared Services (Pty) Ltd						Yes								
South Africa	Anglo American Farms (Pty) Ltd											Yes			
South Africa	Anglo American Farms Investment Holdings (Pty) Ltd											Yes			
South Africa	Anglo American Group Employee Shareholder Nominees (Pty) Ltd						Yes								
South Africa	Anglo American Inyosi Coal (Pty) Ltd				Yes										
South Africa	Anglo American Marketing South Africa												Yes		
South Africa	Anglo American Platinum Limited											Yes			
South Africa	Anglo American Properties Ltd						Yes								
South Africa	Anglo American Prospecting Services (Pty) Ltd												Yes		
South Africa	Anglo American SA Finance Limited								Yes						
South Africa	Anglo American Sebenza Fund (Pty) Ltd						Yes								
South Africa	Anglo American SEFA Mining Fund (Pty) Ltd											Yes			
South Africa	Anglo American South Africa Investments Proprietary Limited											Yes			
South Africa	Anglo American South Africa Proprietary Limited											Yes			
South Africa	Anglo American Technical & Sustainability Services South Africa Branch												Yes		
South Africa	Anglo American Zimele (Pty) Ltd													Yes	Not managed
South Africa	Anglo American Zimele Community Fund (Pty) Ltd						Yes								

TABLE 2 ENTITIES CONTINUED

Tax Jurisdiction	Name	Main Business Activities: Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
South Africa	Anglo American Zimele Loan Fund (Pty) Ltd													Yes	Enterprise development initiative and funding managing
South Africa	Anglo Coal Investment Africa (Botswana) (Pty) Ltd											Yes			
South Africa	Anglo Corporate Enterprises (Pty) Ltd						Yes								
South Africa	Anglo Corporate Services South Africa Proprietary Limited						Yes								
South Africa	Anglo Inyosi Coal Security Company Limited												Yes		
South Africa	Anglo Operations (Pty) Ltd				Yes		Yes					Yes			
South Africa	Anglo Platinum Management Services (Pty) Ltd												Yes		
South Africa	Anglo South Africa (Pty) Ltd											Yes			
South Africa	Anglo South Africa Capital (Pty) Ltd											Yes			
South Africa	Anseld Holdings Proprietary Limited												Yes		
South Africa	Asambeni Mining (Proprietary) Limited												Yes		
South Africa	Atomatic Trading (Pty) Limited					Yes									
South Africa	Balgo Nominees (Pty) Ltd											Yes			
South Africa	Blinkwater Farms 244KR (Pty) Ltd												Yes		
South Africa	Butsanani Energy Investment Holdings (Pty) Ltd				Yes										Mining operations commenced
South Africa	Colliery Training College (Pty) Limited							Yes							
South Africa	DBCM Holdings (Pty) Ltd											Yes			
South Africa	De Beers Consolidated Mines (Pty) Ltd				Yes										
South Africa	De Beers Group Services (Pty) Ltd						Yes								
South Africa	De Beers Marine (Pty) Ltd				Yes										
South Africa	De Beers Marine Proprietary Limited – Greenland Branch													Yes	Exploration and sampling

TABLE 2 ENTITIES CONTINUED

		Main Business Activities													
Tax Jurisdiction	Name	Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
South Africa	De Beers Marine Proprietary Limited – Namibia Branch													Yes	Support activities for Prospecting and Mining activities
South Africa	De Beers Marine Proprietary Limited – Romania Branch						Yes								
South Africa	De Beers Matlafalang Business Development (Pty) Ltd												Yes		
South Africa	De Beers Sightholder Sales South Africa (Pty) Ltd					Yes	Yes								
South Africa	Dido Nominees (Pty) Ltd												Yes		
South Africa	Element Six (Production) Proprietary Limited				Yes										
South Africa	Element Six South Africa Proprietary Limited												Yes		
South Africa	Element Six Technologies Proprietary Limited												Yes		
South Africa	Ingagane Colliery (Pty) Ltd												Yes		
South Africa	KIO Investments Holdings (Pty) Ltd											Yes			
South Africa	Kumba BSP Trust											Yes			
South Africa	Kumba Iron Ore Limited											Yes			
South Africa	Longboat (Pty) Ltd											Yes			
South Africa	Mafube Coal Mining (Pty) Ltd				Yes										
South Africa	Main Street 1252 (Pty) Ltd (RF)											Yes			
South Africa	Marikana Ferrochrome Limited												Yes		
South Africa	Marikana Minerals (Pty) Ltd											Yes	Yes		In voluntary liquidation
South Africa	Matthey Rustenburg Refiners (Pty) Ltd												Yes		In voluntary liquidation
South Africa	Micawber 146 (Pty) Ltd													Yes	Not managed
South Africa	Mogalakwena Mine Solar Power (Pty) Ltd													Yes	Medical Services
South Africa	Mogalakwena Platinum Mines												Yes		
South Africa	Newshelf 1316 (Pty) Ltd												Yes		
South Africa	Newshelf 480 (Pty) Ltd						Yes								
South Africa	Norsand Holdings (Pty) Ltd					Yes									

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Tax Jurisdiction	Name	Main Business Activities: Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
South Africa	Peruke (Pty) Ltd	Yes													
South Africa	Platmed (Pty) Ltd						Yes								
South Africa	Platmed Properties (Pty) Ltd						Yes								
South Africa	Precious Metals Refiners Proprietary Limited												Yes		
South Africa	Resident Nominees (Pty) Ltd												Yes		
South Africa	Rietvlei Mining Company (Pty) Ltd				Yes										
South Africa	Rustenburg Base Metals Refiners Proprietary Limited												Yes		
South Africa	Rustenburg Platinum Mines Limited				Yes										
South Africa	Sibelo Resource Development (Pty) Ltd												Yes		
South Africa	Sishen Iron Ore Company (Pty) Ltd				Yes										
South Africa	South Africa Coal Operations Proprietary Limited											Yes			
South Africa	Spectrem Air Pty Ltd													Yes	Conducting airborne geophysical surveys
South Africa	Springfield Collieries Limited												Yes		
South Africa	Tenon Investment Holdings (Pty) Ltd											Yes			
South Africa	The Village of Cullinan (Pty) Ltd												Yes		
South Africa	Vergelegen Wine Estate (Pty) Ltd											Yes			
South Africa	Vergelegen Wines (Pty) Ltd				Yes		Yes								
South Africa	Whiskey Creek Management Services (Pty) Ltd						Yes								
Sweden	Element Six AB				Yes		Yes								
Switzerland	Element Six SA					Yes									
Switzerland	PGI SA													Yes	Consultancy, market research and promotion
Taiwan, Province of China	De Beers Jewellers Taiwan Branch					Yes									
Tanzania, United Republic of	Ambase Prospecting (Tanzania) (Pty) Ltd												Yes		

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Tax Jurisdiction	Name	Main Business Activities: Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
United Arab Emirates	De Beers DMCC					Yes									
United Arab Emirates	Element Six Ltd Dubai Branch					Yes									
United Kingdom	A.R.H. Investments Limited(3)											Yes			
United Kingdom	A.R.H. Limited(3)												Yes		
United Kingdom	Ambras Holdings Limited(3)											Yes			
United Kingdom	Ammin Coal Holdings Limited(3)											Yes			
United Kingdom	Anglo African Exploration Holdings Limited(3)											Yes			
United Kingdom	Anglo American (TIH) B.V.(5)											Yes			
United Kingdom	Anglo American (TIIL) Investments Limited												Yes		
United Kingdom	Anglo American Amcoll (UK) Ltd(3)											Yes			
United Kingdom	Anglo American Australia Investments Limited											Yes			
United Kingdom	Anglo American Buttercup Company Limited(3)											Yes			
United Kingdom	Anglo American Capital Australia Limited												Yes		
United Kingdom	Anglo American Capital plc								Yes						
United Kingdom	Anglo American Chile Investments (UK) Ltd(3)											Yes			
United Kingdom	Anglo American Clarent (UK) Ltd(3)											Yes			
United Kingdom	Anglo American CMC Holdings Limited											Yes			
United Kingdom	Anglo American Corporate Secretary Limited						Yes								
United Kingdom	Anglo American Corporation de Chile Holdings Limited(3)											Yes			
United Kingdom	Anglo American Diamond Holdings Limited											Yes			
United Kingdom	Anglo American Exploration (Philippines) B.V.(5)											Yes			
United Kingdom	Anglo American Exploration B.V.(5)											Yes			
United Kingdom	Anglo American Exploration Colombia Limited(3)											Yes			
United Kingdom	Anglo American Exploration Overseas Holdings Limited(3)											Yes			
United Kingdom	Anglo American Finance (UK) Limited								Yes			Yes			

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Tax Jurisdiction	Name	Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
		Main Business Activities													
United Kingdom	Anglo American Finland Holdings 1 Limited[3]											Yes			
United Kingdom	Anglo American Finland Holdings 2 Limited[3]											Yes			
United Kingdom	Anglo American Foundation												Yes		
United Kingdom	Anglo American Holdings Limited											Yes			
United Kingdom	Anglo American International B.V.[5]											Yes			
United Kingdom	Anglo American International Holdings Limited											Yes			
United Kingdom	Anglo American International Limited[4]											Yes			
United Kingdom	Anglo American Investments (UK) Limited											Yes			
United Kingdom	Anglo American Liberia Holdings Limited[3]											Yes			
United Kingdom	Anglo American Marketing Limited					Yes									
United Kingdom	Anglo American Medical Plan Limited												Yes		
United Kingdom	Anglo American Medical Plan Trust													Yes	Trust
United Kingdom	Anglo American Midway Investment Limited[3]											Yes			
United Kingdom	Anglo American Netherlands B.V.[5]											Yes			
United Kingdom	Anglo American Overseas Limited[3]											Yes			
United Kingdom	Anglo American Plc						Yes					Yes			
United Kingdom	Anglo American PNG Holdings Limited											Yes			
United Kingdom	Anglo American Prefco Limited								Yes			Yes			
United Kingdom	Anglo American Projects UK Limited (11)						Yes								
United Kingdom	Anglo American REACH Limited						Yes								
United Kingdom	Anglo American Services (UK) Ltd						Yes		Yes			Yes			
United Kingdom	Anglo American Services Overseas Limited						Yes								
United Kingdom	Anglo American Technical & Sustainability Limited						Yes								
United Kingdom	Anglo American Technical & Sustainability Services Ltd						Yes								
United Kingdom	Anglo American Woodsmith Limited				Yes										
United Kingdom	Anglo Australia Investments Limited											Yes			
United Kingdom	Anglo Base Metals Marketing Limited					Yes									

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Tax Jurisdiction	Name	Main Business Activities: Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
United Kingdom	Anglo Diamond Investments Limited[3]											Yes			
United Kingdom	Anglo Iron Ore Investments Limited[3]											Yes			
United Kingdom	Anglo Loma Investments Limited[3]											Yes			
United Kingdom	Anglo Operations (International) Limited[3]											Yes			
United Kingdom	Anglo Operations (Netherlands) B.V.[5]											Yes			
United Kingdom	Anglo Peru Investments Limited[3]											Yes			
United Kingdom	Anglo Platinum Marketing Limited					Yes									
United Kingdom	Anglo Quellaveco Limited[3]											Yes			
United Kingdom	Anglo South American Investments Limited[3]											Yes			
United Kingdom	Anglo UK Pension Trustee Limited												Yes		
United Kingdom	Anglo Venezuela Investments Limited[3]								Yes						
United Kingdom	Anmercosa Finance Limited						Yes								
United Kingdom	Aval Holdings Limited[3]											Yes			
United Kingdom	Birchall Gardens LLP													Yes	Property Investment
United Kingdom	Charterhouse CAP Limited			Yes		Yes									
United Kingdom	Cheviot Holdings Limited[3]											Yes			
United Kingdom	De Beers Centenary AG[6]								Yes			Yes			
United Kingdom	De Beers Centenary Angola Properties Ltd[1]						Yes					Yes			
United Kingdom	De Beers Centenary Limited[3]											Yes			
United Kingdom	De Beers Exploration Holdings Limited[3]											Yes			
United Kingdom	De Beers Holdings Investments Limited[3]											Yes			
United Kingdom	De Beers Intangibles Limited												Yes		
United Kingdom	De Beers Investments plc[3]											Yes			
United Kingdom	De Beers Jewellers Limited					Yes									
United Kingdom	De Beers Jewellers Trade Mark Limited					Yes									
United Kingdom	De Beers Jewellers UK Limited					Yes									
United Kingdom	De Beers plc[3]											Yes			

TABLE 2 ENTITIES CONTINUED

		Main Business Activities													
Tax Jurisdiction	Name	Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
United Kingdom	De Beers Trademarks Limited												Yes		
United Kingdom	De Beers UK Limited	Yes	Yes			Yes						Yes			
United Kingdom	Delibes Holdings Limited[1]											Yes			
United Kingdom	Ebbsfleet Property Limited													Yes	Holder of property
United Kingdom	Element Six (Production) Limited													Yes	Holder of property
United Kingdom	Element Six (UK) Limited	Yes	Yes				Yes							Yes	Pension entity
United Kingdom	Element Six Abrasives Holdings Limited											Yes			
United Kingdom	Element Six Holdings Limited											Yes			
United Kingdom	Element Six Limited						Yes								
United Kingdom	Element Six Technologies Limited												Yes		
United Kingdom	Erabas B.V.[5]											Yes			
United Kingdom	Ferro Nickel Marketing Limited					Yes	Yes								
United Kingdom	Forevermark Limited		Yes			Yes	Yes					Yes			
United Kingdom	Gemfair Limited												Yes		
United Kingdom	Highbirch Limited[3]											Yes			
United Kingdom	IIDGR (UK) Limited				Yes										
United Kingdom	Inglewood Holdings Limited[3]											Yes			
United Kingdom	Kumba International Trading Limited[3]					Yes						Yes			
United Kingdom	Lightbox Jewelry Ltd.											Yes			
United Kingdom	Loma de Niquel Holdings B.V.[5]											Yes			
United Kingdom	Loma de Niquel Holdings Limited[1]											Yes			
United Kingdom	Minorco Exploration (Indonesia) B.V.[5]											Yes			
United Kingdom	Minorco Overseas Holdings Limited[3]											Yes			
United Kingdom	Minorco Peru Holdings Limited[3]											Yes			
United Kingdom	Minpress Investments Limited[3]											Yes			
United Kingdom	Reunion Mining Limited											Yes			

TABLE 2 ENTITIES CONTINUED

Tax Jurisdiction	Name	Main Business Activities: Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
United Kingdom	Rhoanglo Trustees Limited												Yes		
United Kingdom	Sach 1 Limited								Yes						
United Kingdom	Sach 2 Limited								Yes						
United Kingdom	Scallion Limited (1)											Yes			
United Kingdom	Security Nominees Limited												Yes		
United Kingdom	Sirius Minerals Finance Limited(3)								Yes						Fundraising
United Kingdom	Sirius Minerals Finance No.2 Limited(3)								Yes						Fundraising
United Kingdom	Sirius Minerals Foundation													Yes	Charity
United Kingdom	Sirius Minerals Holdings Limited											Yes			
United Kingdom	Swanscombe Development LLP													Yes	Holder of property
United Kingdom	The Diamond Trading Company Limited												Yes		
United Kingdom	TRACR Limited					Yes									
United Kingdom	York Potash Holdings Limited											Yes			
United Kingdom	York Potash Intermediate Holdings Plc											Yes			
United Kingdom	York Potash Ltd				Yes										
United Kingdom	York Potash Processing & Ports Limited						Yes								
United Kingdom	YPF Ltd												Yes		
United States of America	Anglo American US Holdings Inc.											Yes			
United States of America	Dakota Salts LLC						Yes								
United States of America	De Beers Jewellers US, Inc.					Yes									
United States of America	Element Six Technologies (OR) Corp.												Yes		
United States of America	Element Six Technologies U.S. Corporation				Yes										
United States of America	Element Six US Corporation					Yes									

TABLE 2 ENTITIES CONTINUED

Tax Jurisdiction	Name	Research and Development	Holding or Managing Intellectual Property	Purchasing or Procurement	Manufacturing or Production	Sales, Marketing or Distribution	Administrative, Management or Support Services	Provision of Services to Unrelated Parties	Internal Group Finance	Regulated Financial Services	Insurance	Holding Shares or Other Equity Instruments	Dormant	Other	Additional Entity Information
		Main Business Activities													
United States of America	Forevermark US Inc.					Yes	Yes								
United States of America	Lightbox Jewelry Inc.					Yes									
United States of America	Platinum Guild International (U.S.A.) Jewelry Inc.													Yes	Consultancy, market research and promotion
Venezuela (Bolivarian Republic of)	Minera Loma de Niquel C.A.											Yes			
Zambia	Anglo Exploration (Zambia) (Pty) Ltd													Yes	Exploration
Zimbabwe	Amzim Holdings Limited											Yes			
Zimbabwe	Anglo American Corporation Zimbabwe Limited											Yes			
Zimbabwe	Broadlands Park Limited											Yes			
Zimbabwe	Southridge Limited						Yes								
Zimbabwe	Unki Mines (Private) Limited				Yes										

(1) Incorporated in the British Virgin Islands.
(2) Incorporated in Cyprus.
(3) Incorporated in Jersey.
(4) Incorporated in Mauritius.
(5) Incorporated in the Netherlands.
(6) Incorporated in Switzerland.

APPENDIX DEFINITIONS

Tax Jurisdiction

The tax jurisdiction in which constituent entities of Anglo American are resident for tax purposes. A tax jurisdiction is defined as a State as well as a non-State jurisdiction which has fiscal autonomy. Where a constituent entity is resident in more than one tax jurisdiction, the applicable tax treaty tie breaker has been applied to determine the tax jurisdiction of residence. Where no applicable tax treaty exists, the constituent entity is reported in the tax jurisdiction of the constituent entity's place of effective management. The place of effective management is determined in accordance with the provisions of Article 4 of the OECD Model Tax Convention and its accompanying Commentary.

Revenues

Under the heading Revenues, Anglo American reports the following information: (i) the sum of revenues of all the constituent entities of the Group in the relevant tax jurisdiction generated from transactions with associated enterprises; (ii) the sum of revenues of all the constituent entities of the Group in the relevant tax jurisdiction generated from transactions with independent parties; and (iii) the total of (i) and (ii). Revenues include revenues from sales of inventory and properties, services, royalties, interest, premiums and any other amounts. Revenues exclude payments received from other constituent entities that are treated as dividends in the payor's tax jurisdiction.

Profit/(Loss) before Income Tax

The sum of the profit (loss) before income tax for all the constituent entities resident for tax purposes in the relevant tax jurisdiction. The profit (loss) before income tax includes all extraordinary income and expense items.

Income Tax Paid (on Cash Basis)

The total amount of income tax actually paid during the fiscal year by all the constituent entities resident for tax purposes in the relevant tax jurisdiction. Taxes paid include cash taxes paid by the constituent entity to the residence jurisdiction and to all other tax jurisdictions. Taxes paid include withholding taxes paid by other entities (associated enterprises and independent enterprises) with respect to payments to the constituent entity. Thus, if company A resident in tax jurisdiction A earns interest in tax jurisdiction B, the tax withheld in tax jurisdiction B is reported by company A.

Income Tax Accrued (Current Year)

The sum of the accrued current tax expense recorded on taxable profits or losses of the year of reporting of all the constituent entities resident for tax purposes in the relevant tax jurisdiction. The current tax expense reflects only operations in the current year and does not include deferred taxes or provisions for uncertain tax liabilities.

Accumulated Earnings

The sum of the stated capital of all the constituent entities resident for tax purposes in the relevant tax jurisdiction. With regard to permanent establishments, the stated capital is reported by the legal entity of which it is a permanent establishment unless there is a defined capital requirement in the permanent establishment tax jurisdiction for regulatory purposes.

Number of Employees

The total number of employees on a full-time equivalent (FTE) basis of all the constituent entities resident for tax purposes in the relevant tax jurisdiction. The number of employees has been reported on the basis of average employment levels for the year.

Tangible Assets other than Cash and Cash Equivalents

The sum of the net book values of tangible assets of all the constituent entities resident for tax purposes in the relevant tax jurisdiction. With regard to permanent establishments, assets are reported by reference to the tax jurisdiction in which the permanent establishment is situated. Tangible assets for this purpose do not include cash or cash equivalents, intangibles, or financial assets.

Constituent Entities Resident in the Tax Jurisdiction

The constituent entities of Anglo American which are resident for tax purposes in the relevant tax jurisdiction (on a tax jurisdiction-by-tax jurisdiction basis and by legal entity name). Any permanent establishment is listed by reference to the tax jurisdiction in which it is situated.

Main Business Activity(ies)

The nature of the main business activity(ies) carried by the constituent entity in the relevant tax jurisdiction, by ticking one or more of the appropriate boxes.

The definitions included in this appendix are consistent with OECD guidelines.
This report has been prepared based on the requirements of GRI 207-4.
See page 2 of this report for further details.

EXHIBIT 6

Philips, *2020 Country Activity and Tax Report* (February 2021) (Excerpts)

2020 Country Activity and Tax Report

2 Our approach to tax

As a purpose-driven company, we take a fully integrated approach to doing business responsibly and sustainably. In the Social responsibility domain, we consider our tax payments as a contribution to the communities in which we operate and an integral part of our social value creation.

2.1 Philips' approach to tax

Tax is central to our commitment to create superior, long-term value for our multiple stakeholders. We acknowledge that the success of our business is also dependent on external factors such as public infrastructure, access to skilled labor and public administration. Philips therefore has a responsibility to contribute, through our tax payments, to government revenues in the countries in which we operate, thereby helping to drive economic and social prosperity.

Given the importance of tax collection to the macro-economic stability of communities, we consider tax in the context of the broader society, inspired by our stakeholder dialogues, global initiatives of the OECD (Organization for Economic Cooperation and Development) and United Nations, human rights, international (tax) laws and regulations. We aim to live up to the highest standards of governance. We will, therefore, also ensure transparency regarding our tax contributions for all countries in which we operate.

Philips' approach to tax is an integral part of the Philips General Business Principles (GBP), which reflect our commitment to always act with integrity towards our employees, customers, business partners and shareholders, as well as the wider community in which we operate (https://www.philips.com/gbp). Employees are urged to report suspected violations of our GBP, including our tax principles.

The GBP are actively promoted throughout the Tax Function, and its staff regularly completes the relevant training programs, receiving practical guidance on how to apply and uphold the GBP in their daily work.

Under the ultimate responsibility of the Board of Management, the Chief Financial Officer annually reviews, evaluates, approves and where necessary adjusts Philips' approach to tax.

2.2 Philips' tax principles

We act as a responsible taxpayer, ensuring compliance with local and international tax laws and regulations. We act in accordance with the spirit and letter of tax laws and regulations, both in our general approach to tax and in executing our tax strategy of using tax assets and applying tax incentives. We are guided by global initiatives promoting tax transparency and responsible tax management.

Business operations drive the design of our business models, while the Tax Function advises and supports implementation. Philips reports taxable income in the countries in which it creates value, in accordance with internationally accepted standards. Our transfer pricing policies are aimed at appropriate, arm's-length remuneration for activities among Philips-related parties. These policies are applied across all markets in which we operate, with the remuneration received corresponding to the local value creation.

We do not control legal entities in countries that do not share tax information under Tax Information Exchange Agreements, and do not control legal entities without commercial and/or economic activities solely for the purpose of tax avoidance.

We seek to build open and constructive relationships with tax authorities and participate in co-operative compliance programs, e.g. in the Netherlands.

We acknowledge the importance of transparency in respect of our tax contributions. Therefore, we make certain voluntary disclosures, in addition to the international and local public disclosure and reporting requirements we already comply with (such as International Financial Reporting Standards (IFRS) and the EU Directive on cross-border tax arrangements, DAC6).

2.3 Tax governance, control, and risk management

Under the responsibility of the Chief Financial Officer, a globally organized and experienced Group Tax Function is in place. It advises management and the businesses on the tax implications of decisions, performs appropriate tax planning to support business goals and ensures compliance with all tax laws. Country tax experts and tax business partners carry out these activities, supported by globally organized experts in areas such as transfer pricing and indirect tax. A globally organized team of tax accountants is responsible for tax accounting and reporting at Group level. The Tax Function is set up in such a way that it interacts with the key stakeholders in the businesses, markets and functions.

Philips has a Tax Control Framework in place. The execution of monitoring controls on a quarterly basis creates awareness and provides assurance of adherence to up-to-date tax policies. The Tax Control Framework is part of the Philips Business Control Framework, which sets the standard for Internal Control over Financial Reporting at Philips. The Audit Committee of the Supervisory Board regularly review controls and key tax-related matters, including this report as part of the Annual Report process. Furthermore, the company's external auditor provides assurance on our financials, including our tax positions, and taxes paid. We refer to the independent auditor's reports of our external auditor on the Annual Report 2020 and this Country Activity and Tax Report 2020, respectively.

Philips' approach to risk management includes tax risks, as they could have a significant adverse financial impact. Uncertainty is inherent to tax positions, and discussions on the interpretation of tax laws are inevitable. In line with the open and constructive relationships that Philips wants to build and maintain with tax authorities, we seek upfront certainty on interpretations of regulations whenever deemed relevant and tax authorities are willing to provide clarification. For a further explanation of Philips' approach to risk management and the tax risks to which Philips is exposed, please refer to the Risk Management chapter of our Annual Report.

We strive for full and timely tax compliance. To minimize any tax compliance risk, a quarterly review process is in place to secure timely and correct tax filings and tax payments, supported by compliance KPIs for the respective departments. In the execution of tax compliance, third-party tax service providers are often involved under the supervision of the Tax Function.

We continually seek to invest in technologies to improve data management, and thus the overall quality of direct and indirect tax compliance, control and reporting. We strongly believe in the benefits technology can offer to enable earlier access to tax-relevant data, particularly as the legal and regulatory environment is rapidly evolving and tax authorities are increasingly embracing digitalization. Over the past years, the Tax Function has evolved from being a manually oriented function to being a more data-driven, digitally enabled one.

When we plan new business models, processes are in place to review these from a tax perspective before implementation can start. Equally, in the event of acquisitions, a tax due diligence is always part of the process, and the input of the Tax Function is taken into account before a decision to acquire is taken. Acquisitions are immediately followed by implementation of the tax due diligence recommendations, which can be far-reaching. In the case of divestments, a routine process is applied, covering and connecting all functions, starting from carve-out of the business to delivering a fully independent operating business. Tax is typically involved in most workstreams, but in particular in the legal and finance-related workstreams.

2.4 Stakeholder engagement

We seek an open dialogue with our stakeholders, including relevant tax authorities, our shareholders, customers, business partners, employees, governments, regulators, non-governmental organizations and the communities in which we operate. Philips shares its views on tax developments through interest organizations such as employers' federations. We actively participate in the public debate around taxation, for example in the media. Furthermore, regular discussions are held with investors on the topic of tax in relation to sustainability.

Across all our activities, we derive significant value from the diverse stakeholders we engage with, listen to and learn from. We are seeking to intensify our stakeholder dialogues in order to align our approach to tax with our stakeholders' expectations on a continuous basis.

2.5 Tax transparency

In addition to our compliance with disclosure and reporting requirements such as the mandatory disclosure of country-by-country reporting to the Dutch tax authorities, we voluntarily make certain additional disclosures, such as this Country Activity and Tax Report. Philips furthermore supports and participates in transparency initiatives such as the Dow Jones Sustainability Index (DJSI) and the Tax Transparency Benchmark of the Dutch Association of Investors for Sustainable Development (VBDO).

4.3 Country summary

The table below gives an overview of all countries per geographic cluster.

Philips Group
Tax contribution - Summary in millions of EUR (employees in full number)

		Financials					Total tax contribution					
	Number of employees	Revenues from third parties	Revenues from related parties	Profit/Loss before tax	Tangible assets	Corporate income tax accrued	Corporate income tax paid	VAT	Payroll taxes	Customs duties	Other taxes	Total
Western Europe												
Germany	3,825	1,344.51	1,849.48	502.12	172.69	117.55	185.12	103.73	199.13	1.18	0.34	**489.50**
Netherlands	11,461	1,573.46	6,474.28	472.51	657.56	34.21	56.39	(107.52)	483.82	11.34	26.32	**470.35**
France	915	493.24	46.66	12.94	21.94	1.95	0.48	66.20	49.03	0.03	4.14	**119.88**
United Kingdom	1,135	495.40	173.83	24.17	40.82	0.69	0.26	32.94	44.29	0.10	1.05	**78.64**
Italy	991	425.24	59.33	19.81	28.41	1.10	0.56	34.33	35.29	0.07	0.91	**71.16**
Spain	510	245.51	19.67	3.49	4.93	0.69	1.87	42.17	17.01	0.02	0.64	**61.71**
Sweden	278	153.46	8.41	4.50	3.91	0.61	(0.07)	39.52	13.84	0.01	0.28	**53.58**
Belgium	317	227.05	20.52	5.50	15.57	1.68	0.23	24.01	16.87	0.41	0.43	**41.95**
Austria	475	51.68	65.16	(4.79)	50.79	(0.86)	1.02	18.00	21.40	0.01	0.07	**40.50**
Denmark	165	93.16	15.41	2.51	26.99	0.31	0.86	12.88	3.87	0.07	-	**17.68**
Finland	171	40.66	16.71	1.86	2.21	-		8.67	3.77	-		**12.44**
Portugal	75	40.84	2.94	2.49	0.81	0.39	0.07	7.80	1.95	-	0.17	**9.99**
Greece	55	34.64	1.92	0.94	1.65		0.04	7.08	2.23	-	0.22	**9.57**
Switzerland	222	188.35	24.75	6.13	11.70	1.31	0.84	3.48	4.44	0.65		**9.41**
Norway	53	44.66	2.23	(1.62)	0.80	0.48	0.40	4.65	2.15	0.01	0.02	**7.23**
Ireland	25	8.10	1.01	0.68	0.54	0.38	0.43	1.04	1.44			**2.91**
Luxembourg	0		0.07	0.17		0.03	0.05	0.99	0.12		0.01	**1.17**
North America												
United States	20,322	6,692.25	3,681.98	240.21	886.84	77.76	81.71	62.24	572.02	28.22	8.76	**752.95**
Canada	805	290.05	19.77	(7.89)	7.95	5.13	4.39	23.79	18.29	1.38	0.06	**47.91**
Other mature geographies												
Japan	2,244	1,111.02	38.50	71.04	129.17	24.36	23.85	82.27	53.04	0.84	0.77	**160.77**
Australia	580	335.08	14.06	9.98	8.42	5.31	3.70	23.93	20.68	0.05	0.02	**48.38**
South Korea	377	301.32	10.11	11.60	7.69	3.62	3.47	8.68	6.90	0.78	0.13	**19.96**
Israel	1,422	17.82	480.03	65.92	49.43	11.55	10.37	(39.40)	42.44	0.47		**13.88**
New Zealand	41	30.26	1.38	0.73	0.58	0.35	0.40	4.21	1.41	0.02		**6.04**

		Financials					Total tax contribution					
	Number of employees	Revenues from third parties	Revenues from related parties	Profit/Loss before tax	Tangible assets	Corporate income tax accrued	Corporate income tax paid	VAT	Payroll taxes	Customs duties	Other taxes	Total
Growth geographies												
China	8,240	1,505.37	808.45	139.76	144.85	29.98	38.19	127.74	97.48	23.77	34.84	**322.02**
India	9,315	366.26	280.15	32.38	76.04	12.55	10.12	28.67	44.78	21.40	7.48	**112.45**
Brazil	1,990	240.74	19.72	(28.56)	19.6	0.31	3.04	55.28	12.95	6.91		**78.18**
Poland	1,597	249.05	59.43	7.09	19.27	4.12	2.24	23.51	17.06		0.16	**42.97**
Russian Federation	578	390.00	10.57	10.38	8.03	5.27	13.75	9.19	6.58	11.91	0.84	**42.27**
Indonesia	4,003	143.46	383.35	13.43	72.95	5.61	6.50	11.85	2.51	1.96	1.35	**24.17**
Argentina	167	80.31	4.34	2.03	0.49	-	0.36	12.01	1.74	3.09	6.01	**23.21**
Mexico	263	107.15	3.00	(0.35)	3.74	(0.10)	0.40	2.72	3.55	11.20	0.59	**18.46**
Singapore	666	155.08	357.18	5.51	61.73	0.26	0.80	4.60	11.18		0.52	**17.10**
Czech Republic	128	93.59	5.98	2.86	1.24	0.63	0.53	11.77	3.68		0.14	**16.12**
Turkey	225	166.89	4.56	10.69	0.78	1.89	0.47	1.66	1.29	11.72	0.26	**15.40**
Taiwan	192	132.60	1.98	2.45	1.74	0.62	0.82	5.54	2.97	3.03	0.54	**12.90**
Thailand	159	134.76	3.91	(0.02)	1.50	0.39	0.63	7.56	0.98	2.03	0.60	**11.80**
Romania	1,752	125.74	233.67	11.15	41.58	2.43	3.05	(1.62)	8.05	1.25	0.70	**11.43**
Saudi Arabia	181	98.17	3.31	3.60	3.48	2.13	2.60	4.25	0.82	1.82		**9.49**
Chile	98	60.39	1.40	(1.73)	1.84	1.07	(0.53)	6.45	1.90	0.71	0.79	**9.32**
Costa Rica	3,119		161.76	(1.14)	72.18				9.25			**9.25**
South Africa	199	42.65	3.39	(1.17)	0.73	(0.24)	0.39	1.32	3.27	2.00	0.62	**7.60**
Hungary	85	37.10	5.39	1.72	0.65	0.06	0.36	4.35	1.40	0.01	0.10	**6.22**
Colombia	106	21.63	1.70	1.86	0.84	0.81	0.82	3.37	1.16	0.03		**5.38**
Ukraine	72	51.62	0.92	0.72	0.83	0.64	0.43	0.86	0.64	2.60		**4.53**
Malaysia	123	81.70	1.68	2.14	0.11	0.04	0.55	(1.03)	1.70	3.23	-	**4.45**
Hong Kong	393	750.69	58.40	10.00	2.85	-			2.43		1.68	**4.11**
Egypt	108	23.00	1.87	0.40	3.41	3.03	1.02	1.02	0.98	0.90	0.08	**4.00**
Philippines	201	19.88	5.18	(1.03)	0.90	0.01	0.11	2.12	1.08	0.33	0.20	**3.84**
Panama	542	3.92	32.01	1.89	5.83	0.03	0.02		2.67			**2.69**
Peru	34	8.93	1.41	1.79	0.17	2.18	0.94	1.18	0.50			**2.62**
Kenya	53	13.31	1.99	(1.27)	0.52	0.11	0.25	0.57	0.93	0.55		**2.30**
Vietnam	81	19.19	2.09	1.80	1.96	0.11	0.17	0.96	0.80	0.04	0.06	**2.03**
Latvia	27	28.39	0.77	0.77	0.25	0.07	0.27	1.08	0.56		0.02	**1.93**
Puerto Rico	31	17.06	0.97	2.12	0.11	1.21	0.13	1.23	0.41			**1.77**
Bangladesh	20	1.41	3.68	1.17	0.60	0.71	0.51	0.18	0.02	0.29	0.05	**1.05**
Ghana	16	0.55	0.92	0.08	0.12	0.01	0.05	0.18	0.06	0.04		**0.33**
Slovenia	9		0.86	0.03	0.10	0.01	0.01	(0.02)	0.29			**0.28**

		Financials					Total tax contribution					
	Number of employees	Revenues from third parties	Revenues from related parties	Profit/Loss before tax	Tangible assets	Corporate income tax accrued	Corporate income tax paid	VAT	Payroll taxes	Customs duties	Other taxes	**Total**
Croatia	32		2.57	0.31	0.53	0.05	0.02	(0.06)	0.31		-	**0.27**
Morocco	11		1.09	0.02	0.08	0.06	-	0.10	0.15		0.01	**0.26**
Lebanon	17			(1.59)	0.26				0.24			**0.24**
Bulgaria	26		1.89	0.08	0.58	0.01	0.01	(0.04)	0.22		-	**0.19**
Kazakhstan	24		0.93	0.07	0.13	0.02	0.02	-	0.15		-	**0.17**
Sri Lanka	5	-	0.58	0.34	0.00	0.09	0.04	0.05	0.02		0.00	**0.11**
Belarus	8		0.40	0.03	-	-	0.01	0.01	0.08		-	**0.10**
United Arab Emirates	210	126.77	11.98	(0.98)	0.50				0.05			**0.05**
Myanmar	0			0.21		0.05	0.02	-	0.02			**0.04**
Serbia	9		0.64	0.08	0.16	0.01		(0.03)	0.07		-	**0.04**
Qatar	10		1.59	0.05	0.13	0.03	0.02		0.01			**0.03**
Tanzania	0	0.24		(0.01)			0.01					**0.01**
Nigeria	0			(0.03)		-						**0.00**
Paraguay	0			(0.49)	0.13							**0.00**
Venezuela	0		0.01	0.01								**0.00**
Uruguay	0		0.03	(0.25)	-	-	(0.01)					**(0.01)**

Philips Group
Tax contribution - Grand total in millions of EUR (Employees are in full number)

		Key financials					Tax contribution					
	Number of employees	Revenues from third parties	Revenues from related parties	Profit/Loss before tax	Tangible assets	Corporate income tax accrued	Corporate income tax paid	VAT	Payroll taxes	Customs duties	Other taxes	**Total**
Grand total												
Philips Group	81,592	19,535	15,515	1,499	2,682	360	466	794	1,862	156	102	**3,381**

Reference to presentation of the financial data in this report
- ‘blank’ represents "No" data
- ‘-‘ represents data "< EUR 0.01 million”
- amounts may not add up due to rounding

The data presented in the above table reconciles with the data stated in the audited consolidated financial statements, in the 2020 Annual Report, as follows:
- **Revenues from third party sales:** Per chapter 10.4 Consolidated statements of income, ‘‘Sales’ tie-out to the EUR 19,535 million per this report.

GIBSON DUNN

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March 18, 2022

VIA E-MAIL

Office of Chief Counsel
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: *Amazon.com, Inc.*
Shareholder Proposal of Missionary Oblates of Mary Immaculate-United States Province
Securities Exchange Act of 1934—Rule 14a-8

Ladies and Gentlemen:

This letter relates to the no-action request (the "No-Action Request") submitted to the staff of the Division of Corporation Finance (the "Staff") on January 21, 2022 on behalf of our client, Amazon.com, Inc. (the "Company"), in response to the shareholder proposal (the "Proposal") and statement in support thereof (the "Supporting Statement") received from Missionary Oblates of Mary Immaculate-United States Province (the "Proponent").

The Proposal requests that the Company "issue a tax transparency report to shareholders . . . prepared in consideration of the indicators and guidelines set forth in the Global Reporting Initiative's (GRI) Tax Standard." As discussed in the No-Action Request, the GRI Tax Standard calls for disclosures that are far more extensive and detailed than the country-by-country reporting to the I.R.S. required under U.S. tax rules. The GRI Tax Standard requires disclosures covering four broad topics, including a company's tax strategy, tax governance, and tax control framework, as well as country-by-country reporting of resident entities, number of employees, revenues, profit and loss before tax, tangible assets, and corporate income tax paid on a cash basis, as well as a reconciliation of all reported amounts to audited consolidated financial statements and, where such data does not reconcile with "information on public record," an explanation. In the No-Action Request, the Company argued that the Proposal is properly excludable from the Company's proxy statement and form of proxy for its 2022 Annual Meeting of Shareholders (collectively, the "2022 Proxy Materials") pursuant to Rule 14a-8(i)(7) because the Proposal relates to the Company's ordinary business operations (management of tax expense and compliance with laws).

The Proponent submitted a letter, dated February 16, 2022, setting forth arguments opposing the No-Action Request (the "Proponent's Letter"). The Proponent's Letter fails to identify, much less explain, any distinction between the Proposal and the extensive precedent treating corporate tax planning and other tax matters, including reporting on taxes, as not implicating a significant social policy issue. Instead, the Proponent's Letter references a disconnected litany of tax policy developments that have occurred "worldwide over the past decade."[1] The discussion in the Proponent's Letter demonstrates that there is no significant development that would justify departing from well-settled Rule 14a-8 precedent. Specifically:

- As the Proponent's Letter indicates on page 4, the issues it addresses on page 3 have been addressed by the Organization for Economic Cooperation and Development (in 2013) and by the U.S. (in 2017). However, the fact that IRS rules now require all companies to provide the IRS with country-by-country reporting does not differentiate this aspect of tax compliance and tax reporting from any other tax reporting requirement that is currently applicable or has been required in the past. The fact that information is reported to the IRS has never made, and does not make, such information a significant social policy issue.
- The fact that there are various tax law proposals pending or that have been recently introduced does not distinguish the present situation from the past. Many of the precedents cited in the No-Action Request relied on then-recent extensive tax law changes or pending tax reforms as the basis for seeking public disclosure, and yet that has never resulted in tax reporting being viewed as a significant public policy issue that transcends a company's ordinary business.
- Contrary to the assertion on page 5 of the Proponent's Letter, the Company has disclosed, both in a blog posting[2] and in its most recent Form 10-K,[3] that it repatriated intangible assets to the U.S.

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[1] Proponent's Letter at 2.

[2] *See* Amazon is investing in American jobs, workers, and communities, *available at* https://www.aboutamazon.com/news/policy-news-views/amazon-is-investing-in-american-jobs-workers-and-communities?_sm_au_=iHVTVn3Z3qFt4Hr5FcVTvKQkcK8MG ("Additionally, in 2021, we made the decision to consolidate intellectual property (IP) rights, and we now hold our IP domestically").

[3] Amazon.com, Inc. Annual Report on Form 10-K for the Fiscal Year Ended December 31, 2021 at 62 (referring to the distribution of certain intangible assets from Luxembourg to the U.S).

- Pursuant to ASC 740, all U.S. public companies report tax settlements, such as the settlements cited on page 11 of the Proponent's Letter, as well as further information on their uncertain tax positions.

The Proponent's Letter asserts that enhanced transparency of financial results on a geographic basis, including country-by-country tax reporting, would provide investors with more information and labels the topic as an issue that "involves sustainability." However, those claims do not demonstrate that the Proposal raises an issue with a broad societal impact that transcends a company's ordinary business. There have consistently been new tax laws and new taxing initiatives, including through international organizations, and countries have always used tax laws as a mean to promote the countries' sustainable development.

For example, in *Amazon.com, Inc.* (avail. Mar. 8, 2012), the proposal requested a report on the effects of changes to, and changes in interpretation and enforcement of, U.S. federal, state, and local tax laws and policies that pose risks to shareholder value. The proponents argued that tax risk and enhanced disclosure of corporate tax strategy were significant policy issues due to "Amazon's highly publicized opposition to collecting sales tax in many states to which it ships goods, taken together with the intense level of public debate on Amazon's practice in this regard," including "[t]he widespread attention now being paid to aggressive corporate tax strategies by political actors and in the media, and [the Company]'s identification as 'among the most vocal opponents of government attempts to tax e-commerce.'" The proponent letter cites to a "variety of legislative measures [that] are under consideration" and "[g]roups [that] have announced they will lobby for similar measures in other states" as well as a hearing by the House Judiciary Committee on "whether Congress should enact sales tax reform legislation." The same proponent made a similar argument in *The Boeing Co.* (avail. Feb. 8, 2012). In both instances, the Staff concurred that the proposals could be excluded under Rule 14a-8(i)(7), noting that the proposals, just as with the Proposal here, addressed the companies' tax expenses and source of financing. In *General Electric Co. (National Legal and Policy Center)* (avail. Jan. 17, 2006), where the proposal requested a report on the estimated impacts of a flat tax, the proponent argued that proposed legislation to implement a flat tax constituted a significant policy issue, stating that "[t]he potential impacts of a significant overhaul of the Internal Revenue Code manifestly are out of the realm of 'ordinary business operations' and amount to a significant public policy that, if enacted into law, could significantly benefit the Company and shareholders." As with the Proponent here, in *Allergan plc* (avail. Feb. 7, 2018), the proponent argued that offshore tax strategies raised a significant social policy issue due to "consistent and sustained societal debate," and pointed to recent legislative measures introduced to reduce tax avoidance in the

U.S. and abroad, including Congressional hearings on the issue. In both *General Electric* and *Allergan*, the Staff concurred that the proposals could be excluded under Rule 14a-8(i)(7).

The Proponent's Letter does not distinguish the Proposal from the well-established precedent cited in the No-Action Request and above, each concurring in the exclusion of proposals requesting additional reporting on tax strategy, tax payments, or changes in tax laws. As such, the Proposal is properly excludable under Rule 14a-8(i)(7).

CONCLUSION

Based upon the foregoing analysis, the Company intends to exclude the Proposal from its 2022 Proxy Materials for the reasons set forth in the No-Action Request, and we respectfully request that the Staff concur that the Proposal may be excluded under Rule 14a-8(i)(7).

Correspondence regarding this letter should be sent to shareholderproposals@gibsondunn.com. If we can be of any further assistance in this matter, please do not hesitate to call me at (202) 955-8671, or Mark Hoffman, the Company's Vice President & Associate General Counsel, Corporate and Securities, and Legal Operations, and Assistant Secretary, at (206) 266-2132.

Sincerely,

Ronald O. Mueller

Ronald O. Mueller

cc: Mark Hoffman, Amazon.com, Inc.
Reverend Séamus Finn, Missionary Oblates of Mary Immaculate-United States Province

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February 20, 2025

Rule 14a-8(i)(7)

VIA ONLINE SHAREHOLDER PROPOSAL FORM

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F Street, N.E.
Washington, D.C. 20549

Re: ***Bristol-Myers Squibb Company – Proposal Submitted by James McRitchie***

To Whom it May Concern:

On behalf of the Company, we are submitting this letter to supplement our letters to the Staff dated January 4, 2025 and January 24, 2025 (the "***Initial Letters***"), expressing the Company's intention to omit the Proposal from its 2025 Proxy Materials. For ease of reference, capitalized terms used in this letter have the same meaning ascribed to them in the Initial Letters. This letter addresses the application of new interpretive positions set forth in Staff Legal Bulletin No. 14M ("***SLB 14M***"), which was published by the Staff on February 12, 2025.

Under the new interpretive guidance set forth in SLB 14M, the Proposal remains excludable under Rule 14a-8(i)(7) because the Proposal relates to the Company's ordinary business operations and seeks to impermissibly micromanage the Company.

Ordinary Business

As explained in the Initial Letters, the Proposal relates to the Company's management of its tax expense and financial reporting, both topics that, as supported by the no-action letter precedent set forth therein, the Staff has long held are core aspects of management's day-to-day running of the company, and therefore may be excluded under Rule 14a-8(i)(7).

SLB 14M explains that, when analyzing the so-called "significant policy exception" for whether a proposal's subject matter relates to a matter of ordinary business, "whether the significant policy exception applies depends on the particular policy issue raised by the proposal and its significance in relation to the company. As such, the staff will take a company-specific approach in evaluating significance, rather than focusing solely on whether a proposal raises a policy issue with broad societal impact or whether particular issues or categories of issues are universally 'significant.'"

As discussed in the Initial Letters, the Staff has most recently determined (in Exxon Mobil in 2024) that the policy issue raised by the Proposal did not involve a social policy with broad societal impact that transcended ordinary business, and has on numerous other occasions in prior years determined that matters involving a company's management of its tax expense and financial reporting do not implicate a significant social policy. If a social policy is not significant to society at large (under the prior application of the significant social policy exception), the same conclusion should also influence the inquiry as to such social policy's significance in relation to any individual company.

However, even if the policy issue raised by the Proposal is determined to be of social significance, there is no convincing evidence that it is of particular significance to the Company such that it transcends the ordinary business matters of tax management and disclosure. The Company already provides extensive disclosure about its tax strategy, tax governance, control and risk management and stakeholder engagement. In addition, as explained in the Initial Letters, the Company is also subject to numerous tax reporting obligations from its primary regulators, including SEC regulations, and other foreign reporting requirements, and is currently evaluating compliance with new and overlapping reporting regimes. The Company has made determinations in its considerable existing disclosures about what information is material to its shareholders, and the majority of shareholders have not requested more detailed or wide-ranging disclosure about this topic during the Company's numerous and on-going shareholder engagement efforts. In other words, the gap between what the Proposal is requesting and what the Company already discloses does not implicate social policy issues so significant that they transcend the Company's ordinary business of tax expense management and reporting and are appropriate for a shareholder vote.

Furthermore, as explained in the Initial Letters, shareholder proposals that focus on ordinary business matters and only touch upon topics that might raise significant social policy issues—but which do not focus on such issues—are not transformed into proposals that transcend ordinary business. The focus of the Proposal is primarily related to tax expense management and reporting, an area that has long been held by Staff precedent to be within the realm of day-to-day business matters.

Micromanagement

In addition, SLB 14M reinstated previous guidance applicable to the micromanagement analysis in Rule 14a-8(i)(7). Under this framework, a proposal may be excluded on the basis of micromanagement if it "involves intricate detail, or seeks to impose specific time-frames or methods for implementing complex policies" or "imposes a specific strategy, method, action, outcome or timeline for addressing an issue, thereby supplanting the judgment of management and the board." In addition, SLB 14M states that the micromanagement framework applies to proposals that call for a study or report, noting that "a proposal that seeks an intricately detailed study or report may be excluded on micromanagement grounds." The Proposal, which, as detailed in the Initial Letters, seeks to impose detailed and prescriptive tax reporting standards on the Company through the publication of a "tax transparency report," is excludable under both the prior micromanagement framework and the current framework established by SLB 14M.

As stated in the Initial Letters, tax management and structure, and the reporting thereof, are highly complex decisions based on a range of considerations related to the day-to-day operations of the business. The Proposal inappropriately limits management's discretion to choose the form, substance or manner of its disclosure, substituting instead highly prescriptive and detailed reporting requirements set forth by the Global Reporting Initiative's Tax Standard. As explained in the Initial Letters, the tax transparency report requested by the Proposal would require detailed disclosure of tax expenses on a jurisdiction-by jurisdiction basis regardless of their significance to the Company's operations, or even with respect to their significance to the Company's overall tax obligations. In addition, implementation of the Proposal would impermissibly micromanage management's discretion in administering the Company's ordinary business matters relating to tax planning and reporting without affording them sufficient flexibility or discretion in addressing the complex matters presented by the Proposal. For these reasons and the others discussed the Initial Letters, the Proposal would therefore impermissibly micromanage the Company.

* * *

Accordingly, the Company continues to believe that it may omit the Proposal from its 2025 Proxy Materials in reliance on Rule 14a-8(i)(7). If you have any questions or need additional information, please feel free to contact me at (202) 637-5464.

Sincerely,

John B. Beckman

Enclosures

cc: Amy Fallone, Bristol-Myers Squibb Company
Lisa A. Atkins, Bristol-Myers Squibb Company
James McRitchie
John Chevedden