

# AMC NETWORKS™

## INTERNATIONAL

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### UK

#### Opening statements

AMC Networks Inc (NASDAQ:AMCX) is an international distributor of award-winning content and channels. The group owns and operates a number of brands including AMC, IFC and Sundance TV. In 2014, AMC Networks Inc purchased the group Chellomedia from Liberty Global and the division has since been re-branded as AMC Networks International. This is the non-US Domestic & Canadian division of the group and delivers programming to subscribers in 140 countries and territories including Africa, Asia, Europe, Latin American and the Middle East. The international division distributes the AMC and Sundance global brands as well as other popular local channels in varying genres.

This publication is in relation to the year ended December 2017, in compliance with the requirements under paragraph 16(2) of Schedule 19 in FA 2016.

AMC Group aims to fully comply with its global tax obligations. We pay a range of taxes globally, including but not limited to corporate tax, indirect taxes, employment taxes and duties.

This strategy applies to all individuals and departments where their actions and activities can have a tax impact.

Our approach to tax in relation to the UK is to operate:

- Within the core strategy of the AMC Group; and
- In compliance with relevant laws, regulations and reporting requirements; and
- In accordance with other AMC Group policies and codes.

#### AMC's approach of the group to risk management and governance arrangements in relation to UK taxation

- Tax risks can arise due to outside influence (e.g. new legislation) or internal factors (e.g. a tax position taken).
- Prior to taking a tax position provided for in law, an assessment of the UK tax risk is undertaken to determine whether the tax position is appropriate under the applicable AMC corporate governance and tax risk framework. This seeks to ensure that there is a clear understanding of and adherence to the procedures in place for tax risk management and governance. This involves oversight by relevant management.
- We manage tax risk by ensuring that the AMC in-house tax team are appropriately trained and qualified to manage and monitor such risks. Where required, advice will be sought by external tax (and where relevant legal) advisers.

#### **AMC's attitude of the group towards tax planning (in relation to UK taxation)**

- We ensure that tax planning is aligned to commercial and business objectives and is assessed from a risk perspective (including obtaining external advice where appropriate).
- We maintain Transfer Pricing documentation which supports the corporate tax return positions and aligns to the principles of the OECD guidelines.
- We remain up-to-date on tax developments which may impact the group. This includes the OECD's Base Erosion and Profit Shifting (BEPS) initiative and all divisions' tax teams have been working as a group to comply with the requirements. We also seek to understand and assess the impact of these on the tax risk profile of companies in the group.

#### **Level of risk in relation to UK taxation that the group is prepared to accept**

- The company aims to ensure that any tax risks are appropriate under the AMC corporate governance and tax risk management framework.
- Where appropriate, AMC will seek advice from external advisors to confirm positions taken or anticipated to be taken.
- All AMC employees are required to comply with AMC policy as well as relevant laws and regulations.

#### **Approach of group towards its dealings with HMRC**

- We aim to have a constructive and professional relationship with HMRC based on mutual respect.
- AMC maintains a dialogue with the HMRC Customer Relationship Manager to ensure that any potential issues are addressed on a timely basis and where deemed useful will pro-actively provide information to help with any review.