



Mitsui & Co. UK Group Tax Strategy [December 2017]

Commitment to compliance

As set out in our Business Conduct Guidelines ‘our trustworthy reputation is the foundation of our business and we recognize that it is only through fostering and maintaining a strong compliance culture that we can maintain that reputation’.

We believe that our obligation is to pay the amount of tax legally due in any territory in accordance with the rules set by the relevant authorities and we are committed to complying with all applicable laws, rules and regulations in meeting our tax compliance and reporting responsibilities.

Tax risk management and governance

Our UK Group Tax Strategy is aligned with Mitsui’s Global Tax Management Policy and has been tailored to meet the disclosure requirements of Part 2 of Schedule 19, Finance Act 2016. The Global Tax Management Policy is published at Mitsui & Co., Ltd. website¹.

Judgements that involve an element of risk will only be undertaken at an appropriate level as determined by the Delegation of Authority. Such judgements or decisions are supported by appropriate information that evidence the facts, and risks involved.

The Board of Directors of each individual entity within the Group has oversight of all material risks pertaining to that entity. Governance of material tax risks are therefore provided by the Board.

Tax Planning

In line with the Global Tax Management Policy, we do not engage in artificial arrangements or structures for the purpose of tax avoidance. We do not engage in tax planning which does not have a reasonable business purpose or commercial rationale other than the intention of tax avoidance. The Group will, however, utilise the most effective tax elections and claims available to the Group in a way which is consistent with the purposes for which those elections and claims were intended.

Tax Risk Appetite

In considering any tax planning proposals, the Group is minded not to increase its exposure to risk overall, and to avoid unnecessary disputes wherever possible. Hence, we consider we have a low risk appetite.

HMRC relationship

We engage in open and constructive relationships with HMRC, with high integrity and ethical values. We are committed to maintaining an open, professional, and transparent relationship with tax authorities

We report any detected material errors or omissions in tax filings to relevant tax authorities promptly, and in a transparent manner.

¹ http://www.mitsui.com/jp/en/sustainability/list/governance/_icsFiles/afieldfile/2017/02/07/global_tax_policy_e.pdf