

Olympus KeyMed Group of Companies UK Tax Strategy

Introduction

At Olympus, we are committed to Our Purpose of making people's lives healthier, safer and more fulfilling. We partner with healthcare professionals to provide innovative solutions and services. For more than 100 years, Olympus has pursued a goal of contributing to society by producing products designed with the purpose of delivering optimal outcomes for its customers around the world and contributing to the UK economy through our business in the UK and the taxes we pay.

Finance Act 2016 introduced the requirement that certain companies, including Olympus, publish annually a statement of their tax strategy. This tax strategy has been published in accordance with paragraph 16(2) of Schedule 19 to the Finance Act 2016, and applies to Olympus KeyMed Group Limited and the companies of the UK sub-group listed in the footnote, which are UK subsidiaries of Olympus Corporation, Tokyo.

This tax strategy approved by the Board of Directors, sets out Olympus's policy and approach to conducting its UK tax affairs and dealing with tax risk. The tax strategy will be periodically reviewed by the Group tax function, and any amendments will be approved by the Board of Directors. It is effective for the year ending 31 March 2026.

Compliance with laws, rules, and regulations

Olympus is committed to observing all applicable tax laws, rules, regulations in meeting the group's UK tax compliance and reporting requirements.

In line with 'Our Core Values,' 'Integrity,' as described in the Corporate Philosophy and Global Code of Conduct, Olympus seeks to fulfil its tax obligations with care, obtaining external advice where necessary.

Tax decisions are made at all times in a manner which is consistent with and complements the Group's overall business strategy. Key business decisions are made cognisant of the tax consequences.

Governance, Assurance and Tax Risk Management

Responsibility and accountability for the Group's tax affairs is defined in accordance with a Tax Responsibility Matrix. Decisions are taken at an appropriate level, and as determined by a formal Group Delegation of Authority including Board approval.

Professional care and judgement are employed to identify and assess tax risks in order to arrive at well-reasoned conclusions on how the risks should be managed. Olympus has a conservative approach to tax risk and seeks to mitigate tax risks as far as possible. Where there is uncertainty as to the application or interpretation of tax law, appropriate written advice evidencing the facts, risks and conclusions may be taken from third party advisers to support the decision-making process and/or consideration may be given to using HMRC's Non-Statutory Clearance Service.

In reviewing the risks of a tax action or decision, the following would be considered:

- The legal and fiduciary duties of directors and employees,
- The requirements of our Group compliance and ethics policies,
- The maintenance of corporate reputation, having particular regard to the principles regarding the way we interact with the stakeholders around us, embodied in the Group's approach to the stakeholders as described in the corporate Philosophy of Olympus, 'Empathy,'

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- The tax benefits and impact on the Group's reported result comparative to the potential financial costs involved, including the risk of penalties and interest,
- The wider consequences of potential disagreement with tax authorities, and any impact on relationships with them.

Internal audit reviews of tax processes and controls and associated compliance activity across the Group is completed on a regular basis.

Olympus has a zero-tolerance approach to tax evasion and the facilitation of tax evasion.

Attitude to Tax Planning

Olympus pays its fair share of taxes in the countries where it operates and considers this a part of its contribution to community.

Olympus does not undertake aggressive tax planning or artificial tax arrangements such as profit allocation to low tax jurisdictions or tax havens or restructuring schemes without economic reason. Olympus maintains and follows a transfer pricing policy that is based on OECD Transfer Pricing Guidelines and the Base Erosion and Profit Shifting ('BEPS') Action Plan which is the international framework to prevent cross-border tax avoidance activities. Intragroup transaction pricing, or Transfer Pricing complies with the Arm's Length Principle.

Olympus adheres to the principle that profits should accrue where economic value is created, and that tax follows business reality and is underpinned by business substance. The Group uses its best judgement when entering into commercial transactions in determining the appropriate course of action, using available reliefs and incentives where possible.

Relationships with Tax Authorities:

Olympus is committed to the principles of openness and transparency in its approach to dealing with tax authorities wherever we operate around the world. All dealings with the UK tax authorities and other relevant bodies are conducted in a collaborative, courteous and timely manner. The aim would be to strive for early agreement on disputed matters, and to achieve certainty wherever possible.

The members of the UK sub-group are:

Olympus KeyMed Group Limited
KeyMed (Medical & Industrial Equipment) Limited
Olympus KeyMed International Limited
Algram Group Limited
Arc Medical Design Limited
Odin Medical Limited