

Embracer Tax Policy

Adopted by the Board of Directors on 23 February 2022

This policy should apply to all Embracer Group entities

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1. Revision history

Date	Version	Description	Author
2022-02-23	1.0	First version adopted on 23 February 2022.	Global Head of Tax

2. Introduction

- 2.1 Embracer Group AB (“**Embracer**”) complies with tax law and practice in all the territories in which the Group operate, including the UK. Compliance for Embracer means paying the right amount of tax in the right place at the right time and involves claiming reliefs and incentives where available and operating in line with the commitments.
- 2.2 The Global Head of Tax is responsible for ensuring that this policy is implemented and monitored throughout the Group. Effective date of this policy is 23 February 2022 and the policy will be re-adopted by the Board of Directors yearly.
- 2.3 In each Embracer operative group, management is responsible for the implementation and safeguarding of this policy, including ensuring that there are regional/local procedures in place to support compliance.

3. Tax Policy

- 3.1 In structuring Embracer’s commercial activities, Embracer will consider – among other factors – the tax laws of the countries within which the Group operate with a view to maximizing value on a sustainable basis for Embracer’s shareholders. Any tax planning undertaken will have commercial and economic substance and will have regard to the potential impact on Embracer’s reputation and broader goals. Embracer will not undertake planning that is contrived or artificial.
- 3.2 Given the scale of Embracer’s business and volume of tax obligations, risks will inevitably arise from time to time in relation to the interpretation of tax law and nature of the Group’s compliance arrangements. Embracer actively seek to identify, evaluate, manage and monitor these risks to ensure they remain in line with Embracer’s objectives. Where there is significant uncertainty or complexity in relation to a risk, external advice may be sought.
- 3.3 Transactions between Group companies are carried out in accordance with Embracer’s interpretation of prevailing tax laws, tax treaties, OECD’s guidelines and agreements entered into with foreign tax authorities and are normally at arm’s length.
- 3.4 Embracer engages with tax authorities, including HMRC, with honesty, integrity, respect and fairness and in a spirit of co-operative compliance. Embracer is prepared to litigate where Embracer disagree with a ruling or decision of a tax authority but will first seek to resolve any disputed matters through pro-active and transparent discussion and negotiation.
- 3.5 The statements in this policy are publicly available on Embracer’s website in order to allow external stakeholders to understand Embracer’s approach to tax and – in respect of the UK entities – it is regarded as complying with Part 2 of Schedule 19, Finance Act 2016.

4. Violations of this policy/these instructions/guidelines

- 4.1 Employees who violate a Group Policy may be subject to disciplinary action, up to and including dismissal, depending on the facts and circumstances.