

Motor Fuel Group Tax Strategy

Introduction

Motor Fuel Group is the largest independent forecourt operator in the UK with around 900 stations operating under the BP, Shell, Esso, Texaco, JET and Murco fuel brands.

Paragraphs 19(2) and 22(2), Schedule 19, Finance Act 2016 requires the Group to set out the tax strategy of its UK companies listed in Appendix 1. This strategy covers all taxes and relates to the year ending 31 December 2019.

This tax strategy document, approved on 26 November 2019 by the Board of CD&R Tiger Holdco (Jersey) Ltd summarises the Group's policy and approach to managing its tax affairs and how it deals with tax risks. It was published on 29 November 2019 and will be reviewed annually by the Audit Committee and Board and is made freely available to the public.

MFG's Tax Mission Statement

The MFG group aims to:

- observe at all times relevant tax laws, rules, regulations, reporting and disclosure requirements,
- ensure that the Tax Strategy and Code of Conduct is aligned with the Group's business and commercial strategy
- develop and foster proactive and transparent working relationships with all tax authorities and government bodies to minimise the extent of disputes, to achieve early agreement on disputed issues when they arise, and achieve certainty, wherever possible,
- when considering tax, ensure due consideration is given to the Group's overall strategy relating to corporate governance, internal risk management, social responsibilities and the value it places on engendering community trust,
- act with integrity and transparency at all times and to be trusted by all our business partners and stakeholders.

Key roles and responsibilities

The Chief Finance Officer (CFO), who is a member of the Board, is ultimately responsible for the Group's Tax Strategy and Code of Conduct and is also the Senior Accounting Officer.

The finance team is responsible for managing the Group's tax compliance obligations. Day to day tax responsibilities fall to the Group tax manager who reports to the Director of Group Financial Control and is overseen by the CFO. All three members in the tax reporting line hold recognised accounting qualifications.

MFG use reputable external tax advisors to provide tax technical expertise and additional resource based on an assessment of risk and requirements, such as:

- Advice on technical matters and uncertainties
- Advice on the tax impact of any significant changes to the business
- Assistance with tax filings including any relevant claims for tax incentives

Relationship with Her Majesty's Revenue & Customs (HMRC)

MFG's management of relationships with tax authorities is consistent and is defined within the Group's Tax Mission Statement and Tax Code of Conduct, namely:

1. MFG aims to be open and transparent with tax authorities
2. MFG aims to ensure compliance with all relevant legal disclosure requirements
3. MFG aim to maintain a strong and pro-active relationship with tax authorities
4. MFG will disclose any material errors identified in tax filings to HMRC in a timely manner

The Group's tax risk profile

MFG recognise that the volume and complexity of transactions within the group, together with the recent acquisition and recent developments in the external environment that has raised the profile of tax, has resulted in an increased level of tax scrutiny from tax authorities and other stakeholders. Despite this, given the size and nature of the business with limited international tax exposure and the relative simplicity of the business model, the group considers the tax risk profile to be low overall.

Management of UK tax risk

Managing tax risk is important for the Group and a tax risk and controls matrix is prepared in conjunction with a third-party advisor and maintained. The output from the risk and control matrix provides an immediate comparison of the tax risk and control environment across the Group and enables the Group to prioritise and remediate controls gaps quickly and effectively. A recent example of remediation was to recruit an in-house Group tax manager to focus on the Group's tax compliance.

Tax risks are highlighted to the Director of Group Financial Control and the wider finance team and discussed at Director and Board level.

Tax planning

The Group will not enter into transactions designed principally to give a tax advantage. Any tax reliefs and exemptions are claimed based on advice from external tax advisors and in accordance with the spirit of the tax legislation and HMRC guidance where relevant.

Appendix 1 – MFG UK tax registered companies

BNV Limited
Bond Hamill Limited
Burns & Co. Limited
CD&R Firefly 2 Limited
CD&R Firefly 3 Limited
CD&R Firefly 4 Limited
CD&R Firefly Bidco Limited
CD&R Firefly Holdco Limited
Chartman Holdings Limited
Chartman Limited
Elite Fuels Limited
Freeheart Limited
Fuel Stop (UK) Limited
Gold Star FSL LLP
Goldstar Fuel LLP
Haley Hill Service Station Limited
Highway Stops Limited
Isle of Wight Fuels Limited
Kennet Limited
Kerr 1 Limited
Kerr 2 Limited
Leopard No. 2 Investments Limited
Leopard PEL Limited
LSF9 Robin Investments Limited
LSF9 Robin Midco Limited
LSF9 Robin Newco 1 Limited
LSF9 Robin Newco 2 Limited
LSF9 Robin Topco Limited
Lupo Limited
Malthurst (UK) Limited
Malthurst Anglia Limited
Malthurst Estates Limited
Malthurst Limited
Malthurst Petroleum Limited
Malthurst Properties Limited
Malthurst Retail Limited
Malthurst Services Limited
Malthurst South East Limited
Malthurst Fuels Limited
Manor Service Stations Limited
Matrix (Highlands) Limited
Mercury Forecourts Limited
Motor Fuel (No. 1) Limited
Motor Fuel (No. 2) Limited

Motor Fuel (No. 3) Limited
Motor Fuel (No. 4) Limited
Motor Fuel (No. 5) Limited
Motor Fuel (No. 6) Limited
Motor Fuel Group Limited
Motor Fuel Limited
MRH (GB) Limited
MRH Forecourts Limited
Peregrine Retail Limited
Refined Estates Limited
Refined Estates Trading Limited
Refined Holdings Limited
Refined MP Limited
Refined Petroleum Limited
Refined Petroleum Trading Limited
Retro Properties Limited
RFF Limited
Roadside Group Limited
Scimitar Midco Limited
Scimitar PFS 1 Limited
Scimitar Topco Limited
Scorpion Midco Limited
Scorpion PFS 1 Limited
Scorpion Topco Limited
Spring Petroleum Company Limited
St Albans Dealership Company
Limited
St Albans Operating Company
Limited
Thames Rico Limited
Thames Rico Service Stations
Limited
Tiger Jersey Holdco Limited