

Bonnier Books UK Tax Strategy

In compliance with paragraph 19(2) of Schedule 19 of the Finance Act 2016, this document sets out the Group's approach to conducting its tax affairs and dealing with tax risks. The board of Bonnier Books UK Group has approved this tax strategy and it applies to all UK subsidiaries of Bonnier Books UK Group Holdings Ltd in respect of the year ending 31 December 2021.

Bonnier Books UK is committed to the following principles:

- to respect the tax laws in place in all jurisdictions in which it operates
- to file all appropriate returns fully and by their respective due dates
- Implement and manage appropriate controls and procedures to ensure that all tax related activities are correctly performed and that our tax governance is appropriate
- Employ appropriately qualified and trained professionals with the right levels of tax expertise and understanding of the business.

Risk Management and Governance

The tax affairs of the Bonnier Books UK are managed by the Chief Financial Officer, who is a UK board director. The Chief Financial Officer is supported by a finance function who have appropriate qualifications and experience in the identification and management of tax risk. However the Group recognises that tax risk stretches across multiple functional areas of the business and is both complex and dynamic. The Group has a low tolerance to tax risk and this is assessed on a case by case basis . In order to provide support to the in-house function appropriate advice is obtained from external tax advisors who will also communicate with HMRC directly on our behalf on more complex issues to ensure agreement with our approach.

Bonnier Books UK, in conjunction with external tax advisors, regularly review controls in place to ensure that they remain appropriate and perform the required function. In addition new controls are introduced where necessary to strengthen the tax governance environment and to address any regulatory or reporting changes. The Chief Financial Officer and associated team is involved with projects in all areas of the business from the planning stage which allows any tax risks to identified and addressed at an early stage, meaning appropriate tax treatment is applied.

Where appropriate, the results of the review of controls is presented to the Board of Directors.

Tax Planning

The underlying principal that is adopted in respect to any tax planning undertaken by the Group is to ensure compliance with all relevant laws and to ensure that any actions taken do not adversely impact on the reputation of the Group. Working within that parameter the Group carries out such tax planning that is appropriate to conduct its affairs in the most tax efficient manner possible.

Where the expertise to assess the tax risks or regulations applicable to any proposed plan does not exist in house then advice is obtained from appropriate tax experts.

Approach to Dealings with HMRC

Bonnier Books UK Group is committed to a proactive, transparent and open relationship with HMRC.

Any simple tax issues are addressed directly with HMRC as soon as the Group becomes aware of them. Where a tax issue is more complex or we have uncertainty over interpretation of the appropriate legislation we work with external tax advisors to determine the best approach for open and proactive communication with HMRC.

Any inadvertent errors in submissions made to HMRC are fully disclosed and corrected as soon as is reasonably practicable.

Note

This tax strategy was approved by the Board of Directors on 22/9/2021.

A handwritten signature in black ink, appearing to read 'Jonathan Perdoni', is written over a horizontal line. The signature is stylized and cursive.

Jonathan Perdoni

COO/CFO Bonnier Books UK