

Motor Fuel Group Tax Strategy

Introduction

This tax strategy document, approved by the Board of CD&R Tiger Holdco (Jersey) Ltd, head of Motor Fuel Group's, details the Group's policy and approach to managing its tax affairs and how it deals with tax risks. This document is effective for the year ending 31st December 2018 and will be reviewed annually by the Audit Committee and Board and is made available to all stakeholders. This document received Board approval on the 19th December 2018 and was published on 20th December 2018.

During 2018 the group acquired the entire share capital of the MRH Group (the previous tax strategy of that Group was issued by LSF9 Robin Topco Ltd) and this tax strategy applies to those who work for and on behalf of the entire Group. Appendix 1 shows the current Group structure.

The Group is committed to acting with integrity at all times, it understands the important role taxes play in society and seeks to take a responsible approach. The Group accepts its obligation to pay the amount of tax legally due and at the right time. This core strategy underpins the work of the tax professionals employed by the Group.

The Group's tax risk profile

Given the size of the business the Group considers its tax risk profile to be relatively low. This is due to the fact that the business is primarily UK based and has little exposure to non- UK tax jurisdictions. In addition the business model is relatively simple with the primary focus of the Group being the retail of road fuels with additional petrol station forecourt offerings including convenience stores and food to go outlets. The acquisition of the MRH Group has led to the Group operating in a different jurisdiction and also gives exposure to different taxes, these changes have been considered and are managed and controlled accordingly.

Management of tax risk

The principal tax risks are reviewed on an ongoing basis by the internal finance team under the Director of Group Financial Control and are overseen by the Chief Financial Officer who is also the Senior Accounting officer. These risks are considered to be:-

1. Tax compliance and reporting risk – including late filing or incorrect tax returns, failure to submit claims and elections on time, and late payment of taxes.
2. Transactional risks – including where actions are taken in respect of transactions without consideration of potential tax implication, or where tax advice is not appropriately implemented.
3. Reputational risk – including the impact on relationships with shareholders, customers, tax authorities and the public.

These risks are managed by using external tax advisors where appropriate both to prepare and file tax returns but also to advise on areas of uncertainty, with oversight from our Finance team, and engaging with tax authorities to disclose and resolve issues as they arise.

Both the Board of CD&R Tiger Holdco Jersey Ltd and the Audit Committee exercise oversight of tax risk management and governance through discussions held at their regular meetings, where appropriate and relevant.

Group tax policy

The Group commits to conduct its tax affairs in accordance with the following objectives:-

1. To comply at all times with relevant tax law, rules, regulations, reporting and disclosure requirements.
2. Ensure the tax strategy is at all times consistent with the Group's overall strategy relating to corporate governance and internal risk management.
3. To act with integrity and transparency at all times to be trusted by all our business partners and stakeholders.
4. To develop and foster good working relationships with all tax authorities and government bodies and to undertake all dealings in a professional and courteous manner.
5. The Group does not tolerate tax evasion or the facilitation of tax evasion by person or persons acting for or on behalf of the MFG.

Key roles and responsibilities

Tax planning and compliance is part of the Group's Finance function, under the Director of Group Financial Control, and the Chief Financial Officer, who sits on the Board, is ultimately responsible for the Group's tax strategy and policies.

Tax strategy and policy issues are assessed and reviewed regularly by the Chief Financial Officer in line with this strategy.

Day to day matters are delegated to the finance team based in the Group's Head Office. The senior team members all hold recognised accounting qualifications. The Group has an ongoing training program in place ensuring the team is appraised of all new relevant tax legislation. Additionally the Group has a service agreement with a major accounting firm who assist with tax compliance as and when required.

Systems and controls in place

The Group has a comprehensive suite of financial systems and controls in place to ensure that all transactions are appropriately captured, reported and that any tax due is calculated correctly and remitted on time.

These controls are linked into a broader suite of systems and controls that are used to manage the wider business. A risk register is in place which is used to control and monitor the Group's approach to significant risks. This register, including the status of actions employed to manage key risks is reviewed on a regular basis by the Board.

Where tax matters require complex analysis and judgement the tax team will seek external specialist advice as appropriate. If further clarification is required then the tax team will hold direct discussions with the relevant HMRC department.

The Group expects all employees to act with integrity and transparency at all times. Additionally finance professionals are expected to adhere to the high ethical standards outlined by the professional bodies to which they belong.

Tax Planning

While the Group's tax strategy is to fully comply with relevant tax law, rules, regulations, reporting and settlement requirements, the Group also recognises that it is in the best interests of the shareholders and customers to minimise tax liabilities by taking the appropriate reliefs that are open to it. To ensure that the Group takes such allowed reliefs it works with its professional advisors to understand the impact and consequences of changes to legislation.

While the Group seeks to manage its tax liabilities to minimise costs to the business, it is the Group's policy not to take an aggressive interpretation of tax legislation or use artificial tax avoidance schemes.

Where it is possible to do so the Group will aim for certainty on the positions that are adopted. This will be done through engagement with HMRC and then following an agreed position. Where this is not possible, because for example the legislation can be subject to interpretation, the Group's policy is not to make interpretations that appear to be opposed to the spirit of the law. Additionally the Group will not enter into transactions that are designed principally to give a tax advantage. To ensure the Group has interpreted tax law and spirit correctly the Group will seek advice from professional advisors.

Relationship with HM Revenue and Customs (HMRC)

An important part of the Group's tax strategy is its relationship with HMRC. The Group is committed to a policy of being open and transparent in its tax dealings with HMRC and seeks to develop and maintain a strong and pro-active working relationship with the tax authorities. All dealings will be conducted in a collaborative, courteous and timely manner. Where appropriate, the Group will seek guidance from HMRC to achieve certainty of compliance.

Appendix 1.

For the avoidance of doubt this tax strategy applies to all the Companies outlined on this Group Structure.

MFG Group Structure

Key

- To be liquidated
- Non-UK incorporated company

All subsidiaries are assumed to be 100% owned unless otherwise specified

