

Mercuria Energy Limited

UK Tax Strategy - 2017

The core business of the Mercuria Energy Group is the trading of physical commodities, from crude oil to refined oil products, natural gas, power, emissions, coal, natural gas liquids and most recently metals and bulk commodities. The Group has a very broad geographical diversification, with a local presence in over 30 countries.

This UK tax strategy is published in compliance with Paragraph 19(2) of Schedule 19 of the 2016 Finance Act for the year ending 31 December 2017.

Approach to risk management and governance arrangements in relation to UK taxation

Mercuria's UK tax function is responsible to ensure that UK tax legislation, regulations and obligations are adhered to and that the right amount of tax is paid on a timely basis.

Attitude towards tax planning

Any Mercuria UK tax planning must:

1. Align with the commercial activities and economic substance of the business operations carried out in the UK; and
2. Adhere to applicable UK tax legislation, regulations and obligations.

Tax risk

For areas of material complexity or uncertainty, Mercuria will engage independent UK tax advisors to determine and minimise UK tax risks as far as possible.

Approach towards dealings with HMRC

Mercuria UK pursues and encourages an open, transparent and trust-based relationship with HMRC by always seeking to:

- Comply with UK tax legislation, regulations and obligations;
- Pay the right amount of tax on a timely basis; and
- Work collaboratively with tax authorities to achieve early agreement on disputed issues and certainty on a real-time basis, wherever possible.