

UK Tax Strategy

This UK tax strategy disclosure applies to Sekisui House UK Ltd (SHUK) which is the UK subsidiary of Sekisui House Ltd.

Sekisui House Ltd., a company registered in Japan and listed on the Tokyo stock exchange, operates in the UK through a wholly owned subsidiary SHUK. Through the business activities undertaken in the UK, SHUK contributes value to the shareholders and stakeholders of the parent company. The business strategy in the UK is to maintain long term sustainability in distributing residential houses together with its partner in UK market.

The publication of this statement is in accordance with the statutory requirements under Para 19 (2), Schedule 19 of Finance Act 2016. This statement applies to SHUK as of December 31, 2019.

1) Tax Planning

SHUK seeks to be efficient with its tax affairs, appreciating that SHUK has an obligation to the stakeholders of the parent company. However, SHUK' s primary objective is to be compliant with the tax legislation and SHUK ensures that our tax arrangements are aligned with the commercial reality of its business.

2) Risk Tolerance

SHUK makes decisions involving UK tax matters on a case-by-case basis taking into consideration relevant tax risks. Each issue is therefore considered on its own merits without rigid levels of acceptable risk, based on consultation with the management of Sekisui House Ltd, external tax advisors or HMRC, whenever appropriate.

3) Risk Management & Governance

Given the scale and broad range of business, unforeseen tax consequences may be inevitable at times. Where there is significant uncertainty or complexity, external advice may be sought, particularly in relation to fulfill tax obligations.

4) Approach to dealing with HMRC

SHUK strives to maintain a positive relationship with HMRC and is willing to make voluntary disclosures to the tax authorities whenever this is appropriate. SHUK seeks to resolve significant uncertainties surrounding the interpretation of tax laws based on a timely and open dialogue with HMRC, usually supported by its external tax advisors.