New York Times Limited – Statement Required under United Kingdom Finance Act 2016, Schedule 19

The UK tax strategy of New York Times Limited ("NYT UK") is described below. Any reference to the "NYT Group" refers to the wider international group, including NYT UK's parent company The New York Times Company and its subsidiaries. The following complies with the requirements of Schedule 19 of the Finance Act 2016.

General context

In recent years, the media, the public and non-governmental organisations have turned growing attention to international tax avoidance by large multinational corporations. Further, in a context of increasing financial pressure on public budgets, governments around the world are concerned about tax base erosion due to artificial allocation of taxable profits to locations different from those where the valuable business activities take place. As a multinational enterprise with operations in various parts of the world, the NYT Group acknowledges the key role of taxes in the budget and development of the countries in which it conducts business activities.
The following set out the NYT Group's guiding principles in its approach to its taxation affairs:

- the NYT Group seeks to comply with all relevant tax laws and regulations and to pay the correct amount of tax at the correct time and in the correct territory;
- the NYT Group has processes and controls in place designed to manage the NYT Group's tax affairs in all territories where the group has operations; and
- the NYT Group is committed to maintaining open and constructive relationships with tax administrations.

The NYT Group is a publicly traded international media organisation with a significant public profile and conducts its tax affairs accordingly.

Approach to risk management and governance

The NYT Group's primary attitude towards the management of its tax affairs is to identify, assess, monitor and manage any tax risks to ensure they are reduced to a minimum level. All NYT Group members are required to apply the same internal controls to manage tax risk as those used by The New York Times Company.
We aim to identify, evaluate, monitor and manage material risks to ensure they remain in line with our business objectives. Where there is significant uncertainty or complexity with respect to the tax treatment of a material transaction or risk area in connection with our international operations, external advice is generally sought to ensure compliance with domestic and international tax obligations. However, given the number of jurisdictions in which the NYT Group operates, risks will inevitably arise from time to time in relation to the interpretation of local or international tax provisions. In addition, jurisdictional conflicts may lead to disagreements regarding the appropriate country in which a specific item of profit should be taxed.

The NYT Group seeks to employ appropriately qualified staff in the various areas of finance and tax relevant to its business operations. Those employees have responsibility for different fields of taxation, such as payroll taxes and income tax return preparation and work with local tax advisers to meet local tax obligations.

Day-to-day responsibility for UK taxes resides with NYT Group personnel based in the United States and Europe, as well as finance teams in certain jurisdictions. Significant tax matters identified by the tax team are raised with senior management when appropriate. Communication between the finance team and appropriate members of NYT Group's management is regular, to facilitate the appraisal and management of material tax risks as is appropriate. Relevant external expertise is sought where areas of significant risk or uncertainty are identified by NYT Group personnel responsible for tax.

Approach towards tax planning

Any material structuring that is undertaken is done so primarily for commercial and economic reasons. The NYT Group adopts what it considers to be a responsible approach to tax planning and does not engage in any arrangements which have the principal purpose of tax avoidance through an abuse of tax laws or which do not support genuine business activity.

Part of the NYT Group tax team's role is to define the transfer pricing policy of the different business lines and procure that it is properly followed in its application across all group companies internationally. In relation to cross-border transactions, the NYT Group applies OECD standards and seeks to provide that the transfer pricing policies implemented within the group respect the "arm's length principle." Those cross-border transactions are documented in each country, and they are disclosed to the local authorities where required.

Approach towards compliance

The NYT Group is committed to complying with local tax laws and regulations wherever it operates, including, where required, disclosing relevant facts and circumstances to the tax authorities (including HM Revenue & Customs ("HMRC")) and claiming relief and incentives where available. The NYT Group seeks to comply in all material respects with applicable tax filing and payment requirements and obligations when they arise.

Approach to dealing with HMRC

NYT UK believes that its relationship with HMRC should be constructive and based on mutual trust. NYT UK will not knowingly take tax positions which may create reputational risk or jeopardise its good standing with tax authorities and will endeavor to always respond openly and honestly to any enquiries the tax authorities make.

Where appropriate, NYT UK will disclose any significant uncertainties that arise with respect to the application of UK tax rules and discuss these with HMRC in an attempt to resolve them prior to any submissions.