



## **UK TAX STRATEGY – MABANAFT LIMITED**

Mabanaft Limited (“the Company”) is an independent supplier of petroleum products. We have a thorough understanding of the fuel oil industry and work hard to deliver on what really matters. Our customers know they can rely on us for proven continuity of supply, transparency of pricing, expert advice and fast and accurate administration. As a family business, we value these relationships and aim to always provide the highest standards of service and support.

Mabanaft Limited is a wholly owned subsidiary of Marquard and Bahls AG, a global fuel trading company with interests in more than 36 countries, and is head of a UK sub-group of companies.

The purpose of this tax strategy document is to set out Mabanaft Limited’s policy and approach in conducting its tax affairs and managing tax risks for all UK taxes. This document applies to all UK entities within the UK sub-group of companies of which Mabanaft Limited is the head and all references within this document to the Company should be considered to apply to the UK sub-group. The Board has oversight of the Company’s tax affairs and maintains responsibility for implementing new controls where material tax risks are identified. The Board is supported by the Finance team who are responsible for the day to day operation of tax processes. This tax strategy has been reviewed and supported by the Board of Mabanaft Limited.

This document is effective for the year ending 31<sup>st</sup> December 2017 and applies until amended or replaced.

## **TAX PRINCIPALS**

### **Approach of the group and company to risk management & governance**

- We aim to pay the right amount of tax at the right time, on the profits we make.
- We respect the rights of the government to determine their own tax regime, tax rates and collection mechanisms and do not use our commercial bargaining power to obtain company-specific tax advantages that are not available to all market participants, or which are otherwise not properly legislated.

**Mabanaft Limited**

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Registered in London No. 02960732



- We do not adopt tax schemes or abnormal tax structures that have no commercial substance.
- We recognize that all taxes that we pay and collect for the government are an integral element of our corporate social responsibility.
- We do not want to pay taxes that are not legally due or that are claimed based on an unprincipled or unjustified basis.
- We operate appropriate systems, controls and processes to manage taxes effectively. Wherever possible risks of errors are mitigated by having a segregation of duties.
- We seek independent reviews of our tax processes and controls on a periodic basis.
- We consult with third party tax advisers, in particular on areas of high complexity and we engage with tax authorities on areas of uncertainty.
- We train and support all personnel with responsibilities for tax matters, to ensure that they have the skills, technical expertise and knowledge to effectively and accurately fulfil their tax responsibilities and perform to the best of their abilities.
- The Company is subject to the Senior Accounting Officer legislation in the UK and appoints a Senior Accounting Officer who is responsible for ensuring the Company establishes and maintains appropriate tax accounting arrangements to allow tax liabilities to be calculated accurately in all material respects.

#### **Attitude of the group and company towards tax planning**

- We engage in responsible and sustainable planning, i.e. analyzing and managing the tax impacts of current and future business operations and transactions, based on genuine business rationale.



### Approach of the group and company towards dealings with HMRC

- We engage in open and constructive dialogue, cooperation and transparency with tax authorities and other government bodies, based on the disclosure of all relevant facts and circumstances.
- We defend ourselves and take all actions available, whenever we have a strong legal, business and tax position. We seek to anticipate and resolve disputes without recourse to courts wherever possible.

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