Tax Transparency Report

Lupin Limited

FY 2025-2026

Table of Contents

Message From the CFO

From the CFO's Desk

Dear Valued Stakeholders,

I take great pride in sharing Lupin's latest Tax Transparency Report for the fiscal year 2025-26. This document is a reflection of our steadfast commitment to ethical, transparent governance and responsible corporate citizenship.

Lupin's purpose of catalyzing treatments that transform hope into healing is reflected in the integrity with which we conduct our business. We uphold the highest standards of ethics, compliance, and transparency, including in taxation, guided by a robust global tax policy. This Report outlines our tax contributions, governance framework, and approach to responsible tax practices.

Our global tax policy ensures exemplary compliance across 17 countries, with over 1,200 products in 100+ markets and a team of over 26,000 professionals. Our stellar financial performance in FY26 contributed significantly to our tax responsibilities. We reported INR 279,580.3 million in revenue and INR 92,405.0 million in EBITDA, achieving a healthy margin of 33.6% and a 62.0% increase in profit. This enabled us to contribute an impressive INR 16,831.1 million in direct and indirect taxes, reflecting our active role in supporting the economies in which we operate. We also collected and remitted INR 22,372.2 million in withholding tax, payroll tax, indirect taxes, and social security contributions, which were subsequently paid to governments globally. This further underscores our role in supporting global economic stability.

Our commitment extends beyond financial contributions. We continue to embrace ethical tax practices that honor local laws and uphold principles of fairness and integrity. This Report, aligned with international standards, including GRI 207, offers a clear, transparent view of our tax strategy, fostering trust and delivering value to stakeholders worldwide.

Our Tax Transparency Report reflects our commitment to responsible tax practices and ethical governance. By disclosing our tax principles, governance, and country-level contributions, we support United Nations Sustainable Development Goals such as SDG 16 (Peace, Justice and Strong Institutions) and SDG 17 (Partnerships for the Goals) by enabling transparency, strengthening public trust, and contributing to domestic resource mobilization essential for sustainable development. Responsible tax contributions also indirectly support SDG 8 (Decent Work and Economic Growth) and SDG 10 (Reduced Inequalities) by enabling public investment in inclusive economic growth, social infrastructure, and equitable development across the regions in which we operate.

We ensure meaningful economic impact through disciplined financial management and purpose-driven ethical tax practices.

Stakeholder perspectives are integral to our continuous progress. We welcome your feedback at info@lupin.com, recognizing that your insights help strengthen our approach and shape a more sustainable future.

Thank you for your continued trust in Lupin as we work together to create enduring value for all our stakeholders.

Sincerely,

Ramesh Swaminathan
Executive Director, Global CFO, Head of IT and API Plus SBU

About Lupin

Lupin's journey began in 1968 with a simple yet enduring belief: quality healthcare should be accessible to all. Inspired by the vision of our founder, Dr. Desh Bandhu Gupta, that conviction continues to guide us as a science-led, innovation-driven global pharmaceutical company dedicated to catalyzing treatments that transform hope into healing.

Over the decades, Lupin has evolved alongside India's pharmaceutical industry, contributing to its emergence as a global force in quality, innovation, and access. This remarkable journey and the vision that shaped it are chronicled in *Made in India: The Story of Desh Bandhu Gupta, Lupin and Indian Pharma*–a tribute to entrepreneurship, purpose-led innovation, and Lupin's contribution to nation-building.

Today, Lupin serves patients in more than 100 markets across India, the U.S., other developed markets, and emerging economies. Our portfolio includes generics, complex generics, specialty medicines, biosimilars, APIs, and formulations, helping us address diverse and evolving healthcare needs. With 15 manufacturing sites, 7 research centers, and over 26,000 Lupinytts, we blend scientific depth, operational discipline, and a differentiated product strategy to deliver high-quality medicines at scale.

In FY26, our U.S. business continued to be a major growth engine, contributing 42% of total revenues, supported by complex generics and differentiated launches. India remained a strong pillar, contributing 30% of revenues, led by chronic therapies and leadership brands. Across global markets, we continue to build strength in key therapeutic areas including cardiovascular, respiratory, diabetes, gastrointestinal, women's health, and anti-tuberculosis medicines.

Lupin is expanding beyond pharmaceuticals to build integrated healthcare platforms that improve patient outcomes across the care continuum. Lupin Diagnostics serves over 200,000 patients each month, Lupin Digital Health is advancing cardiac-focused digital therapeutics, Atharv Ability has delivered nearly 52,000 neurorehabilitation sessions, and LupinLife Consumer Healthcare continues to strengthen its OTC presence. Together, these businesses reflect our vision of a more connected, patient-centric healthcare ecosystem that extends care beyond treatment.

Our commitment to society extends through the Lupin Human Welfare and Research Foundation (LHWRF), which has reached more than 2.53 million beneficiaries across over 5,500 villages through initiatives in healthcare access, livelihoods, and rural development.

Sustainability remains central to Lupin's long-term strategy. In FY26, we achieved a 91 score in the S&P Global ESG Rating, placing us at the top of the global pharma sector. We also earned an "A" leadership rating from CDP for climate change and water security and were included in the S&P Global Sustainability Yearbook 2026 for the third consecutive year – reaffirming our commitment to responsible growth, climate action, and lasting impact.

At Lupin, we remain steadfast in our commitment to advancing meaningful health outcomes for patients and communities while strengthening a resilient, future-ready organization. Guided by our purpose, we continue to transform care and contribute to a healthier world for millions.

Our Purpose

We catalyze treatments that transform hope into healing.

At Lupin, our purpose is rooted in the founding vision of Dr. Desh Bandhu Gupta – to make quality healthcare accessible to all. He believed scientific excellence, guided by compassion, could remove barriers to treatment and help affordable medicines reach more people.

Today, that conviction continues to shape how we think, decide, and act. Over the past year, our purpose has moved from articulation to action – guiding our priorities, directing investments, strengthening execution, and deepening our commitment to the patients and communities we serve.

We bring this purpose to life by advancing therapies that address today's needs while preparing for tomorrow's challenges. We continue to invest in differentiated and complex treatments, expand access in underserved regions, and strengthen our research, manufacturing, and healthcare capabilities. Each of these actions reflects the values on which Lupin was founded – scientific excellence, compassion, resilience, and service to humanity.

Our purpose is anchored in three enduring commitments.

Relief from disease

Delivering meaningful treatments that improve lives today and create hope for the future.

Innovation to unlock access at scale

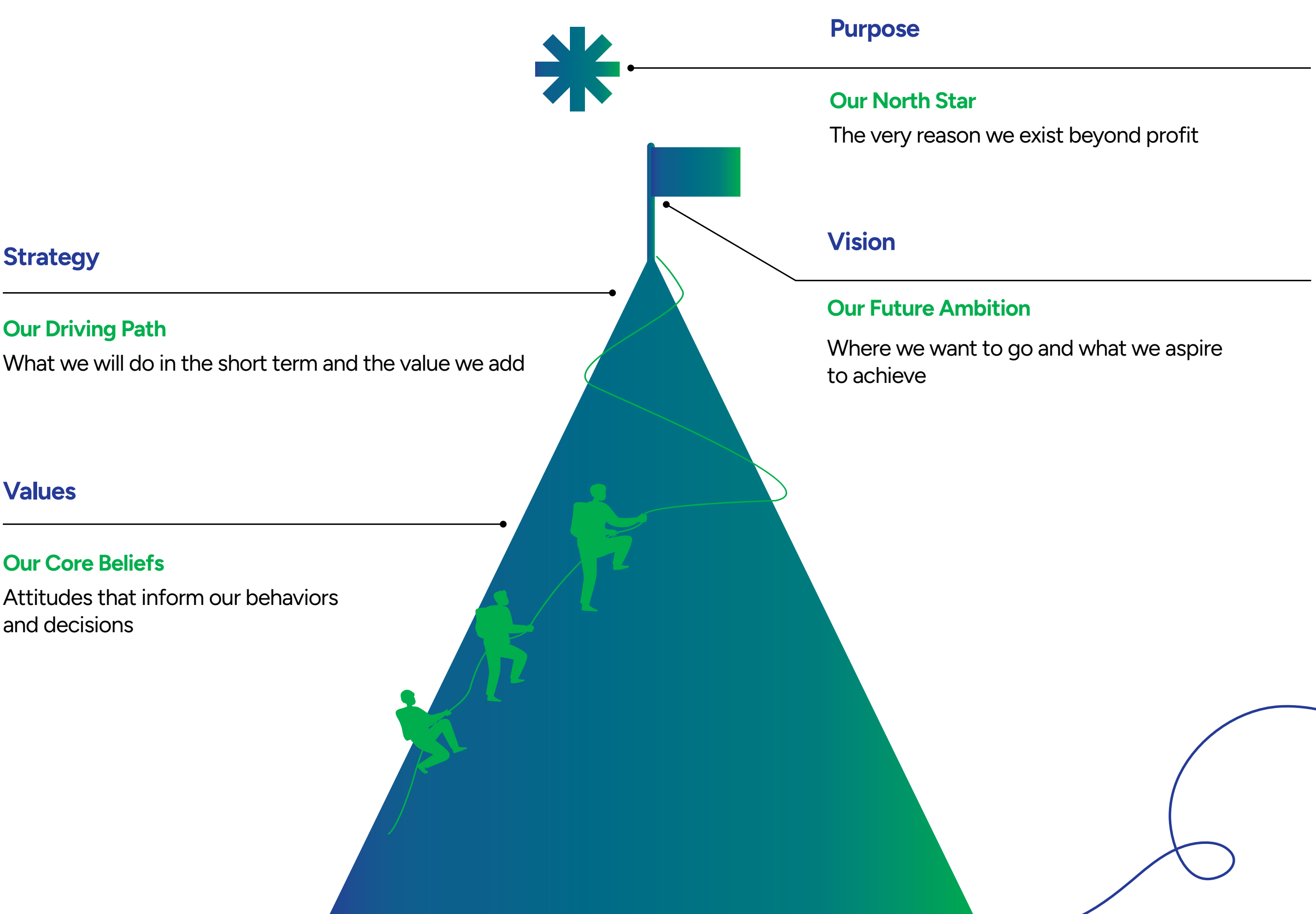
Making complex, advanced healthcare solutions more accessible and affordable for patients.

Solutions for underserved communities

Serving patients and markets that are often overlooked, with a focus on expanding healthcare reach where it is needed most.

As stakeholders in Lupin, you are part of a journey that has placed patients at the center for more than five decades while creating sustainable, long-term value. The vision, compassion, and resilience inherited from our founder continue to inspire us as we build on this foundation and extend its impact.

Together, we are building an organization that delivers lasting value to all stakeholders – our patients, our people, our partners, and the communities that place their trust in us.



Our Values

Passion for Excellence

We relentlessly pursue excellence through innovation and continuous improvement in all our projects, processes, and products.

We benchmark our standards, practices, and performance against globally recognized leaders and best-in-class benchmarks.

Entrepreneurial Spirit

We promote a culture in which employees can develop new ideas, explore opportunities, and offer solutions that deliver exceptional value.

We encourage them to take ownership of their work by acting with accountability, commitment, and conviction.

Customer Focus

We strive to understand and meet customer needs in a professional and responsive manner.

We focus on building long-term partnerships for mutual benefit.

Integrity

We conduct ourselves with uncompromising integrity and honesty, with the highest standards of ethical behavior and transparency.

Everything we do must stand public scrutiny.

Teamwork

We align the efforts and energies of our people across all levels and geographies to deliver outstanding results to our stakeholders.

We encourage diverse opinions and work together in a coordinated and mutually supportive way.

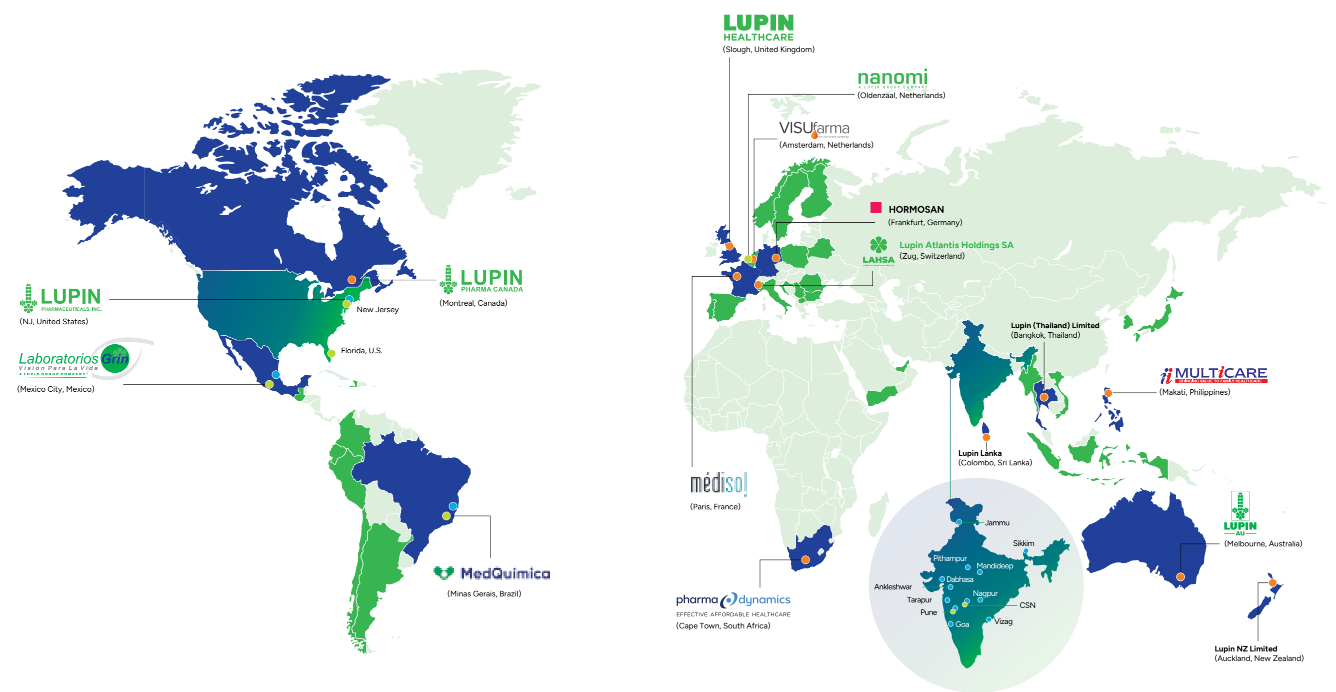
Respect and Care

We are compassionate and sensitive toward all our stakeholders and treat them the way we would expect to be treated.

We provide equal and fair opportunities for employment, learning, and career development.

Global Footprint

Over nearly six decades, Lupin has transformed from a visionary Indian enterprise into a global pharmaceutical company, with operations spanning six continents and a trusted presence in more than 100 countries.



- Manufacturing
- Research
- Distribution and Marketing
- Main Markets for Lupin
- Lupin Full-Fledged Commercial Affiliate
- Product Distribution Through Partners (Main Countries)

Manufacturing

India: Chhatrapati Sambhajinagar (CSN), Ankleshwar, Dabhasa, Goa, Pithampur, Jammu, Mandideep, Nagpur, Pune, Sikkim, Tarapur, and Vizag

U.S.: New Jersey

LATAM: Mexico and Brazil

Research

India: Pune and CSN

U.S.: New Jersey and Florida

LATAM: Mexico and Brazil

Europe: Netherlands

India

Manufacturing, R&D, marketing, and distribution of a wide range of branded and generic formulations, biotechnology products and Active Pharmaceutical Ingredients (APIs) globally, Contract Development and Manufacturing, Diagnostics, Digital healthcare services, and other healthcare services

United States

Manufacturing, R&D, marketing, and distribution of generics, complex generics, and branded pharmaceuticals

Other Developed Markets

Sales, marketing, and distribution of branded and generic pharmaceuticals, and R&D for complex injectables

Emerging Markets

Manufacturing, R&D, sales, marketing, and distribution of pharmaceutical products

Approach to Tax

Purpose of This Report

The purpose of this Report is to provide relevant stakeholders, including investors, policymakers, analysts, and civil society, with a clear, comprehensive, and accurate account of Lupin's approach to taxation. Our goal is to demonstrate our commitment to responsible tax practices, promote accountability, and contribute meaningfully to the global discourse on corporate tax responsibility.

Tax Compliance and Risk Management

At Lupin, strict adherence to tax laws and regulations is foundational to the way we operate. We proactively identify and manage tax-related risks through robust internal controls and processes. These controls and processes are designed to ensure full compliance with tax requirements, including accurate record-keeping and timely reporting. To mitigate potential risks or issues, we regularly monitor and review our tax compliance.

Responsible Tax Planning

Our tax planning approach is based on genuine business transactions, transparent commercial intent, and operational efficiency. We firmly oppose artificial tax planning and any manipulation of tax provisions for the purpose of tax evasion or aggressive tax avoidance. In every country where we operate, we adhere to both the spirit and letter of applicable tax laws. We responsibly utilize available tax reliefs, incentives, and exemptions that support our business objectives and comply with relevant legal requirements.

Tax Impact of Sustainability-Linked Investments

We continue to benefit from tax incentives for our R&D investments in the United States and the Netherlands, as well as from area-based exemptions in India. These incentives align with national priorities for healthcare innovation and environmental responsibility.

Technology-Driven Tax Operations

Technology plays a pivotal role in strengthening our tax governance framework. Through advanced digital platforms, analytics, and data-led insights, we drive greater precision, efficiency, and transparency across our tax operations. This enables seamless compliance, informed decision-making, and agile responses to an evolving regulatory landscape, ensuring our tax practices remain robust, responsible, and future-ready.

Stakeholder Engagement and Collaboration

We foster open, transparent, and proactive engagement with tax authorities, regulatory bodies, and multilateral forums. We seek not only to comply but also to contribute to the evolution of tax frameworks through public consultations and representation in industry coalitions such as IPA, FICCI, IMC, and CII, thereby helping to shape equitable and sustainable tax systems. We actively engage with stakeholders, including tax authorities, in constructive dialogue to address tax-related matters proactively. We also engage with ESG analysts, institutional investors, and customers to enhance the transparency and relevance of our tax disclosures within the broader sustainability context. Collaboration is paramount – to ensure compliance, respond to inquiries, and resolve potential issues efficiently. Our cooperative approach aims to forge strong partnerships with tax authorities and stakeholders, contributing positively to the communities in the regions where we operate.

Tax Principles

At Lupin, we adhere to the highest standards of tax compliance, guided by our Global Tax Policy and all applicable laws and regulations. We are committed to transparency, providing timely, complete, and accurate information to tax authorities. Aligned with our corporate governance framework, values, and enterprise risk management practices, our approach to taxation is underpinned by integrity, accountability, and responsible stewardship, fostering trust among all stakeholders.

Our Global Tax Policy is approved by the Board of Directors. For more information, refer to Lupin's Tax Policy document – https://www.lupin.com/wp-content/uploads/2024/05/global-tax-policy-2024.pdf.

Our Global Tax Policy is periodically reviewed by the Global CFO and Head of Tax and approved by the Board of Directors. Revisions, if any, are based on legislative updates, internal risk reviews, or industry best practices.

The essence of our tax strategy is as follows:

Objective

To ensure full tax compliance while supporting sustainable value creation.

Key Principles

Integrity, transparency, commercial rationale, and alignment with global laws.

Risk Tolerance

Conservative – strictly avoid aggressive tax positions and any non-compliance

Business Alignment

Tax planning is always aligned with operational and commercial substance.

We adhere to the Arm's Length Standard prescribed in local transfer pricing regulations and the Organization for Economic Co-operation and Development's Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations (OECD TP Guidelines).

Our tax planning supports commercial activities and is aligned with our business strategy, aiming to create value for stakeholders. We do not engage in aggressive tax planning with unintended tax revenue consequences. Our tax principles are fully aligned with our core values, and our tax decisions reflect our core principles of integrity, respect and care, customer focus, passion for excellence, entrepreneurial spirit, and teamwork.

A Responsible Corporate Entity

Our values are deeply ingrained within each decision and guide us to demonstrate respect and compassion to all stakeholders, attain cohesiveness with Governments through mutual cooperation, and most importantly, drive us to act as a responsible corporate entity.

Passion for Excellence

We demonstrate our commitment to excellence through detailed SOPs, a robust risk-based tax framework, and technology-led tax automation solutions.

Integrity

We uphold tax integrity by complying with applicable laws, ensuring fair and timely tax payment and collection, and aligning our actions with regulatory requirements and codes of conduct.

Entrepreneurial Spirit

We take a dynamic and forward-looking approach to business decision-making, ensuring that tax considerations and incentives are aligned with substance, value creation, and long-term stakeholder outcome.

Teamwork

We foster collaboration and invest in the professional and personal development of our tax team. Through comprehensive technical and soft-skills training, we build capability, ownership, and collective accountability.

Customer Focus

We engage proactively with business teams, providing clear updates on tax regulations and enabling viable, tax-compliant business models aligned with an evolving regulatory landscape.

Respect and Care

We foster professional and transparent relationships with tax authorities, government bodies, and industry associations, built on mutual trust, respect, and constructive engagement.

Compliance with Laws and Regulations

Our tax compliance is supported by effective controls, clear governance mechanisms, and increasing use of technology. We automate key processes to minimize errors and reduce human intervention. Our internal audit team regularly evaluates the effectiveness of our tax compliance processes. We exercise diligent and professional judgment in providing timely and adequate information to tax authorities. All our tax returns are filed within stipulated timelines.

Upholding the highest standards of integrity, we place strong emphasis on proper documentation for all transactions and tax positions. Robust internal documentation, controls, and protocols are in place to ensure timely adherence to all statutory requirements. Tax risks are proactively mitigated through sound technical positions, taken in accordance with applicable laws and supported by expert advice where required.

All tax positions are documented in a structured and traceable manner, backed by clearly organized tax data. Key reconciliations, including those between tax returns, financial books, and regulatory filings, are undertaken proactively to ensure the company always remains audit-ready. A robust internal control framework ensures that only eligible tax credits are claimed, with system checks in place to prevent any inadvertent errors.

- **Compliance under BEPS Pillar One and Pillar Two:** The OECD Inclusive Framework on Base Erosion and Profit Shifting (BEPS) has introduced a two-pillar solution to reform the international taxation rules and ensure that multinational enterprises pay a fair share of tax where they operate and generate profits in today's digitalized and globalized world economy. Pillar One, which is not yet in force, applies to large multinationals and will reallocate certain amounts of taxable income to market jurisdictions. As such, Pillar One currently does not apply to the Lupin Group.

  In December 2021, the OECD released the Pillar Two Model Rules under the BEPS framework, introducing a global minimum corporate tax rate of 15% for multinational enterprise groups with consolidated annual revenue of EUR 750 million or more. The Group has assessed the applicability of the Pillar Two rules for FY26 across the jurisdictions in which it operates. Based on its computations, Lupin expects a marginal Pillar Two top-up tax exposure in Switzerland for FY26, which has been factored in as part of current tax. The assessment remains subject to further refinement as additional administrative guidance and jurisdiction-specific implementation rules become available. Lupin continues to monitor relevant legislative developments and will update its assessment in future periods, as required.

- **This Tax Transparency Report aligns with the disclosure requirements outlined in the Global Reporting Initiative (GRI) 207: Tax,** specifically GRI 207-1 (Approach to tax), 207-2 (Tax governance, control, and risk management), 207-3 (Stakeholder engagement and management of concerns related to tax), and 207-4 (Country-by-country reporting).

Tax Automation

The rapid digitalization of tax administration is reshaping reporting and compliance expectations, with regulators increasingly relying on real-time data and advanced analytics. In this environment, automation enhances accuracy, consistency, and operational effectiveness while supporting timely statutory compliance.

Recognizing the transformative role of technology, we have invested in advanced systems and digital capabilities that strengthen tax governance, improve reporting integrity, and enable efficient compliance across our global operations.

We have automated key components of GST refund and ITC reporting through SAP–Qlik integration, enabling the extraction and reconciliation of purchase data, including taxable values, GST rates, and HSN details. This has brought greater accuracy, consistency, audit defensibility, and reduced manual effort. We have also implemented a centralized Qlik-based framework to monitor RCM obligations on foreign expenditure by consolidating forex disclosure data and applying rule-based tax logic at a transaction level. The system performs automated reconciliation with GST returns and identifies exceptions for corrective action.

These technology-enabled controls have improved accuracy, reduced manual intervention, and strengthened compliance oversight, with the framework presently at an advanced stage of implementation.

Related Party Transactions

Transparency and integrity are paramount to our approach to related party transactions (RPT). Our self-regulated frameworks prioritize transparency, disclosures, and qualitative approval processes, in alignment with corporate governance standards. We follow the principles of arm's length and value creation, while meeting evolving regulatory requirements.

We have adopted a Board-approved Policy on Related Party Transactions ("Policy"). The Policy lays down a robust governance framework for the identification of related parties, approval of RPTs and the reporting thereof. It is available at https://www.lupin.com/investors/policies.

In accordance with the provisions of the Policy, we identify our related parties and maintain proper documentation of all RPTs in compliance with the provisions of Sections 177 and 188 of the Companies Act, 2013, read with Rules made thereunder and Regulation 23 of the Listing Regulations. Our governance practices ensure compliance with these guidelines and adherence to arm's length principles guided by OECD standards.

The international transactions of Lupin Limited with its foreign subsidiary companies have been accepted by tax authorities as being at arm's length. Similarly, the Swiss and U.S. tax authorities have endorsed the application of this principle in the transactions of Lupin Atlantis Holdings SA, Switzerland, and Lupin Pharmaceuticals Inc., U.S.

Key Related Party Transactions of Lupin

Sr. No.	Nature of Transaction	Key Party to the Transaction	FY26 (INR Mn)	FY25 (INR Mn)
1	Sale of goods	Sale by Lupin Limited to Lupin Pharmaceuticals Inc.	63,571.2	44,574.3
2	Sale of goods	Sale by Lupin Limited to Lupin Inc.	12,985.7	12,446.9
3	Sale of Business Undertaking	Sale by Lupin Limited to LupinLife Consumer Healthcare Limited	8,200.0	-
4	Sale of Goods	Sale by Lupin Limited to Lupin Healthcare UK	3,844.1	3,425.5
5	Purchase of Goods	Purchase of goods by Lupin Limited from Lupin Manufacturing Solutions Limited	3,826.7	3,366.1

Related party transactions of value more than 1% of consolidated revenue from operations of FY26 and FY25, respectively, are considered above.

Tax Governance and Risk Management Framework

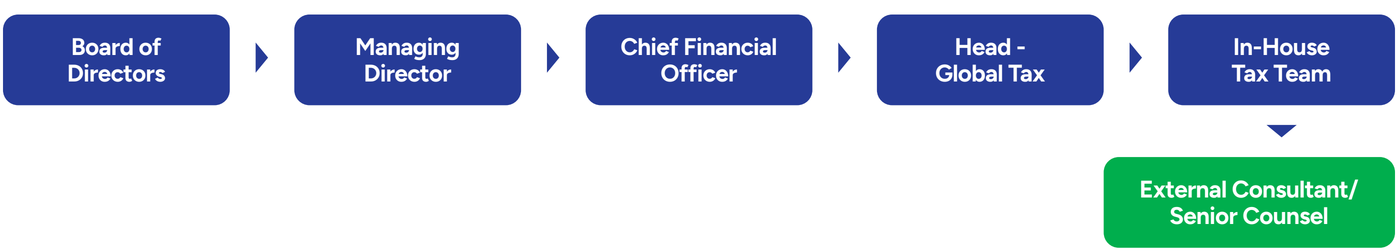
Our tax governance framework is designed for transparency, proactive risk management, and adherence to domestic and international tax obligations. Oversight is embedded at multiple levels of the organization, with regular evaluation and control enhancements.

Tax Governance

Our tax governance framework ensures compliance, establishes tax SOPs, and mitigates tax risks. Transparency and integrity remain at the core of our tax governance framework. Our dedicated and qualified tax team works closely with cross-functional business teams to integrate tax considerations into strategic and operational decision-making processes. Across the transaction lifecycle, we apply tax positions in accordance with applicable laws and involve legal counsel, auditors, and consultants for complex matters.

Significant tax positions are subject to rigorous evaluation by senior management (CEO, MD, ED and CFO) and the Board, with due consideration to reputational, operational, and jurisdictional implications. For complex cross-border and structuring issues, we consult external experts and perform scenario analyses to explore potential policy or regulatory changes.

We invest in regular training for tax professionals and cross-functional teams, encompassing both technical and soft skills, with a focus on recent global tax developments. These programs include sessions on evolving tax regulations, benchmarking against global tax compliance standards such as OECD and GRI 207, and adoption of international best practices across jurisdictions. Training is delivered through a mix of internal sessions and external expert-led workshops. The tax team also tracks global tax developments relevant to our business and apprises senior management of their potential impact. The reporting structure of the tax team is depicted in the diagram below.



This approach supports judicious, fair, and well-informed resolution of complex tax matters.

The Board assesses the outcomes of decisions, the impact on cash flows, compliance with respective tax laws, and internal tax policies.

Following the implementation of GST 2.0 in September 2025, including rate reduction and the intensified inverted duty structure, we conducted a pan-India impact assessment to evaluate ITC accumulation, refund eligibility, and working capital implications.

Based on the findings, we re-engineered our refund strategy by moving to optimized and manual refund mechanisms, identifying additional avenues, and adopting state-specific approaches to support liquidity and credit utilization.

The tax team also led the end-to-end GST master transition in SAP for more than 10,000 SKUs, with accurate tax configuration and system controls. The transition was completed within regulatory timelines, with no billing disruptions or system errors, reflecting the maturity of our tax governance processes.

During FY26, the over-the-counter products business in India was carved out from the holding company to form a new wholly owned subsidiary. Various alternative structures were discussed with top management and external consultants, and an appropriate decision to establish an optimal structure was adopted, pursuant to Board approval.

Monitoring Governance Framework

At Lupin, professionalism and integrity guide all our business dealings and relationships. The Lupin Code of Business Conduct and Ethics guides our ethical standards and conduct. The policy is available at https://www.lupin.com/investors/code-of-conduct.

We encourage our employees and third parties to familiarize themselves and adhere to this policy as well as our third-party code of conduct, which is available at https://www.lupin.com/investors/policies

To reinforce our governance practices and ethical conduct, we have established P.L.E.D.G.E. (Preparing Lupin Employees to Demonstrate Corporate Governance and Ethical Conduct). This program outlines the core values, standards, and guidelines for employee conduct at work while also providing channels to report any violations, misconduct, or malpractices without fear of reprisal. Compliance with P.L.E.D.G.E is mandatory for all Lupin employees, and non-compliance may result in disciplinary actions, including termination, and potential legal consequences.

Our commitment to monitoring and maintaining a strong governance framework ensures that we foster a culture of integrity, accountability, and transparency throughout our organization.

Tax Risk Management

Our tax risk control framework identifies, assesses, and mitigates tax risks. We recognize two key drivers of tax risk: (a) Judgmental - relating to understanding and interpretation of tax law, manifesting as tax planning and advisory risk, and (b) Operational - relating to the processes, people, and systems in place to manage tax risk, manifesting as tax compliance risk.

Senior management sets our tax risk appetite, considering both judgmental and operational risk aspects. We avoid speculative tax positions or those that present material tax risk. When there is material uncertainty about the tax treatment of a transaction or where the necessary expertise is unavailable within the Global Tax team, external advice is sought before any position is taken.

Our statutory auditors continually review our tax positions, highlighting potential tax risks. They examine management's judgments with respect to the probability of outflows arising from outstanding litigations after considering the status of recent tax assessments, audits and inquiries, recent judicial pronouncements, and judgments in similar matters.

We sensitize our employees to Lupin's values and ethos to ensure the effective execution of tax functions and alignment with the company's risk management framework.

We regularly review our tax processes and positions in light of legal amendments, clarifications, and court rulings, staying current with industry best practices.

Maintaining well-organized tax records is critical during audits and investigations. During the year, despite challenging audits and inquiries, we have successfully defended our tax positions.

Engagement with Tax Authorities and Advocacy

Relationship with Tax Authorities

We recognize tax authorities as important stakeholders and are committed to fostering relationships built on trust, transparency, and mutual respect. We engage proactively and collaboratively with tax authorities, maintaining an open and constructive dialogue to support timely resolution of matters. Where appropriate, we seek advance clearances from tax authorities on proposed tax treatments to proactively prevent disputes, resorting to litigation only as a last resort.

Our dedicated in-house tax team manages communications with tax authorities globally. We adopt an open and collaborative approach, providing authorities with the necessary documents and evidence to review our tax positions.

We maintain clear and timely communication of our tax processes, fostering trust and transparency. By providing comprehensive and unambiguous documentation, we support efficient assessments and help reduce avoidable procedural effort for all stakeholders involved.

Advocacy and Policy Influence

We closely monitor the changes in tax policies and assess any impact on the business and industry. When relevant, we provide valuable inputs to tax policymakers, either directly or through industry associations.

We do not engage in aggressive tax lobbying. Our advocacy efforts are aligned with the company's corporate values of ethical conduct and fairness and are focused on constructive engagement through recognized industry bodies. Our tax team actively contributes to advocacy efforts by being a part of various tax committees, including those of the Confederation of Indian Industry (CII), the Federation of Indian Chambers of Commerce & Industry (FICCI), the Indian Merchants' Chamber (IMC), and the Indian Pharmaceutical Alliance (IPA). Through these platforms, we share our technical expertise and perspective on tax-related matters. We provide feedback on proposed tax regulations and support tax policy changes that promote clarity, compliance, and alignment with business realities, without undermining the revenue integrity of governments. During the year, we have remained at the forefront of advocating for policy reforms and seeking necessary clarifications.

The company played a constructive role in shaping the evolving tax policy landscape by actively engaging with the Income Tax Department and leading industry bodies. In the run-up to the introduction of the Income Tax Act, 2025, and the Rules thereunder, the company submitted detailed representations and technical memoranda with a particular emphasis on simplification of tax law, highlighting industry-specific challenges, interpretational issues, and implementation concerns. Through this consultative process, the company contributed to the policy dialogue by highlighting industry-specific challenges and advocating for certainty, global alignment, and a pragmatic, efficient direct tax framework.

The company actively engaged, inter alia through IPA, with both the U.S. and Indian Governments by making representations advocating the continued exclusion of pharmaceutical products from U.S. tariffs. These representations were supported by detailed submissions emphasizing that the imposition of tariffs on medicines could adversely impact public health due to increased drug prices, disrupted global supply chains, and constrained access to affordable, life-saving therapies.

We played a leadership role in resolving an industry-wide dispute under the Sikkim Budgetary Support Scheme, where authorities sought to restrict benefits based on deemed value addition rather than actual GST paid through the electronic cash ledger. Through sustained advocacy and representations before DPIIT and CBIC, the company contributed to securing a clarification confirming eligibility based on actual GST paid. This resolution eliminated a significant interpretational uncertainty, averted potential exposure of approximately INR 850 million for Lupin, and provided certainty to the pharmaceutical industry.

Consolidated Effective Tax Rate (ETR)

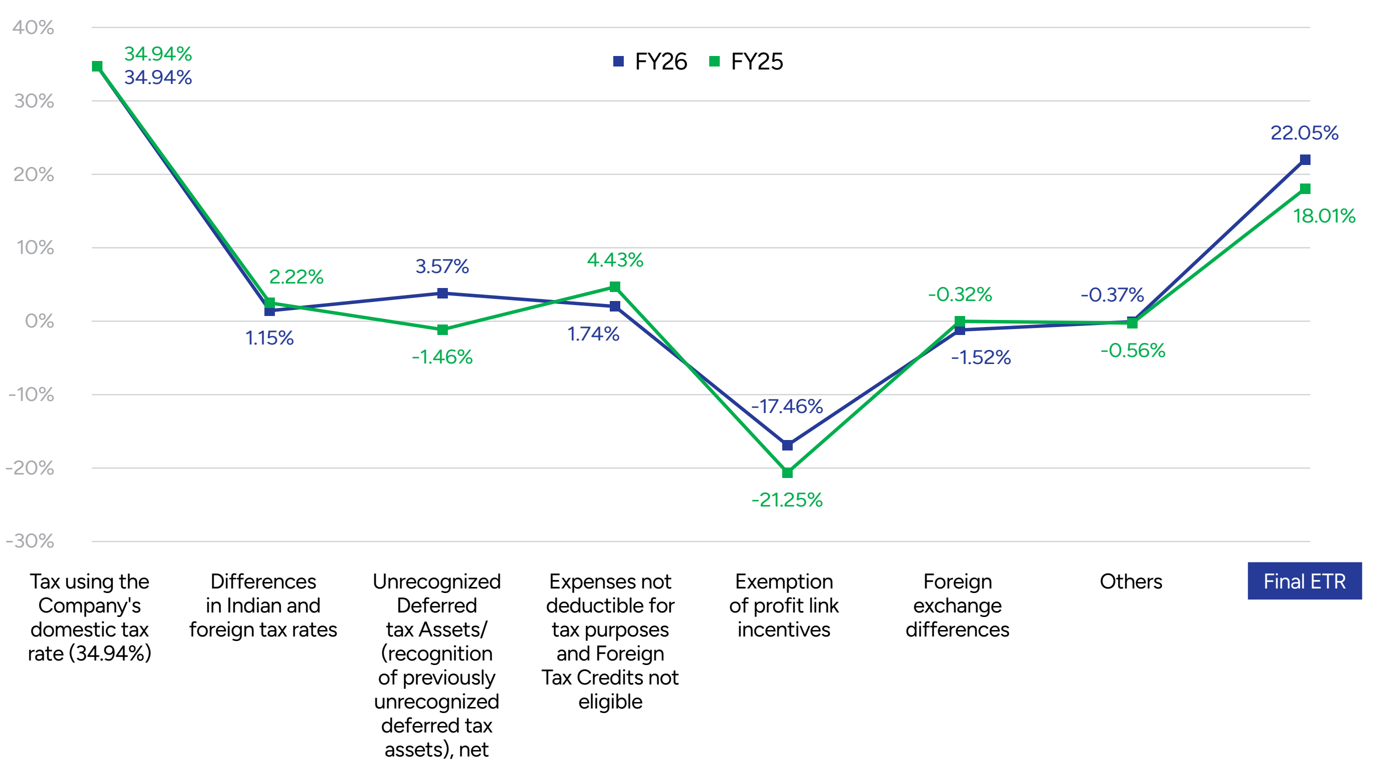
Particulars	FY 26 (INR Mn)	FY25 (INR Mn)
Consolidated Profit Before Tax before jointly controlled entity and including Exceptional Items	68,725.5	40,150.0
Current Tax Expense for the year (Excluding Previous year tax impacts)	15,258.1	10,052.2
Deferred Income Tax liability/(asset), net	(102.7)	(2,819.5)
TOTAL TAX	**15,155.4**	**7,232.7**
Consolidated Effective Tax Rate	22.05%	18.01%

In FY26, our consolidated ETR increased by about 4.04 percentage points compared to FY25. This increase in ETR was primarily driven by the non-recognition of deferred tax assets on losses and other temporary differences in certain jurisdictions. Additionally, while the benefit from exemption of profit-linked incentives increased in absolute terms during the year, it declined as a percentage of profits, thereby contributing to a higher effective tax rate.

A reconciliation of the statutory tax rate of 34.94% in India and the effective tax rate of 22.05% for FY26 is provided in the Integrated Financial Report of FY26 at Note No. 48(c) to the consolidated financial statements. The company has not opted for a lower tax regime under section 115BAA of the Income Tax Act, 1961 (India) (Section 200 of Income Tax Act, 2025) as it is more beneficial to continue with the old regime, benefiting from various profit-linked tax deductions/exemptions. The company will continue to evaluate the option of transitioning to the lower tax regime on an ongoing basis, particularly considering actual performance of SEZ units, MAT credit realization, impact of additional depreciation on current tax and any changes in tax law.

A snapshot of the reconciliation between India's statutory tax rate and the consolidated ETR is provided below:

Movement of ETR from Statutory Tax Rate (34.94%)



The key factors contributing to the variance between India's statutory tax rate of 34.94% and the Group's consolidated effective tax rate (ETR) of 22.05% for FY26 and 18.01% for FY25 are outlined below.

a. Differences in Indian and Foreign Tax rates

Lupin Limited and its subsidiaries operate in tax jurisdictions having statutory tax rates ranging from 12% to 34.94%. This item reflects the change in the ETR (including Pillar Two impact) due to lower tax rates in different jurisdictions compared with the statutory tax rate of India (location of holding company).

b. Unrecognised Deferred Tax Assets/(recognition of previously unrecognized deferred tax assets), net

This parameter measures the impact of deferred tax assets not recognized on losses or tax credits available to carry-forward/back, netted off with utilization of losses or tax credits on which deferred tax assets were not recognized earlier. In FY26 there is an increase in carry-forward losses in jurisdictions such as the U.S., Netherlands and India on which Deferred Tax Assets have not been recognized. In FY25, this line item benefited from the utilization of tax losses and credits in India and the U.S., on which deferred tax assets had not been recognized earlier owing to the low likelihood of their utilization.

c. Expenses not deductible for tax purposes and Foreign Tax Credits not eligible

Various jurisdictions have specific provisions disallowing certain expense items. The tax effect of such items is captured in this particular parameter. Such expenses include the disallowance of certain expenses as per local laws, impairment of investment in a subsidiary (Netherlands) and the disallowance of non-creditable foreign tax credits, among others.

d. Exemption of profit-linked incentives

This effect is mainly related to the area-based tax exemptions received by Lupin Limited in India for operating manufacturing units in designated Special Economic Zones (SEZ) and the northeastern state. In FY26 and FY25, this effect is mainly due to tax deductions received by the company for profits generated by its Sikkim manufacturing unit, Pithampur SEZ, and Nagpur SEZ manufacturing units. Lupin Limited has generated employment for about 4678 employees (including contractual manpower) combined, in the Sikkim plant, Nagpur SEZs and Pithampur SEZs as of March 31 2026.

e. Foreign Exchange differences

This parameter measures the differences in financial reporting due to different functional currencies of subsidiary companies as compared to reporting in Indian Rupee for Consolidated Financial Statements prepared as per the Indian Accounting Standards (IndAS).

f. Others

This includes all other miscellaneous tax effects not specifically covered under the items above.

Key Financial Information and Tax Schedule for FY 2025-26

Tax Borne **(Amounts in INR Mn)**

Jurisdictions	Corporate Tax (Cash Basis) (Net of Refund)	Custom Duties	Social Security Contribution (Employer Portion)	Others (e.g., Property Tax, etc.)	Total
India	11,539.2	687.9	1,535.6	43.8	13,806.5
U.S.	177.5	-	292.4	119.0	588.9
Other Developed Markets	915.8	28.3	617.5	11.2	1,572.8
Emerging Markets	464.2	45.3	347.1	6.3	862.9
TOTAL	**13,096.7**	**761.5**	**2,792.6**	**180.3**	**16,831.1**

Tax Collected

Jurisdictions	Indirect Taxes (VAT, GST, Custom Duty, Net of Refund)	Tax Withheld/ Collected on Behalf of Suppliers	Payroll Taxes	Social Security Contribution (Employee Portion, Professional Tax etc.)	Total
India	8,697.6	2,719.4	2,495.8	1,483.5	15,396.3
U.S.	17.1	82.8	1,404.2	439.7	1,943.8
Other Developed Markets	1,979.4	20.1	886.5	389.6	3,275.6
Emerging Markets	797.0	134.1	661.2	164.2	1,756.5
TOTAL	**11,491.1**	**2,956.4**	**5,447.7**	**2,477.0**	**22,372.2**

Jurisdiction-Wise Other Key Financial Information for FY 2025-26

Jurisdictions	Revenues - Unrelated Party	Revenues - Related Party	Revenues - Total	Profit (Loss) Before Income Tax	Income Tax Accrued - Current Year	Income Tax Paid (on a Cash Basis)**	Number of Employees
AUSTRALIA	6,979.6	0.6	6,980.2	882.0	323.4	341.8	60
BRAZIL	7,044.2	-	7,044.2	1,221.8	75.6	74.4	463
CANADA	4,417.4	256.2	4,673.6	347.3	110.0	130.9	36
FRANCE	1,611.5	43.1	1,654.6	290.8	128.7	129.8	10
GERMANY	5,996.9	116.5	6,113.4	572.1	174.5	201.3	83
INDIA	115,848.7	94,541.5	210,390.2	73,390.2	13,536.6	11,542.9	23,907
MALAYSIA	-	-	-	(0.7)	-	-	-
MEXICO	4,562.9	48.6	4,611.5	556.3	181.6	-	343
NEPAL	-	60.3	60.3	2.9	0.7	0.3	37
NETHERLANDS	20.2	597.3	617.5	(2,699.2)	-	-	41
NEW ZEALAND	30.5	-	30.5	(0.1)	-	-	1
PHILIPPINES	3,524.5	205.5	3,730.0	675.9	199.1	194.6	319
SOUTH AFRICA	9,155.4	-	9,155.4	734.2	199.6	195.3	172
SRI LANKA	-	-	-	(2.9)	-	-	-
SWITZERLAND	4,662.3	4,390.4	9,052.7	3,112.8	229.9	7.7	18
UNITED KINGDOM	5,961.9	411.5	6,373.4	316.7	76.5	89.1	43
UNITED STATES OF AMERICA	115,998.0	2,247.8	118,245.8	(8,066.3)	22.6	177.5	488
GRAND TOTAL	**285,814.0**	**102,919.3**	**388,733.3**	**71,333.8**	**15,258.8**	**13,085.6**	**26,021**

Note: **Excluding Withholding Tax on Inter-Company Dividend

Jurisdictions	Stated Capital	Accumulated Earnings	Tangible Assets Other than Cash and Cash Equivalents	Business Description
AUSTRALIA	1,377.6	5,041.9	2,246.0	Marketing and distribution
BRAZIL	5,462.5	(7,535.2)	2,662.1	Research and Development, manufacturing and sale of pharmaceuticals
CANADA	155.5	776.7	2,122.2	Marketing, distribution and in-licensing of IP's
FRANCE	5.7	1,829.5	214.4	Marketing and distribution
GERMANY	886.7	767.1	1,686.0	Marketing and distribution
INDIA	29,433.9	274,928.8	78,135.7	Manufacturing, R&D, distribution and sale of pharmaceuticals, contract development and manufacturing, digital healthcare services, diagnostics services, and other health care services
MALAYSIA	12.0	(10.9)	-	Marketing and distribution
MEXICO	906.4	3,477.8	3,391.8	Manufacturing, R&D, distribution and sale of pharmaceuticals
NEPAL	-	-	-	Marketing services
NETHERLANDS	86,321.2	18,666.6	790.5	Holding investments, financing, R&D, exploits IPs through contract manufacturing and sale of pharmaceuticals
NEW ZEALAND	24.4	(1.7)	27.5	Marketing and distribution
PHILIPPINES	114.1	1,577.6	649.3	Marketing and distribution
SOUTH AFRICA	56.4	6,778.2	3,069.8	Marketing and distribution
SRI LANKA	16.8	(1.9)	-	Marketing and distribution
SWITZERLAND	32,164.4	16,768.9	749.1	Owns investments and IPs, R&D, exploits IPs through contract or toll manufacturing; distribution, sales and support services
UNITED KINGDOM	279.8	(998.0)	1,748.8	Marketing and distribution
UNITED STATES OF AMERICA	83,105.6	(106,361.4)	36,882.3	Owns investments and IPs, R&D, exploits IPs through contract manufacturing marketing and distribution, provision of management and business development support services
GRAND TOTAL	**240,323.0**	**215,704.0**	**134,375.5**	

Basis of Preparation

The reported numbers in the Tax Schedule are for the period from April 1, 2025, to March 31, 2026. This basis of preparation outlines the scope and procedure for collecting and reporting data on taxes borne and taxes collected globally, along with key financial information of the Lupin Group.

i. All data is presented in Indian Rupees (INR), rounded to the nearest million. For this report, taxes paid in foreign currencies have been converted to INR using the average exchange rates of FY 2025-26, as used for account consolidation.

ii. The numbers reported under the Tax Schedule are derived from individual financial statements prepared for consolidation purposes in accordance with the IndAS for the financial year ended March 31, 2026. If there is more than one group entity in a jurisdiction, the information has been reported on an aggregate basis at the country level.

iii. The information on our various subsidiaries is categorized according to the geographical segments below:
   - India includes information for the branch in Nepal and the subsidiary in Sri Lanka
   - U.S. includes subsidiaries in the United States of America
   - Other Developed Markets include subsidiaries in Europe, Australia, New Zealand, Canada and a liaison office in China
   - Emerging Markets include subsidiaries in the Philippines, Brazil, Mexico, South Africa, Malaysia and liaison offices in Myanmar, Vietnam

iv. The 'Global Tax & Other Contributions' in the Tax schedule have been reported on a cash basis. Our Tax Schedule has been categorized into 'Taxes Borne' and 'Taxes Collected'. 'Taxes Borne' demonstrates the cost of taxes, duties, social security contributions, etc., directly borne by the Lupin Group. 'Taxes Collected' demonstrates the amount of tax, duties, social security contributions, etc., collected by the Lupin Group on behalf of others and subsequently paid to Governments.

v. This Report is prepared by drawing guidance from the OECD BEPS Action 13 on Country-by-Country Reporting and the GRI 207: Tax standard, reflecting Lupin's commitment to international transparency norms.

Looking Ahead

At Lupin, we acknowledge the rapid evolution of the global tax landscape, shaped by growing expectations around transparency, fairness, and digitalization. In line with our broader sustainability goals, we remain committed to strong tax governance and comprehensive disclosures through our tax transparency reports.

Definitions

(a) Tax Borne

Corporate Tax (Cash Basis)

These are taxes paid by us on the taxable profits of our group operations. This includes the amounts of withholding taxes withheld by third parties while making payments to us. Since we have reported this on a cash basis, it also includes the amount of corporate tax accrued in the earlier years but paid during the year on self-assessment or assessment by the jurisdictional government. Additionally, any past year(s) tax refunds received during the year have been netted off against tax paid to reflect the actual cash tax outflow.

Custom Duties

These are duties paid on the import of goods from across the border, net of input tax claimed and borne by us.

Social Security Contribution (Employer Portion)

These are compulsory payments to the government that confer entitlement to future social benefits for employees. This includes contributions to funding the social security programs of the government, such as the Provident Fund (PF) or pension. However, they are in two forms, i.e., contribution by the employer and contribution by employees. The Social Security Contributions forming part of 'Taxes Borne' reflect the employer's contribution to social security funds for the benefit of individuals employed with us.

Others (e.g., Property Tax, Stamp Duty etc.)

This comprises taxes/cess/charges/stamp duty paid on property, foreign state excise taxes and other taxes/contributions borne. Property Tax is a tax paid by the landowners to the local municipal body or the government, ad valorem to the property owned by them. These reflect the taxes paid by us as a result of the occupation of land and/or property in various jurisdictions where we conduct our operations. Stamp duty is a tax imposed by the state government on the sale/ transfer of property.

(b) Tax Collected

Indirect Taxes (VAT, GST, Custom, etc.)

These refer to consumption taxes like Goods and Services Tax (GST)/ Value Added Tax (VAT), which are levied and collected from customers through invoices. These taxes represent the tax billed by us to customers, which were collected by us from customers and eventually paid to respective jurisdictional governments. This excludes the GST/VAT billed by us on our invoices relating to stock transfers. We also incur GST/VAT when purchasing certain goods and services. In most countries where we operate, the GST/VAT collected is offset against the GST/VAT incurred, with the net being paid to the Government. We have shown only GST/VAT collected amounts in our disclosures.

Tax Withheld/Collected on Behalf of Suppliers

These represent taxes withheld by us on vendor bill payments/taxes collectable from customers and paid/payable to the Government.

Payroll Taxes

These represent taxes withheld on salary payments to our employees and paid/ payable to Governments on their behalf.

Social Security Contribution (Employee Portion, e.g., Professional Tax, etc.).

These contributions, forming part of 'Taxes Collected', represent employees' individual contributions to social security funds in accordance with the respective jurisdiction's social security laws.

Professional tax is withheld from employee remuneration and paid to the Government by the respective companies in the capacity of an employer.

(c) Other Key Financial Information

Revenue

This is represented as unrelated and related-party revenues. Unrelated revenue consists of all forms of revenue flowing from entities not controlled by us. Related-party revenues include revenue from our Group Companies, excluding intercompany dividends. Revenues include exchange fluctuation gains on translations.

Profit or (Loss) Before Tax

This refers to the profit or loss in a jurisdiction and is aggregated as per the financials of the entities of the respective jurisdiction, excluding intercompany dividends.

Corporate Income Taxes Accrued

This refers to the amount of corporate income tax accruing on the operations, including Pillar Two top-up taxes, for the reporting period and excludes deferred corporate tax and uncertain tax positions.

Stated Capital and Accumulated Earnings

This refers to the amount of capital invested in group companies and the earnings accumulated from our operations. The amount of accumulated earnings includes all other reserves, distributable or non-distributable, as well as the securities premium.

Employees

This refers to the number of permanent employees as on 31 March 2026.

Tangible Assets

This includes property, plant and equipment as defined in the respective jurisdiction's accounting policies, capital work-in-process, investment properties and inventories as on March 31, 2026.

Glossary

Arm's Length Standard/Principle

Transactions should not be distorted by the special relationship between two or more associated enterprises/related parties.

Companies Act

An Act to consolidate and amend the law relating to companies, enacted by the Parliament of India.

GRI Standards

GRI Sustainability Reporting Standards are designed to be used by organizations to report their impacts on the economy, the environment, and society.

Lupin Group

Lupin Limited and its affiliates are collectively referred to as Lupin Group. The list of entities in the Lupin Group considered for reporting has been provided as Annexure 1.

OECD TP Guidelines

Organization for Economic Co-operation and Development (OECD) has laid down Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations.

Related Party Transactions

As per OECD, it is defined as arrangements for the transfer of resources, services or obligations between two parties that have a pre-existing business relationship, regardless of whether a price is charged.

Stakeholders

Any individual or group of individuals that have an interest in a company and can either affect or be affected by the business.

Subsidiary

As per Section 2(87) of the Indian Companies Act 2013, subsidiary company or subsidiary, in relation to any other company (that is to say, the holding company), means a company in which the holding company –

i. control the composition of the Board of Directors; or
ii. exercises or controls more than one-half of the total voting power either on its own or together with one or more of its subsidiary companies:

Provided that such class or classes of holding companies as may be prescribed shall not have layers of subsidiaries beyond such numbers as may be prescribed.

Explanation: For the Purposes of this Clause

a) The company shall be deemed to be a subsidiary company of the holding company even if the control referred to in sub-clause (i) or sub-clause (ii) is of another subsidiary company of the holding company;
b) The composition of a company's Board of Directors shall be deemed to be controlled by another company if that other company, by the exercise of some power exercisable by it at its discretion, can appoint or remove all or a majority of the directors;
c) The expression company includes any body corporate and
d) Layer in relation to a holding company means its subsidiary or subsidiaries.

Transfer Pricing

Transfer price is a price of a transaction between associated enterprises for the transfer of physical goods and intangible property, or provision of services. Transfer pricing should be based on the arm's length principle. It ensures that profits are allocated to the countries where the relevant economic activity occurs and value is created.

Annexure 1 – List of Entities as on March 31, 2026

Name of the Company	Country	Relation	Holding
Lupin Limited	India	Holding	-
Generic Health Pty Limited	Australia	Subsidiary	100%
Lupin Australia Pty Limited	Australia	Subsidiary	100%
Southern Cross Pharma Pty Limited	Australia	Subsidiary	100%
Medquimica Industria Farmaceutica LTDA	Brazil	Subsidiary	100%
Lupin Pharma Canada Limited	Canada	Subsidiary	100%
Medisol S.A.S	France	Subsidiary	100%
Hormosan Pharma GmbH	Germany	Subsidiary	100%
Lupin Europe GmbH	Germany	Subsidiary	100%
Lupin Diagnostics Limited	India	Subsidiary	100%
Lupin Biologics Limited	India	Subsidiary	100%
Lupin Digital Health Limited	India	Subsidiary	100%
Lupin Life Sciences Limited	India	Subsidiary	100%
Lupin Manufacturing Solutions Limited	India	Subsidiary	100%
LupinLife Consumer Healthcare Limited	India	Subsidiary	100%
Generic Health SDN. BHD.	Malaysia	Subsidiary	100%
Lupin Mexico S.A. de C.V.	Mexico	Subsidiary	100%
Laboratorios Grin, S.A. de C.V.	Mexico	Subsidiary	100%
Lupin NZ Limited	New Zealand	Subsidiary	100%
Nanomi B.V.	Netherlands	Subsidiary	100%
Multicare Pharmaceuticals Philippines, Inc.	Philippines	Subsidiary	56.28%
Lupin Philippines Inc.	Philippines	Subsidiary	100%
Pharma Dynamics (Proprietary) Limited	South Africa	Subsidiary	100%
Lupin Lanka (Private) Limited	Sri Lanka	Subsidiary	100%
Lupin Atlantis Holdings SA	Switzerland	Subsidiary	100%
Lupin Healthcare (U.K.) Limited	UK	Subsidiary	100%
Renascience Pharma Limited (w.e.f April 02, 2025)	UK	Subsidiary	100%
Lupin Inc.	U.S.	Subsidiary	100%
Lupin Pharmaceuticals, Inc.	U.S.	Subsidiary	100%
Novel Laboratories, Inc.	U.S.	Subsidiary	100%
Lupin Research Inc.	U.S.	Subsidiary	100%
Lupin Management, Inc.	U.S.	Subsidiary	100%
Lupin Oncology Inc.	U.S.	Subsidiary	99.33%
Avenue Coral Springs, LLC	U.S.	Subsidiary	100%

REGISTERED OFFICE

3rd Floor, Kalpataru Inspire, Off Western Express
Highway, Santacruz (East), Mumbai - 400 055, India.
Tel: + 91 22 6640 2323

CORPORATE IDENTITY NUMBER
L24100MH1983PLC029442

lupin.com
x.com/LupinGlobal
linkedin.com/company/lupin/
facebook.com/LupinWorld/
youtube.com/c/LupinGlobal