



Sumitomo Corporation Tax Policy Statement
Month of publication - September 2019

Commercial Context

Sumitomo Corporation is a leading general trading company boasting 129 locations in 66 countries throughout the world.

With its global network, Sumitomo Corporation has a robust business foundation and engages in multifaceted business activities including sales of a variety of products and services within Japan, import and export, trilateral trade, and domestic and international business investment.

Sumitomo Corporation is formed of five Business Units as well as regional organisations in Japan and overseas. The companies operate across a range of industries including metal products; transportation & construction systems; environment & infrastructure; media, ICT, Lifestyle Related Goods & Services; Mineral Resources, Energy, Chemical & Electronics and Corporate Group.

Sumitomo Corporation Group's Corporate Mission Statement, consisting of the Management Principles and Activity Guidelines, is the fundamental and ultimate value standard of the Group and this underpins our UK Tax Policy Statement.

Our UK Tax Policy Statement has been derived from our Global Tax Principles and expanded to meet the disclosure requirements of UK law. It is approved by the Board of Directors of Sumitomo Corporation and independently acknowledged and approved for adoption by the management of all Sumitomo entities in the UK, here being Sumitomo UK companies and branches.

Commitment to compliance

"Giving First Priority to Compliance" and "Reporting Compliance Issues Immediately" are fundamental principles of our corporate activities.

We are committed to paying taxes and fulfilling our tax reporting obligations in compliance with all relevant tax laws, rules and other regulations based on the principle of tax compliance.

We are committed to the accurate and timely submission of tax returns and any other required tax documents to the relevant authorities.

The international nature of our business means that the pricing of cross-border intercompany transactions are a key tax consideration for us. We are therefore committed to UK tax law and related rules in respect of transfer pricing.

Tax risk management and governance

Our UK Tax Policy Statement is aligned with our Corporation Governance Principles and our Global Tax Principles.

We have a decentralised management structure and responsibility for implementing the UK Tax Policy Statement rests with individual entity management.

The following priorities direct all of our risk management activities and this includes those relating to tax:

- Stabilising our performance (specifically the predictability of performance)
- Strengthening our financial base (i.e. protecting the shareholder assets)
- Maintaining our Corporate Reputation

Our approach to tax risk management places importance on correctly identifying tax risk at the start of a transaction, on an ongoing basis thereafter (for example by responding appropriately to changes in tax law and practice) and on preventing the known risks from crystallising in future.

This approach is supported by a culture of information sharing in respect of risk between management and related departments.

We recognise that our environment is constantly changing and in response we continually upgrade our approach to tax risk management. This includes meeting with outside specialists to understand and implement evolving best practice.

Tax Planning

In line with our Global Tax Principles, we shall only engage in tax planning that is based on substantial commercial and/or economic activity which serves the interest of our shareholders and all other stakeholders. In line with our risk management priorities described above, in order to 'strengthen our financial base' we shall optimize our tax costs in light of all applicable tax regulation. However, in order to support 'predictability of performance' and to 'maintain our corporate reputation' we shall not conduct any transaction whose purpose is solely or mainly for tax avoidance or tax mitigation; we shall not artificially create the transactions to achieve double non-taxation and we shall not conceal or disguise facts to avoid taxation.

Tax Risk Appetite

In line with our Corporate Governance Principles, compliance takes priority over all corporate activities and the Group must never violate compliance as a result of giving priority to the pursuit of profit.

This prioritisation of compliance describes our approach to discretionary tax risk.

We acknowledge that some risk is inevitable in what is often a technically and operationally challenging area but we seek to manage that risk in the manner described above.

HMRC relationship

We act with honesty and sincerity when dealing with HMRC on the basis of Sumitomo's business philosophy and in keeping with its Management Principles.

In connection with any tax audits, we endeavour for our tax auditors to understand our transactions in an open and constructive way. Where the result of a tax audit is unfavourable, we shall continue towards resolution in a positive and professional manner.

The publication of this statement is regarded as complying with paras. 19(2) and 22(2), Part 2 of Sch. 19 Finance Act 2016.

The list of companies to which this Tax Policy Statement applies is shown at Appendix A.

Appendix A

SUMITOMO CORPORATION EUROPE HOLDING LIMITED
SUMITOMO CORPORATION EUROPE LIMITED
SUMITOMO CORPORATION GLOBAL COMMODITIES LIMITED
SCMI LIMITED
SUMITOMO CORPORATION CAPITAL EUROPE PLC
SUMMIT PHARMACEUTICALS EUROPE LIMITED
SUMITOMO CORPORATION CAPITAL NETHERLANDS B.V.
SUMI AGRO EUROPE LIMITED
SUMI AGRO LIMITED
SCSK EUROPE LIMITED
SUMMIT WATER LIMITED
SUMMIT RENEWABLE ENERGY EUROPE LIMITED
SUMMIT RENEWABLE ENERGY BELWIND 1 LIMITED
SUMMIT RENEWABLE ENERGY NORTHWIND LIMITED
SPRING OFFSHORE WIND HOLDINGS LIMITED
OSCAR AGRO LIMITED

WARDSTORM LIMITED
SANKEY LAMINATIONS LIMITED
GEO L SCOTT & CO LIMITED

EDGEN MURRAY EUROPE LIMITED
HSP VALVES GROUP LIMITED
EMGH LIMITED
PIPE ACQUISITION LIMITED

SUMMIT EXPLORATION AND PRODUCTION LIMITED
SC GLOBAL TUBULAR SOLUTIONS EUROPE LIMITED
SUMMIT GLOBAL DATACENTRE MANAGEMENT LIMITED

ERYNGIUM LIMITED
HOWCO GROUP PLC
HOWCO METALS MANAGEMENT LIMITED
HOWCO QUALITY ALLOYS LIMITED
HOWCO OILFIELD SERVICES LIMITED
HOWCO SPECIAL PROCESSING LIMITED

ANDREW S. CLARK & COMPANY LIMITED
B.M.C. FRUIT & PRODUCE LIMITED
BRISTOL FRUIT SALES (BANANAS) LIMITED
CENTRAL FLOWER MARKET LIMITED
E & F HOLDINGS LIMITED
E & F SHIPPING LIMITED

EDINBURGH FRUIT MARKET LIMITED
ELDERS AND FYFFES LIMITED
FII HOLDINGS LIMITED
FII INVESTMENTS
FRUIT MARKET DEVELOPMENTS LIMITED
FYFFES (BLABY) LIMITED
FYFFES DISTRIBUTION SERVICES LIMITED
FYFFES GROUP LIMITED
FYFFES SCOTLAND LIMITED
FYFFES SPALDING LIMITED
FYFFES SPALDING PROPERTIES LIMITED
GLASS GLOVER (EDINBURGH) LIMITED
GLASS'S FRUIT MARKETS LIMITED
HUTCHISON ROAD DEVELOPMENTS LIMITED
JAMES LINDSAY & SON PLC
JOHN MURRAY (IMPORTS) LIMITED
MASKALINIA LIMITED
PADWAY PROPERTIES LIMITED
RANKINS' FRUIT MARKETS LIMITED
SANDSTATE LIMITED
THE PADWA GROUP LIMITED
VANGEN SERVICES LIMITED
WAKEFIELD PROPERTY DEVELOPMENT LIMITED
WEST FARM DEVELOPMENTS LIMITED
WGS HOLDINGS LIMITED
ZONES RESTRICTED LIMITED
FYFFES WINDWARD HOLDINGS LIMITED