

Updated UK and Group Tax Strategy

EVOKE PLC - UK AND GROUP TAX STRATEGY

The Group regards this publication as complying with its duty under paragraph 19(2) and 22(2), Schedule 19, Finance Act 2016.

The Group's primary objective is to responsibly maximise shareholder value in all aspects of its business activities. As part of this, we seek to manage our taxes in a responsible manner as expected by our shareholders and other key stakeholders, and consistent with our core values.

Maximising shareholder value includes maintenance of our corporate reputation and our relationships with governments. It also involves the management of risks such as potential disagreements with tax authorities over the correct application of the law. We do not seek to do anything that is considered an unreasonable or inappropriate interpretation of the law, nor anything likely to risk damage to the Group's reputation or its brands, and we seek to comply with the Group's published Code of Conduct which govern its operations as a whole.

We seek to act in compliance with all relevant tax laws and regulations of the UK and the other countries in which we operate. We seek to pay the right amount of tax, at the right time, in compliance with such laws and regulations.

This documentation of our Tax Strategy is designed to be an integral part of how we assure direction and control over the Group's tax activities.

RISK MANAGEMENT AND GOVERNANCE

The Board has ultimate responsibility for ensuring that the Group's tax affairs are conducted in accordance with the Tax Strategy. The Board delegates this responsibility to the Group Chief Financial Officer ("CFO"). Day to day responsibility for the Group's tax affairs rests with the Group Head of Tax, who reports to the CFO.

The Board is provided with a tax update by the Group Head of Tax at least twice a year, *inter alia* setting out any significant changes in the Group's UK tax positions, and including any key disputes with tax authorities, the potential impact of material changes (or proposed changes) in tax legislation, and the ongoing management of key tax risks.

Within the Tax Department, we only employ people who are considered to have the necessary qualifications, skills and experience for the role that they are undertaking. All such individuals are provided with resources to ensure awareness of relevant changes in tax laws and interpretations, and encouraged to identify training and development opportunities to maintain and improve their tax knowledge, experience and awareness.

We always seek to ensure that our work is appropriately documented such that it evidences the key facts relied upon, judgements made and the conclusions reached, and compliance with the law. Where considered necessary, for example where we identify material situations that may be subject to interpretation or potential disputes or where we lack the appropriate in-house expertise, we take advice from appropriately qualified external tax experts to ensure the reasonableness of our position.

Risk Management

Consistent with the Group's broader approach to managing risk, the tax risk management process seeks to include the proactive identification, evaluation, control and monitoring of tax risks and opportunities.

Key tax risks for the Group include:

- failure to meet our tax reporting obligations on an accurate and timely basis;
- failure to pay or withhold the appropriate amounts of tax on a timely basis;
- failure to accurately reflect our tax expenses, assets and liabilities in our Financial Statements;
- failure to accurately represent the transactions and activities undertaken by the business in our tax representations and filings;
- lack of knowledge, understanding or awareness of applicable tax laws or interpretations (such as OECD guidelines on arm's length principles for intercompany transactions);
- the potential for disputes to arise with tax authorities in relation to interpretation of laws.

Measures designed to mitigate our key tax risks include:

- ensuring the members of the Tax Department have the necessary qualifications, skills, experience, technical resources and training;
- ensuring that technical positions, particularly those reliant on material judgement or interpretation, are appropriately documented;
- seeking advice from external tax advisers in appropriate situations as discussed above;
- ensuring senior management are aware of the importance of taxation, the tax consequences of a transaction being considered in assessing the financial implications of that transaction, and involving the Tax Department from planning through to implementation;
- maintaining active engagement with the business to ensure awareness and understanding of key activities, transactions, and changes thereto;
- maintaining active engagement with other key departments, such as Finance, Treasury and Legal;
- ensuring appropriate systems and controls are in place to accurately calculate tax liabilities, and monitor compliance filing requirements and deadlines – this is discussed further below.

Systems and Controls

We seek to operate appropriate systems, controls and processes to manage taxes effectively.

Wherever possible, risk of errors is mitigated by segregation of duties. For example, we seek to ensure that as a minimum "four eyes" review is carried out in respect of all material work carried out by Tax Department members.

Tax return processes are documented to provide a framework for Tax Department and other relevant employees to follow.

Where appropriate we use specialist tax software and other automation for the purposes of our tax returns.

We work closely with Finance seeking to ensure that finance systems and processes are expected to operate so as to ensure that financial data and records on which we rely for the purposes of our tax returns are accurate, complete and reliable.

In the event that we discover any inadvertent errors or omissions, we will always make full and timely disclosure is made to the relevant tax authorities.

The Group's Internal Audit department considers and reviews tax compliance and risk matters as part of its annual planning and work cycle.

ATTITUDE TO TAX PLANNING

The commercial needs of the Group are paramount and all tax planning and management is undertaken in this context. We do not undertake transactions for tax purposes which have no commercial purpose.

When considering tax initiatives and opportunities, material regard is always given to the Group's reputation, brand and corporate responsibilities, and alignment to the commitments made by the Group in its Environmental, Social and Governance strategy.

In the event of material doubt as to whether any tax planning would be inconsistent with this Tax Strategy, confirmation and approval would always be sought from the Evoke plc Board of Directors before proceeding.

ACCEPTABLE TAX RISK

A matrix is maintained which is monitored by the Group's Enterprise Risk Steering Committee which sets out our intended appetite towards tax risks and our progress against these criteria.

We do not enter into tax planning arrangements which would be not be considered substantially more likely than not to succeed, by reference to applicable legislation and best practice interpretation, and we seek to adopt a low tolerance towards tax risk. Where alternative routes exist to achieve the same commercial result, we may seek to adopt the most tax efficient approach, provided that it is compliant with tax laws and consistent with the principles set out above.

APPROACH TO DEALING WITH TAX AUTHORITIES

We strive to have a good working relationship with HMRC and other tax authorities, and undertake all dealings in a professional and courteous manner. Openness, honesty and transparency are paramount, and we seek to be compliant with all disclosure requirements.

We also seek to be proactive in our dealings with HMRC and other tax authorities, and where appropriate we aim to discuss matters in advance with them to obtain their opinion or approval.

Enquiries and audits are managed by the Group Head of Tax. Where enquiries relate to interpretation of tax law, we will attempt to reach agreement with tax authorities having regard to advice received, prevailing practice, and the intentions of the legislature, as appropriate.

The Group actively monitors national and international legislative proposals and changes as well as engaging in consultations, and other public debates on matters that may impact the betting and gaming industry.