

**Sumitomo Electric Industries Ltd**  
**UK tax strategy**  
**March 2026**

**Scope**

Sumitomo Electric Industries Ltd (“SEI”) is a company incorporated and publicly listed in Japan.

This strategy applies to certain of the UK incorporated companies and UK permanent establishments in the worldwide SEI Group (“SEG”) in accordance with the duties under paragraphs 19 and 22 of Schedule 19 to the Finance Act 2016. A list of the entities to which it applies is set out below. In this strategy references to the “Company” are to each of the entities to which the strategy applies individually.

This strategy is considered to have been published by each of the entities to which it applies in accordance with paragraphs 19(4) and 22(5) of the Schedule by being made available on the Internet site of Sumitomo Electric Europe Limited.

This strategy applies from the date of publication until it is superseded. References to “UK Taxation” are to the taxes and duties set out in paragraph 15(1) of the Schedule, which include Income Tax, Corporation Tax, PAYE, NIC, VAT, Insurance Premium Tax, and Stamp Duty Land Tax. References to “tax”, “taxes” or “taxation” are to UK taxation and to all corresponding worldwide taxes and similar duties in respect of which SEG has legal responsibilities.

**Introduction**

The UK members of SEG follow the core principles outlined in the following SEG Corporate and Tax Policies, which have been developed at SEI’s head office in Japan and apply to all of the SEG entities worldwide.

*Corporate Policy: SEG entities shall contribute to the development of each nation and society through business activities, employment and paying tax.*

*Tax Policy: The top priority of [SEG] is to match its tax framework with business substance globally. Paying taxes is an important obligation. SEG companies do not pursue tax avoidance, and therefore will not accept unreasonable tax adjustments. SEG companies endeavour to eliminate the possibility of double taxation because double taxation decreases each company’s resources for reinvestment to contribute to society in the medium and long term. However SEG companies will enter into dialogue with tax authorities to mitigate double taxation on disputed matters.*

**Approach to risk management and governance**

The Company is committed to acting with integrity and transparency in all tax matters. We endeavour to comply with all relevant law, rules, regulations and disclosure requirements, wherever we operate. We make timely and accurate tax returns that reflect our fiscal obligations to HMRC.

Taxes are under the ultimate responsibility of the Managing Director of the Company, or the General Manager representing the Managing Director of the Company in the UK. However, handling of day-to-day tax matters is delegated to the appropriate team members within the

Finance and Human Resources departments, who hold a combination of relevant qualifications and experience in their fields.

Diligent professional care and judgement will be employed to assess tax risks in order to arrive at well-reasoned conclusions on how the risks should be managed. Where there is uncertainty as to the application or interpretation of tax law, appropriate written advice evidencing the facts, risks and conclusions may be taken from third party advisers to support the decision-making process.

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

- The legal and fiduciary duties of directors and employees;
- the tax benefits and impact on the Company's reported result, comparative to the potential financial costs involved, including the risk of penalties and interest;
- the wider consequences of potential disagreement with tax authorities, and any possible impact on relationships with them; and
- the maintenance of corporate reputation, having particular regard to the communities in the jurisdictions in which the Company operates.

### **Attitude towards tax planning**

The Company does not engage in artificial tax arrangements to reduce its tax liabilities. The Company's business structure, and its inter-company transactions, are aligned with its fundamental commercial purpose.

To the extent that overseas entities under the control of the Company have been established, this is as a result of non-tax driven commercial decisions. In line with the SEG tax policy above, the Company strives to align its profits (and therefore taxes) with substance in each entity. The prominence of the commercial needs will in no circumstances override compliance with all applicable laws.

### **Level of risk that the Company is prepared to accept**

The Company has a low risk appetite, and is committed to openness and transparency in its approach to dealings with tax authorities wherever it operates. All dealings with tax authorities will be conducted in a collaborative, courteous and timely manner. The Company's aim would be to strive for early agreement on disputed matters, and to achieve certainty wherever possible.

However, the Company's overriding policy is to pay the appropriate level of tax in each jurisdiction according to the functions undertaken, risks borne, and assets employed by each tax resident entity, and ultimately the business substance, and value creation contributed by said entities. The Company will resist arbitrary settlement when it is under tax audit, and shall seek to resolve tax controversies by engaging with tax authorities and articulating: i) how the Company does business; and ii) why the Company believes that its policies and results are fair and equitable to all members of SEG.

## **Approach towards dealings with HMRC**

In line with the Tax Policy of SEG, the Company believes that a mutually beneficial relationship between the tax authority and the tax payer is possible.

As such, the Company strives to maintain and develop a strong, proactive working relationship with HMRC. The Company is transparent in its dealings with HMRC.

The Company aims to foster good relations with HMRC and to undertake all correspondence in a professional, courteous and timely manner.

The Company is proud of its current “low risk” rating with HMRC, and commits to preserving this status through the following.

- Annually assessing its tax processes and controls, as part of its responsibilities under Senior Accounting Officer legislation. To the extent that a material deficiency in its tax processes is identified, the Company will take proactive steps to resolve such deficiency.
- Periodically refreshing its Corporate Criminal Offence risk assessment to identify any potential vulnerabilities in respect of the risk of failing to prevent the facilitation of tax evasion, so as to ensure that reasonable prevention procedures can be implemented where necessary.
- Identifying and communicating in real time with HMRC on matters of complexity that could give rise to different interpretations, in order to discuss and resolve tax treatment.
- Making fair, accurate and timely disclosure in correspondence and tax returns, and respond to queries and information requests in a timely fashion.
- Fully disclosing any inadvertent errors in submissions made to HMRC as soon as reasonably practicable after they are identified.

## **List of entities covered by this tax strategy**

- SEI Identification Solutions Limited
- SEI Interconnect Products (Europe) Limited
- Sumitomo Electric Europe Limited
- Sumitomo Electric Finance UK Plc
- Sumitomo Electric Hardmetal Limited
- Sumitomo Electric U.K. Power Cables Ltd.
- UK branch of Techno Associe Europe GmbH
- UK branch of Sumitomo Electric Industries Limited