



CME Group Overview

CME Group Inc. (“we” or “the company”) is an S&P 500 entity with its Class A common stock listed on the NASDAQ Global Select Market (ticker: CME) and headquartered in Chicago, Illinois. CME Group is the world's leading and most diverse derivatives marketplace, and CME Group is where the world comes to manage risk. The company provides a marketplace for buyers and sellers, bringing together individuals, companies and institutions that need to manage risk or that want to profit by accepting risk.

Through its exchanges - CME, CBOT, NYMEX and COMEX – CME Group offers the widest range of global benchmark products across all major asset classes, including futures and options based on interest rates, equity indexes, foreign exchange, energy, agricultural products and metals. As part of our commitment to providing innovative risk-management solutions to the marketplace, CME Group also offers a growing slate of cleared swaps.

Through our CME Globex electronic trading platform, users worldwide are able to access the broadest array of the most liquid financial derivatives markets available anywhere. Additionally, CME Group operates CME Clearing, one of the world's leading central counterparty clearing providers. By serving as the counterparty to every trade that happens in our markets, we protect the integrity of our markets, virtually eliminating third-party credit risk.

CME Group’s Approach to Tax

CME Group’s tax approach is consistent with its goals of providing a stable and secure marketplace for customers and returning maximum value to shareholders. As such:

- We consider the Company’s integrity, brand and reputation in making decisions about our tax affairs.
- We strive to have open and transparent relationships with tax authorities in jurisdictions where we are taxpayers.
- We are diligent about calculating and remitting taxes payable in all jurisdictions in which we operate in accordance with local law and OECD principles. Likewise, we are diligent about collecting and remitting transactional taxes when required by law.
- We support regulatory measures to increase transparency and comply with all disclosure requirements of the U.S. Securities and Exchange Commission (“SEC”), the Commodity Futures Trading Commission (“CFTC”) and any other institution that requires disclosure in jurisdiction where we are taxpayers.

The publication of this document is regarded as meeting all statutory tax strategy disclosure requirements, including those in the United Kingdom. We have provided this document on December 12, 2017 in compliance with our duties under Part 2 of Schedule 19 of the Finance Act of 2016.

Management of Tax Risks

CME Group Inc. is highly regulated and of great importance to the global economy. As such, it is critical for the company to minimize risks by gaining high levels of surety on the impacts of laws and regulations, including those that concern tax. As such:

- We employ a corporate tax department charged with managing the company's day-to-day tax matters including ensuring that compliance and financial reporting obligations are met.
- On matters that could be open to interpretation, we obtain the advice of qualified advisors and may seek formal agreement from tax authorities.
- We maintain a robust set of procedures, disclosure controls and internal controls to ensure that the corporate tax department is aware of any new transactions, significant decisions or business strategies that may be relevant to our tax environment.
- We engage in monthly meetings with our external auditors, including the engagement tax partner, to communicate any significant business or tax matters.
- We report all material matters to the CFO, the CME Group board of directors ("BOD") or assigned BOD subcommittee, and to the boards of directors of our statutory entities.

All of our policies and procedures are designed to minimize tax related risks and ensure that all compliance and reporting obligations are met in all jurisdictions where we operate.

Tolerance of Tax Risks

The company is committed to paying the appropriate amount of tax under applicable tax laws and regulations. The company has extremely low tolerance to positions or transactions that are open to interpretation and not disclosed in a transparent manner to tax authorities. We continuously review our tax positions to ensure compliance and engage advisors or tax authorities for advice when appropriate.

View on Tax Planning

The company is committed to calculating and remitting the appropriate amount of tax in each jurisdiction given the applicable tax laws and regulations. We seek to structure our operations in the most tax efficient manner possible. We are also diligent in assessing reputational risk in any matters that might impact taxes.

Relationship with HM Revenue and Customs ("HMRC")

The company is committed to having an open and positive relationship with all tax authorities including HMRC. The company engages in reviews when requested and offers site visits to U.K. operations when possible. The company also utilizes programs and opportunities made available by HMRC when application of law or regulations may be open to interpretation.