

UK Tax Strategy

This document sets out Hudson River Trading LLC's ("HRT") UK tax strategy towards UK taxation matters and covers all operations of HRT carried out in the UK ("HRT UK"). The publication of this statement is regarded as satisfying HRT UK's statutory obligation under paragraph 16(2), Schedule 19, Finance Act 2016.

Approach to risk management and governance arrangements in the UK

Risk management is central to our day-to-day operations. The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework. The HRT UK's risk management policies are established to identify the risks faced by the company, to set appropriate risk limits and controls, and to monitor such risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

HRT UK maintains a risk framework in relation to UK taxes, identifying specific tax risks and the controls applied, to the extent possible, to mitigate those risks. Such risks might include, but not limited to, the risk of errors or inaccuracies in tax filings, late payments or filings to the tax authorities, failure to meet UK tax reporting or compliance obligations, and failure to assess tax impact of material business transactions entered into. This framework is subject to ongoing review. In addition to monitoring new and evolving tax legislations, HRT UK has a new business/transaction evaluation process to allow it to identify new and arising risks and tax compliance obligations and enhance or update the framework as necessary.

HRT UK utilizes the help of the external tax advisors in relations to the areas of tax uncertainty or new areas of tax law and regulations, and how this impacts the UK operations.

Attitude toward tax planning, so far as affecting UK taxation

HRT UK has a low UK tax risk tolerance and a conservative approach to tax planning. HRT UK will only undertake activity where there is a genuine commercial motive. In doing so, HRT UK aims to comply with all tax obligations, both within the letter and the spirit of the legislation, paying the right amount of tax at the right time.

Where a tax position is uncertain, or unclear, HRT UK may refer to external advice for more detailed interpretation and if unable to reach a position of comfort in any specific situation, HRT UK is likely, without overly penalizing itself, to take a conservative approach to minimize potential tax risks. In this context, HRT UK will ensure to meet its obligations and will not take an aggressive approach in interpreting or applying relevant legislation.

In addition, HRT UK engages external advisors to support with compliance obligations and provision of updates on latest tax developments.

Level of risk in relation to UK taxation that the Group is prepared to accept

HRT UK does not support tax as being an artificial motivator for trade or business decisions, but will consider potential efficiencies when assessing the business driven implications. HRT UK does not engage in aggressive tax planning and aims to demonstrate integrity in any given situation by not seeking to deliver a result contrary to the intentions of relevant tax legislation.

Approach towards dealing with HMRC

HRT UK is committed to the following principles in its dealings with HMRC:

- To promote a professional, open, and trusted relationship.
- To respond to queries from HMRC in a timely manner, keeping HMRC informed of progress.
- To seek to resolve issues or uncertainties prior to filing of tax returns or obtain advice from HMRC in relation to areas of tax uncertainty in relation to material transactions where appropriate.
- To make fair, accurate and timely disclosures in filings and correspondence with HMRC.