



**SOUTHBANK MEDIA LIMITED - 2017 TAX
STRATEGY**

INTRODUCTION

As head of Scripps Networks Interactive Inc.'s (SNI) UK sub group (the "Group"), Southbank Media Limited (the "Company") is publishing its tax strategy for the year ended 31 December 2017 in compliance with section 161 and section 192(2) of schedule 19 Finance Act 2016. This tax strategy will apply to the following UK companies:

- Southbank Media Limited
- Scripps Networks International (UK) Limited

This document sets out the Group's approach to managing its tax affairs and dealing with tax risks. The Group's tax strategy applies to all relevant UK taxes and will be reviewed annually and updated as appropriate.

The Group's tax team engages and works in conjunction with our business to ensure:

- Compliance with all relevant laws, rules and regulations
- Openness and transparency in all aspects of tax reporting and compliance
- Alignment of the strategy with SNI's approach to corporate governance and risk management

GROUP TAX STRATEGY

The Group's overall tax strategy is aimed at achieving the following objectives:

1. Compliance with all relevant laws, rules and regulations and ensuring timely filing of returns, making requisite disclosures and payment of tax.
2. Ensure the strategy is in line and supportive of SNI's overall strategy, core values and approach to risk management.
3. Develop professional and transparent relationships and engage in proactive dialogue with the tax authorities to facilitate an efficient resolution of issues as they arise.
4. Consideration of appropriate tax planning structures for commercial transactions that may give rise to UK tax efficiencies but not to engage in schemes that are not aligned with the intention of the legislative authorities or which compromise the wider SNI group's reputation.

RISK MANAGEMENT AND GOVERNANCE

The Group has an on-going approach to identifying, assessing and mitigating tax risks through governance and internal controls. If a material tax risk is identified, an assessment of its potential impact on the Group is determined and reviewed on a quarterly basis. Such risks are reported to the appropriate levels of management, and where required, engaging with HMRC to address and resolve the issue.

TAX PLANNING

The Group may engage in tax planning for transactions with genuine commercial rationale but only to the extent that such planning isn't counter intuitive to the intention of the legislation and will not compromise the wider SNI group's reputation.

ATTITUDE TOWARDS TAX RISK

The Group has a low risk appetite and seeks to maintain this by being compliant with UK tax legislation, not engaging in aggressive tax planning, engaging external advisors where required to understand and address our obligations, and investing in training to ensure the tax team is up to date on tax legislation and best practices.

RELATIONSHIP WITH HMRC

Our policy is to comply with all UK tax law and compliance requirements and engage in honest and transparent dialogue with HMRC where required to minimise tax risk and resolve any issues in an efficient manner. External advisors may be engaged when required, who may liaise with HMRC on our behalf.