

LSC Communications UK Holdings Limited Tax Strategy

This tax strategy applies to LSC Communications UK Holdings Limited, a subsidiary in the LSC Communications Group (the “Group”).

The Group’s tax strategy applies to the year ended 31 December 2025 and has been approved for publication by the Board of Directors.

We regard the publication of this document as complying with the duty under paragraph 19(2) Schedule 19 Finance Act 2016.

Company Profile

The principal business of the Group, including its direct or indirect wholly-owned subsidiaries, is to offer a broad scope of traditional and digital print, print-related services, and office products. Through its subsidiaries, the Group serves the needs of publishers, merchandisers, and retailers worldwide with a service offering that includes e-services, logistics, warehousing and fulfillment and supply chain management services. Through its subsidiaries, the Group utilizes a broad portfolio of technology capabilities coupled with consultative attention to clients' needs to increase speed to market, reduce costs, provide postal savings to customers and improve efficiencies. Through its segments of its subsidiaries, the Group prints books and offers a range of office products, including filing products, envelopes, note-taking products, binders, and forms. Further, through its subsidiaries, the Group manufactures and distributes graduation and achievement products for the Scholastic and Collegiate end markets.

We consider financial integrity and fiscal responsibility as core aspects of our operations. These principles are part of the general framework of ensuring high standards and due diligence in the conduct of the Group’s business. The Group values trust and collaboration, and this is the basis on which the tax strategy is executed.

Approach to tax risk management and governance

LSC requires that our company engages in a formal board process as a means of ensuring good corporate hygiene and governance.

LSC enforces the highest ethical standards of compliance, honesty, and integrity in the business and is reflected in our approach to tax.

With the tax landscape constantly changing, LSC operates a robust tax risk management framework. This ensures that the Group is able to identify, assess, manage, and mitigate tax risk as well as maintain alignment with the Group's business strategy and governance framework.

LSC benefits from a centralised tax function, which is primarily supported by group tax specialists and external advisors. This centralisation ensures the standardisation and unification of tax processes across the organisation. Processes relating to different taxes are allocated to appropriate specialist functions within the tax team who carry out a review of activities and processes to identify key risks and mitigating controls in place. These key risks are monitored for changes in business and legislation and processes and controls are updated accordingly.

The Audit Committee provides oversight of the Group's risk management, and its compliance with legal and regulatory requirements, including the Group's tax strategy.

Material commercial matters are discussed internally, and external advice is sought in relation to complex tax matters. The Group uses robust technology and data processing systems that allow for reliable tax reconciliations and streamline the flow of data. Properly maintained documentation is the basis for decisions related to tax reconciliations.

We operate a zero-tolerance approach towards tax evasion. The Group has implemented relevant controls to prevent the facilitation of tax evasion by employees and third parties providing services for or on their behalf. In relation to tax evasion and its criminal facilitation by our associated persons, we have a documented policy in place applicable to our employees and key third parties as well as a documented risk assessment, which facilitates regular review, monitoring and mitigation of key risks.

Attitude towards tax planning

LSC is deeply committed to the communities where our people work and the communities they live in. We therefore recognise the importance of our tax obligations and aim to pay all applicable taxes and comply with relevant laws in all the territories in which we operate.

We will not seek to undertake contrived or artificial transactions or those with no genuine commercial substance. Thus, any tax planning undertaken will have economic substance and will consider LSC's wider vision, strategy and values. The Group seeks to minimize uncertainty, risks or disputes, and will engage external advisors where appropriate.

Intragroup transactions are conducted on an arm's length basis to comply with OECD transfer pricing principles.

Tax filings are prepared in accordance with applicable tax laws. Tax liabilities are calculated based on the relevant tax regulations, taking into account the actual course of economic events.

The Group continuously monitors changes to tax legislation and obtains tax advice where appropriate from professional tax advisors. This external advice is reviewed by the tax function to ensure that any action undertaken is consistent with the Group's values, tax strategy, and applicable laws.

Acceptable level of tax risk

LSC is committed to upholding high standards of corporate governance, transparency, and responsibility. The Group takes a prudent approach to tax risk and provides the business with the appropriate guidance and awareness to enable adherence to the tax strategy in all commercial matters.

The Group's appetite for tax risk is considered to be low, in line with the wider business risk appetite, and LSC aims to manage tax risks to ensure that the right amount of tax is paid at the right time. Rather than having rigid defined levels of acceptable tax risk, the Group seeks to identify, evaluate, manage and minimize these risks.

Approach to dealing with HMRC

The Group seeks to maintain a constructive and open dialogue with HMRC. The Group aims to establish a good working relationship with HMRC, enabling open interactions to resolve any areas of uncertainty in a timely and responsible manner. Where appropriate, the Group will engage with HMRC to seek clarity on complex tax matters.

Published date: December 12, 2025