CHARLES RIVER’S U.K. LARGE BUSINESS TAX STRATEGY

Tax Strategy: Financial year ending 25 December 2021

This policy applies to Charles River Laboratories International, Inc. and all U.K. entities in its group (together, the “Group”), and covers our approach to arranging our tax affairs.

We are a full service, early-stage contract research organization. We have built upon our core competency of laboratory animal medicine and science (research model technologies) to develop a diverse portfolio of discovery and safety assessment services, which is able to support our clients from target identification through non-clinical development. We also provide a suite of products and services to support our clients’ manufacturing activities.

COMMITTED APPROACH TO MANAGE TAX RISKS AND GOVERNANCE ARRANGEMENTS

The Group’s tax strategy, overseen from a risk perspective by our Audit Committee, is to sustainably minimize aggregate tax cost to the Group, and thus, indirectly, to our shareholders, in compliance with applicable legal requirements. We have clear tax policies, procedures, and controls in place, which are overseen by the Chief Accounting Officer (CAO) and monitored, reviewed and updated by internal tax specialists. In furtherance of such responsibilities, the CAO will interact with the Charles River Board of Directors as necessitated.

RESPONSIBLE ATTITUDE TO ARRANGING OUR TAX AFFAIRS

We manage our tax affairs in a proactive and ethical manner that seeks to maximize shareholder value while complying with all applicable tax laws and regulations where profits arise and value is created. We engage in tax planning for genuine commercial transactions and do not engage in the use of artificial structures. We utilize available government-sponsored tax incentives when aligned with our business objectives.

EFFECTIVE RISK MANAGEMENT

Our level of tax risk in relation to UK taxation is aligned to the risk management of the wider businesses of the Group. The Group may consider the effect of different tax outcomes when considering how to structure commercially motivated transactions, but does not undertake aggressive tax planning for the purpose of tax avoidance. If a position is uncertain, we may obtain third-party advice in order to gain clarity or support for a particular approach or position. The aim is to ensure full compliance with all tax and related statutory obligations and adopt a consistent governance framework which identifies and mitigates tax risk, minimizing the risk of uncertainty or disputes in the process.

CONSTRUCTIVE APPROACH TO ENGAGING WITH HMRC

We are committed to engaging with HMRC with honesty and transparency. All dealings are to be conducted in a collaborative, courteous, professional and timely manner. While we do not take positions on tax matters with any intention to create reputational risk or jeopardize our good standing with taxing authorities, we are prepared to litigate where we have a bona fide disagreement with the decision or ruling of the tax authority. Our aim is always to strive for early agreement on any disputed matters through open discussion, in order to achieve certainty wherever possible.

Charles River regards this publication as complying with the duty under paragraph 19(2) of Schedule 19 to the Finance Act 2016.