

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2023 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023	
A	This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must provide participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____ ☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: ☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E	If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ▶ ☐

Part II	Basic Plan Information—enter all requested information
1a	Name of plan BAXALTA INCORPORATED AND SUBSIDIARIES PENSION PLAN
1b	Three-digit plan number (PN) ▶ 003
1c	Effective date of plan 05/01/2015
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) TAKEDA PHARMACEUTICALS U.S.A., INC 730 STOCKTON DRIVE EXTON, PA 19341
2b	Employer Identification Number (EIN) 13-4013710
2c	Plan Sponsor's telephone number 224-554-6800
2d	Business code (see instructions) 339110

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2024	MATTHEW REGAN
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address ☐ Same as Plan Sponsor TAKEDA PHARMACEUTICALS U.S.A., INC. U.S. BENEFIT ADMIN/INVESTMENT COMM 500 KENDALL STREET CAMBRIDGE, MA 02142	3b Administrator's EIN 13-4013710
	3c Administrator's telephone number 224-554-6800
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name TAKEDA PHARMACEUTICALS NORTH AMERICA, INC. c Plan Name BAXALTA INCORPORATED AND SUBSIDIARIES PENSION PLAN	4b EIN 13-4013710 4d PN 003
5 Total number of participants at the beginning of the plan year	5 1541
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits f Total. Add lines 6d and 6e g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	549 516 410 582 1508 16 1524 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
 1A 1I 3H 3J

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) ☒ **R** (Retirement Plan Information)
- (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary
- (4) ☐ **DCG** (Individual Plan Information) – Number Attached _____
- (5) ☐ **MEP** (Multiple-Employer Retirement Plan Information)

b General Schedules

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information – Small Plan)
- (3) ☐ **A** (Insurance Information) – Number Attached 0
- (4) ☒ **C** (Service Provider Information)
- (5) ☒ **D** (DFE/Participating Plan Information)
- (6) ☐ **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2023 Form M-1 annual report. If the plan was not required to file the 2023 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2023 This Form is Open to Public Inspection
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For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023	
▶ Round off amounts to nearest dollar.	
▶ Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.	
A Name of plan BAXALTA INCORPORATED AND SUBSIDIARIES PENSION PLAN	B Three-digit plan number (PN) ▶ 003
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF TAKEDA PHARMACEUTICALS U.S.A., INC	D Employer Identification Number (EIN) 13-4013710
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information			
1	Enter the valuation date: Month 01 Day 01 Year 2023			
2	Assets:			
a	Market value	2a	333481067	
b	Actuarial value	2b	366829174	
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a	For retired participants and beneficiaries receiving payment	397	157072155	157072155
b	For terminated vested participants	595	104658115	104658115
c	For active participants	549	99320577	105196596
d	Total	1541	361050847	366926866
4	If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐			
a	Funding target disregarding prescribed at-risk assumptions	4a		
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5	Effective interest rate	5	5.33 %	
6	Target normal cost			
a	Present value of current plan year accruals	6a	0	
b	Expected plan-related expenses	6b	1500000	
c	Target normal cost	6c	1500000	

Statement by Enrolled Actuary
To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	Signature of actuary MATTHEW C. WALL Type or print name of actuary WILLIS TOWERS WATSON US LLC Firm name WILLIS TOWER 233 SOUTH WACKER DRIVE SUITE 1800 CHICAGO, IL 60606 Address of the firm	09/30/2024 Date 23-08570 Most recent enrollment number 312-288-7700 Telephone number (including area code)
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Part II Beginning of Year Carryover and Prefunding Balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	0
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	0
10 Interest on line 9 using prior year's actual return of <u>-17.69</u> %	0	0
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		28119989
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.51</u> %		1549411
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		29669400
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

Part III Funding Percentages		
14 Funding target attainment percentage	14	99.97 %
15 Adjusted funding target attainment percentage	15	99.97 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	102.62 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
10/02/2023	15000000	0			
04/12/2024	7500000	0			
07/12/2024	7500000	0			
09/13/2024	2300000	0			
Totals ▶			18(b)	32300000	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contributions from prior years.	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	30475099
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No		
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No		
c If line 20a is "Yes," see instructions and complete the following table as applicable:		
Liquidity shortfall as of end of quarter of this plan year		
(1) 1st	(2) 2nd	(3) 3rd

Part V	Assumptions Used to Determine Funding Target and Target Normal Cost
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21 Discount rate:			
a Segment rates:	1st segment: 4.75 %	2nd segment: 5.00 %	3rd segment: 5.74 %
			☐ N/A, full yield curve used
b Applicable month (enter code).....			21b 4
22 Weighted average retirement age			22 63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute			

Part VI	Miscellaneous Items
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24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.		☐ Yes ☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.		☐ Yes ☒ No
26 Demographic and benefit information		
a Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.		☒ Yes ☐ No
b Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment ...		☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....	27	

Part VII	Reconciliation of Unpaid Minimum Required Contributions For Prior Years
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28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII	Minimum Required Contribution For Current Year
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31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6c).....	31a	1500000	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	97692	8947	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)....	34	1508947	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35).....	36	1508947	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	30475099	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	28966152	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX	Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)
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41 If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. ☐ 2019 ☐ 2020 ☐ 2021

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2023
		This Form is Open to Public Inspection.

For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023

A Name of plan BAXALTA INCORPORATED AND SUBSIDIARIES PENSION PLAN	B Three-digit plan number (PN) 003
C Plan sponsor's name as shown on line 2a of Form 5500 TAKEDA PHARMACEUTICALS U.S.A., INC	D Employer Identification Number (EIN) 13-4013710

Part I

Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1

Information on Persons Receiving Only Eligible Indirect Compensation

- a

Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).....

Yes

☒

No
- b

If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b)

Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b)

Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

MERCER

12-2834414

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 51	NONE	625249	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

TOWERS WATSON

23-1159360

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 30 50	NONE	379249	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

GOLDMAN SACHS

13-3575636

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 51	NONE	217953	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

STATE STREET BANK

04-1867445

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13 50 15 21	NONE	70434	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

CROWE LLP

35-0921680

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10 50	NONE	53550	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2023 This Form is Open to Public Inspection.
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For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023

A Name of plan <u>BAXALTA INCORPORATED AND SUBSIDIARIES PENSION PLAN</u>	B Three-digit plan number (PN) ►	<u>003</u>
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>TAKEDA PHARMACEUTICALS U.S.A., INC</u>	D Employer Identification Number (EIN) <u>13-4013710</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: <u>STATE STREET RUSSELL 2000 NL FUND</u>		
b Name of sponsor of entity listed in (a): <u>STATE STREET BANK AND TRUST COMPANY</u>		
c EIN-PN <u>04-0025081-013</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>SS MSCI EMRGNG MKT NL COMMON FUND</u>		
b Name of sponsor of entity listed in (a): <u>STATE STREET BANK AND TRUST COMPANY</u>		
c EIN-PN <u>75-6661332-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>MERCER OPPORTUNISTIC FIXED INCOME P</u>		
b Name of sponsor of entity listed in (a): <u>MERCER</u>		
c EIN-PN <u>36-7630030-020</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>STATE STREET INTERNATIONAL</u>		
b Name of sponsor of entity listed in (a): <u>STATE STREET BANK AND TRUST COMPANY</u>		
c EIN-PN <u>90-0337987-157</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>MERCER LONG GOVERNMENT FIXED INCOME</u>		
b Name of sponsor of entity listed in (a): <u>MERCER</u>		
c EIN-PN <u>51-0560117-010</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 35461561
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>MERCER GLOBAL LOW VOLATILITY EQUIT</u>		
b Name of sponsor of entity listed in (a): <u>MERCER</u>		
c EIN-PN <u>35-7004395-018</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>MERCER US LARGE CAP CORE PASSIVE EQ</u>		
b Name of sponsor of entity listed in (a): <u>MERCER</u>		
c EIN-PN <u>03-0566613-005</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 0

a Name of MTIA, CCT, PSA, or 103-12 IE: **MERCER ACTIVE LONG CORPORATE FIXED**

b Name of sponsor of entity listed in (a): **MERCER**

c EIN-PN 45-6178743-004	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 238750064
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a Name of MTIA, CCT, PSA, or 103-12 IE: **MERCER ACTIVE INTERMEDIATE CREDIT F**

b Name of sponsor of entity listed in (a): **MERCER**

c EIN-PN 85-2621954-048	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 32905618
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
-----------------	----------------------	---

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
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Part II **Information on Participating Plans (to be completed by DFEs, other than DCGs)**

(Complete as many entries as needed to report all participating plans. DCGs must report each participating plan using Schedule DCG.)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
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plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2023
		This Form is Open to Public Inspection

For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023		
A Name of plan BAXALTA INCORPORATED AND SUBSIDIARIES PENSION PLAN	B Three-digit plan number (PN) ▶	003
C Plan sponsor's name as shown on line 2a of Form 5500 TAKEDA PHARMACEUTICALS U.S.A., INC	D Employer Identification Number (EIN) 13-4013710	

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	22500000	17300000
(2) Participant contributions	1b(2)		
(3) Other	1b(3)	12216587	284826
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	8779751	5117479
(2) U.S. Government securities	1c(2)	0	44961206
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)	290319800	307117243
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	333816138	374780754
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j	0	54594
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	54594
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	333816138	374726160

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	32300000	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B), (C), and line 2a(2)	2a(3)		32300000
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	761039	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		761039
(2) Dividends: (A) Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines 2b(2)(A) , (B), and (C)	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		33760406
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		-10505305
d Total income. Add all income amounts in column (b) and enter total	2d		56316140

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	12753516	
(2) To insurance carriers for the provision of benefits.....	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		12753516
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses:			
(1) Salaries and allowances	2i(1)		
(2) Contract administrator fees.....	2i(2)		
(3) Recordkeeping fees.....	2i(3)		
(4) IQPA audit fees.....	2i(4)	53550	
(5) Investment advisory and investment management fees	2i(5)	843202	
(6) Bank or trust company trustee/custodial fees	2i(6)	70434	
(7) Actuarial fees	2i(7)	379249	
(8) Legal fees	2i(8)		
(9) Valuation/appraisal fees	2i(9)		
(10) Other trustee fees and expenses	2i(10)		
(11) Other expenses	2i(11)	1306167	
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		2652602
j Total expenses. Add all expense amounts in column (b) and enter total	2j		15406118

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		40910022
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☐ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☒ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **CROWE LLP**

(2) EIN: **35-0921680**

d The opinion of an independent qualified public accountant is **not attached** as part of Schedule H because:

(1) ☐ This form is filed for a CCT, PSA, DCG or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)		☒	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		☒	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		☒	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		☒	
e Was this plan covered by a fidelity bond?	☒		10000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		☒	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		☒	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		☒	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	☒		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)	☒		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		☒	
l Has the plan failed to provide any benefit when due under the plan?		☒	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		☒	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☒ Yes ☐ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 510809.

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2023 This Form is Open to Public Inspection.
For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023		
A Name of plan BAXALTA INCORPORATED AND SUBSIDIARIES PENSION PLAN		B Three-digit plan number (PN) ▶ 003
C Plan sponsor's name as shown on line 2a of Form 5500 TAKEDA PHARMACEUTICALS U.S.A., INC		D Employer Identification Number (EIN) 13-4013710
Part I	Distributions	
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....		1 0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 04-1867445		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year		3 0
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)	
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☒ No ☐ N/A		
If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____		
If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)		6a
b Enter the amount contributed by the employer to the plan for this plan year		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☒ N/A		
Part III	Amendments	
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ☐ Increase ☐ Decrease ☐ Both ☒ No		
Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.	
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?..... ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock? ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ☐ Yes ☐ No		
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2023 v. 230707		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment)

14a

b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)

14b

c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment)

14c

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year

15a

b The corresponding number for the second preceding plan year

15b

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year

16a

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers

16b

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) and (b):

a Enter the percentage of plan assets held as:

Public Equity: 85.0 % Private Equity: _____ % Investment-Grade Debt and Interest Rate Hedging Assets: _____ %

High-Yield Debt: _____ % Real Assets: _____ % Cash or Cash Equivalents: 2.0 % Other: 13.0 %

b Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets:

☐ 0-5 years ☐ 5-10 years ☐ 10-15 years ☐ 15 years or more

- 20 PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☒ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation. _____

Part VII IRS Compliance Questions

- 21a** Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? ☐ Yes ☒ No

- 21b** If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2).

☐ Design-based safe harbor method

☐ "Prior year" ADP test

☐ "Current year" ADP test

☒ N/A

- 22** If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter ____/____/____ (MM/DD/YYYY) and the Opinion Letter serial number _____.

Baxalta Incorporated and Subsidiaries Pension Plan

**Financial Statements and Supplemental Schedules
December 31, 2023 and 2022**

BAXALTA INCORPORATED AND SUBSIDIARIES PENSION PLAN
INDEX
December 31, 2023 and 2022

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All other schedules required by Section 2520.103-10 of the Department of Labor Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, as amended, have been omitted because they are not applicable.

INDEPENDENT AUDITOR'S REPORT

To the Plan Participants and Administrator
of the Baxalta Incorporated and Subsidiaries Pension Plan
Exton, Pennsylvania

Opinion

We have audited the financial statements of Baxalta Incorporated and Subsidiaries Pension Plan (the "Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits as of December 31, 2023 and 2022, the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2023 and 2022, and the changes in its net assets available for benefits for the years then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for one year from the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the plan, and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplemental Schedules Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of Schedule H, Line 4i – Schedule of Assets (Held at End of Year) and Schedule H, Line 4j – Schedule of Reportable Transactions as of and for the year ending December 31, 2023 are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

(Continued)

In our opinion, the information in the accompanying schedules is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

Crowe LLP
Crowe LLP

Chicago, Illinois
October 11, 2024

BAXALTA INCORPORATED AND SUBSIDIARIES PENSION PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
December 31, 2023 and 2022 (in thousands)

	<u>2023</u>	<u>2022</u>
Assets		
Investments at fair value	\$ 357,195	\$ 299,099
Receivables		
Employer contributions	17,300	22,500
Due from broker	-	12,208
Dividends and interest receivable	285	9
Total receivables	<u>17,585</u>	<u>34,717</u>
Total assets	<u>374,780</u>	<u>333,816</u>
Liabilities		
Payable for securities purchased	\$ 54	\$ -
Total liabilities	<u>54</u>	<u>-</u>
Net assets available for benefits	<u>\$ 374,726</u>	<u>\$ 333,816</u>

The accompanying notes are an integral part of these financial statements.

BAXALTA INCORPORATED AND SUBSIDIARIES PENSION PLAN
STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR
Years ended December 31, 2023 and 2022 (in thousands)

	<u>2023</u>	<u>2022</u>
Additions to net assets attributed to		
Employer contributions	\$ 32,300	\$ 30,000
Dividend and interest income	822	690
Net appreciation in fair value of investments	23,195	-
Total additions	<u>56,317</u>	<u>30,690</u>
Deductions from net assets attributed to		
Net depreciation in fair value of investments	-	63,001
Benefits paid	12,754	11,635
Plan expenses	2,653	2,424
Total deductions	<u>15,407</u>	<u>77,060</u>
Net increase (decrease)	<u>40,910</u>	<u>(46,370)</u>
Net assets available for benefits		
Beginning of year	<u>333,816</u>	<u>380,186</u>
End of year	<u>\$ 374,726</u>	<u>\$ 333,816</u>

The accompanying notes are an integral part of these financial statements.

NOTE 1 – GENERAL DESCRIPTION OF THE PLAN

The following brief description of the Baxalta Incorporated and Subsidiaries Pension Plan (the “Plan”) is provided for general information purposes only. Participants should refer to the Plan document or summary plan description for more complete information.

General: The Plan was established effective as of May 1, 2015 in anticipation of the spin-off of Baxalta Incorporated, (Baxalta) from Baxter International Inc. (Baxter). The spin-off was completed on July 1, 2015. In connection with the spin-off, certain employees who had been employed by Baxter and its affiliates immediately prior to the spin-off were transferred to, and became employees of Baxalta and its affiliates. Certain of those employees participated in the Baxter International Inc. and Subsidiaries Pension Plan (Baxter Plan) prior to the spin-off. The benefits owed to those transferred employees under the Baxter Plan were transferred to the Plan contemporaneously with the corporate spin-off. In addition, certain assets of the Baxter Plan were transferred to the Plan contemporaneously with the corporate spin-off. References in these financial statements to periods prior to May 1, 2015 refer to periods where an employee may have been employed by Baxter or one of its affiliates and had been eligible for the Baxter Plan.

On January 11, 2016, Baxalta entered into an Agreement and Plan of Merger with Shire plc, a Jersey public company (Shire) and BearTracks, Inc., a wholly-owned subsidiary of Shire (Merger Sub), pursuant to which, upon the terms and subject to the conditions thereof, Merger Sub merged with and into Baxalta, with Baxalta surviving as an indirect wholly-owned subsidiary of Shire. The merger was completed on June 3, 2016. Upon completion of the merger, the Benefit Committee was dissolved and the Retirement Plan Committee was created, which is responsible for supervising, monitoring and evaluating the invested assets of the Plan (see Note 5).

On December 31, 2016, Shire amended the Plan and adopted a hard freeze of accrued benefits. The amendment was communicated to employees in December 2016 with an effective date of December 31, 2017. According to the amendment, accrued benefits were frozen for all participants and shall not be increased by any years of service or compensation earned after the effective date.

On January 8, 2019, Takeda Pharmaceutical Company Limited (the “Company” or “Plan Sponsor”) announced the completion of its acquisition of Shire plc and Shire plc became a wholly-owned subsidiary of Takeda Pharmaceutical Company Limited on this date. Upon completion of the merger, the Company became the plan sponsor of the Plan and took over the Retirement Plan Committee responsibilities.

Benefits, Eligibility, and Vesting: The benefits are based on years of employment and average earnings as defined by the Plan. Benefits are provided at normal, early and deferred retirement, and upon death or total and permanent disability subject to certain limitations.

All employees who were transferred to and became employees after the spin-off and were hired on or after January 1, 2007 when employed by Baxter and employees who had less than five years of service on January 1, 2007 and who elected to cease earning additional service in the Plan and participate in the higher level of the company contributions in the Baxter International Inc. and Subsidiaries Incentive Investment Plan, are not eligible to participate in the Plan.

Participants are fully vested in their benefits after five years of service. The benefit commencement date for normal retirement is the first day of the month coincident with or following the date of an employee’s sixty-fifth birthday. Benefits are payable commencing with the normal retirement date or, if elected, when at least 65 points have been accumulated where points are the sum of attained age and benefit service as defined by the Plan.

(Continued)

NOTE 1 – GENERAL DESCRIPTION OF THE PLAN (Continued)

Contributions: The Plan is a noncontributory, defined benefit plan covering eligible U.S. employees of Baxalta. It is subject to the provisions of the Employee Retirement Income Security Act of 1974, as amended (ERISA).

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting: The accompanying financial statements of the Plan have been prepared on the accrual basis of accounting. Accordingly, investment income is recognized when earned and expenses are recognized when incurred.

Valuation of Investments: The following valuation methods were used by the Plan to value the Plan's investments in 2023 and 2022:

Cash and Cash Equivalents	Fair value is estimated to approximate the cost basis of the interest bearing account balance, based upon the liquidity of the account and the credit quality of the issuer.
Collective Trust Funds	Value based on net asset values reported by the fund managers as of the Plan's financial statement dates. The collective trusts provide for daily redemptions by the Plan at reported net asset values per share, with no advance notice requirement.
U.S. Government Securities	Most U.S. government securities are valued based upon recent bid prices or the average of recent bid and asked prices when available (Level 2 inputs) and, if not available they are valued through matrix pricing models developed by sources considered by management to be reliable. Matrix pricing, which is a mathematical technique commonly used to price debt securities that are not actively traded, values debt securities without relying exclusively on quoted prices for the specific securities but rather by relying on the securities' relationship to other benchmark quoted securities with similar credit risk (Level 2 inputs).

Income Recognition: The Plan's financial statements reflect the net appreciation or depreciation in the fair value of the Plan's investments for the years ended December 31, 2023 and 2022. This net appreciation/depreciation consists of realized gains and losses calculated as the difference between proceeds from a sales transaction and cost determined on a moving average basis, and unrealized gains and losses calculated as the change in the fair value between beginning of the year (or purchase date if later) and the end of the year.

Purchases and sales of investments are recorded on a trade date basis. Dividends are recorded on the ex-dividend date. Interest is recorded when earned.

Funding Policy: The Company's funding policy is to make contributions which meet at least the minimum requirements of ERISA. Contributions are recorded by the Plan in the period to which they relate. The Company met the minimum funding requirements of ERISA for 2023 and 2022.

(Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Benefit Payments: Benefit payments are recorded upon distribution to participants.

Administrative Expenses: All expenses of the Plan, which primarily consist of professional and administrative fees, are paid by the Plan. Expenses specifically related to the Plan, other than investment management fees paid by the investment funds, are included in the Statements of Changes in Net Assets Available for Benefits under “Plan expenses.”

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and related notes to the financial statements. Changes in such estimates may affect amounts reported in future periods.

NOTE 3 – RISKS AND UNCERTAINTIES

Contributions to the Plan and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and demographics. Due to the changing nature of these assumptions, it is at least reasonably possible that changes in these assumptions will occur in the near term and, due to the uncertainties inherent in setting assumptions, that the effect of such changes could be material to the financial statements and related notes.

Investments are exposed to various risks, such as interest rate, market, liquidity and credit risks, as well as risk associated with global events. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur and that such changes could materially affect the value of investments that were reported in the Statements of Net Assets Available for Benefits.

NOTE 4 –ACCUMULATED PLAN BENEFITS

Actuarial Present Value of Accumulated Plan Benefits: Accumulated plan benefits are those future periodic payments, including lump sum distributions, which are attributable under the Plan’s provisions to the service employees have rendered as of the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died and (c) current employees or their beneficiaries. Benefits payable under all circumstances - retirement, death, disability, and termination of employment - are included, to the extent they are deemed attributable to employee service rendered to the valuation date. The actuarial present value of accumulated plan benefits is determined by the Plan’s actuary and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, withdrawal or retirement) between the valuation date and the expected date of payment.

(Continued)

BAXALTA INCORPORATED AND SUBSIDIARIES PENSION PLAN
NOTES TO FINANCIAL STATEMENTS
December 31, 2023 and 2022

NOTE 4 –ACCUMULATED PLAN BENEFITS (Continued)

Significant assumptions underlying the actuarial valuations as of December 31, 2022 are presented below:

Discount rate	5.17%
Mortality	PRI-2012 mortality table with improvements projected using the improvement scale of MP-2021
Retirement age	The assumed average retirement age was based on age-graded rates from ages 55-68.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate or be amended, different actuarial assumptions and other factors might be applicable in determining the actual present value of accumulated plan benefits.

Total accumulated plan benefits as of December 31, 2022 and the related changes in accumulated plan benefits for the year then ended are summarized below (in thousands):

Actuarial present value of accumulated plan benefits

	2022
Vested benefits	
Active employees	\$ 103,156
Participants with deferred benefits	108,644
Participants receiving benefits	156,910
Total vested benefits	368,710
Non-vested benefits	5,896
Total accumulated plan benefits	\$ 374,606

(Continued)

NOTE 4 –ACCUMULATED PLAN BENEFITS (Continued)

Changes in actuarial present value of accumulated plan benefits

Actuarial present value of accumulated plan benefits as of December 31, 2021	\$ 305,553
Increase/(decrease) during the year attributable to:	
Actuarial (gains)	(1,299)
Interest due to the decrease in the discount period	19,788
Assumption changes	62,213
Benefits paid	<u>(11,649)*</u>
Net increase	<u>69,053</u>
Actuarial present value of accumulated plan benefits as of December 31, 2022	<u>\$ 374,606</u>

*Immaterial difference to the 2022 benefits paid on Statements of Changes in Net Assets Available for Benefits due to timing differences.

Assumption changes for the year ended December 31, 2022, consist of a decrease in the discount rate from 6.60% to 5.17%.

NOTE 5 – ADMINISTRATION OF THE PLAN

The Retirement Plan Committee administers the Plan and they have the administrative and investment authority, responsibility and control over the assets of the Plan. Members of the committee are appointed by the Board of Directors of a subsidiary of the Company and are employees of the Company. The Retirement Plan Committee has hired an outsourced chief investment officer (oCIO) provider, Goldman Sachs Asset Management L.P. through August 11, 2022 and Mercer Investments, LLC thereafter, to perform the day-to-day management of the Plan's assets and investments.

NOTE 6 – FAIR VALUE MEASUREMENTS

The fair value hierarchy under the accounting standard for fair value measurements consists of the following three levels:

- Level 1 Quoted prices in active markets that the Plan has the ability to access for identical assets and liabilities;
- Level 2 Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuations in which all significant inputs are observable in the market; and
- Level 3 Valuations using significant inputs that are unobservable in the market and include the use of judgment by the Plan about the assumptions market participants would use in pricing the asset or liability.

(Continued)

NOTE 6 – FAIR VALUE MEASUREMENTS (Continued)

See Valuation of Investments in Note 2 above for a discussion of the methodologies used to determine the fair values of the Plan's investments. These methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Investments measured at fair value on a recurring basis are summarized below:

Fair Value Measurements at December 31, 2023, Using				
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and cash equivalents	\$ 5,117,479	\$ 5,117,479	\$ -	\$ -
U.S government securities	44,961,206	-	44,961,206	-
Collective trust funds*	<u>307,117,243</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 357,195,928</u>	<u>\$ 5,117,479</u>	<u>\$ 44,961,206</u>	<u>\$ -</u>

Fair Value Measurements at December 31, 2022, Using				
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Cash and cash equivalents	\$ 8,779,751	\$ 8,779,751	\$ -	\$ -
Collective trust funds*	<u>290,319,800</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 299,099,551</u>	<u>\$ 8,779,751</u>	<u>\$ -</u>	<u>\$ -</u>

*Investments measured at fair value using net asset value per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in the hierarchy tables for such investments are intended to permit reconciliation of the fair value hierarchy to the investments at fair value line item presented in the statement of net assets available for benefits.

NOTE 7 – DERIVATIVE FINANCIAL INSTRUMENTS

The Plan carries all derivatives in the statements of net assets available for benefits at fair value. The Plan's investment policy permits investments in derivative instruments, including, but not limited to, financial futures, forwards, and swaps. Investments in derivative instruments are used to manage risk and may not be used for speculative or leverage purposes.

(Continued)

NOTE 7 – DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

The Plan is subject to master netting agreements, or netting arrangements, with certain counterparties. These agreements govern the terms of certain transactions and reduce the counterparty risk associated with relevant transactions by specifying offsetting mechanisms and collateral posting arrangements at prearranged exposure levels. Master netting agreements are specific to each different asset type; therefore, they allow the Plan to close out and net its total exposure to a specified counterparty in the event of a default with respect to any and all of the transactions governed under a single agreement with the counterparty. As of December 31, 2023, the Plan includes receivables for securities sold and payables for securities purchased in net amounts. Realized gains and losses on settled trades are recorded as net appreciation/(depreciation) in fair value of investments. Futures contracts are settled-to-market on a daily basis. Throughout the duration of the futures contracts, daily payments are made to settle the contract's fair value.

From time to time, the Plan uses futures in the normal course of its investing activities to manage market risk associated with the Plan's fixed-income investments and to achieve overall investment portfolio objectives. A futures contract is a contractual agreement to make or take delivery of a standardized quantity of a specified grade or type of commodity or financial instrument at a specified future date in accordance with terms specified by a regulated future exchange. Futures involve elements of market risk in excess of amounts recognized on the statements of net assets available for benefits. The Plan is exposed to counterparty risk, which is managed by using exchange-traded contracts or limiting over-the-counter contracts to certain counterparties that are pre-approved by the respective investor managers.

As of December 31, 2023, the Plan held four long future contracts, which mature through March 2024. The investments had a notional amount of approximately \$64.9 million as of December 31, 2023. The unrealized depreciation of the investments as of December 31, 2023 was insignificant. The Plan held no contracts as of and for the year ended December 31, 2022.

NOTE 8 – PLAN TERMINATION

Although it has not expressed any intention to do so, the Company has the right under the Plan to terminate the Plan subject to the provisions set forth in ERISA.

In the event of the termination of the Plan, after providing for the costs and expenses of the Plan, assets are to be distributed among the participants and beneficiaries in the proportion that the present value of the benefits to which these individuals are then entitled under the Plan bears to the present value of the benefits to which all individuals are entitled, subject to the following:

If the assets of the Plan are more than sufficient to satisfy all expenses of liquidation and the obligation to all persons entitled to a distribution upon termination of the Plan, any surplus remaining would be distributed to the Company. If the assets of the Plan are insufficient to satisfy all expenses of liquidation and the obligation to all persons entitled to a distribution upon termination of the Plan, the assets would be allocated in the following manner:

- Retired participants or survivor annuitants.
- All vested benefits.
- All other benefits.

(Continued)

NOTE 8 – PLAN TERMINATION (Continued)

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the plan sponsor and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation (PBGC) at that time. Some benefits may be fully or partially provided for by the then existing assets and the PBGC guaranty while other benefits may not be provided for at all. Participants should refer to the Plan agreement for more complete information.

NOTE 9 – PARTIES-IN-INTEREST

Parties-in-interest are defined under Department of Labor regulations as any fiduciary of the Plan, any party rendering service to the Plan, the employer, and certain others. The Plan held certain investments of State Street Bank and Trust Company, the Plan trustee, and Mercer Investments, LLC., investment manager of the Plan. Transactions of the Plan with respect to those investments qualify as allowable party-in-interest transactions under ERISA and the regulations promulgated thereunder.

Actual fees paid by the Plan for investment management, consulting, actuarial, accounting, legal and other services also qualify as party-in-interest transactions. These transactions are exempt from the party-in-interest prohibitions of ERISA. No officer or employee of the Company receives compensation from the Plan.

NOTE 10 – TAX STATUS OF THE PLAN

The Company filed an application for determination with Internal Revenue Service (IRS) on January 27, 2016 but has not received a determination letter that the Plan is designed in accordance with applicable sections of the Internal Revenue Code (IRC). The Company believes that the Plan, as amended, is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan's financial statements.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The plan administrator has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2023 and 2022, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The plan administrator believes it is no longer subject to income tax examinations for years prior to 2020.

(Continued)

NOTE 11 – DECEMBER 31, 2023 ACTUARIAL VALUATION – UNAUDITED

An actuarial valuation report for the year ended December 31, 2023 has subsequently been issued by the Plan's actuary, which reports the present value of accumulated plan benefits totaling \$377,043,596 as of December 31, 2023. Significant assumptions underlying the actuarial valuation as of December 31, 2023 are presented below:

Discount rate	5.28%
Mortality	PRI-2012 mortality table with improvements projected using the improvement scale of MP-2021
Retirement age	The assumed average retirement age was based on age-graded rates from ages 55-68.

NOTE 12 – SUBSEQUENT EVENTS

Plan management has evaluated subsequent events through October 11, 2024, which is the date the financial statements were available to be issued.

The Board of Directors of Takeda Pharmaceuticals U.S.A. executed a resolution to terminate the Plan effective as of September 30th, 2024 (Termination Date). As the result of the Plan termination, all participants who remain employed by Takeda Pharmaceuticals on the termination date will be fully vested.

SUPPLEMENTAL SCHEDULES

BAXALTA INCORPORATED AND SUBSIDIARIES PENSION PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
Employer Identification Number 13-4013710 and Plan Number:003
December 31, 2023

Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment Including Maturity Date, Rate of, Interest, Collateral, Par or Maturity Value	Cost	Current Value
Cash Equivalents:			
*State Street Short Term Investment Fund – 25 BPS	Cash Equivalents	\$ 5,117,479	\$ 5,117,479
		5,117,479	5,117,479
Collective Trust Funds:			
*Mercer Passive Long Government Fixed Income Portfolio	Collective Trust Fund	32,692,715	35,461,561
*Mercer Active Long Corporate Fixed Income *Portfolio	Collective Trust Fund	214,341,758	238,750,064
*Mercer Active Intermediate Credit Fixed Income Portfolio	Collective Trust Fund	31,101,577	32,905,618
		278,136,050	307,117,243
U.S. Government Securities:			
United States Treasury	0.100%, maturity 2/15/51	2,539,144	2,293,706
United States Treasury	0.100%, maturity 5/15/51	2,542,718	2,294,029
United States Treasury	0.100%, maturity 8/15/51	2,544,120	2,294,036
United States Treasury	0.100%, maturity 11/15/51	2,543,218	2,296,501
United States Treasury	0.100%, maturity 5/15/52	4,241,994	4,407,068
United States Treasury	1.375%, maturity 11/15/40	4,494,502	4,259,542
United States Treasury	1.875%, maturity 2/15/51	4,491,790	4,115,309
United States Treasury	2.000%, maturity 8/15/51	1,845,679	1,691,296
United States Treasury	1.750%, maturity 8/15/41	4,048,542	4,235,412
United States Treasury	1.875%, maturity 11/15/51	4,015,640	3,910,095
United States Treasury	2.250%, maturity 2/15/52	3,799,037	4,342,898
United States Treasury	3.625%, maturity 2/15/53	3,827,188	4,270,910
United States Treasury	3.625%, maturity 5/15/53	3,253,438	3,351,421
United States Treasury	0.100%, maturity 8/15/37	221,393	248,076
United States Treasury	0.100%, maturity 8/15/36	860,933	950,907
		45,269,336	44,961,206
		\$ 328,522,865	\$ 357,195,928

*Party in interest

See Independent Auditor's Report.

BAXALTA INCORPORATED AND SUBSIDIARIES PENSION PLAN
SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS
Employer Identification Number 13-4013710 and Plan Number:003
Year Ended December 31, 2023

Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction	Net Gain/(Loss)
Category (i)						
*State Street Bank & Trust	State Street Short Term Investment Fund – 25	\$ 44,534,732	\$ -	\$ 44,534,732	\$ 44,534,732	\$ -
*State Street Bank & Trust	State Street Short Term Investment Fund – 25	\$ -	\$ 50,963,884	\$ 50,963,884	\$ 50,963,884	\$ -
*State Street Bank & Trust	State Street Short Term Investment Fund – 25	\$ -	\$ 37,168,516	\$ 37,168,516	\$ 37,168,516	\$ -
*Mercer	Long Government Fixed Income Portfolio	\$ -	\$ 96,935,489	\$ 87,536,824	\$ 96,935,489	\$ 9,398,665
*Mercer	Active Intermediate Credit Fixed Income	\$ 25,377,997	\$ -	\$ 25,377,997	\$ 25,377,997	\$ -
*Mercer	Active Long Corporate Fixed Income Portfolio	\$ 82,974,448	\$ -	\$ 82,974,448	\$ 82,974,448	\$ -
Category (iii)						
*State Street Bank & Trust	State Street Short Term Investment Fund - 25	\$196,283,852	\$ -	\$196,283,852	\$196,283,852	\$ -
*State Street Bank & Trust	State Street Short Term Investment Fund - 25	\$ -	\$199,946,124	\$199,946,124	\$199,946,124	\$ -
*State Street Bank & Trust	State Street International Index	\$ 2,668,750	\$ -	\$ 2,668,750	\$ 2,668,750	\$ -
*State Street Bank & Trust	State Street International Index	\$ -	\$ 17,764,395	\$ 15,297,496	\$ 17,764,395	\$ 2,466,899

(Continued)

BAXALTA INCORPORATED AND SUBSIDIARIES PENSION PLAN
SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS
Employer Identification Number 13-4013710 and Plan Number:003
Year Ended December 31, 2023

Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction	Net Gain/(Loss)
*Mercer	Long Government Fixed Income Portfolio	\$ 20,727,290	\$ -	\$ 20,727,290	\$ 20,727,290	\$ -
*Mercer	Long Government Fixed Income Portfolio	\$ -	\$ 98,072,957	\$ 88,596,390	\$ 98,072,957	\$ 9,476,567
*Mercer	US Large Cap Core Passive Equity Portfolio	\$ 3,859,854	\$ -	\$ 3,859,854	\$ 3,859,854	\$ -
*Mercer	US Large Cap Core Passive Equity Portfolio	\$ -	\$ 30,288,577	\$ 27,839,048	\$ 30,288,577	\$ 2,449,529
*Mercer	Active Intermediate Credit Fixed Income	\$ 31,101,577	\$ -	\$ 31,101,577	\$ 31,101,577	\$ -
*Mercer	Active Long Corporate Fixed Income Portfolio	\$110,634,573	\$ -	\$110,634,573	\$110,634,573	\$ -
*Mercer	Active Long Corporate Fixed Income Portfolio	\$ -	\$ 9,535,819	\$ 9,608,831	\$ 9,535,819	\$ (73,012)

See Independent Auditor's Report.

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26a Schedule of Active Participant Data as of January 1, 2023

Attained Age	Attained Years of Credited Service ²										Total
	Under 1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & Over	
Under 25	0	0	0	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0	0	0	0
30-34	0	0	0	0	0	0	0	0	0	0	0
35-39	0	2	1	3	0	0	0	0	0	0	6
40-44	0	6	0	31	31	0	0	0	0	0	68
45-49	0	10	6	25	79	9	0	0	0	0	129
50-54	0	7	3	18	72	29	7	0	0	0	136
55-59	0	7	3	21	51	11	8	5	0	0	106
60-64	0	2	2	18	25	9	7	6	0	0	69
65-69	0	1	0	4	16	3	4	1	0	1	30
70 & over	0	0	0	4	1	0	0	0	0	0	5
Total	0	35	15	124	275	61	26	12	0	1	549

² Age and service for purposes of determining category are based on exact (not rounded) values.

Plan Name: Baxalta Incorporated and Subsidiaries Pension Plan
 EIN / PN: 13-4013710 / 003
 Plan Sponsor: Takeda Pharmaceutical U.S.A., INC.
 Valuation Date: January 1, 2023

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Statement of Actuarial Assumptions/Methods

Economic Assumptions

Interest rate basis:

- Applicable month September 2022¹
- Yield curve basis Segment rates
- ARPA applied for funding Yes
- ARPA applied for benefit restrictions Yes

Interest rates:

Not Reflecting Corridors

Reflecting Corridors

- First segment rate 1.41% 4.75%
- Second segment rate 3.09% 5.00%
- Third segment rate 3.58% 5.74%
- Effective interest rate 3.31% 5.33%

Annual rates of increase

- Compensation:
 - Representative rates N/A
 - Weighted average N/A
- Future Social Security wage bases N/A
- Statutory limits on compensation N/A

¹ Based on bond yields through preceding August.

Plan Name: Baxalta Incorporated and Subsidiaries Pension Plan
EIN / PN: 13-4013710/003
Plan Sponsor: Takeda Pharmaceutical U.S.A., INC.
Valuation Date: January 1, 2023

SCHEDULE SB ATTACHMENTS

Demographic Assumptions

Eligibility	Age 21 and 1 year of service. New entrants limited to those employed as of December 31, 2006.
New or rehired employees	It was assumed there will be no new or rehired employees.
Mortality	Separate rates for non-annuitants (based on RP-2014 "Employees" table without collar or amount adjustments, adjusted backward to 2006 with MP- 2014, and then projected forward with a static projection as specified in the regulations under §1.430(h)(3)-1 using Scale MP-2021) and annuitants (based on RP-2014 "Healthy Annuitants" table without collar or amount adjustments, adjusted backward to 2006 with MP-2014, and then projected forward with a static projection as specified in the regulations under §1.430(h)(3)-1 using Scale MP-2021).
Termination	Rates set forth in Exhibit A
Disability	Rates set forth in Exhibit A
Retirement	Rates set forth in Exhibit B
Benefit commencement date:	
• Preretirement death benefit	The later of the death of the active participant or the date the participant would have attained 65 points.
• Deferred vested benefit	Upon attaining age 62.
• Disability benefit	Upon attaining Normal Retirement Age.
• Retirement benefit	Upon Retirement, after attaining 65 points.
Form of payment	Life annuity. If a participant is married, benefits are paid as a reduced 50% joint and survivor annuity.
Percent married	75%
Spouse age	The valuation assumes that if the participant is male/female, then the spouse is female/male, and that females are three years younger than males.

Plan Name:	Baxalta Incorporated and Subsidiaries Pension Plan
EIN / PN:	13-4013710/003
Plan Sponsor:	Takeda Pharmaceutical U.S.A., INC.
Valuation Date:	January 1, 2023

SCHEDULE SB ATTACHMENTS

Administrative expenses	Total administrative expenses in 2023 for minimum required contribution purposes were \$1,500,000.
At-risk assumptions	For at-risk calculations, all participants eligible to elect benefits during the current and subsequent ten plan years are assumed to commence benefits at the earliest possible date under the plan, but not before the end of the current plan year, except in accordance with the regular valuation assumptions. In addition, all participants (not just those eligible to begin benefits within the next 11 years) are assumed to elect a life annuity.
Cash flow	
• Amount and timing of contributions	Contributions are made on the last day required to meet quarterly and minimum funding requirements.
• Timing of benefit payments	Annuity payments are payable monthly and lump sum payments are payable on date of decrement.

Methods

Valuation date	First day of plan year.
Funding target	Present value of accrued benefits.
Target normal cost	Present value of benefits expected to accrue during plan year plus plan-related expenses expected to be paid from plan assets during the plan year.
Actuarial value of assets	Average of the fair market value of assets on the valuation date and the two immediately preceding valuation dates, adjusted for contributions, benefits, administrative expenses and expected earnings (with such expected earnings limited as described in IRS Notice 2009-22). The average asset value must be within 10% of market value, including discounted contributions receivable (discounted using the effective interest rate for the prior plan year.) The method of computing the actuarial value of assets complies with rules governing the calculation of such values under the Pension Protection Act of 2006 (PPA). These rules produce smoothed values that reflect the underlying market value of plan assets but fluctuate less than the market value. As a result, the actuarial value of assets will be lower than the market value in some years and greater in other years.

Plan Name:	Baxalta Incorporated and Subsidiaries Pension Plan
EIN / PN:	13-4013710/003
Plan Sponsor:	Takeda Pharmaceutical U.S.A., INC.
Valuation Date:	January 1, 2023

SCHEDULE SB ATTACHMENTS

Benefits not valued

All benefits described in the Plan Provisions section of this report were valued. Willis Towers Watson is not aware of any significant benefits required to be valued that were not.

Changes in Assumptions and Methods Since Prior Valuation

Changes in Assumptions and Methods Since Prior Valuation

- The segment rates used to calculate the funding target and target normal cost were updated to the current valuation date as required by IRC §430.
- The mortality table used to calculate the funding target and target normal cost was updated to include one additional year of projected mortality improvement, as required by IRC §430.

Data Sources

Willis Towers Watson used asset data supplied by the trustee. Takeda Pharmaceutical U.S.A., INC. through its third-party administrator, furnished participant data as of January 1, 2023. Data were reviewed for reasonableness and consistency, but no audit was performed. In consultation with Takeda Pharmaceutical U.S.A., INC., assumptions were made for missing or apparently inconsistent data elements. Summary of assumptions are set forth in Exhibit C. We are not aware of any errors or omissions in the data that would have significant effect on the results of our calculations.

Exhibit A – Termination and Disability Assumptions

Age	<u>Termination</u>	<u>Disability</u>	
	Male and Female	Male	Female
25	10%	.0486%	.0802%
30	10%	.0611%	.1100%
35	10%	.0843%	.1812%
40	8%	.1307%	.2745%
45	8%	.2392%	.3109%
50	8%	.4565%	.5478%
55	8%	.8208%	.7798%
60	8%	1.1029%	.8272%
65	–	–	–
70	–	–	–
75	–	–	–
80	–	–	–

Plan Name: Baxalta Incorporated and Subsidiaries Pension Plan
EIN / PN: 13-4013710/003
Plan Sponsor: Takeda Pharmaceutical U.S.A., INC.
Valuation Date: January 1, 2023

SCHEDULE SB ATTACHMENTS

Exhibit B – Retirement Assumptions

(Annual rate; rates vary by age and service)

For participants under 85 points:

Age	Percentage Leaving During the Year
Under 55	0%
55-59	4%
60-61	5%
62-64	6%
65-67	30%
68+	100%

For participants with 85 or more points:

Age	Percentage Leaving During the Year
Under 55	0%
55-59	12%
60-61	15%
62-64	18%
65-67	30%
68+	100%

Plan Name: Baxalta Incorporated and Subsidiaries Pension Plan
EIN / PN: 13-4013710/003
Plan Sponsor: Takeda Pharmaceutical U.S.A., INC.
Valuation Date: January 1, 2023

SCHEDULE SB ATTACHMENTS

Exhibit C – Data Assumptions

Missing Active Data Element	Assumption Made
Frozen Benefit Amount	Use accrued benefit if available from prior year

Missing Inactive Data Element	Assumption Made
Gender	Assume male
Beneficiary Date of Birth	Females 3 years younger than males
Deferred Participants Benefit Amount	Use accrued benefit if available from prior year otherwise use the average
Retiree Benefit Amount	Use accrued benefit if available from prior year otherwise use the average
Beneficiary Benefit Amount	Use accrued benefit if available from prior year or 50% of the retiree benefit otherwise use the average
Payment Form	Single life annuity

Plan Name: Baxalta Incorporated and Subsidiaries Pension Plan
EIN / PN: 13-4013710/003
Plan Sponsor: Takeda Pharmaceutical U.S.A., INC.
Valuation Date: January 1, 2023

SCHEDULE SB ATTACHMENTS

Assumptions Rationale - Significant Economic Assumptions

Discount rate	The basis chosen was selected by the plan sponsor from among choices prescribed by law, all of which are based on observed market data over certain periods of time.
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Assumptions Rationale - Significant Demographic Assumptions

Mortality	Assumptions used for funding purposes are as prescribed by IRC §430(h).
Termination	Termination rates were based on an experience study conducted in 2021, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.
Disability	Assumed disability rates differ by gender because of expected differences in disability rates by gender.
Retirement	Retirement rates were based on an experience study conducted in 2021, with annual consideration of whether any conditions have changed that would be expected to produce different results in the future.
Benefit commencement date for deferred benefits:	
• Deferred vested benefit	Deferred vested participants are assumed to begin benefits at age 62 (or current age if later) based on experience study conducted in 2021.

Source of Prescribed Methods

Funding methods	The methods used for funding purposes, including the method of determining plan assets, are "prescribed methods set by another party", as defined in the actuarial standards of practice (ASOPs). These methods are required by IRC §430, or were selected by the plan sponsor from a range of methods permitted by IRC §430.
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Plan Name:	Baxalta Incorporated and Subsidiaries Pension Plan
EIN / PN:	13-4013710/003
Plan Sponsor:	Takeda Pharmaceutical U.S.A., INC.
Valuation Date:	January 1, 2023

SCHEDULE SB ATTACHMENTS

Schedule SB – Statement by Enrolled Actuary

Plan Sponsor	Takeda Pharmaceutical U.S.A., INC.
EIN/PN	13-4013710/003
Plan Name	Baxalta Incorporated and Subsidiaries Pension Plan
Valuation Date	January 1, 2023
Enrolled Actuary	Matthew C. Wall
Enrollment Number	23-08570

The actuarial assumptions that are not mandated by IRC § 430 and regulations, represent the enrolled actuary's best estimate of anticipated experience under the plan, subject to the following conditions:

The actuarial valuation, on which the information in this Schedule SB is based, has been prepared in reliance upon the employee and financial data furnished by the plan administrator and the trustee. The enrolled actuary has not made a rigorous check of the accuracy of this information but has accepted it after reviewing it and concluding it is reasonable in relation to similar information furnished in previous years. The amounts of contributions and dates paid shown in Item 18 of Schedule SB were listed in reliance on information provided by the plan administrator and/or trustee.

BAXALTA INCORPORATED AND SUBSIDIARIES PENSION PLAN
SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS
Employer Identification Number 13-4013710 and Plan Number:003
Year Ended December 31, 2023

Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction	Net Gain/(Loss)
Category (i)						
*State Street Bank & Trust	State Street Short Term Investment Fund – 25	\$ 44,534,732	\$ -	\$ 44,534,732	\$ 44,534,732	\$ -
*State Street Bank & Trust	State Street Short Term Investment Fund – 25	\$ -	\$ 50,963,884	\$ 50,963,884	\$ 50,963,884	\$ -
*State Street Bank & Trust	State Street Short Term Investment Fund – 25	\$ -	\$ 37,168,516	\$ 37,168,516	\$ 37,168,516	\$ -
*Mercer	Long Government Fixed Income Portfolio	\$ -	\$ 96,935,489	\$ 87,536,824	\$ 96,935,489	\$ 9,398,665
*Mercer	Active Intermediate Credit Fixed Income	\$ 25,377,997	\$ -	\$ 25,377,997	\$ 25,377,997	\$ -
*Mercer	Active Long Corporate Fixed Income Portfolio	\$ 82,974,448	\$ -	\$ 82,974,448	\$ 82,974,448	\$ -
Category (iii)						
*State Street Bank & Trust	State Street Short Term Investment Fund - 25	\$196,283,852	\$ -	\$196,283,852	\$196,283,852	\$ -
*State Street Bank & Trust	State Street Short Term Investment Fund - 25	\$ -	\$199,946,124	\$199,946,124	\$199,946,124	\$ -
*State Street Bank & Trust	State Street International Index	\$ 2,668,750	\$ -	\$ 2,668,750	\$ 2,668,750	\$ -
*State Street Bank & Trust	State Street International Index	\$ -	\$ 17,764,395	\$ 15,297,496	\$ 17,764,395	\$ 2,466,899

(Continued)

BAXALTA INCORPORATED AND SUBSIDIARIES PENSION PLAN
SCHEDULE H, LINE 4j - SCHEDULE OF REPORTABLE TRANSACTIONS
Employer Identification Number 13-4013710 and Plan Number:003
Year Ended December 31, 2023

Identity of Party Involved	Description of Asset	Purchase Price	Selling Price	Cost of Asset	Current Value of Asset on Transaction	Net Gain/(Loss)
*Mercer	Long Government Fixed Income Portfolio	\$ 20,727,290	\$ -	\$ 20,727,290	\$ 20,727,290	\$ -
*Mercer	Long Government Fixed Income Portfolio	\$ -	\$ 98,072,957	\$ 88,596,390	\$ 98,072,957	\$ 9,476,567
*Mercer	US Large Cap Core Passive Equity Portfolio	\$ 3,859,854	\$ -	\$ 3,859,854	\$ 3,859,854	\$ -
*Mercer	US Large Cap Core Passive Equity Portfolio	\$ -	\$ 30,288,577	\$ 27,839,048	\$ 30,288,577	\$ 2,449,529
*Mercer	Active Intermediate Credit Fixed Income	\$ 31,101,577	\$ -	\$ 31,101,577	\$ 31,101,577	\$ -
*Mercer	Active Long Corporate Fixed Income Portfolio	\$110,634,573	\$ -	\$110,634,573	\$110,634,573	\$ -
*Mercer	Active Long Corporate Fixed Income Portfolio	\$ -	\$ 9,535,819	\$ 9,608,831	\$ 9,535,819	\$ (73,012)

See Independent Auditor's Report.

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2023 This Form is Open to Public Inspection
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For calendar plan year 2023 or fiscal plan year beginning 01/01/2023 and ending 12/31/2023

Round off amounts to nearest dollar.
Caution: A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan BAXALTA INCORPORATED AND SUBSIDIARIES PENSION PLAN		B Three-digit plan number (PN)	003
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Takeda Pharmaceutical U.S.A., INC.		D Employer Identification Number (EIN) 13-4013710	
E Type of plan:	☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size:	☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information			
1	Enter the valuation date: Month 01 Day 01 Year 2023			
2	Assets:			
a	Market value.....	2a	333,481,067	
b	Actuarial value	2b	366,829,174	
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a	For retired participants and beneficiaries receiving payment	397	157,072,155	157,072,155
b	For terminated vested participants.....	595	104,658,115	104,658,115
c	For active participants.....	549	99,320,577	105,196,596
d	Total	1,541	361,050,847	366,926,866
4	If the plan is in at-risk status, check the box and complete lines (a) and (b).....			
a	Funding target disregarding prescribed at-risk assumptions.....	4a		
b	Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5	Effective interest rate.....	5	5.33%	
6	Target normal cost			
a	Present value of current plan year accruals.....	6a	0	
b	Expected plan-related expenses	6b	1,500,000	
c	Target normal cost.....	6c	1,500,000	

Statement by Enrolled Actuary
To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE Matthew C. Wall Signature of actuary	09/30/2024 Date 2308570 Most recent enrollment number 312-288-7700 Telephone number (including area code)
Matthew C. Wall Type or print name of actuary Willis Towers Watson US LLC Firm name Willis Tower 233 South Wacker Drive Suite 1800 Chicago IL 60606 Address of the firm	

Part II		Beginning of Year Carryover and Prefunding Balances	
		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of <u>-17.69</u> %	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		28,119,989
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.51</u> %		1,549,411
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
	c Total available at beginning of current plan year to add to prefunding balance		29,669,400
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	0

Part III		Funding Percentages	
14	Funding target attainment percentage	14	99.97 %
15	Adjusted funding target attainment percentage	15	99.97 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	102.62 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV		Contributions and Liquidity Shortfalls	
18 Contributions made to the plan for the plan year by employer(s) and employees:			
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	
10/02/2023	15,000,000	0	
04/12/2024	7,500,000	0	
07/12/2024	7,500,000	0	
09/13/2024	2,300,000	0	
Totals ▶		18(b)	32,300,000
		18(c)	0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contributions from prior years	19a 0
b Contributions made to avoid restrictions adjusted to valuation date.	19b 0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.	19c 30,475,099
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No	
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No	
c If line 20a is "Yes," see instructions and complete the following table as applicable:	

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V	Assumptions Used to Determine Funding Target and Target Normal Cost		
21	Discount rate:		
a	Segment rates:	1st segment: 4.75 % 2nd segment: 5.00 % 3rd segment: 5.74 %	☐ N/A, full yield curve used
b	Applicable month (enter code).....		21b 4
22	Weighted average retirement age		22 63
23	Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute		
Part VI	Miscellaneous Items		
24	Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No		
25	Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No		
26	Demographic and benefit information		
a	Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.		☒ Yes ☐ No
b	Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment ...		☒ Yes ☐ No
27	If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment		27
Part VII	Reconciliation of Unpaid Minimum Required Contributions For Prior Years		
28	Unpaid minimum required contributions for all prior years.....		28 0
29	Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)		29 0
30	Remaining amount of unpaid minimum required contributions (line 28 minus line 29)		30 0
Part VIII	Minimum Required Contribution For Current Year		
31	Target normal cost and excess assets (see instructions):		
a	Target normal cost (line 6c).....		31a 1,500,000
b	Excess assets, if applicable, but not greater than line 31a		31b 0
32	Amortization installments:		
a	Net shortfall amortization installment	Outstanding Balance 97,692	Installment 8,947
b	Waiver amortization installment	0	0
33	If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount		33
34	Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)....		34 1,508,947
35	Balances elected for use to offset funding requirement.....	Carryover balance 0	Prefunding balance 0
36	Additional cash requirement (line 34 minus line 35)		36 1,508,947
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)		37 30,475,099
38	Present value of excess contributions for current year (see instructions)		
a	Total (excess, if any, of line 37 over line 36)		38a 28,966,152
b	Portion included in line 38a attributable to use of prefunding and funding standard carryover balances		38b 0
39	Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)		39 0
40	Unpaid minimum required contributions for all years.....		40 0
Part IX	Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)		
41	If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. ☐ 2019 ☐ 2020 ☐ 2021		

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 22
Description of Weighted Average Retirement Age
as of January 1, 2023

For each active participant, an expected retirement age was calculated, weighted in proportion to the probability that the individual would remain an active participant to each age and then retire at that age. The plan's weighted average retirement age of 63 is the arithmetic average of the expected retirement ages of all such participants on 1/1/2023.

Plan Name:	Baxalta Incorporated and Subsidiaries Pension Plan
EIN / PN:	13-4013710/003
Plan Sponsor:	Takeda Pharmaceutical U.S.A., INC.
Valuation Date:	January 1, 2023

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 26b Schedule of Projection of Expected Benefit Payments as of January 1, 2023

Plan Year	Active Participants	Terminated Vested Participants	Retired Participants and Beneficiaries Receiving Payments	Total
2023	587,484	967,468	11,859,956	13,414,908
2024	1,517,540	2,125,394	11,797,448	15,440,382
2025	2,213,354	2,659,232	11,728,194	16,600,780
2026	2,902,759	3,264,274	11,651,387	17,818,420
2027	3,585,782	3,872,922	11,564,309	19,023,013
2028	4,299,157	4,580,067	11,463,898	20,343,122
2029	5,027,150	5,120,808	11,351,223	21,499,181
2030	5,735,389	5,541,690	11,228,277	22,505,356
2031	6,418,314	6,277,379	11,091,907	23,787,600
2032	7,057,927	7,097,178	10,939,454	25,094,559
2033	7,640,857	7,690,066	10,771,502	26,102,425
2034	8,174,586	8,241,579	10,585,933	27,002,098
2035	8,634,035	8,762,462	10,380,379	27,776,876
2036	9,016,247	9,094,173	10,153,256	28,263,676
2037	9,352,853	9,327,393	9,903,081	28,583,327
2038	9,613,010	9,594,241	9,628,472	28,835,723
2039	9,786,657	9,721,746	9,328,235	28,836,638
2040	9,900,069	9,719,569	9,001,444	28,621,082
2041	9,943,714	9,728,222	8,647,554	28,319,490
2042	9,917,179	9,668,553	8,266,570	27,852,302
2043	9,839,597	9,539,956	7,859,196	27,238,749
2044	9,716,716	9,373,101	7,426,993	26,516,810
2045	9,547,845	9,165,308	6,972,495	25,685,648
2046	9,342,628	8,930,534	6,499,268	24,772,430
2047	9,102,216	8,652,965	6,011,933	23,767,114
2048	8,822,903	8,342,417	5,516,025	22,681,345
2049	8,511,367	8,002,415	5,017,798	21,531,580
2050	8,173,596	7,642,746	4,523,965	20,340,307
2051	7,815,845	7,266,269	4,041,266	19,123,380
2052	7,442,512	6,874,696	3,576,088	17,893,296

Plan Name: Baxalta Incorporated and Subsidiaries Pension Plan
 EIN / PN: 13-4013710 / 003
 Plan Sponsor: Takeda Pharmaceutical U.S.A., INC.
 Valuation Date: January 1, 2023

SCHEDULE SB ATTACHMENTS

Plan Year	Active Participants	Terminated Vested Participants	Retired Participants and Beneficiaries Receiving Payments	Total
2053	7,055,462	6,470,249	3,134,188	16,659,899
2054	6,657,852	6,055,617	2,720,415	15,433,884
2055	6,252,044	5,633,913	2,338,552	14,224,509
2056	5,840,409	5,208,623	1,991,193	13,040,225
2057	5,425,540	4,783,454	1,679,707	11,888,701
2058	5,010,127	4,362,257	1,404,330	10,776,714
2059	4,596,981	3,948,892	1,164,300	9,710,173
2060	4,189,045	3,547,107	958,014	8,694,166
2061	3,789,367	3,160,526	783,141	7,733,034
2062	3,401,006	2,792,491	636,840	6,830,337
2063	3,026,958	2,445,931	515,975	5,988,864
2064	2,670,123	2,123,265	417,299	5,210,687
2065	2,333,207	1,826,263	337,617	4,497,087
2066	2,018,551	1,555,984	273,880	3,848,415
2067	1,728,077	1,312,833	223,279	3,264,189
2068	1,463,173	1,096,608	183,313	2,743,094
2069	1,224,593	906,551	151,812	2,282,956
2070	1,012,530	741,444	126,949	1,880,923
2071	826,653	599,728	107,229	1,533,610
2072	666,052	479,561	91,465	1,237,078

Plan Name: Baxalta Incorporated and Subsidiaries Pension Plan
 EIN / PN: 13-4013710 / 003
 Plan Sponsor: Takeda Pharmaceutical U.S.A., INC.
 Valuation Date: January 1, 2023

SCHEDULE SB ATTACHMENTS

Schedule SB, Part V Summary of Plan Provisions

Plan Provisions – U.S. Qualified Plan

Baxalta Incorporated and Subsidiaries Pension Plan covers select U.S. and Puerto Rico employees of Baxter International Inc. hired prior to January 1, 2007. Effective May 1, 2015, the plan was created through a transfer of assets and liabilities from the Baxter United States and Puerto Rico plans. In 2016, the plan was amended to freeze benefit accruals as of December 31, 2017.

The remainder of this section describes key plan provisions in detail.

Definitions

Participation Date	January 1 or July 1 following attainment of age 21 and completion of one year of service. As of December 31, 2006, participation in the United States Pension Plan is frozen. Only eligible employees on that date may enter the plan once they have satisfied the age and service requirements. Participating employees continue to accrue service. A subset of current participants was offered a choice of continuing accruals in this plan or switching to an enhanced Defined Contribution Plan.
Vesting service	One year for each 1,000-hour calendar year of employment
Benefit service	Years of vesting service earned subsequent to participation in the Plan. If a participant enters the Plan on July 1, hours of service for the entire calendar year are included. Years while disabled are included. Fractional credit is granted in the year of normal retirement if less than 1,000 hours is completed in that plan year. Employees who elected the DC plan or were rehired after December 31, 2006 do not continue to accrue benefit service. Benefit service accruals are frozen as of December 31, 2017.
Point Service	Years of vesting service as a plan participant and plus in certain cases years of service with non-participating Employer(s) plus applicable years of service after December 31, 2006 for participants who have chosen to cease benefit accruals plus years of service attributable to benefits previously paid out.

Plan Name:	Baxalta Incorporated and Subsidiaries Pension Plan
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SCHEDULE SB ATTACHMENTS

Compensation	Pension Compensation consists of W-2 income, including but not limited to bonus, commissions and contributions to the flexible benefits plan or the 401(k) plan. Compensation excludes imputed income, deferred compensation, severance pay and reimbursements. A complete listing of included and excluded pay is detailed in the plan document. Employees who elected the DC plan or were rehired after December 31, 2006 do not continue to accrue benefit service. All other participants cease to accrue benefits on December 31, 2017.
Average earnings	The average of the highest five consecutive calendar years of pensionable pay during the ten-year period ending on the earlier of (1) the date benefit accruals are frozen, (2) the participant's termination date or (3) retirement date.
Social Security benefit	The projected amount of the participant's primary Social Security benefit according to the law in effect at the date of termination of employment assuming a 6% salary scale in years prior to termination and level future compensation to age 65.
Normal Retirement Date (NRD)	First of month coinciding with or next following the attainment of age 65.
Monthly pension benefit (Accrued Benefit)	The accrued monthly benefit payable as a straight life annuity at age 65 equals one-twelfth of the following: (a) 1.75% multiplied by average earnings, multiplied by benefit service projected to age 65, minus (b) 1.75% multiplied by benefit service projected to age 65, (the product not to exceed 60%), multiplied by the Social Security Benefit; the difference multiplied by (c) the ratio of current benefit service over benefit service projected to age 65. For certain participants who elected to cease accruals in the defined benefit plan, in order to participate in an enhanced defined contribution plan, the accrued benefit is equal to their accrued benefit as of December 31, 2006. For all other active participants including participants eligible for pension disability benefits, benefit accruals will be frozen as of December 31, 2017. Participants will continue to accrue service for purposes of vesting and points. The age 65 accrued benefit cannot be less than \$100 per month.

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Plan Sponsor:	Takeda Pharmaceutical U.S.A., INC.
Valuation Date:	January 1, 2023

SCHEDULE SB ATTACHMENTS

Eligibility for Benefits

Normal retirement	Retirement on NRD.
Early retirement	Retirement before NRD and on or after attaining at least 65 points where points are the sum of attained age and complete benefit service.
Postponed retirement	Retirement after NRD.
Deferred vested	Termination for reasons other than death or retirement after completing five years of vesting service.
Death benefit	Death after completing 5 years of service.
Disability	Permanent and total disability prior to NRD, and participant is receiving a social security disability benefit.

Monthly Benefits Paid Upon the Following Events

Normal retirement	The accrued benefit determined as of NRD.
Early retirement	The accrued benefit multiplied by an entitlement based on attained age and points (attained age plus complete benefit service). At 65 points, benefits are fully actuarially reduced. After 65 points benefits are reduced based on a graded scale (Exhibit D). After 85 points, benefits are unreduced.
Postponed retirement	The accrued benefit determined as of actual retirement date.
Termination with deferred vested benefit	The accrued benefit, payable at NRD, reduced actuarially (Exhibit D) for commencement prior to NRD.

Plan Name:	Baxalta Incorporated and Subsidiaries Pension Plan
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SCHEDULE SB ATTACHMENTS

Death benefits

- (a) Death benefit for spouses of active employees who die after attaining 65 points or terminated participants with vested benefits who had 65 points prior to ceasing employment: The unreduced current plan accrued benefit payable as a 100% joint and survivor annuity.
- (b) Death benefits for spouses of active employees who die before attaining 65 points or terminated participants with vested benefits who cease employment prior to attaining 65 points: One half of the unreduced current plan accrued benefit payable as a 50% joint and survivor annuity.
- (c) Death benefits for single employees who die after attaining 65 points or terminated participants with vested benefits who have 65 points prior to ceasing employment: The current plan accrued benefit, unreduced for early commencement is converted to a 10-year certain and life based on the participant's age at commencement. The beneficiary receives a lump sum equal to the actuarial equivalent of the 10-year certain.
- (d) Death benefits for single employees who die before attaining 65 points or terminated participants with vested benefits who cease employment prior to attaining 65 points: The current plan accrued benefit payable for 10 years when the participant would have attained 65 points, unreduced for early commencement and converted to an immediate lump sum.

Disablement

The accrued benefit with service to the earlier of benefit commencement and NRD, reduced for commencement prior to 85 points or NRD.

Other Plan Provisions

Forms of payment

Preretirement spouse benefits are payable only as described above. Monthly pension benefits are paid as described above, if the participant has no spouse as of the date payments begin, or if the participant so elects. Otherwise, the benefits will be paid in the form of the 50% joint and survivor annuity option or, if the participant elects and the spouse consents, another actuarially equivalent optional form offered by the plan. Optional forms are a 100% joint and survivor annuity, 75% joint and survivor annuity, a ten-year certain and life annuity, or (for married participants) a single life annuity.

Actuarial equivalence is calculated using the 1971 Group Annuity Mortality table, weighted 75% male and 25% female, and a discount rate of 10%.

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Maximum on benefits and pay All benefits and pay for any calendar year may not exceed the maximum limitations for that year as defined in the Internal Revenue Code. The plan provides for increasing the dollar limits automatically as such changes become effective.

Benefits not valued All benefits described in the Plan Provisions section of this report were valued. Willis Towers Watson has reviewed the plan provisions with Takeda Pharmaceutical U.S.A., INC. and, based on that review, is not aware of any significant benefits required to be valued that were not.

Future Plan Changes

None.

Changes in Benefits Valued Since Prior Year

There have been no changes to benefits valued since the prior plan year.

Plan Name: Baxalta Incorporated and Subsidiaries Pension Plan
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Plan Sponsor: Takeda Pharmaceutical U.S.A., INC.
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SCHEDULE SB ATTACHMENTS

Exhibit D – Early Payment Factors

Percentage of Age 65 Accrued Benefit Payable for Commencement from Ages 44-65

This table applies to the benefit under Section 2.1(a) of the plan document for all Employees who incur a Termination of Employment after December 31, 1989 after accumulating at least 65 points (age plus benefit service)

		Points																				
Age		65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85
	41	7	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
	42	7	12	17	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
	43	8	13	17	22	26			--	--	--	--	--	--	--	--	--	--	--	--	--	--
	44	9	13	18	23	27	32	36	--	--	--	--	--	--	--	--	--	--	--	--	--	--
	45	10	14	19	23	28	32	37	41	46	--	--	--	--	--	--	--	--	--	--	--	--
	46	11	15	20	24	29	33	38	42	47	51	56	--	--	--	--	--	--	--	--	--	--
	47	12	17	21	25	30	34	39	43	47	52	56	60	65	--	--	--	--	--	--	--	--
	48	14	18	22	27	31	35	40	44	48	52	57	61	65	70	74	--	--	--	--	--	--
	49	15	19	24	28	32	36	41	45	49	53	58	62	66	70	75	79	83	--	--	--	--
	50	17	21	25	29	33	38	42	46	50	54	58	63	67	71	75	79	83	88	92	--	--
	51	19	23	27	31	35	39	43	47	51	55	59	63	67	72	76	80	84	88	92	96	100
	52	21	25	29	33	37	41	45	49	53	56	60	64	68	72	76	80	84	88	92	96	100
	53	23	27	31	35	39	43	46	50	54	58	62	66	69	73	77	81	85	89	92	96	100
	54	26	30	33	37	41	45	48	52	56	59	63	67	70	74	78	82	85	89	93	96	100
	55	29	33	36	40	43	47	51	54	58	61	65	68	72	75	79	82	86	89	93	96	100
	56	33	36	40	43	46	50	53	56	60	63	66	70	73	77	80	83	87	90	93	97	100
	57	37	40	43	46	50	53	56	59	62	65	68	72	75	78	81	84	87	91	94	97	100
	58	42	44	47	50	53	56	59	62	65	68	71	74	77	80	82	85	88	91	94	97	100
	59	47	49	52	55	57	60	63	65	68	71	73	76	79	81	84	87	89	92	95	97	100
	60	53	55	58	60	62	65	67	69	72	74	76	79	81	83	86	88	91	93	95	98	100
	61	60	62	64	66	68	70	72	74	76	78	80	82	84	86	88	90	92	94	96	98	100
	62	68	69	71	73	74	76	77	79	81	82	84	85	87	89	90	92	94	95	97	98	100
	63	77	78	79	80	82	83	84	85	86	87	88	90	91	92	93	94	95	96	98	99	100
	64	88	88	89	89	90	91	91	92	93	93	94	94	95	96	96	97	98	98	99	99	100
	65	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

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Exhibit D (cont.)

This table applies to the benefit under Section 2.1(a) for all Employees who incur a Termination of Employment after December 31, 1989 before accumulating at least 65 points (age plus benefit service)

Age at Payment Date	Benefit Reduced* to Following Percentage of Age 65 Benefit	Age at Payment Date	Benefit Reduced* to Following Percentage of Age 65 Benefit
64	86.7%	41	6.6%
63	76.7%	40	5.9%
62	67.7%	39	5.4%
61	59.7%	38	4.8%
60	52.8%	37	4.4%
59	46.8%	36	4.0%
58	41.5%	35	3.6%
57	36.9%	34	3.3%
56	32.9%	33	2.9%
55	29.3%	32	2.7%
54	26.1%	31	2.4%
53	23.4%	30	2.2%
52	20.9%	29	2.0%
51	18.7%	28	1.8%
50	16.8%	27	1.6%
49	15.1%	26	1.5%
48	13.6%	25	1.3%
47	12.2%	24	1.2%
46	11.0%	23	1.1%
45	9.9%	22	1.0%
44	8.9%	21	0.9%
43	8.1%	20	0.8%
42	7.3%		

* Reduction will be interpolated to the nearest month.

Plan Name: Baxalta Incorporated and Subsidiaries Pension Plan
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 Plan Sponsor: Takeda Pharmaceutical U.S.A., INC.
 Valuation Date: January 1, 2023

BAXALTA INCORPORATED AND SUBSIDIARIES PENSION PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)
Employer Identification Number 13-4013710 and Plan Number:003
December 31, 2023

Identity of Issue, Borrower, Lessor, or Similar Party	Description of Investment Including Maturity Date, Rate of, Interest, Collateral, Par or Maturity Value	Cost	Current Value
Cash Equivalents:			
*State Street Short Term Investment Fund – 25 BPS	Cash Equivalents	\$ 5,117,479	\$ 5,117,479
		5,117,479	5,117,479
Collective Trust Funds:			
*Mercer Passive Long Government Fixed Income Portfolio	Collective Trust Fund	32,692,715	35,461,561
*Mercer Active Long Corporate Fixed Income *Portfolio	Collective Trust Fund	214,341,758	238,750,064
*Mercer Active Intermediate Credit Fixed Income Portfolio	Collective Trust Fund	31,101,577	32,905,618
		278,136,050	307,117,243
U.S. Government Securities:			
United States Treasury	0.100%, maturity 2/15/51	2,539,144	2,293,706
United States Treasury	0.100%, maturity 5/15/51	2,542,718	2,294,029
United States Treasury	0.100%, maturity 8/15/51	2,544,120	2,294,036
United States Treasury	0.100%, maturity 11/15/51	2,543,218	2,296,501
United States Treasury	0.100%, maturity 5/15/52	4,241,994	4,407,068
United States Treasury	1.375%, maturity 11/15/40	4,494,502	4,259,542
United States Treasury	1.875%, maturity 2/15/51	4,491,790	4,115,309
United States Treasury	2.000%, maturity 8/15/51	1,845,679	1,691,296
United States Treasury	1.750%, maturity 8/15/41	4,048,542	4,235,412
United States Treasury	1.875%, maturity 11/15/51	4,015,640	3,910,095
United States Treasury	2.250%, maturity 2/15/52	3,799,037	4,342,898
United States Treasury	3.625%, maturity 2/15/53	3,827,188	4,270,910
United States Treasury	3.625%, maturity 5/15/53	3,253,438	3,351,421
United States Treasury	0.100%, maturity 8/15/37	221,393	248,076
United States Treasury	0.100%, maturity 8/15/36	860,933	950,907
		45,269,336	44,961,206
		\$ 328,522,865	\$ 357,195,928

*Party in interest

See Independent Auditor's Report.

SCHEDULE SB ATTACHMENTS

Schedule SB, Line 32
Schedule of Amortization Bases
as of January 1, 2023

Type of Base	Date Established	Initial Amount	Remaining Amortization Period (Years)	Outstanding Balance	Amortization Payment
1. Shortfall	01/01/2023	97,692	15.00000	97,692	8,947
Total				97,692	8,947

Plan Name: Baxalta Incorporated and Subsidiaries Pension Plan
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Plan Sponsor: Takeda Pharmaceutical U.S.A., INC.
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