**Mediahuis UK Group Ltd Tax Strategy**

**1. Tax governance**

The Mediahuis Ireland Group Ltd Board (the board) is responsible for ensuring that the Mediahuis UK Group of companies has an effective system of corporate governance, which includes tax governance.

As a socially responsible organisation the Group acknowledges that it has an obligation to pay the right amount of tax that is legally due in respect of its business activities in the countries in which it operates.

Tax governance focuses on the Group’s strategic tax objectives, its tax risk management policy, and the day to day operational processes and controls that are designed to ensure that tax risks are managed effectively.

**2. Group tax strategy**

The Mediahuis UK Group Ltd Tax Strategy has been published in accordance with the requirements of Paragraph 16 of Schedule 19 of the Finance Act 2016.

This Strategy applies to Mediahuis UK Group Ltd and its wholly owned UK corporate subsidiaries.

The key tax objectives are:

* Compliance with all relevant tax laws, rules, regulations and reporting and disclosure requirements that the Group is subject to,
* Tax strategy to be consistent with the Group’s overall risk management process and subject to regular review,
* Diligent and professional care to be employed in the assessment and management of tax risk,
* Commercial transactions to be structured in the most tax efficient manner permitted by current tax law while still considered reasonable and within the spirit of the regulations.
* Where appropriate make use of incentives or reliefs whilst respecting the underlying legislative intention.

**3. Tax risk management policy**

The board has overall responsibility for the Group’s system of risk management and internal controls.

Tax risk involves uncertainties, as to how tax law and practice may apply in respect of a particular set of facts and circumstances, and also whether the Group has processes in operation that enable relevant and accurate tax information to be extracted so that tax returns can be prepared and submitted on a timely basis.

In relation to the management of tax risk, a regular assessment is made of the principal tax risks, together with a review of the effectiveness of the internal controls system. The assessment of tax risks includes a review of the tax management processes that are in place, tax uncertainties and significant risks. A regular review is made of the corporate risk map which details a description of the risks the Group faces, an assessment of the impact on the business of those risks, the probability of occurrence, management accountability and applicable policies.  In this way all key risks with a potential taxation impact can be identified and managed effectively.

**4. Tax operating model**

a. Tax risk and control environment  
Process maps are developed to enable the tax risks to be identified and controls implemented to mitigate those risks. The risks and controls are subject to routine monitoring and are to be adapted as business processes change.

b. Roles and responsibilities  
Accountability for the tax strategy and management of tax risk ultimately rests with the Board. Responsibility for the implementation of the tax strategy rests with the Group Finance Director, and is supported by the Group Finance Department on a day to day basis. The Board is updated of any significant tax issues requiring its oversight or input at its regular Board meetings.

The Group Finance Department, is responsible for developing and maintaining a good professional and collaborative working relationship with the tax authorities. Enquiries and requests for information are to be dealt with on a timely basis. Disputed matters are to be resolved as soon as is possible in order to reduce uncertainty surrounding the tax issues affecting the Group.

To meet this objective the following are to be adhered to;

* Tax returns to be submitted by their due date,
* Tax payments to be made by their due date,
* Adequate financial systems to enable relevant and accurate tax data to be extracted for inclusion in tax returns,
* Fair disclosure of a tax technical position taken in preparing a tax return,
* To risk assess transactions and work collaboratively with HMRC in order to ensure, wherever possible, that we can reach agreement over the interpretation and application of tax law.

In relation to tax planning the Group will not enter into transactions artificially designed to obtain a tax advantage.

Where appropriate the Group will make use of incentives or reliefs to reduce the Group’s effective tax liability where such use is consistent with the underlying legislative intention.  
Where possible the Group Finance Department will seek to obtain a pre-transaction clearance from the tax authorities and will make full disclosure to the authorities of any tax planning undertaken at the earliest opportunity.

In respect of complex transactions or difficult interpretations of tax law the Group Taxation department will, on agreement with the board, engage legal counsel or other third party professional advisers to provide written opinions of the interpretation of tax issues faced by the Group. These opinions will be used by the Group Finance Department in formulating its overall advice to the board in respect of a specific tax issue.

c. Diligent and professional approach to dealing with tax risk  
The Group Finance Department is responsible for ensuring that the Group’s corporate reputation is maintained at all times. The department is also responsible for ensuring that in respect of a proposed commercial transaction the board has a clear understanding of:

1) The potential tax benefit arising balanced against the potential financial costs, including, interest and penalties, and, in the event of dispute,

2) The potential damage that may be caused to the Group’s continuing relationship with the tax authorities.

d. Cooperative approach with HMRC

The Group maintains an open dialogue with HMRC. We correspond with HMRC regularly throughout the year and keep HMRC informed of significant transactions and business changes.