OPTIVER
UK TAX STRATEGY

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INTRODUCTION
This UK Tax Strategy covers all UK operations of Optiver and applies to Optiver FX Ltd, Optiver UK Ltd, Optiver UK Trading Ltd, Optiver Investments UK Ltd and the UK permanent establishments of Optiver Services BV and Optiver Trading US LLC (together referred to as “Optiver UK”), limited liability companies registered with the Companies House in the United Kingdom and wholly owned by Optiver Holding BV, the ultimate holding company of the Optiver Group. This UK tax strategy is subordinated to the tax strategy of the Optiver group.

The tax management function covers, but is not limited to, the following UK taxes: corporate income taxes; withholding taxes, VAT, PAYE, NIC and transaction taxes (e.g. stamp duty).

This document is considered to comply with the requirements of Paragraph 19(2) Schedule 19 of the Finance Act 2016 and covers the financial period to the 31st of December 2020.

MISSION
Ensure Optiver controls, and complies with, all facets of taxation, while supporting the business, optimizing tax obligations and operating with integrity as a centre of excellence within the set risk profile and the applicable regulations and with a focus on long term sustainability.

Optiver aims to comply with the letter as well as the spirit of the law and does not adopt any position that is not supported by a credible basis in tax law or which contravenes any applicable anti-avoidance provisions. Optiver is transparent regarding its approach to tax. Optiver complies with all relevant rules regarding transparency in the area of tax.

TAX GOVERNANCE
The management of all of Optiver’s tax related responsibilities and tasks globally, including but not limited to tax control, tax risk management, tax advice, tax planning, tax accounting, transfer pricing and tax compliance, is mandated to the Tax Department.

The Head of Group Tax is accountable for tax matters related to Optiver Holding BV and the global corporate structure and is responsible – together with the Local Heads of Tax – for all tax matters of the Optiver Group. The Local Heads of Tax are accountable for all tax matters related to their respective business unit (“SBU”) and local legal entities.

The Head of Group Tax reports hierarchically and functionally to the Group CFO and reports directly on a regular basis to Optiver Holding BV’s Management Board (of which the Group CFO is a member) and on an annual basis to the Supervisory Board of Optiver.

The Local Heads of Tax report hierarchically to the Local CFOs (members of the local management teams, which report into the Management Board) and functionally to the Head of Group Tax. Local Tax Representatives report functionally to the Local Head of Tax of the relevant SBU or to the Head of Group Tax in the case where they are employed by Optiver Holding BV.

The relevant Local Heads of Tax for Optiver UK are the Heads of Tax for the SBUs Optiver Europe and Optiver US.
TAX STRATEGY
In line with the identified strategic roles of the Tax Department, the Tax Department will:

- Enable the SBU’s and senior management to make business decisions considering all relevant tax considerations;
- Support the business and corporate functions in tax matters;
- Optimize Optiver’s tax obligations to the extent allowable within the law and legislative intent;
- Direct, manage and ensure compliance with all facets of taxation relevant to Optiver;
- Ensure Optiver maintains and reports complete, correct and accurate tax accounts;
- Aim to keep tax risks within acceptable levels and, in order to manage and control tax risks, continuously develop its effective tax control framework (“TCF”); and
- Pursue a respectful, transparent, trusted and solid relationship with all stakeholders, including tax authorities.

TAX RISK MANAGEMENT
Optiver aims for excellent and sustainable tax risk management. Given the complexity of tax law and the complexity and global nature of its business, Optiver is inherently exposed to tax risk.

The Tax Department aims to keep tax risks within acceptable levels. The best way to ensure tax risk control is to embed tax risk management in the day-to-day operations. When new transactions are introduced, or when existing operations are changed, tax risks need to be assessed early and as an integral part of the development of new plans. Aside from tax planning, tax risk management covers control over tax risks on compliance, operations, transactions, products, transfer pricing, employment tax, financial and tax accounting and reputation.

To manage and control tax risks, the Tax Department has developed a TCF. The TCF is a set of processes and internal control procedures ensuring that Optiver’s tax risks are identified, assessed and controlled. Being “in control” on tax issues means being able to detect, document, mitigate, manage and report tax risk.

External tax advice is generally sought for all material tax risks at the discretion of the Tax Department.

TAX RISK PROFILE
Optiver aims for a low tax risk profile, which means a low-level tax risk appetite and a profile that is prudent, calculated and manageable.

TAX PLANNING
Optiver acts at all times in accordance with all applicable laws and is guided by relevant international standards. Tax planning should ensure that the overall tax charge equals the “right amount of tax” and is sustainable on the basis of the Tax Risk Profile and Tax Strategy.

Optiver will apply a conservative approach to tax planning measures. This means that tax planning opportunities will be pursued by adopting tax positions which are supportable based on both the letter as well as the spirit of the law and on the evidence available consistent with legislative intent. Optiver does not enter into transactions where the main or principal purpose is to avoid tax or to
adopt a position which contravenes any applicable anti-avoidance legislation. Optiver does not use secrecy jurisdictions or tax havens for tax avoidance.

Tax planning measures should be aligned with operations and support the genuine commercial activities of the business.

RELATIONSHIP WITH HMRC

Optiver pursues a respectful, transparent, trusted and solid relationship with all stakeholders, this includes HMRC. Optiver is transparent regarding its approach to tax and complies with all relevant rules regarding transparency.

When submitting tax computations and returns, Optiver discloses all relevant facts. If necessary, Optiver makes corrections of material errors or misstatements in tax filings where permissible and/or required by law and practice without undue delay. Any inadvertent errors in submissions made to tax authorities are fully disclosed as soon as reasonably practicable after they are identified.