

## TI Media Group's approach to tax

The TI Media Group (which includes all UK entities in the group headed by Sapphire Topco Ltd) is at the forefront of creating quality content and brands that entertain and fuel the passions of millions of consumers every day. As well as compelling storytelling, we inspire people and are a trusted voice for their interests.

Our proud heritage spans over 150 years and includes over 50 of the UK's best-loved brands including Wallpaper, TV Times, Ideal Home, Woman's Weekly, Horse & Hound, Woman & Home, Country Life and Decanter. Our content and brands are far reaching and exist in print, digitally, live events, retail and awards.

We collect and pay a variety of taxes on our business activities such as employment taxes, corporation tax, VAT, withholding taxes and stamp duties. These taxes form a part of the economic contribution that we make to the UK.

Our business's tax arrangements are explained below and the publication of this strategy statement is regarded as satisfying the statutory obligation under Schedule 19, Finance Act 2016:

### 1. Management of tax risks

The key members of the Tax team are the Head of Tax (responsible for corporation tax and overview of all taxes), Financial Operations Directors and Financial controllers (responsible for employment taxes and VAT) who report to the CFO. The CFO takes overall responsibility for tax and is a member of the boards of TI Media Group. Tax is involved in areas of business risk such as significant business transactions, acquisitions/ disposals, changes in group structure, cross border transactions and new systems that affect tax. Controls and monitoring are in place over the tax compliance process.

We follow the risk management system that is part of TI Media's internal control process. We fall within the Senior Accounting Officer regime whereby a certification is made to HMRC confirming that appropriate tax accounting arrangements are in place.

Risks are identified, assessed and appropriate actions taken. These are monitored and improvements are considered and implemented as appropriate.

### 2. Attitude to tax planning

Tax is involved in commercial and economic transactions to ensure that they are implemented in a tax efficient manner and in accordance with the intention of the tax legislation. Artificial tax arrangements are not undertaken. External advisors may be used for their expertise and to minimise the risk of uncertainty.

### 3. Tax risks

The CFO is responsible for our approach to tax. We have a low level of acceptable tax risk.

### 4. Working with HMRC

We have built a good relationship with HMRC and our Customer Relationship Managers. We have regular update meetings or phone calls where we discuss how the business is doing, future strategic plans and any tax issues; our approach is to have an open, transparent and professional working relationship with HMRC. We let HMRC know, both by phone and in writing, when an error or risk is identified and provide full disclosure of the event and how we plan to avoid it happening again. We have approached HMRC on areas of tax uncertainty in interpreting the law in order to obtain non statutory clearance.

Dated 18 Nov 2019