

PetroChina International (London) Co., Limited, and PetroNeos UK Tax Strategy

This tax strategy applies to PetroChina International (London) Co., Limited, other members of the China National Petroleum Corporation worldwide group operating in the UK, PetroNeos Trading Limited and its UK subsidiaries, and PetroNeos Refining Limited and its UK subsidiaries. The in-scope companies are collectively referred to as “PetroChina/PetroNeos” in the following.

PetroChina/PetroNeos regard publication of this tax strategy as fulfilling its obligations under Schedule 19 Finance Act 2016 to publish its UK tax strategy in the current financial year.

Our approach to risk management and governance in relation to UK taxation

PetroChina/PetroNeos tax policy is consistent with its corporate strategies. PetroChina/PetroNeos is committed to paying taxes in countries where business activities take place and value is created in compliance with applicable tax laws and regulations, and to contributing to local economic growth and sustainable development of the company.

PetroChina/PetroNeos pays taxes in compliance with applicable tax laws of host countries, its business principles and code of conduct, and adheres to high professional standards to ensure the legitimacy and accuracy of tax payments in a timely manner.

Group approach towards UK tax planning

PetroChina/PetroNeos carries out tax planning in support of its business strategy and in compliance with international tax agreements and principles, as well as tax laws of host countries.

PetroChina/PetroNeos opposes aggressive tax planning to avoid potential risks and negative impacts on the company’s reputation and sustainability.

Level of risk in relation to UK taxation

PetroChina/PetroNeos manages tax risks through its effective internal control system and engages with tax authorities and external advisors in case of different interpretation of tax laws and regulations for professional judgment.

PetroChina/PetroNeos carries out intercompany transactions based on arm’s length principle and not for the purposes of eroding tax base and shifting profits.

Approach of the group in dealings with HMRC

PetroChina/PetroNeos advocates tax transparency, and ensures the accuracy and completeness of tax information disclosure in line with requirements of tax authorities.

PetroChina/PetroNeos takes part in promoting a fair, consistent and stable taxation environment globally and strives to establish a fair, transparent and effective dialogue with tax authorities of host countries.