

UK TAX STRATEGY

Transparency, fairness, collaboration and excellence are key to our culture and risk governance. We aim to comply with both the letter and the spirit of the law and seek to keep our tax affairs as transparent and straightforward as possible.

RISK MANAGEMENT AND GOVERNANCE ARRANGEMENTS

Risk management is central to our day-to-day operations and defines who we are. Responsibility for the Group's tax contribution, tax risk and governance ultimately sit with the Board and is led by the CFO. Day-to-Day responsibility sits with the Head of Tax who, supported by the wider finance team, reports to the CFO.

The Group's tax governance framework aligns with our Code of Conduct. Departmental heads such as Finance, Operations, Compliance and Risk play a key role in identifying and managing tax risk within their own department. Department heads sit on an Operating Committee and a New Business Committee and consult the CFO and Head of Tax on a predefined basis. Internal controls and escalation procedures are in place to identify, quantify and manage tax risks.

TAX PLANNING

The Group has a transparent and straightforward approach to tax planning. The Group works to ensure profits are aligned to the jurisdictions where economic activities take place and looks to pay the appropriate amount of tax in each jurisdiction in which it operates. In supporting genuine commercial activity, the Group looks to structure its affairs in a tax efficient manner and utilise tax incentives.

Where there is a degree of uncertainty for tax positions the Group seeks expert external advice and presents to the Board for approval prior to finalising any decisions. Voluntary disclosures are made to HM Revenue & Customs ('HMRC') where relevant and financial, economic, and reputational risk are considered a consequence of business decisions.

TAX RISK

The Group has a low UK tax risk tolerance and will actively seek certainty through discussions with HMRC. Integrity is at the core of what we do, we do not tolerate tax evasion, nor do we tolerate the facilitation of tax evasion by any person(s) on the Group's behalf.

RELATIONSHIP WITH HMRC

We intend to continue to engage with HMRC on a regular basis and make voluntary disclosures to HMRC that we feel are in-line with our tax governance framework. We believe in working transparently and collaboratively with HMRC and to maintain a strong working relationship together.

The XTX Group regards this publication as compliant under Paragraph 16(2), Schedule 19, Finance Act 2016. This strategy covers all taxes and applies from the date of publication until it is superseded.

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