

**Rokos Capital Management**  
Tax Strategy  
Financial year ended 31 March 2021

## **Introduction**

This Tax Strategy statement has been prepared in accordance with Tax Transparency legislation, Schedule 19 of the Finance Act 2016 (the "Schedule"). Paragraphs 25 and 22 of the Schedule apply to Rokos Capital Management LLP ("RCM LLP") and Rokos Services (UK) Ltd ("RSL"), respectively. Our approach to tax strategy is consistent across all entities of the RCM group ("RCM"), which includes RCM LLP and RSL. It has been published on the RCM website in accordance with the Schedule.

References to 'tax', 'taxes' or 'taxation' are to UK taxation and corresponding worldwide taxes and similar duties in respect of which the Group has legal responsibilities.

## **Overview**

RCM recognises its responsibility to tax authorities, its partners, investors & other stakeholders to ensure compliance with tax law in jurisdictions in which it operates and that it meets its statutory obligations. For us, compliance means paying the right amount of tax in the right place at the right time and claiming reliefs and incentives in line with the provisions of the tax law, where available.

## **Risk Management and Governance**

RCM's Partnership Board oversees RCM's risk management and governance framework including tax compliance and this Tax Strategy. Day-to-day responsibility is delegated to RCM's Head of Finance.

RCM's approach to tax risk is the same as with other operational risks within the business. We look to identify and assess risks and then to suitably mitigate those risks to a tolerable level through the implementation and execution of effective controls. Where material decisions are required or risks arise, these are escalated by the Head of Finance to the CEO and the Partnership Board.

In order to ensure timely and accurate tax compliance and reporting, RCM are supported by a range of external tax advisors. This expert support and guidance help us to ensure compliance with all our statutory tax obligations.

RCM recognises its obligations under the Corporate Criminal Offence (CCO) regime and has taken the necessary steps to ensure that we are compliant. RCM does not condone tax evasion of any sort and aims to ensure that tax evasion does not occur within RCM or any associated parties in our course of business and as detailed within the CCO.

## **Tax Risks and Mitigation**

Tax risks and their associated controls are managed by an in-house finance team that also manage tax compliance of the business on a day-to-day basis.

RCM works to ensure that tax risks are minimised by regularly reviewing and updating tax practices and policies to ensure they represent the true and fair nature of the activities undertaken. No profits are artificially redirected to low tax jurisdictions and RCM strives to uphold both the letter and the spirit of international tax laws and relevant OECD guidelines.

## **Attitude to Tax Planning**

RCM's business decisions are commercial in nature with the aim of supporting the firm and its strategic objectives. Our business structure and operations are in no way artificial or contrived in nature or developed with the aim of achieving unfair tax advantages.

RCM may utilise tax reliefs and incentives as it is believed they are intended to be used by the relevant tax authorities but will not participate in transactions for the sole purpose of circumnavigating tax rules or artificially creating a tax benefit that would not be representative of the commercial reality. We always aim to interpret tax legislation in the way we believe it is intended.

## **Dealings with HMRC**

RCM operates a transparent approach to our dealings with HMRC, actively engaging on issues and tax policy where needed. RCM will seek to co-operate with any inquiries or questions raised, and to ensure we provide appropriate, comprehensive responses to achieve a timely resolution.

RCM engages with specialist advisors that provide regular updates on changes to tax laws or legislation and assist with review of the Firm's existing policies to ensure they remain relevant and correct in an ever-evolving tax landscape.