

# Governance

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## Chairman's introduction to governance

# Progress driven by constructive and continued dialogue



**Brian Mattingley**  
Chairman

“Central to Playtech’s progress and growth has been a track record of open and constructive dialogue with its shareholders and 2021 has seen the Board continue high levels of engagement to ensure important progress on Corporate Governance.”

### Dear Shareholder

In my capacity as Chairman of the Board, I am pleased to present the Corporate Governance Report for 2021.

This continues to be one of the toughest times that many of us face, in both our personal and professional lives. This year, Playtech and our industries have encountered many challenges. The Board continues to evolve to ensure that we have the necessary skills and strategic leadership in order to continue to successfully guide the Company. I would like to pass on my gratitude for the hard work, resilience, enthusiasm and dedication which the Directors, senior management and all employees demonstrated throughout 2021.

Central to Playtech’s progress and growth has been a track record of open and constructive dialogue with its shareholders and 2021 has seen the Board continue high levels of engagement to ensure important progress on corporate governance. Following the voting results at our Annual General Meeting (AGM) in May 2021, we have continued with our extensive Shareholder Engagement Programme. We recognise the level of votes against our Remuneration Report and will continue to engage with our shareholders to ensure that the Company’s interests are aligned to the interests of all shareholders in the next period of our evolution.

The Board recognises the need to strike a careful balance to ensure that shareholders and other stakeholders are appropriately protected by robust processes and procedures,

while providing an environment that fosters an entrepreneurial spirit, thereby allowing our senior management team and employees to continue to deliver the strategic and operational progress that we have achieved in recent years. This balance enables us to clearly focus on the key risks facing the Group but requires us to be flexible enough to accommodate changes resulting from developments in our strategy or changes in the regulatory environment.

Playtech has grown rapidly since its inception and is now a company with c.6,600 employees in 26 countries. To meet the changing demands of the Company, the Board has also evolved significantly in that time and has played an important role in guiding the Company through its rapid change.

I was appointed in June 2021 and Linda Marston-Weston joined the Board in October 2021. Following five years on the Board, John Jackson, Senior Independent Director, and Claire Milne, Non-executive Director, stepped down in September 2021. On behalf of the Board, I would like to express our thanks and appreciation to John and Claire for their contribution, which has been central in laying the foundations for the next phase ahead.

As a Board we are focused on and committed to diversity. I had hoped to be further along with our diversity agenda, but due to the volume and complexity of our corporate activity during 2021, we have been unable to move as quickly as I would have liked. Looking ahead to the remainder of 2022, I look forward to us being able to consolidate our diversity agenda.

The Board has confidence in the future of the Group and sees significant growth opportunities ahead. The operational progress reported in 2021 in new and existing regulated markets, including the US, is evidence of Playtech's leadership in regulation and compliance in the gambling industry, as well as our commercial capabilities. The Board plays an essential role in upholding the highest levels of regulations, compliance and responsibility and we continue to work closely with regulators in various markets to ensure our compliance with local

laws and regulations. The Board continues to strive to ensure that the Group's governance structure protects the sustainability of its businesses and the communities in which it operates, while maximising shareholder value and treating all shareholders fairly.

The Board also sets the tone for the Company. The way in which it conducts itself, its attitude towards sustainability, problem gambling and diversity and inclusion, its definitions of success and its assessment of appropriate risk all define the atmosphere within which the executive team works.

In keeping with our commitment to have a dedicated in-house function, we continued to strengthen our Internal Audit team in 2021, and this underlines our focus on the increasing levels of complexity in relation to internal controls and processes. The historical internal audit relationship with PricewaterhouseCoopers LLP (PwC) remains in place and Playtech therefore has a co-sourced arrangement with PwC as it continues to provide support to the Internal Audit team given its experience of the Group and the specialist services it offers.

We have set out in the following sections how we seek to manage the principal risks and uncertainties facing the business together with further details on our governance framework, thereby explaining how our corporate governance practices support our strategy.

The AGM is an important opportunity for the Board to meet with shareholders, particularly those who may not otherwise have the chance to engage with the Board and senior management. Our AGM is scheduled to be held on 30 June 2022. Further details of the meeting are included in the Notice of Annual General Meeting.

**Brian Mattingley**  
Chairman  
24 March 2022

## Board of Directors



**Brian Mattingley**

**Non-executive Chairman**

**Appointment to the Board**

Brian was appointed to the Board in June 2021.

**Career**

Brian joined 888 Holdings in 2005 as a Non-executive Director, before being appointed CEO in March 2012, and was Non-executive Chairman from March 2016 until he stepped down in 2021. Prior to 888, Brian was CEO of Gala Regional Developments, and held senior roles with Gala Group, Ritz Bingo, Kingfisher plc and Dee Corporation plc.

**Skills, competences and experience**

Brian brings considerable plc board experience to the role, as well as his extensive experience in the gambling and leisure industries.

**Board Committees**

Brian is Chair of the Nominations Committee.



**Mor Weizer**

**Chief Executive Officer**

**Appointment to the Board**

Mor was appointed as Playtech's Chief Executive Officer in May 2007.

**Career**

Prior to being appointed CEO, Mor was the Chief Executive Officer of one of the Group's subsidiaries, Techplay Marketing Ltd., which required him to oversee the Group's licensee relationship management, product management for new licensees and the Group's marketing activities. Before joining Playtech, Mor worked for Oracle for over four years, initially as a Development Consultant and then as a Product Manager, which involved creating sales and consulting channels on behalf of Oracle Israel and Oracle Europe, the Middle East and Africa. Earlier in his career, he worked in a variety of roles, including as an Auditor and Financial Consultant for PricewaterhouseCoopers and a System Analyst for Tadiran Electronic Systems Limited, an Israeli company that designs electronic warfare systems.

**Skills, competences and experience**

Mor is a qualified accountant and brings considerable international sales and management experience in a high tech environment and extensive knowledge of the online gambling industry.

**Board Committees**

He chairs the Management Committee and attends the Remuneration, Risk & Compliance, and Nominations Committees at the invitation of the Chairs of those Committees.



**Andrew Smith**

**Chief Financial Officer**

**Appointment to the Board**

Andrew was appointed as Playtech's Chief Financial Officer on 10 January 2017, having joined the Group in 2015.

**Career**

Having qualified as a Solicitor with Ashurst in 2001, Andrew moved into investment banking, first with ABN AMRO and then with Deutsche Bank, specialising in both the technology and leisure sectors. Andrew joined Playtech in 2015 as Head of Investor Relations.

**Skills, competences and experience**

Andrew brings a wealth of financial, capital markets and M&A experience to the Board and has been integral to Playtech's operational and strategic progress since joining the business. Andrew was key to the acquisition of Snaitech in 2018, including the financing and refinancing of the acquisition.

**Board Committees**

Andrew sits on the Management Committee and attends meetings of the Audit Committee and the Risk & Compliance Committee at the invitation of the Chairs of those Committees.



**Ian Penrose**

**Senior Independent Non-executive Director**

**Appointment to the Board**

Ian was appointed to the Board in September 2018.

**Career**

Prior to his appointment, Ian was CEO of Sportech plc from 2005 to 2017 and served as CEO of Arena Leisure plc from 2001 to 2005. Ian is currently Non-executive Director of ASX listed IXUP Limited, a Non-executive Director of Phenix Real Time Solutions Inc., and a Non-executive Director of Weatherbys Limited (together with its technology partnership with the British Horseracing Authority, Racing Digital Ltd). He has recently retired as Chairman of the National Football Museum.

**Skills, competences and experience**

Ian brings over 20 years of leadership experience in the global gaming, technology and leisure sectors. In particular, he has significant knowledge of the US gambling market, having led strategic initiatives in the region over nearly a decade. Ian has been licensed by regulators in several countries and is also a Chartered Accountant.

**Board Committees**

Ian is Chair of the Remuneration Committee and sits on the Audit Committee, Risk & Compliance Committee and the ESG Committee.



**Anna Massion**

**Non-executive Director**

**Appointment to the Board**

Anna was appointed to the Board in April 2019.

**Career**

Anna worked in investment banking and asset management for over 15 years and is widely respected as a global gambling industry expert. During her time at PAR Capital Management, Anna was responsible for idea generation and portfolio maintenance. Prior to joining PAR, Anna held positions at leading financial institutions including JP Morgan, Marathon Asset Management and Hedgeye Risk Management. Anna is currently a Non-executive Director of AGS LLC, BetMakers Technology Group Ltd and Artemis Strategic Investment Corporation.

**Skills, competences and experience**

With Anna's sector knowledge and business network, she brings a strong fiscal and analytical skillset to the Board.

**Board Committees**

Anna is Chair of the Risk & Compliance Committee and sits on the Remuneration Committee and the Nominations Committee.



**John Krumins**

**Non-executive Director**

**Appointment to the Board**

John was appointed to the Board in April 2019.

**Career**

John's significant non-executive experience includes his current role, and previously at Hogg Robinson Group plc and across a series of private companies in the IT, technology, med-tech and related service sectors. In addition, John is a Trustee and Finance Committee Chairman of the Royal Institution of Great Britain and a Trustee at Big Education Trust. Prior to this, John spent over 20 years in investment banking as a Managing Director at Morgan Stanley and subsequently at both Deutsche Bank and Societe Generale.

**Skills, competences and experience**

John holds an MBA from the Harvard Business School and combines many years' experience in corporate finance, technology and complex project management together with prior plc board experience and noteworthy regulatory experience from his previous role as a panel member of the UK's Competition and Markets Authority from 2013 to 2018.

**Board Committees**

John is Chair of the Audit Committee and sits on the Risk & Compliance Committee, the ESG Committee and the Nominations Committee.



**Linda Marston-Weston**

**Non-executive Director**

**Appointment to the Board**

Linda was appointed to the Board in October 2021.

**Career**

Formerly a Senior Tax Partner at EY, Linda was a member of the EY Midlands board and Head of Tax EY Midlands. Linda is passionate about Diversity and Inclusion and spent five years as EY Midlands' People Partner, leading the agenda across people matters. She established a cross-business female mentoring network for the Midlands region and set up and continues to lead a female entrepreneur network. Linda is currently Head of the Transaction Tax Team at Cooper Parry.

**Skills, competences and experience**

Linda is a Fellow of the Institute of Chartered Accountants and brings more than 30 years' experience of working with UK and global businesses across corporate finance, strategy, tax, culture and leadership.

**Board Committees**

Linda is Chair of the ESG Committee and sits on the Audit Committee and the Remuneration Committee.

# Directors' governance report

## Introduction

Responsibility for corporate governance lies with the Board, which is committed to maintaining high standards of corporate governance. The report which follows explains our most important governance processes and how they support the Group's business. In particular, we have applied the principles of good governance advocated by the UK Corporate Governance Code 2018 (the "Code") as published on 16 July 2018. The Code applied to Playtech throughout the financial year ended 31 December 2021. A copy of the Code is available at [www.frc.org.uk](http://www.frc.org.uk). The Code places an emphasis on directors and the companies they lead needing to build and maintain successful relationships with a wide range of stakeholders. It also notes the importance of a company establishing a culture that promotes integrity and openness, values diversity and is responsive to the views of shareholders and wider stakeholders.

## UK Corporate Governance Code

The Code is applicable to all companies with a premium listing, whether incorporated in the UK or elsewhere. The Code applies to all accounting periods beginning on or after 1 January 2019.

## Section 1: Board leadership and company purpose

A successful company is led by an effective and entrepreneurial Board, whose role is to promote the long-term sustainable success of the company, generating value for shareholders and contributing to wider society. See pages 96 and 97.

The Board should establish the Company's purpose, values and strategy, and satisfy itself that these and its culture are aligned. All directors must act with integrity and promote the desired culture. Please refer to our Strategic Report as set out on pages 2 to 92.

The Board should ensure that the necessary resources are in place for the Company to meet its objectives and measure performance against them. The Board should establish a framework of prudent and effective controls, which enable risk to be assessed and managed. Details of our principal risks are set out in our Strategic Report on pages 85 to 90.

In order for the Company to meet its responsibilities to shareholders and stakeholders, the Board should ensure effective engagement with, and encourage participation from, these parties. Please refer to details of our relationships with stakeholders on pages 20 to 23.

The Board should ensure that workforce policies and practices are consistent with the Company's values and support its long-term sustainable success. The workforce should be able to raise any matters of concern. Our Strategic Report on pages 2 to 92 gives detail of our values and how we integrate these into our corporate culture which, in turn, leads to engagement with the wider workforce.

## Section 2: Division of responsibilities

The Chair leads the Board and is responsible for its overall effectiveness in directing the Company. The directors should demonstrate objective judgement throughout their tenure and promote a culture of openness and debate. In addition, the Chair facilitates constructive board relations and the effective contribution of all non-executive directors, and ensures that directors receive accurate, timely and clear information. See pages 99 to 105.

The Board should include an appropriate combination of executive and non-executive (and, in particular, independent non-executive) directors, such that no one individual or small group of individuals dominates the Board's decision making. There should be a clear division of responsibilities between the leadership of the Board and the executive leadership of the company's business. See pages 99 to 105.

Non-executive directors should have sufficient time to meet their Board responsibilities. They should provide constructive challenge and strategic guidance, offer specialist advice and hold management to account. See pages 99 to 105.

The Board, supported by the secretary, should ensure that it has the policies, processes, information, time and resources it needs in order to function effectively and efficiently. See pages 99 to 105.

## Section 3: Composition, succession and evaluation

Appointments to the Board should be subject to a formal rigorous and transparent procedure, and an effective succession plan should be maintained for the Board and senior management. Both appointments and succession plans should be based on merit and objective criteria and, within this context, should promote diversity of gender, social and ethnic backgrounds, and cognitive and personal strengths. See pages 99 to 105.

The Board and its committees should have a combination of skills, experience and knowledge. Consideration should be given to the length of service of the Board as a whole and membership regularly refreshed. See pages 99 to 105.

Annual evaluation of the Board should consider its composition and diversity and how effectively members work together to achieve objectives. Individual evaluation should demonstrate whether each director continues to contribute effectively. See page 104.

## Section 4: Audit, risk and internal control

The Board should establish formal and transparent policies and procedures to ensure the independence and effectiveness of internal and external audit functions and satisfy itself as to the integrity of financial and narrative statements. See pages 99 to 105.

The Board should present a fair, balanced and understandable assessment of the Company's position and prospects. Our Strategic Report is on pages 2 to 92.

The Board should establish procedures to manage risk, oversee the internal control framework, and determine the nature and extent of the principal risks the Company is willing to take in order to achieve its long-term strategic objectives. Details of our principal risks are set out on pages 85 to 90. In addition, our Risk & Compliance Committee Report is set out on pages 101 and 102.

## Section 5: Remuneration

Remuneration policies and practices should be designed to support strategy and promote long-term sustainable success. Executive remuneration should be aligned to Company purpose and values and be clearly linked to the successful delivery of the Company's long-term strategy.

A formal and transparent procedure for developing policy on executive remuneration and determining director and senior management remuneration should be established. No director should be involved in deciding their own remuneration outcome.

Directors should exercise independent judgement and discretion when authorising remuneration outcomes, taking account of company and individual performance, and wider circumstances.

Details of our Remuneration Policy and how it is applied are set out in the Governance section on pages 110 to 125.

## Compliance statement

We continued to make improvements during the year both to our Board structure and our governance procedures in accordance with the provisions of the Code. I am pleased to be able to report that it is the view of the Board that the Company has been fully compliant with the principles of the Code during 2021.

Following the results on our AGM held in May 2021, the Board noted in its announcement dated 26 May 2021 that certain resolutions were passed with the necessary majority but received less than 80% of votes in favour. We explained at that time that we aspire to high levels of shareholder and stakeholder engagement and would consult with those shareholders who voted against these resolutions to understand their specific concerns. Since the AGM, we have held regular discussions with our shareholders to hear their views and better understand their concerns. Since Brian Mattingley's appointment in June, the composition of the Board has evolved, which aligns the overall functioning of the Board more closely with market practice. In addition, we have established a new

Sustainability and Public Policy Committee to steer Playtech towards stronger governance around sustainability. Due to the volume and complexity of corporate matters throughout the latter half of 2021, it was not possible to implement further changes, but it is our intention to pursue our agenda throughout the remainder of 2022. A statement setting out our response to the voting figures from last year's AGM was uploaded to the Investment Association portal at the beginning of this year.

In accordance with the principles of the Code, we are focused on engaging with our workforce. Full details of how we engage with our employees are set out in our Strategic Report, Stakeholder Engagement on pages 20 to 23. In addition, our Chief Operating Officer and our Head of Human Resources engage with the Board on strategic and operational issues affecting and of interest to our workforce. These issues include remuneration, talent pipeline, wellbeing and diversity and inclusion. The Chief Operating Officer is a standing attendee at Board meetings. We believe that these methods of engagement with our workforce are extensive and very effective and meet the requirements of the Code. At the end of 2021, the Board began a review of our current arrangements with a view to enhancing its engagement with the workforce including arrangements to appoint a Non-executive Director for workforce engagement at Board level.

We announced on 21 February 2022 that the Board was notified by our Chief Executive Officer, Mor Weizer, that he wished to explore participating in the investor group formed and advised by TTB Partners Limited (TTB) in considering a possible offer for the Company. The Board formed an Independent Committee consisting of the Playtech Directors excluding Mor Weizer to consider all matters relating to any possible offer from TTB and any other M&A proposals received by the Company. The Independent Committee is and will remain especially mindful of its obligations to Playtech stakeholders and the requirements of the Code.

Claire Milne was appointed as a Non-executive Director on 8 July 2016 and as Interim Chairman in May 2020. Claire stepped down from the Board in September 2021. At the time of her appointment, Claire was, and continued to be throughout her tenure at Playtech, a Partner and Team Leader within the Intellectual Property and Science and Technology teams for Appleby (Isle of Man) LLC (the "Firm"). The Firm has provided, and continues to provide, regulatory and legal advice to the Group from time to time; however, given the overall size of the Firm and the relatively small scale of fees received, this relationship was not considered to impact on her independence. In addition, in order to reinforce her independence, it was agreed that, following her appointment, Claire would not be involved in

the provision of advice by the Firm to the Group, her remuneration from the Firm would not be linked, directly or indirectly, to the receipt of fees from the Group, and that any potential residual conflicts would be managed carefully.

Ian Penrose was appointed as Chair of the Remuneration Committee on 1 November 2018, having been appointed as a member of the Committee on 1 September 2018. Notwithstanding that he had not been a member of the Committee for at least 12 months prior to his appointment as Chair, his extensive experience in the plc environment made him the most appropriate person for the role. Ian has now served as Chair for 41 months.

The Company's auditor, BDO LLP, is required to review whether the above statement reflects the Company's compliance with the Code by the Listing Rules of the Financial Conduct Authority and to report if it does not reflect such compliance. No such negative report has been made.

The Board is accountable to the Company's shareholders for good governance and the statements set out in this report describe how the Group applies the principles identified in the Code.

## The Board Composition

As at 31 December 2021, the Board comprised the Non-executive Chairman, the Chief Executive Officer, the Chief Financial Officer, and four independent Non-executive Directors. The list of Directors holding office during the year to 31 December 2021 and their responsibilities are set out on pages 96 and 97.

With the exception of Claire Milne and John Jackson, who stepped down in September 2021; Brian Mattingley, who was appointed in June 2021; and Linda Marston-Weston, who was appointed in October 2021, the Directors served throughout the financial year.

The Non-executive Directors are all considered by the Board to be independent of management and free of any relationship which could materially interfere with the exercise of their independent judgement, as explained above.

The Company Secretary acts as secretary to the Board and its Committees and his appointment and removal is a matter for the Board as a whole. The Company Secretary is a member of the Group's management team and all the Directors have access to his advice and services.

Director's name	Title
<b>Brian Mattingley</b>	Non-executive Chairman (appointed 1 June 2021)
<b>Mor Weizer</b>	Executive Director, Chief Executive Officer
<b>Andrew Smith</b>	Executive Director, Chief Financial Officer
<b>Ian Penrose</b>	Non-executive Director – Senior Independent Director
<b>Anna Massion</b>	Non-executive Director
<b>John Krumins</b>	Non-executive Director
<b>Linda Marston-Weston</b>	Non-executive Director (appointed 1 October 2021)
<b>John Jackson</b>	Non-executive Director (from 1 January 2021 to 30 September 2021)
<b>Claire Milne</b>	Interim Non-executive Chairman (from 1 January 2021 to 31 May 2021) Non-executive Director (from 1 June 2021 to 30 September 2021)

## Board operation

The roles of the Chairman (Brian Mattingley) and the Chief Executive Officer (Mor Weizer) are separated and clearly defined and their respective responsibilities are summarised below.

### Chairman

- Overall effectiveness of the running of the Board
- Ensuring the Board is an integral part in the development and determination of the Group's strategic objectives Keeping the other Directors informed of shareholders' attitudes towards the Company

- Safeguarding the good reputation of the Company and representing it both externally and internally
- Acting as the guardian of the Board's decision-making processes
- Promoting the highest standards of integrity, probity and corporate governance throughout the Company and particularly at Board level

# Directors' governance report continued

## Matters considered by the Board in 2021

Month	Material matters considered
January	<ul style="list-style-type: none"> <li>Review of tax matters</li> <li>Review Finalto business</li> <li>Budget 2021</li> <li>Review of US business</li> <li>Appointment of permanent Chairman</li> <li>COVID-19</li> </ul>
February	<ul style="list-style-type: none"> <li>Appointment of permanent Chairman</li> <li>Review of LATAM business</li> <li>Review of Finalto business</li> <li>COVID-19</li> </ul>
March	<ul style="list-style-type: none"> <li>Report from the Audit Committee</li> <li>Financial statements for 31 December 2020</li> <li>Preliminary announcement</li> <li>Review of our LATAM business</li> <li>Review of Omnibus Guarantee</li> <li>COVID-19</li> </ul>
April	<ul style="list-style-type: none"> <li>COVID-19</li> <li>Operations review</li> <li>Review of key compliance issues</li> </ul>
May	<ul style="list-style-type: none"> <li>Prepare for AGM</li> <li>COVID-19</li> <li>Sale of Finalto business</li> <li>Review of internal policies</li> <li>Trading update</li> </ul>
June	<ul style="list-style-type: none"> <li>Review of RCF</li> <li>Review of base case plan</li> <li>Investor Relations update</li> <li>Communications and Corporate Affairs update</li> <li>COVID-19</li> </ul>
September	<ul style="list-style-type: none"> <li>Audit Committee update</li> <li>Review of interim results</li> <li>Aristocrat offer</li> <li>Sale of Finalto business</li> <li>COVID-19</li> </ul>
October	<ul style="list-style-type: none"> <li>Aristocrat offer</li> <li>Operations review</li> <li>Budget 2022</li> <li>COVID-19</li> </ul>
November	<ul style="list-style-type: none"> <li>Aristocrat offer</li> <li>Sale of Finalto business</li> <li>COVID-19</li> </ul>
December	<ul style="list-style-type: none"> <li>Review of current trading</li> <li>Budget 2022</li> <li>Aristocrat offer</li> </ul>

## The Board continued

### Board operation continued

#### Chief Executive Officer

- Executive leadership of the Company's business on a day-to-day basis
- Developing the overall commercial objectives of the Group and proposing and developing the strategy of the Group in conjunction with the Board as a whole
- Responsibility, together with his senior management team, for the execution of the Group's strategy and implementation of Board decisions
- Recommendations on senior appointments and development of the management team
- Ensuring that the affairs of the Group are conducted with the highest standards of integrity, probity and corporate governance

#### How the Board functions

In accordance with the Code, the Board is collectively responsible for the long-term success of the Company. The Board provides entrepreneurial leadership for the Company within a framework of prudent and effective controls that enable risk to be assessed and managed.

The Board sets the Company's strategic aims and ensures that the necessary resources are in place for the Company to meet its objectives and reviews management performance.

The Board meets regularly and frequently, with 19 meetings scheduled and held in 2021, of which 15 were held remotely. In addition, the Board held several informal calls throughout the year.

During the year, the Chairman met the other Non-executive Directors both in person and remotely, in the absence of the Executive Directors, to re-confirm and take account of their views. All Non-executive Directors have sufficient time to fulfil their commitments to the Company.

In addition to receiving reports from the Board's Committees, reviewing the financial and operational performance of the Group and receiving regular reports on M&A, legal, regulatory and investor relations matters at the Board meetings, the other key matters considered by the Board during 2021 are set out in the table to the left.

With effect from 4 January 2021, the Company moved its tax residence to the UK. Therefore, in 2021, Board meetings were scheduled to be held at our office in London.

Directors are provided with comprehensive background information for each meeting and all Directors were available to participate

fully and on an informed basis in Board decisions. In addition, certain members of the senior management team including the Chief Operating Officer, the General Counsel, the Head of Regulatory and Compliance, the Director of Investor Relations and the Director of Corporate Affairs are invited to attend the whole or parts of the meetings to deliver their reports on the business. Any specific actions arising during meetings are agreed by the Board and a comprehensive follow-up procedure ensures their completion.

Details of the attendance of the Directors at meetings of the Board and its Committees are set out in the table on page 101.

### Responsibility and delegation

The Chairman is primarily responsible for the efficient functioning of the Board. He ensures that all Directors receive sufficient relevant information on financial, operational and corporate issues prior to meetings. The Chief Executive Officer's responsibilities focus on co-ordinating the Group's business and implementing Group strategy. Regular interaction between the Chairman and Chief Executive Officer between meetings ensures the Board remains fully informed of developments in the business at all times.

There remains in place a formal schedule of matters specifically reserved for Board consideration and approval, which includes the matters set out below:

- approval of the Group's long-term objectives and commercial strategy;
- approval of the annual operating and capital expenditure budgets and any changes to them;
- consideration of major investments or capital projects;

- the extension of the Group's activities into any new business or geographic areas, or to cease any material operations;
- changes in the Company's capital structure or management and control structure;
- approval of the Annual Report and Accounts, preliminary and half-yearly financial statements and announcements regarding dividends;
- approval of treasury policies, including foreign currency exposures and use of financial derivatives;
- ensuring the maintenance of a sound system of internal control and risk management;
- entering into agreements that are not in the ordinary course of business or material strategically or by reason of their size;
- changes to the size, composition or structure of the Board and its Committees; and
- corporate governance matters.

In addition, the Board has adopted a formal delegation of authorities memorandum which sets out levels of authority for employees in the business.

The Board has delegated certain of its responsibilities to a number of Committees of the Board to assist in the discharge of its duties. The principal Committees currently are the Audit Committee, the Remuneration Committee, the Risk & Compliance Committee, the Nominations Committee and the Sustainability and Public Policy Committee (the "ESG Committee"). The minutes of each of these Committees are circulated to and reviewed by their members. The Company Secretary is secretary to each of these Committees. The terms of reference for each of the Committees are available to view on the Company's website [www.playtech.com](http://www.playtech.com).

### Audit Committee

The Audit Committee's key objectives are the provision of effective governance over the appropriateness of the Group's financial reporting, including the adequacy of related disclosures, the performance of both the internal and external audit function, and the management of the Group's systems of internal control, business risks and related compliance activities.

The Audit Committee's Report is set out on pages 106 to 109 and details the Audit Committee's membership, activities during the year, significant issues that it considered in relation to the financial statements and how those issues were addressed. The report also contains an explanation of how the Committee assessed the effectiveness of the external audit process and the approach taken in relation to the appointment or reappointment of the external auditor.

The Audit Committee comprises John Krumins (Chairman), Ian Penrose and Linda Marston-Weston.

### Remuneration Committee

The Remuneration Committee is responsible for making recommendations to the Board on the Remuneration Policy for the Chairman, Executive Directors and senior management.

The Directors' Remuneration Report is set out on pages 116 to 125 and contains details of the Remuneration Committee's membership, activities during the year and the policy on remuneration. The Chairman of the Remuneration Committee attends the Annual General Meeting to respond to any questions that shareholders might raise on the Remuneration Committee's activities.

The Remuneration Committee comprises Ian Penrose (Chairman), Anna Massion and Linda Marston-Weston.

### Risk & Compliance Committee

Under the Code, the Board is responsible for determining the nature and extent of the significant risks it is willing to accept in achieving its long-term strategic objectives. Through its role in monitoring the ongoing risks across the business, to include the Group risk register and the Group COVID-19 risk register, the Committee advises the Board on current and future risk strategies.

The Risk & Compliance Committee is chaired by Anna Massion. The other members of the Committee are John Krumins (Non-executive Director) and Ian Penrose (Senior Independent Non-executive Director). Ian Ince (Chief Compliance Officer), Alex Latner (General Counsel), Steffen Latussek (Chief Privacy Officer) and Robert Penfold (Head of Internal Audit) attend the Committee. The Company Secretary, Brian Moore, is secretary to the Committee.

Number of meetings	Board	Audit	Remuneration	Nominations	Risk	ESG
<b>Brian Mattingley<sup>1</sup></b>	11 of 11	—	—	1 of 1	—	—
<b>Mor Weizer</b>	19 of 19	—	—	—	—	—
<b>Andrew Smith</b>	19 of 19	—	—	—	—	—
<b>Ian Penrose</b>	19 of 19	4 of 4	3 of 3	4 of 4	3 of 3	2 of 2
<b>Anna Massion</b>	19 of 19	—	3 of 3	—	1 of 1	—
<b>John Krumins</b>	19 of 19	1 of 1	—	—	1 of 1	2 of 2
<b>Linda Marston-Weston<sup>3</sup></b>	6 of 6	1 of 1	1 of 1	—	—	2 of 2
<b>John Jackson<sup>2</sup></b>	13 of 13	3 of 3	—	3 of 4	2 of 2	—
<b>Claire Milne<sup>2</sup></b>	10 of 13	2 of 3	2 of 2	3 of 4	2 of 2	—

1 Brian Mattingley was appointed on 1 June 2021.

2 Claire Milne and John Jackson resigned on 30 September 2021.

3 Linda Marston-Weston was appointed on 1 October 2021.

## Directors' governance report continued

### Risk & Compliance Committee continued

The Committee works closely with the Audit Committee in carrying out its responsibilities and the Chairman of the Audit Committee, John Krumins, is also a member of the Committee.

In addition, PwC LLP, in its capacity as provider of co-sourced internal audit services, and members of the Group's senior management including the Chief Security Officer, Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Head of Internal Audit and Data Protection Officer may be invited to attend meetings to present matters or for the Committee to have the benefit of their experience.

The primary responsibilities delegated to, and discharged by, the Committee include:

- reviewing management's identification and mitigation of key risks to the achievement of the Company's objectives;
- monitoring of incidents and remedial activity;
- agreeing and monitoring the risk assessment programme including changes to the regulation of online gambling and the assessment of licensees' suitability;
- agreeing on behalf of the Board and continually reviewing a risk management strategy and relevant policies for the Group, including the employee code of conduct, anti-bribery policy, anti-money laundering policy, anti-slavery policy, safer gambling and wider social responsibility issues;
- satisfying itself and reporting to the Board that the structures, processes and responsibilities for identifying and managing risks are adequate; and
- monitoring ongoing compliance with the conditions of the regulatory licences held by the Group.

The Risk & Compliance Committee met formally three times during the year, and a summary of the key matters considered by the Committee during 2021 are set out below:

- monitoring the regulatory position in a number of jurisdictions including those which are of relative importance to the Group financially and those where changes may represent a risk and/or opportunity for the Group;
- considering the costs and regulatory requirements for the Group to seek relevant licences in newly regulating markets;
- consideration of applications by or on behalf of the Group for licences in existing or newly regulated markets;

- monitoring developments in relation to changes in the regulatory regimes in all jurisdictions in which the Group operates and receiving reports in relation to the likely impact on the Group and the need for entities within the Group to apply for licences;
- consideration of the overall effectiveness of the compliance strategy and the regulatory risks to the Group's operations and revenues;
- receiving and considering reports on discussions with, and the results of, audits by regulators;
- monitoring compliance with regulatory licences held in all jurisdictions and adapting procedures, products and technology as appropriate;
- consideration of the key risks associated with the Financials division;
- consideration of the key risks associated with Snaitech;
- consideration of the key risks associated with our B2C business;
- monitoring the GDPR programme across the Group and reviewing this programme, as appropriate;
- working with Internal Audit and IT Security; and
- implementing compliance training for Board members and senior management.

The Committee has been kept informed of any changes to the regulatory position in any significant jurisdiction where the Group, through its licensees and Financials division, may be exposed and updated on progress in relation to agreed action items on a regular basis. The Committee can also convene meetings on a more frequent basis or as or when matters arise, if it is determined that enhanced monitoring of a specific risk is warranted.

A table setting out the principal significant risks identified by the Group (including with the oversight and input of the Risk & Compliance Committee) and the mitigating actions that have been undertaken by the Group in relation to these is set out on pages 85 to 90 of this report.

### Nominations Committee

The Board is required by the Code to establish a Nominations Committee which should lead the process for Board appointments, ensure plans are in place for orderly succession to both Board and senior management positions and oversee the development of a diverse pipeline for succession. A majority of members of the Nominations Committee should be independent Non-executive Directors. The Nominations Committee's key objective is to ensure that there

shall be a rigorous and transparent process for the appointment and removal of Directors from the Board, the Committees and other senior management roles, to ensure that these roles are filled by individuals with the necessary skills, knowledge and experience to ensure that they are effective in discharging their responsibilities.

The Nominations Committee comprises Brian Mattingley (Chairman), Anna Massion and John Krumins.

The Nominations Committee reviews the structure, size and composition of the Board and its Committees and makes recommendations with regard to any changes considered necessary in the identification and nomination of new Directors, the reappointment of existing Directors and the appointment of members to the Board's Committees. It also assesses the roles of the existing Directors in office to ensure that there continues to be a balanced Board in terms of skills, knowledge, experience and diversity. The Nominations Committee reviews the senior leadership needs of the Group to enable it to compete effectively in the marketplace. The Nominations Committee also advises the Board on succession planning for Executive Director appointments although the Board itself is responsible for succession generally.

The Nominations Committee believes that appointments should be based on merit, compared against objective criteria, with the ultimate aim of ensuring the Board has the right skills, knowledge and experience that enable it to discharge its responsibilities properly.

Diversity and inclusion are part of our corporate culture and we have set ourselves objectives around improving the gender balance at Board, executive and senior management levels. We recognise that it will take time to make meaningful progress but, with increasing commitment in this area, we will pursue diversity and inclusion objectives as set out in our Strategic Report on pages 2 to 92.

The Nominations Committee meets on an as-needed basis. Four formal meetings were held in 2021. Matters considered at these meetings included the consideration of candidates for the appointment of Non-executive Chairman. This led, after a process involving a review of several potential candidates, to the appointment of Brian Mattingley with effect from 1 June 2021. In addition, the Committee considered the appointment of a new Non-executive Director, which led to the appointment of Linda Marston-Weston with effect from 1 October 2021.

## Sustainability and Public Policy Committee

As part of our strategy to strengthen our approach to sustainability, the Sustainability and Public Policy Committee (the "ESG Committee") was established in 2021. The Committee is chaired by Linda Marston-Weston and the other Committee members are Ian Penrose and John Krumins. In addition, we established a Stakeholder Advisory Panel to inform and challenge our thinking and inform our approach to sustainability as well as future actions on safer gambling and diversity, equity and inclusion, as well as climate change. The Stakeholder Advisory Panel has played an instrumental role in accelerating Playtech's journey towards sustainability into its business strategy and culture.

We have undergone an extensive exercise to better understand how climate change could pose risks and opportunities for the Company in the short and long term. This exercise has been critical to help inform Playtech's climate action plan and will play a crucial role in meeting the Company's targets relating to emissions reduction in its operations and value chain.

We have also refreshed our approach to promoting diversity, equity and inclusion across our leadership and workforce. Playtech continues to operate in numerous countries, each with their own distinct cultures. Our aim continues to focus on each individual and celebrate the difference and cultural diversity of our workforce.

We will continue to report against our targets going forward.

## Disclosure Committee

The Disclosure Committee ensures accuracy and timeliness of public announcements of the Company and monitors the Company's obligations under the Listing Rules and Disclosure Guidance and Transparency Rules of the FCA. Meetings are held as required. At the date of this report the Disclosure Committee comprises John Krumins (Chairman of the Audit Committee), Andrew Smith (Chief Financial Officer), Alex Latner (General Counsel) and Brian Moore (Company Secretary).

## Management Committee

The senior management committee is the key management committee for the Group. The standing members of the Committee are Mor Weizer (Chief Executive Officer), Andrew Smith (Chief Financial Officer), Shimon Akad (Chief Operating Officer), Uri Levy (VP Business Development), Alex Latner (General Counsel), Ian Ince (Chief Compliance Officer), Sharon Kafman-Raz (VP Finance), Kam Sanghera

(Head of Tax), Karen Zammit (Head of Global HR) and Brian Moore (Company Secretary). Other members of senior management are invited to the Committee as and when required. The Committee considers and discusses plans and recommendations coming from the operational side of the business and from the various product verticals, in light of the Group's strategy and capital expenditure and investment budgets, including the implications of those plans (in areas such as resources, budget, legal and compliance). The Committee either approves the plans or as necessary refers the proposal for formal Board review and approval in accordance with the Company's formal matters reserved for the Board.

## Board tenure

In accordance with the Company's articles of association, every new Director appointed in the year is required to stand for re-election by shareholders at the Annual General Meeting (AGM) following their appointment. Also, under the articles of association, at each AGM one-third of the Directors (excluding any Director who has been appointed by the Board since the previous AGM) or, if their number is not an integral multiple of three, the number nearest to one-third but not exceeding one-third, shall retire from office (but so that if there are fewer than three Directors who are subject to retirement by rotation under the articles one shall retire).

Notwithstanding the provisions of the articles of association, the Board has decided to comply with the Code requirements that Directors submit themselves for re-election annually. Therefore, all Directors are seeking their reappointment at this year's AGM.

The Board has collectively agreed that the Directors proposed for re-election at this year's AGM have made significant contributions to the business since their last re-election and each has a key role to play in the formulation of the Group's future strategy and its long-term sustainable success.

In certain circumstances, Directors are entitled to seek independent professional advice under an agreed Board procedure, which would then be organised by the Company Secretary, and in this regard the Company would meet their reasonable legal expenses.

## Service contracts and exit payments Executive Directors

Set out in the table below are the key terms of the Executive Directors' terms and conditions of employment.

A bonus is not ordinarily payable unless the individual is employed and not under notice on the payment date. However, the Remuneration Committee may exercise its discretion to award a bonus payment pro-rata for the notice period served in active employment (and not on gardening leave).

The LTIP rules provide that other than in certain "good leaver" circumstances awards lapse on cessation of employment. Where an individual is a "good leaver" the award would vest on the normal vesting date (or cessation of employment in the event of death) following the application of performance targets and a pro-rata reduction to take account of the proportion of the vesting period that has elapsed. The Committee has discretion to partly or completely disapply pro-rating or to permit awards to vest on cessation of employment.

Provision	Detail
<b>Remuneration</b>	Salary, bonus, LTIP, benefits and pension entitlements in line with the above Directors' Remuneration Policy table
<b>Change of control</b>	No special contractual provisions apply in the event of a change of control
<b>Notice period</b>	12 months' notice from the Company or employee for the CEO and six months' notice for the CFO <ul style="list-style-type: none"> <li>• CEO contract signed on 1 January 2013</li> <li>• CFO contract signed on 10 January 2017</li> </ul>
<b>Termination payment</b>	The Company may make a payment in lieu of notice equal to basic salary plus benefits for the period of notice served subject to mitigation and phase payments where appropriate
<b>Restrictive covenants</b>	During employment and for 12 months thereafter

## Directors' governance report continued

### Service contracts and exit payments continued

#### Non-executive Directors

The Non-executive Directors each have specific letters of appointment, rather than service contracts. Their remuneration is determined by the Board within limits set by the articles of association and is set taking into account market data as obtained from independent Non-executive Director fee surveys and their responsibilities. Non-executive Directors are appointed for an initial term of three years and, under normal circumstances, would be expected to serve for additional three-year terms, up to a maximum of nine years, subject to satisfactory performance and re-election at the Annual General Meeting as required.

The table below is a summary of the key terms of the letters of appointment for the Non-executive Directors.

The letters of appointment of the Non-executive Directors are available for inspection at the Company's registered office and will be available before and after the forthcoming AGM.

### Balance of the Board

The Board comprises individuals with wide business experience gained in various industry sectors related to the Group's current business. It is the intention of the Board to ensure that the balance of the Directors reflects the changing needs of the business.

The Board considers that it is of a size and has the balance of skills, knowledge, experience and independence that is appropriate for the Group's current business. While not having a specific policy regarding the constitution and balance of the Board, potential new Directors are considered on their own merits with regard to their skills, knowledge, experience and credentials.

The Non-executive Directors continue to contribute their considerable collective experience and wide-ranging skills to the Board and provide a valuable independent perspective, where necessary constructively challenging proposals, policy and practices of Executive Management. In addition, they help formulate the Group's strategy.

### Evaluation

The Board is committed to an ongoing formal and rigorous evaluation process of itself and its Committees to assess their performance and identify areas in which their effectiveness, policies and processes might be enhanced. Brian Mattingley, in discussion with the Senior Non-executive Director, undertook a review of the performance of individual Directors. Ian Penrose, as Senior Non-executive Director, considered the performance of Brian Mattingley, taking into account the views of the Executive Directors. There were no material areas of concern highlighted and the main outcome of the evaluation this year was to shape and define the Board's objectives for the coming year, continuing the focus on Group strategy and ensuring the structures, capabilities and reporting are in place to achieve the Board's goals.

As stated in last year's Annual Report, the Board was required to carry out a full external review in 2021. This review commenced in late 2021. This review is facilitated by Independent Audit Limited. Independent Audit Limited has no other connection to the Company or any individual Director and is considered by the Board to be independent.

This review is ongoing and involves detailed questionnaires, individual interviews with Directors and members of senior management and attendance at Board and Committee meetings. The process is overseen by the Company Secretary. In addition, the Company Secretary is the person responsible for providing access and support for Independent Audit Limited. The Company Secretary is in the process of finalising this review, following which Board members will discuss the findings and will continue to adopt and implement plans to further develop the effectiveness of the Board during 2022.

Newly appointed Directors can expect a detailed and systematic induction on joining the Board. They meet various members of senior management and familiarise themselves with all core aspects of the Group's operations. On request, meetings can be arranged with major shareholders. Members of senior management are invited to attend Board meetings from time to time to present on specific areas of the Group's business.

### Relationship with stakeholders

Primary responsibility for effective communication with shareholders lies with the Chairman, but all the Company's Directors are available to meet with shareholders throughout the year. Brian Mattingley, Mor Weizer, Andrew Smith and Ian Penrose met with a number of shareholders to discuss the Company's business and remuneration strategies throughout the year. The Executive Directors

Name	Date	Term	Termination
<b>Brian Mattingley</b>	1 June 2021	Until third AGM after appointment	180 days' notice on either side or if not re-elected or commits gross misconduct
<b>Linda Marston-Weston</b>	1 October 2021	Until third AGM after appointment unless not re-elected	
<b>Ian Penrose</b>	1 September 2018	Until third AGM after appointment unless not re-elected	90 days' notice on either side or if not re-elected, disqualification or commits gross misconduct
<b>Anna Massion</b>	2 April 2019	Until third AGM after appointment unless not re-elected	
<b>John Krumins</b>	2 April 2019	Until third AGM after appointment unless not re-elected	

prepare a general presentation for analysts and institutional shareholders following the interim and full-year announcements. Details of these presentations together with the Group's financial statements and other announcements can be found on the investor relations section of the Company's website. Further presentations are also prepared following significant acquisitions. Regular meetings with shareholders and potential shareholders are also held by the Director of Investor Relations and at times in conjunction with either the Chief Executive Officer or the Chief Financial Officer.

The Company endeavours to answer all queries raised by shareholders promptly.

Shareholders are encouraged to participate in the Company's AGM and the 2022 AGM will take place in June 2022.

Playtech regularly engages with a wide range of stakeholders throughout the year with the objective of understanding current and evolving issues of interest, engaging constructively with our stakeholders, and ensuring that the Company takes stakeholder perspectives into account when taking short and long-term decisions.

The Board uses several mechanisms and fora to achieve this including:

- direct engagement with stakeholders – including investor roadshows and regulatory meetings;
- regular Board updates from key functional leaders responsible for engaging with key external stakeholders including the Chief Operations Officer (COO), Investor Relations, Data Protection, Corporate Affairs and Regulatory and Compliance;
- relevant functional reports and updates to the Remuneration, Audit and Risk & Compliance Board Committees;
- regular Board updates from the COO and HR on employee issues;
- briefings with functional leaders about emerging and/or live stakeholder issues;
- briefings on issues raised through the Speak Up/Whistleblowing hotline; and
- direct participation of the Risk & Compliance Committee Chair in the Company's Global Community Investment Committee.

The Director of Investor Relations & Strategic Analysis, Chief Operating Officer and Chief Compliance Officer are standing attendees at Board meetings and regularly update the Board on investor, regulatory, policy, employee and commercial stakeholder views and perspectives.

In addition, the Risk & Compliance Committee of the Board is specifically tasked with reviewing and considering developments on wider social responsibility issues and expectations along with evolving political, regulatory and compliance developments.

With respect to employee engagement, the Board engages with the COO and Global Head of Human Resources on strategic and operational issues affecting and of interest to the workforce, including remuneration, talent pipeline and diversity and inclusion. The COO is a standing attendee at the Board meetings. In addition, the Company has established a Speak Up hotline, which enables employees to raise concerns confidentially and independently of management. Any concerns raised are reported to the General Counsel and Chief Compliance Officer for discussion and consideration by the Risk Committee. The Board considers the current mechanisms appropriate for understanding and factoring in stakeholder concerns into plc level decision making. However, the Board will assess whether additional mechanisms can strengthen its understanding of and engagement with stakeholder concerns in the future.

During 2021, the Board discussed, reviewed and engaged on a number of stakeholder issues. The material stakeholder topics discussed by the Board in 2021 included executive compensation and pay, corporate governance, diversity and inclusion, the gender pay gap, regulatory and compliance developments, safer gambling, data protection, the environment, sustainability, anti-money laundering and anti-bribery and corruption, human rights and modern slavery, responsible supply chain and procurement and commercial developments with B2B licensees and third parties.

In 2021, the Board considered the engagement and understanding of stakeholder interests and perspectives through the implementation of the following:

- new and updated policies covering the Compliance Procurement Policy, human rights and the modern slavery statement;
- approval of Speak Up Policy;
- approval of Environmental Policy;
- approval of Business Ethics Policy; and
- monitoring developments on the Human Resources function and strategy.

#### Investor relations and communications

The Company has well-established investor relations (IR) processes, which support a structured programme of communications with existing and potential investors and analysts. Executive Directors and members of the IR

team participated in a number of investor events, attending industry conferences, and regularly meet or are in contact with existing and potential institutional investors from around the world, ensuring that Group performance and strategy are effectively communicated, within regulatory constraints. Other representatives of the Board and senior management meet with investors from time to time. The Director of Investor Relations & Strategic Analysis provides regular reports to the Board on related matters, issues of concern to investors, and analysts' views and opinions.

Whenever required, the Executive Directors and the Chairman communicate with the Company's brokers, Goodbody and Jefferies, to confirm shareholder sentiment and to consult on governance issues.

During 2021, 722 regulatory announcements were released informing the market of corporate actions, important customer contracts, financial results, the results of the Annual General Meeting, the General Meeting and Board changes. Copies of these announcements, together with other IR information and documents, are available on the Group website, [www.playtech.com](http://www.playtech.com).

#### Summary

An internal team consisting of members drawn from Investor Relations, Group Secretariat and Group Finance have led the process on this Annual Report, to include the Strategic Report, Governance Report and financial statements contained therein. When considering the contents of the Report, the Board considered if the information by business unit in the Strategic Report is consistent with that used for reporting in the financial statements and if there is an appropriate level of consistency between the front and back sections of the report. In addition, the Board considered if the report is presented in a user-friendly and easy to understand manner. Following its review, the Board is of the opinion that the Annual Report and Financial Statements for 31 December 2021 are representative of the year and is confident that taken as a whole it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position, performance, business model and strategy.

#### Brian Mattingley

Chairman  
24 March 2022

# Maintaining accountability



**John Krumins**

Chairman of the Audit Committee

## Dear Shareholder

I am pleased to present the Committee's report for the year.

During 2021, the Committee has continued to support the Board in fulfilling its corporate governance responsibilities, including matters relating to financial reporting, risk management and internal control, the internal audit process, the preparation and compliance of the Company's Annual Report and Accounts and the external audit process. The key activities of the Committee during 2021 are set out below.

### Composition

The Audit Committee comprises three independent Non-executive Directors. John Krumins is the Chair of the Committee and holds an MBA from Harvard Business School and has many years' experience in corporate finance, technology and complex project management. Therefore, John has recent relevant financial experience, in compliance with provision 24 of the Code. The other members are Ian Penrose and Linda Marston-Weston. The Committee is authorised to obtain independent advice if considered necessary.

The Chief Financial Officer, the Director of Internal Audit and Risk and the external auditor, BDO LLP (BDO), attended all meetings of the Audit Committee by invitation, and the Vice President of Finance was invited to attend the meetings of the Committee that considered the audited accounts and the interim financial statements. The members of the Committee were also able to meet the external auditor without any Executive Directors being present in order to receive feedback from it on matters such as the quality of interaction with management. John Krumins met with BDO during the year to discuss matters involving the audit process.

During the year, John Krumins met with members of the management team in order to understand more fully the context and challenges of Playtech's business operations and thereby ensure the Committee's time was used most effectively.

## Responsibilities

The Audit Committee's primary function is to assist the Board in fulfilling its financial oversight responsibilities. The Board is required by the Code to establish formal and transparent arrangements for considering how it should apply required financial reporting standards and internal control principles and also for maintaining appropriate relationships with the Company's external auditor, BDO. The Committee's terms of reference can be viewed on the Company's website, [www.playtech.com](http://www.playtech.com).

The Audit Committee's key objectives are the provision of effective governance over the appropriateness of the Group's financial reporting, including the adequacy of related disclosures, the performance of both the internal and external audit function, and the management of the Group's systems of external control, business risks and related compliance activities.

In particular, the Code calls for the description of the work of the Audit Committee to include its activities during the year, the significant issues considered in relation to the financial statements and how they were addressed, how the Committee assessed the effectiveness of the external audit process, the approach of the Committee in relation to the appointment or reappointment of the auditor and how objectivity and independence are safeguarded relative to non-audit services.

The primary roles and responsibilities delegated to, and discharged by, the Committee include:

- monitoring and challenging the effectiveness of internal control and associated functions;
- guiding, reviewing and challenging Group accounting policies;
- reviewing, monitoring and ensuring the integrity of interim and annual financial statements, and any formal announcements relating to the Company's financial performance, in particular the actions and judgements of management in relation thereto before submission to the Board;
- providing advice (where requested by the Board) on whether the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy;

- reviewing and monitoring the implementation of the Company's Code of Business Ethics (the "Code of Ethics") and compliance with its provisions, as well as reviewing the Company's internal financial controls and internal controls and risk management systems;
- reviewing the Company's arrangements for its employees to raise concerns, anonymously or in confidence and without fear of retaliation, about possible wrongdoing in financial reporting or other matters arising under the Code of Ethics;
- reviewing promptly all reports on the Company from the internal auditors and reviewing and assessing the annual internal audit plan;
- reviewing and approving the Internal Audit Charter and the Audit Committee terms of reference on an annual basis;
- reviewing and monitoring the external auditor's independence and objectivity, including the effectiveness of the audit services;
- monitoring and approving the scope and costs of audit;
- ensuring audit independence, implementing policy on the engagement of the external auditor to supply non-audit services, pre-approving any non-audit services to be provided by the auditor, considering the impact this may have on independence, taking into account the relevant regulations and ethical guidance in this regard, and reporting to the Board on any improvement or action required; and
- reporting to the Board on how it has discharged its responsibilities.

## Audit Committee's activities

John Krumins joined the Committee on 30 September 2021 and was joined by Linda Marston-Weston on 1 October 2021. The other member of the Committee is Ian Penrose. Following John's appointment as Chair, the Committee members instigated a review of the Committee's activities, with a view to resetting targets and processes in line with best practice. This involved several informal meetings and discussions, and these were undertaken in addition to the four formal Committee meetings scheduled in 2021.

Matters that were broadly considered by the Committee during the year included:

- implementation of Risk Management System;
- external quality assessment of Internal Audit;
- consideration of the Group's risk register;
- consideration of the Group's COVID-19 risk register;
- effectiveness of the Group's system of internal controls and risk management;
- updates on cybersecurity risks;
- non-financial information updates;
- review and approve the Internal Audit Plan;
- review and approve the Internal Audit Charter;
- review Committee terms of reference;
- results of internal audit reviews, management action plans to resolve any issues arising and the tracking of their resolution;
- going concern and long-term viability; and
- synergies with the ESG Committee.

Its work also included reviewing the final and interim financial statements and matters raised by management and BDO. After discussions with both management and the external auditor, the Committee determined that the key risks of misstatement of the Group's financial statements related to the following areas which are described in the relevant accounting policies and detailed in the notes to the financial statements on pages 148 to 214.

## Revenue recognition

The Audit Committee reviewed the judgements made in respect of revenue recognition, in particular in assessing whether it is acting as a principal or an agent, specifically on the revenue earned under the B2B royalty arrangements. In making these judgements, the Group considers, by examining each contract with its business partners, which party has the primary responsibility for providing the services and is exposed to the majority of the risks and rewards associated with providing the services, as well as if it has latitude in establishing prices, either directly or indirectly. The business model of this division is predominantly a revenue share model which is based on royalties earned from B2C business partners' revenue. The Committee concluded that the Group's revenue recognition policy relating to these types of contracts is in line with IFRS requirements.

## Audit Committee report continued

### Classification of assets as held for sale and discontinued operations

During the year, the Audit Committee considered the judgements made by management over whether certain groups of assets and liabilities continue to meet the criteria as held for sale under IFRS make space in between<sup>5</sup>. The Committee was satisfied that the conclusions made in relation to the assets held for sale and discontinued operations were reasonable in light of the decisions made and the available information and considers the presentations and disclosures made in the financial statements to be accurate and complete.

### Goodwill and intangible assets, including assets held for sale

During the year, the Audit Committee also considered the judgements made in relation to the valuation methodology adopted by management to support the carrying value of goodwill and other intangible assets, including assets held for sale, to determine whether there was a risk of material misstatement in the carrying value of these assets and whether an impairment should be recognised.

The Committee considered the assumptions, estimates and judgements made by management to support the models that underpin the valuation of intangible assets in the balance sheet. Business plans and cash flow forecasts prepared by management supporting the future performance expectations used in the calculations were reviewed. The continuing but reduced effects of COVID-19 had an impact on these business plans and future cash flows used to assess the carrying value of goodwill and other intangible assets. In the case of assets held for sale, any resulting impairments were based on their recoverable amount through a sale, less costs to sell (rather than through future cash flows).

The Committee considered the outcome of the impairment reviews performed by management. The impairment reviews were also an area of focus for the external auditor, which reported its findings to the Committee. The Committee satisfied itself that the conclusions made on the impairment of the Bingo VF cash-generating unit and the partial reversal of impairment of the assets held for sale were reasonable, and, aside from that, there were no other material impairments to the carrying value of goodwill or other intangible assets. The Committee was also satisfied that, despite the regulatory changes in certain markets of the Quickspin cash-generating unit, there was still no impairment to this unit, based on the assumptions made.

### Classification and valuation of investment in associates and derivative financial assets

The Audit Committee has considered the judgements made in determining the

classification of each structured agreement arrangement, as further explained in Note 6 of the financial statements, and in particular using the appropriate guidance under the accounting standards to determine the existence of control or significant influence.

In reviewing each assessment, the Committee is comfortable that each classification, which is further explained and disclosed in Note 20 of the financial statements, is correct and in accordance with the accounting standards.

The Group engaged third-party valuation specialists to perform the valuations of the derivative financial assets held at fair value, which were guided by management in terms of judgements made. The Committee reviewed and challenged the resulting values of each arrangement and is comfortable with the assumptions, estimates and judgements in each of the valuations, including the valuation methodology applied.

### Legal, regulatory and taxation

Given the developing nature of the gambling sector in many countries across the world, and evolving regulation, there is a risk that potential material legal or regulatory matters are not disclosed or provided for in the financial statements. The Committee considered with the General Counsel and the Group's Compliance department whether there were any known instances of material breaches in regulatory and licence compliance that needed to be disclosed or other claims or potential claims that required contingent liabilities to be included and/or provisions to be made in the financial statements, and, where appropriate, these have been disclosed, included and/or made in the financial statements. The Committee believes that the amounts and other information disclosed in the financial statements are reasonable, based on the level of judgement required and the known circumstances of each case.

The Audit Committee reviewed and approved the overall tax management and strategy of the Group during the year in light of external and internal advice sought by management and reviewed how the Group considers tax as part of its overall business planning.

Furthermore, given that the tax rules and practices governing the e-commerce environment in which the Group operates continue to evolve, based on the aforementioned external and internal advice received, the Audit Committee considered developments and pending changes in domestic and international tax laws and was satisfied that adequate tax provisions and disclosures were being made for any potential liabilities. Following the Group's internal restructuring, the Group is entitled to deductions in respect of certain

goodwill and intangible assets. A deferred tax asset is recognised as the tax base of the goodwill and intangible assets is in excess of the book basis of those assets. The Committee assessed the advice taken by management and considers the conclusions reached by management to be appropriate.

### Other financial statement areas

The Audit Committee reviewed the level of judgement and estimation required in the following areas of the financial statements, documented in management papers, and it is satisfied that the judgement made and disclosures included in the financial statements are reasonable and in line with each applicable IFRS:

- recovery of financial assets including trade receivables and expected credit losses, particularly where aged debt is apparent;
- internally generated intangibles including initial capitalisation of costs based on management's judgement of technological and economic feasibility of each project being considered, as well as subsequent assessment of its recoverability;
- News UK (Sun Bingo) minimum guarantee asset recognition and subsequent amortisation over the term of the revised contract, which is based on expected future profitability of the contract and therefore requires management to prepare reasonable forecasts;
- adjusted performance measures and in particular the determination of whether non-cash items, one-off items and not directly related expenses to the operations of the Group should form part of the adjusted results; and
- right-of-use assets under IFRS 16 Leases determining the lease term of the contracts with renewal and termination options.

### Viability and going concern statements

The Committee reviewed management's work on assessing risks and potential risks to the Company's business both for the going concern and viability statement periods, which included challenging the approach taken by management to support the going concern statement on page 84 and viability statement set out on pages 91 and 92, including the ongoing COVID-19 pandemic and taking into account the potential impacts of the growing conflict in Ukraine and the impact this has had on the business. Following this review, the Committee was satisfied that management had conducted a strong and thorough assessment and recommended to the Board that it could approve the viability and going concern statements.

## Financial statements

The Board has responsibility under the provisions of the Code for preparing the Company's Annual Report and Accounts and ensuring that they are fair, balanced and understandable, and that the information provided is sufficient to allow shareholders to assess the Company's position, performance, business model and strategy.

The review of the Company's Annual Report and Accounts was carried out by the Finance Department, Investor Relations and Group Secretariat together with input from other relevant departments across the Group. This ensures consistency of presentation across the main sections of the Annual Report and Accounts, being the Strategic Report, the Governance Report and the financial statements.

As part of this review process, the Committee considered whether the Annual Report and Accounts was fair, balanced and understandable.

The Group's financial statements are reviewed by the Audit Committee in advance of their consideration by the Board. The Committee confirms that it is satisfied that the auditor has fulfilled its responsibilities with diligence and professionalism.

The Audit Committee concurred with the judgements made by management in respect of the presentation of the Alternative Performance Measures (APMs). Furthermore, the Audit Committee concluded that clear and meaningful descriptions have been provided for the APMs used, that the relationship between these measures and the equivalent IFRS measures is clearly explained, that the IFRS measures are afforded equal prominence to the APMs, and that the APMs support understanding of the financial statements.

Having undertaken the processes described above, the Committee is satisfied that the financial statements appropriately address the critical judgements and key estimates (both in respect to the amounts reported and the disclosures).

Based on the above, the Committee considers that the Annual Report and Accounts, taken as a whole, is fair, balanced, understandable and provides the information necessary for shareholders to assess the Group's position, performance, business model and strategy.

## Internal control

PricewaterhouseCoopers LLP (PwC) attended the Audit Committee meeting held on 19 January 2022 to raise awareness to the Committee of the BEIS consultation, which may result in the implementation of a UK SOX style regime to reform the UK's corporate governance, audit and reporting by setting out strengthened internal controls requirements. The Audit Committee remains focused on monitoring the potential

impact of this and will work with its advisers to ensure the best guidance is provided to the organisation and results are delivered in line with any requirements that may result.

In recognition of the increasing level of complexity in relation to internal controls and a desired commitment to have a dedicated in-house function, our Internal Audit Team was further strengthened during 2021. The established internal audit relationship between PricewaterhouseCoopers LLP (PwC) and Playtech continues and presents a co-sourced arrangement, with PwC continuing to provide support to the Playtech Internal Audit Team given its breadth of experience with the Group and the specialist services it offers.

During the year, the Internal Audit Team performed a number of reviews over both individual entities and central functions across the Group. The results of these engagements were reported to the Audit Committee on a regular basis, with recommendations made by Playtech Internal Audit and corresponding management actions being reviewed and challenged, where appropriate. In addition to regular feedback of audit results, the Internal Audit Team monitors completion of management actions and provides updates of these to the Audit Committee on a quarterly basis or upon request by the Committee.

An Internal Audit Plan for 2022 was developed by the Playtech Internal Audit Team and agreed with the Audit Committee at the November 2021 Audit Committee meeting. The Playtech Internal Audit Team adopts an agile approach to its risk-based audit planning to enable it to effectively respond to the immediate requirements of the business; therefore, any suggested enhancements to the plan are raised to the Audit Committee Chair for significant changes and to the Audit Committee on a quarterly basis at the scheduled Audit Committee meetings. Internal Audit will carry out engagements in accordance with this plan using a risk-based approach and continues to maintain effective lines of communication with the Audit Committee and key management. The Internal Audit Team will also be utilised to provide assurance over corporate governance matters and for ad hoc projects, where necessary.

The Committee confirms that any necessary action will be taken to remedy any significant failings or weaknesses identified from any Internal Audit reviews. The system of internal controls and audit is designed to ensure local legal and regulatory compliance and manage, rather than eliminate, the risk of failure to achieve business objectives. It can therefore only provide reasonable and not absolute assurance against material misstatement or loss.

Prior to the year end the Financial Reporting Council (FRC) informed the Group that in line with its standard review process it had carried out a review of the Annual Report for the year ended 31 December 2020. Whilst the Group continues to work with the FRC to clear its queries, the FRC did highlight a number of disclosure matters which have been enhanced within the 2021 financial statements. The Group expects the review to be completed during 2022.

## Auditor's independence

The Audit Committee, on behalf of the Board, undertakes a formal assessment of the auditor's independence each year, which includes:

- a review of non-audit-related services provided by BDO and related fees;
- a discussion with the auditor of a written report detailing all relationships with the Group and any other parties which could affect independence or the perception of independence;
- a review of the auditor's own procedures for ensuring independence of the audit firm and partners and staff involved in the audit, including the periodic rotation of the audit partner;
- obtaining written confirmation from the auditor that it is independent; and
- a review of fees paid to the auditor in respect of audit and non-audit services.

The FRC's Revised Ethical Standard introduced certain specific criteria for non-audit work. This included the introduction of a non-audit services fee cap and white list of permitted services. Further details of non-audit fees are included in Note 11 to the financial statements on page 117.

The Audit Committee continually assesses the effectiveness and independence of the external auditor and fully recognises and supports the importance of the independence of auditor. The Committee is satisfied that the carrying out of the above work did not impair the independence of the external auditor.

As stated in last year's Annual Report, the Committee considered that BDO was the optimal provider of audit services and would remain as auditor for 2021. This matter was monitored throughout 2021 and the Committee continues to believe that BDO remains the optimal provider of audit services and should remain as auditor for 2022. This matter will continue to be monitored throughout the year.

## John Krumins

Chairman of the Audit Committee  
24 March 2022

## Statement by the Committee Chairman

# Improved governance and restructured remuneration



**Ian Penrose**  
Chairman of the Remuneration Committee

### Dear Shareholder

On behalf of the Board, I welcome the opportunity to present the Remuneration Committee's report on Directors' remuneration for the year to 31 December 2021.

This report describes how the Board has applied the principles of the 2018 UK Corporate Governance Code (the "Code") to Directors' remuneration. Although Playtech is an Isle of Man incorporated entity and, as such, is not required to comply with the UK regulations on Directors' remuneration, we recognise the importance of shareholder transparency. Accordingly, we can confirm that the Company adheres to the UK regulations as they relate to Directors' remuneration and the report below is divided into: (i) this Annual Statement; (ii) a summary of the Directors' Remuneration Policy (the "Policy") as approved by shareholders at the 2021 AGM; and (iii) the Annual Report on Remuneration that reports on the implementation of the Company's stated Remuneration Policy for the year to 31 December 2021.

As shareholders will be aware, during the second half of 2020 and into the beginning of 2021 we carried out an extensive review of our Remuneration Policy to make material changes to the structure and level of pay. In undertaking this review the Committee sought to draw a line under the poor voting record on remuneration over the past few years, and I was pleased that the new Remuneration Policy was approved by shareholders at the 2021 AGM. On behalf of the Remuneration Committee, I would like to thank shareholders again for their extensive and open engagement; we have continued to take on board their feedback and reiterate that we are committed to a continued high standard of corporate governance.

As a result of these discussions with our Remuneration Committee advisers, shareholders, proxy advisers and corporate governance experts and our assessment of

current best practice, we made the following wide-ranging changes to the Policy, together with other major items of note:

- significant reduction of £200,000 (20%) in CEO salary from £1,000,000 to £800,000 from 1 January 2021;
- increase in bonus deferral into shares from 25% over two years to 33.3% from 1 January 2021;
- payouts under the annual bonus for on-target performance were reduced from 60% to 50%;
- reduced executive pension contributions from 20% to 15% effective 1 July 2021, with further reductions to 12.5% effective 1 July 2022, then to 10% effective 1 October 2022 and finally to align with the wider workforce from 1 January 2023;
- material reduction in the fee for the Chairman, from the previous incumbent receiving £394,000 plus a fully expensed car, to £338,000 with no company car for the new Chairman. The Interim Chairman earned £290,000 p.a. plus car allowance for the period she was in role;
- introduced a financial EPS metric to the LTIP scheme, in addition to the TSR metrics;
- no pay rises for 2021, and pay rises below those for the wider workforce for 2022;
- the new Chairman, following shareholder consultation, wanted to recognise the increased workload resulting from the extensive global regulatory filings now required and to reorganise the Company's Board Committees to improve corporate governance. As a result, from 1 October 2021 the remuneration for the Senior Independent Director was set at £120,000 (having not been separately recognised previously), the basic NED fee increased from £107,625 to £110,000, and the Chair of each Board Committee receives an additional £10,000 per annum in respect of these additional responsibilities. There are no fee increases planned for 2022; and
- increase in Executives' share ownership – the CEO's share ownership has now increased to 254% of salary, in line with the Remuneration Policy, from 42% at 31 December 2019. In addition, the CFO's share ownership has increased to 144% of salary at 31 December 2021, from 32% on 31 December 2019.

The net impact of these changes is a significant reduction in the overall remuneration package for the CEO on a go-forward basis.

The Annual Report on Remuneration and this Statement will be the subject of an advisory shareholder resolution at the forthcoming AGM.

### Remuneration philosophy

Our Remuneration Policy is designed to reward the contributions of senior management as well as incentivise it to drive shareholder returns, and to maintain and enhance Playtech's position as the software and services provider of choice to the gambling sector.

Remuneration is delivered via fixed remuneration and simple and transparent incentive-based plans enabling the Executive Directors to be rewarded for delivering strong financial performance and sustainable returns to shareholders. In a fast-moving sector such as ours we need to apply the Policy flexibly in order to deliver the right level of overall pay to Directors.

### Implementation of Policy in 2021

The significant changes which formed the basis of the new Policy were implemented for the first time in 2021, and we operated this in line with the statement of our intentions set out in last year's report. The one exception to this was the LTIP, since we were not able to grant awards during 2021 due to the Company being in a closed period for an extended period of time for the majority of last year and into this year, to date, as a result of the proposed acquisition of Playtech by Aristocrat, and then the subsequent strategic options being pursued since the start of the beginning of the financial year. For the avoidance of doubt, it is not the Committee's intention to issue any form of catch-up LTIP award despite missing the 2021 award.

As set out in last year's report, the CEO's salary was reduced to £800,000 with effect from 1 January 2021, while the CFO's salary remained unchanged. In line with the approved Policy, it is the Committee's intention going forward that salary increases for the Executive Directors will not exceed the general level of increases for the Group's employees.

### Performance and pay outcome for 2021 Bonuses

The financial performance of Playtech was strong in 2021. At the start of the year there were a number of challenges that faced the business including the continued impact of the pandemic globally and in particular the lockdown of the retail estate in Italy, one of our key markets,

for the majority of the first half of 2021. Market consensus (and therefore target for bonuses) at the beginning of 2021 for EBITDA and cash generation was exceeded by 7% and 24% respectively which in both instances exceeds the 105% of target required to deliver 100% of the financial performance required for EBITDA and cash flow.

The Financials division, Finalto, has been treated as an asset held for sale since the beginning of 2021, and shareholders approved the sale of this business at the EGM on 1 December 2021. City forecasts were updated to reflect these changes early in 2021, and the bonus targets set accordingly early last year. As a comparison, EBITDA from continuing operations in 2021 of €317 million is €63 million (25%) higher than in 2020, despite a number of the challenges presented by the pandemic being present in many of the markets in which we operate.

The Group made good progress against many of the key strategic and operational objectives set at the beginning of the year. These included disposing of the Finalto business, accelerating the performance and corporate valuation of the LATAM business, continuing to drive the digital growth/channel shift in Snaitech to improve the quality of earnings and accelerating Playtech's presence/customer numbers/physical presence in the rapidly growing market in the United States, and furthermore, the executives were tasked with driving initiatives to unlock material increases in shareholder value.

# Statement by the Committee Chairman continued

## Performance and pay outcome for 2021 continued

### Bonuses continued

Furthermore, the Committee took account of the CEO's exceptional leadership and social responsibility during the COVID-19 pandemic and the ongoing Ukraine crisis. Over 6,600 Playtech employees worked remotely in 24 countries, with exceptional technical resilience for our global product offerings, where we process around 400 million bets a day. The Company adopted a highly responsible approach during the pandemic to protect and embrace Playtech's employees and staff, also utilising a COVID-19 Fund that was established to support local communities in which Playtech operates. Furthermore, Playtech has over 700 employees (10%+ of the global workforce) in Ukraine, and, before and during the invasion, Playtech's Crisis Management Group has worked 24/7 to look after our workforce, provide relocation opportunities to adjacent countries and provide humanitarian support whilst ensuring the business continues to operate. The Committee is proud of Playtech's response to this awful situation. Finally, it should be noted that the above has been achieved against the backdrop of continued corporate activity and takeover approaches which have understandably consumed large amounts of management time.

No discretion was exercised in determining the bonus outcomes for 2021.

This amounts to a total bonus award of 30% and 15% (out of 30%) against the strategic and operational objectives for the CEO and CFO respectively, which together with the 70% award for financial targets, results in a total bonus award of 100% and 85% for each of the CEO and CFO.

Following the strong financial performance in the year, and development of numerous strategic initiatives to deliver additional shareholder value, bonuses for 2021 were up on the COVID-19 impacted 2020 outcomes. They amounted to £1.6 million (2020: £480k) for the CEO and £549k (2020: £155k) for the CFO.

As a result of changes introduced under the new Policy, 33.3% of these payments will be deferred into shares, an increase from 25% in 2020.

### LTIPs

The LTIP granted in 2019 which will vest in 2022 was subject to relative TSR performance, with an overall outcome of 46.16% of maximum. The awards are also subject to a two-year retention period post vesting.

No discretion was exercised in determining the LTIP outcome for 2021.

As noted previously, no LTIP award was granted in 2021, due to the Company being in a closed period for the majority of 2021 and into this year, to date, as a result of the proposed acquisition of Playtech by Aristocrat, and then the subsequent strategic options being pursued in the last seven weeks.

This represented a significant reduction in the remuneration entitlement/potential of the executives, and indeed the wider Playtech executive and management teams.

The Committee recognises that the CEO has a contractual one-off equity incentive scheme that was approved by shareholders in 2019. This partially vested during 2021 as a consequence of the share price increasing beyond the £6 and £7 share price targets set in 2019. Full details are set out in the Annual Report on Remuneration.

### How we will operate the Policy in 2022

**Base salary**  
The average salary increase for 2022 awarded across the UK workforce was 7% as a consequence of the increasing cost due the rising demand for suitably qualified technology staff. The Committee decided that increases of less than this level would be awarded to the CEO and CFO, whose salaries increased with effect from 1 January 2022 by 2% and 3.5% respectively, to £816,000 for the CEO and £445,567 for the CFO.

### Annual bonus

The annual bonus opportunity for 2022 will remain unchanged at 200% and 150% of salary for the CEO and CFO respectively. Financial performance will continue to drive 70% of the bonus and will be split 50% EBITDA and 20% cash flow. We have set stretching targets for both measures which reflect the post-COVID-19 trading environment, with target performance set at above market consensus, and with maximum for achieving 110% of target. The remaining 30% of the bonus will be based on key strategic targets which will include ESG measures relating to safer gambling, diversity and reduction of the Company's Scope 1, Scope 2 and supply chain emissions. The targets will have a graduated approach to differentiating between good and excellent performance, with full disclosure in next year's Annual Report.

In line with the Directors' Remuneration Policy, 33.3% of any annual bonus payment will be deferred into shares for two years.

### LTIP award

The ten-year Playtech LTIP scheme expired on 11 March 2022. We intend to put a resolution to the 2022 Annual General Meeting to adopt a new ten-year LTIP scheme, which will be materially on the same terms as the scheme that has now expired.

In the event that we remain an independent public company, and when not in a closed period, it is the intention of the Company to issue LTIPs to the Executive Directors, senior management and staff in respect of 2022 as soon as practicable following the AGM.

### Pension

Following an initial reduction from 20% to 15% effective 1 July 2021, the pension contributions to Executive Directors will further reduce from 15% to 12.5% of salary effective from 1 July 2022 and to 10% effective from 1 October 2022, and will ultimately be aligned to the wider workforce from 1 January 2023.

### Concluding remarks

The Committee has worked hard over the last 18 months to improve corporate governance and introduce a pay for performance culture in the business, whilst materially reducing the fixed pay and pension contributions for the executives. We believe that this has had a significant positive impact on the financial performance of the business, and on delivering initiatives to materially improve shareholder returns.

The Committee and I hope that you find the information in this report helpful and informative, and we welcome any comments or questions ahead of the 2022 AGM.

### Ian Penrose

Chairman of the Remuneration Committee  
24 March 2022

# Directors' Remuneration Policy

Approved at 2021 AGM

The Directors' Remuneration Policy was approved by shareholders at the AGM on 26 May 2021 (75.47% of votes cast being in favour) and became effective from that date. There are no proposals to amend the Directors' Remuneration Policy at the 2022 AGM.

A summary of the Policy is set out below for reference to assist with the understanding of the contents of this report. The full Policy is detailed in our 2020 Annual Report, which can be found in the "Investors" section under "Annual Reports" on the Company's corporate website ([www.playtech.com](http://www.playtech.com)).

## Considerations when forming the Remuneration Policy

This Policy has been formed in accordance with the principles and provisions in the Code. The table below sets out how the Committee has addressed various aspects in the Code:

- **Clarity** – The Committee's policy has been clearly set out in this report, the individual elements of remuneration and their operation.
- **Simplicity** – This proposed Policy is well understood by both management and shareholders and aligns to typical market practice.
- **Risk** – The Committee believes that the incentive structure does not encourage undue risk taking. There are a number of mechanisms available to the Committee, including discretions and malus and clawback provisions within incentive plans, that allow adjustment in the case that the Committee believes the outcomes are excessive.
- **Predictability** – The Policy table and the illustrations of remuneration provide an illustration of potential levels of remuneration that may result from the application of the Policy under different performance scenarios. The Committee believes that the range of remuneration scenarios is appropriate for the roles and responsibilities of the Executive Directors, based on the performance required for incentive awards to pay out.
- **Proportionality** – The Policy has been designed to give appropriate flexibility in operation, particularly in relation to incentive plan metrics, which allows the Committee to implement the Policy from year to year using the metrics that align with the Group's strategy. Furthermore, the Policy contains discretion to allow the Committee to adjust remuneration outcomes to ensure that they are reflective of overall performance in the short and long term.
- **Alignment to culture** – As well as aligning with the strategy of the business, the Policy has been formed to allow focus on broader stakeholders. In particular, there is an increased focus on employee and shareholder engagement through incentive metrics and Committee discretion.

## Remuneration Policy for Executive Directors

The following table summarises each element of remuneration, how it supports the Company's short and long-term strategic objectives and changes the Committee is proposing to the current Policy based on shareholder feedback.

Element of remuneration	Short-term and long-term strategic objectives	Operation	Opportunity	Framework to assess performance
<b>Base salary</b>	<p>To attract, retain and motivate high calibre individuals for the role and duties required</p> <p>To provide a market competitive salary relative to the external market</p> <p>To reflect appropriate skills, development and experience over time</p>	<p>Normally reviewed annually by the Remuneration Committee, with any increases typically effective in January</p> <p>Takes account of the external market and other relevant factors including internal relativities and individual performance. In reviewing salary levels, the Remuneration Committee may also take into account the effect of any exceptional exchange rate fluctuations in the previous year</p> <p>Executive Directors decide the currency of payment once every three years (which can be in Pound Sterling, US Dollars or Euros) with the exchange rate being fixed at that time</p>	<p>Other than when an executive changes roles or responsibilities, or when there are changes to the size and complexity of the business, annual increases will not exceed the general level of increases for the Group's employees, taking into account the country where the executive ordinarily works</p> <p>If a significant adjustment is required, this may be spread over a period of time</p>	n/a
<b>Benefits</b>	To help attract and retain high calibre individuals	<p>Benefits may include private medical insurance, permanent health insurance, life insurance, rental and accommodation expenses on relocation and other benefits such as long service awards</p> <p>Other additional benefits may be offered that the Remuneration Committee considers appropriate based on the Executive Director's circumstances</p> <p>Non-pensionable</p>	n/a	n/a

# Directors' Remuneration Policy continued

## For approval at 2021 AGM

### Remuneration Policy for Executive Directors continued

Element of remuneration	Short-term and long-term strategic objectives	Operation	Opportunity	Framework to assess performance
<b>Annual bonus</b>	<p>Clear and direct incentive linked to annual performance targets</p> <p>Incentivise annual delivery of financial measures and personal performance</p> <p>Corporate measures selected consistent with and complement the budget and strategic plan</p>	<p>Paid in cash and shares</p> <p>Clawback and malus provisions apply whereby bonus payments may be required to be repaid for financial misstatement, misconduct, error, serious reputational damage and corporate failure</p>	<p>200% of salary for the CEO and 150% of salary for other Executive Directors</p> <p>33.3% of any payment is normally deferred into shares for two years which are subject to recovery provisions</p>	<p>Performance measured over one year</p> <p>Based on a mixture of financial performance and performance against strategic objectives</p> <p>Normally, at least 70% of the bonus will be dependent on financial performance</p> <p>Bonus is paid on a sliding scale of 0% for threshold increasing to 100% for maximum performance</p>
<b>Long Term Incentive Plan (LTIP)</b>	<p>Aligned to key strategic objective of delivering strong returns to shareholders and earnings performance</p>	<p>Grant of performance shares, restricted shares or options</p> <p>Two-year holding period will be applied to vested shares (from 2019 awards), subject to any sales required to satisfy tax obligations on vesting</p> <p>Clawback and malus provisions apply whereby awards may be required to be repaid for instances of financial misstatement, misconduct, error, serious reputational damage and corporate failure</p>	<p>Maximum opportunity of 250% of salary with normal grants of 200% and 150% of salary in performance shares for the CEO and other Executive Directors respectively</p>	<p>Performance measured over three years</p> <p>Performance targets aligned with the Group's strategy of delivering strong returns to shareholders and earnings performance</p> <p>25% of the awards vest for threshold performance</p>
<b>Pension</b>	<p>Provide retirement benefits</p>	<p>Provision of cash allowance</p>	<p>Pension contributions for existing Executive Directors will be as follows:</p> <ul style="list-style-type: none"> <li>• 20% until 30 June 2021</li> <li>• 15% effective from 1 July 2021</li> <li>• 12.5% effective from 1 July 2022</li> <li>• 10% effective from 1 October 2022</li> <li>• From 1 January 2023, alignment with the wider workforce</li> </ul> <p>Pension for new Executive Directors will be in line with the pension plan operated for the majority of the workforce in the jurisdiction where the Director is based</p>	<p>n/a</p>

Element of remuneration	Short-term and long-term strategic objectives	Operation	Opportunity	Framework to assess performance
<b>Share ownership guidelines</b>	The Company has a policy of encouraging Directors to build a shareholding in the Company	<p>Executive Directors are expected to accumulate a shareholding in the Company's shares to the value of at least 200% of their base salary</p> <p>Executive Directors are required to retain at least 50% of the net of tax out-turn from the vesting of awards under the deferred bonus plan and LTIP until the minimum shareholding guideline has been achieved</p> <p>Shares must be held for two years after cessation of employment (at lower of the 200% of salary guideline level, or the actual shareholding on departure)</p>	n/a	n/a
<b>Non-executive Directors</b>	To provide a competitive fee for the performance of NED duties, sufficient to attract high calibre individuals to the role	<p>Fees are set in conjunction with the duties undertaken</p> <p>Additional fees may be paid on a pro-rata basis if there is a material increase in time commitment and the Board wishes to recognise this additional workload</p> <p>Any reasonable business-related expenses (including tax thereon) which are determined to be a taxable benefit can be reimbursed</p>	Other than when an individual changes roles or where benchmarking indicates fees require realignment, annual increases will not exceed the general level of increases for the Group's employees	n/a

### Consideration of employment conditions elsewhere in the Company when setting Directors' pay

The Remuneration Committee, when setting the Policy for Executive Directors, takes into consideration the pay and employment conditions through the Company as a whole.

In determining salary increases for Executive Directors, the Committee considers the general level of salary increase across the Company. Typically, salary increases will be aligned with those received elsewhere in the Company unless the Remuneration Committee considers that specific circumstances exist (as mentioned in the Policy table) which require a different level of salary increase for Executive Directors.

As part of the Committee's wider remit under the Code, the Committee will continue to monitor pay policies and practices within the wider Group and to provide input and challenge in respect of current policies and practices as well as any proposed future review and changes to ensure that they are appropriate, fair and aligned to the Company's remuneration principles and support the culture and growth of the business.

With respect to employee engagement, the Committee (and the wider Board) engages with the COO and Global Head of Human Resources on strategic and operational issues affecting and of interest to the workforce, including remuneration, talent pipeline and diversity and inclusion.

The Committee's policy is that annual salary increases for Executive Directors will not generally exceed the average annual salary increase for the wider employee population determined with reference to the country in which the Executive ordinarily works, unless there is a particular reason for any increase, such as a change in the Executive's roles and responsibilities or a change in the size and complexity of the business.

The Committee also considers external market benchmarking to inform the Executive's remuneration. External market benchmarking is also considered in relation to remuneration decisions of the wider workforce.

### Consideration of shareholders' views

The Company is committed to engagement with shareholders and has engaged extensively on remuneration issues since the 2021 AGM. Shareholders have provided valuable input into the proposed Policy and the Company intends to continue to work closely with shareholders on implementation of the Policy.

# Annual report on remuneration

The sections of this report subject to audit have been highlighted. The figures are shown both in Pounds and Euros, for ease of reference.

## Directors' emoluments (in £) (audited)

Executive Director	Mor Weizer		Andrew Smith	
	2021	2020	2021	2020
Salary <sup>1</sup>	800,000	1,000,000	430,500	430,500
Bonus <sup>2</sup>	1,600,000	480,000	548,888	154,980
Annual long-term incentive <sup>3</sup>	1,440,661	—	452,710	—
One-off long-term incentive <sup>4</sup>	5,114,000	—	—	—
Benefits <sup>5</sup>	34,633	35,187	33,637	57,017
Pension	156,667	183,334	82,604	78,833
<b>Total emoluments</b>	<b>9,145,961</b>	<b>1,698,520</b>	<b>1,548,339</b>	<b>721,330</b>
<b>Total fixed pay</b>	<b>991,300</b>	<b>1,218,520</b>	<b>546,741</b>	<b>566,350</b>
<b>Total variable pay</b>	<b>8,154,661</b>	<b>480,000</b>	<b>1,001,598</b>	<b>154,980</b>

## Directors' emoluments (restated in €) (audited)

Executive Director	Mor Weizer		Andrew Smith	
	2021	2020	2021	2020
Salary <sup>1</sup>	932,921	1,124,987	501,936	484,301
Bonus <sup>2</sup>	1,906,208	534,285	653,934	172,507
Annual long-term incentive <sup>3</sup>	1,727,051	—	542,704	—
One-off long-term incentive <sup>4</sup>	6,013,000	—	—	—
Benefits <sup>5</sup>	40,367	39,358	39,987	63,539
Pension	182,230	206,447	96,091	88,767
<b>Total emoluments</b>	<b>10,801,777</b>	<b>1,905,077</b>	<b>1,834,650</b>	<b>809,114</b>
<b>Total fixed pay</b>	<b>1,155,518</b>	<b>1,370,792</b>	<b>638,014</b>	<b>636,607</b>
<b>Total variable pay</b>	<b>9,646,259</b>	<b>534,285</b>	<b>1,196,638</b>	<b>172,507</b>

- Basic salary of the Executive Directors is determined in Pounds Sterling and then converted into Euros at the average exchange rate applicable during the relevant financial year for the purpose of this report. The Committee reviewed the Executive Directors' salaries with effect from 1 January 2021. It was decided that Mr Weizer's salary would be reduced from £1,000,000 to £800,000 with effect from 1 January 2021. In Mr Smith's case, the Committee resolved that his salary would remain unchanged for 2021 at £430,500. Mr Smith's 2020 salary figure has been restated from last year to reflect a small underpayment to his full salary which was corrected during 2021. It should also be noted that both Executive Directors waived 20% of their salaries for five months in 2020 to support the business during the COVID-19 outbreak; however, this was later repaid in February 2021, once the Group's improved financial performance showed consistent sustainability (the share price had returned to levels last seen in autumn 2018). This is included within the table above.
- The figures for bonuses represent payments as determined by the Remuneration Committee for the Executive Directors based on the Company's performance during each financial year and by reference to their actual salary earned during the respective period. The bonuses were determined in Pounds Sterling and then converted into Euros at the exchange rates applicable as at 31 December 2020 and 31 December 2021 respectively. Details of (a) how the annual performance bonus for the Executive Directors was determined; and (b) the timing of bonus payments are set out below.
- No LTIP awards were granted in 2018 and therefore no awards were due to vest in 2020. The LTIP awards granted in February 2019 vested subject to performance conditions measured over a three-year period from 1 January 2019 to 31 December 2021. As a result of the performance conditions being partially met, 46.16% of the award will vest. This performance outcome corresponds to a total of 217,787 and 68,437 nil cost options for Mor Weizer and Andrew Smith. The value included in the table is therefore £1,440,661 (€1,727,051) and £452,710 (€542,704), based on the share price on vesting (1 March 2022) of £6.615 (€7.93), of which £520,729 (€653,361) and £163,832 (€205,310) relates to share price appreciation respectively. Further details on the LTIP outcomes for the 2019 awards are set out on pages 118 and 119.
- Awards granted to Mor Weizer in December 2019 partially vested during the year, with 300,000 options vesting on 26 November 2021 and 400,000 options vesting on 14 December 2021. The value included in the table is therefore £2,208,000 (€2,601,000) and £2,906,000 (€3,412,000) respectively, based on the share prices on vesting of £7.36 (€8.67) and £7.265 (€8.53), of which £1,050,300 (€1,251,000) and £1,362,400 (€1,612,000) relates to share price appreciation.
- Benefits include private medical insurance, permanent health insurance, car and life assurance.

No discretion was exercised in determining the remuneration outcomes set out in the single total figure table above.

## Non-executive Directors' emoluments (in £) (audited)

Director	Fees		Annual bonus <sup>2</sup>		Benefits <sup>3</sup>		Pension		Total emoluments	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Brian Mattingley <sup>1</sup>	197,167	—	—	—	—	—	—	—	197,167	—
Claire Milne	156,708	219,800	—	—	20,000	—	—	—	176,708	219,800
John Jackson	80,719	107,625	—	—	—	—	—	—	80,719	107,625
Ian Penrose	113,219	107,625	—	—	—	—	—	—	113,219	107,625
Anna Massion	110,719	107,625	—	—	—	—	—	—	110,719	107,625
John Krumins	110,719	107,625	—	—	—	—	—	—	110,719	107,625
Linda Marston-Weston <sup>1</sup>	30,000	—	—	—	—	—	—	—	30,000	—

## Non-executive Directors' emoluments (in €) (audited)

Fees are paid in Sterling and are translated into Euros in the table below:

Director	Fees		Annual bonus <sup>2</sup>		Benefits <sup>3</sup>		Pension		Total emoluments	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Brian Mattingley <sup>1</sup>	231,662	—	—	—	—	—	—	—	231,662	—
Claire Milne	181,359	245,556	—	—	23,479	—	—	—	204,838	245,556
John Jackson	93,664	121,055	—	—	—	—	—	—	93,664	121,055
Ian Penrose	132,180	121,055	—	—	—	—	—	—	132,180	121,055
Anna Massion	129,202	121,055	—	—	—	—	—	—	129,202	121,055
John Krumins	129,202	121,055	—	—	—	—	—	—	129,202	121,055
Linda Marston-Weston <sup>1</sup>	35,537	—	—	—	—	—	—	—	35,537	—

1 Brian Mattingley was appointed as Chairman of the Board on 1 June 2021 and Linda Marston-Weston joined the Board on 1 October 2021. Claire Milne served as Chairman of the Board from 20 May 2020 until the date of Brian Mattingley's appointment.

2 Non-executive Directors are not eligible to receive any variable pay under the Remuneration Policy and thus received no variable pay during 2020 and 2021.

3 Claire Milne was in receipt of a car allowance during her period as Interim Chairman. Following appointment of the new Chairman, the Committee has ensured that none of the Non-executive Directors are eligible to receive benefits in accordance with best practice.

4 It should also be noted that Claire Milne, John Jackson, Ian Penrose, Anna Massion and John Krumins each waived 20% of their fees for five months in 2020 to support the business during the COVID-19 outbreak; however, this was later repaid in February 2021, once the Group's improved financial performance showed consistent sustainability (the share price had returned to levels last seen in autumn 2018). This is included within the table above.

5 The Non-executive Directors received increased fees during the year and Ian Penrose was appointed as Senior Independent Director, effective from 1 October 2021. Further details of these increases can be found in the Chair's Statement.

## Determination of 2021 bonus

In accordance with the Company's Remuneration Policy, the CEO and CFO had the opportunity to earn a bonus in respect of 2021 of 200% and 150% of salary respectively. 2021 performance was assessed against a mixture of financial and non-financial targets as set out below. The bonus was payable on a sliding scale of 0% for threshold to 100% for maximum performance.

Performance metric	Weighting	Threshold	Maximum	Actual	CEO payout level (% of maximum)	CFO payout level (% of maximum)
Financial (70%)						
Adjusted EBITDA (€'m)	50%	281.2	310.8	317	50%	50%
Cash flow (€'m)	20%	173.85	192.15	225	20%	20%
Strategic and non-financial (30%)	30%		See below		30%	15%
Total	100%				100%	85%

As set out in the 2020 Directors' Remuneration Report, the financial performance targets were divided this year between Adjusted EBITDA and cash flow, with 50% and 20% weightings respectively. The targets for Adjusted EBITDA and cash flow were set based on analyst consensus as at January 2021. When setting the cash flow target, the Committee excluded Snaitech's PREU tax payment of €90 million which was delayed into 2021 due to the Italian Government's extension of the payment deadline.

Adjusted EBITDA and cash generation are the key financial performance metrics of the Company most closely representing the underlying trading performance of the business. When setting the EBITDA targets for 2021, the Committee and Board took into consideration both consensus estimates and internal forecasts.

When setting the cash flow target, it is important to note Snaitech's PREU tax payment of €90 million which related to 2020 but was delayed into 2021 due to the Italian Government's extension of the payment deadline, as a consequence of COVID-19 and its impacts on businesses. The Company was not in a position to announce this payment delay to the market until its FY20 results in March 2020, and, as such, the analyst consensus as at January 2021 did not adjust for the payment of €90 million in 2021. To ensure accuracy and relevance of consensus as at January 2021, for which cash flow from operations was €273 million at that time, the Committee excluded Snaitech's PREU tax payment of €90 million which related to 2020 but was delayed into 2021 from the January 2021 consensus for cash flow from operations, in order to reflect where consensus would have been had the market known about the tax payment delay.

# Annual report on remuneration continued

## Determination of 2021 bonus continued

As a result, the relevant consensus for cash flow from operations was €183 million.

On target performance level (50% payout, which has been reduced from 60% in 2019) was set at EBITDA of €296 million, which excludes the contribution of Finalto (discontinued operation). The Committee noted that the Adjusted EBITDA for the financial year ended 31 December was €317 million, resulting in 100% of the Adjusted EBITDA element of bonus being payable. The Committee noted that the net cash generated from operating activities was €227 million, resulting in 100% of the cash flow element of the bonus being payable.

The non-financial performance targets were selected to underpin key strategic objectives of the Group aligned with the business strategy. Specific non-financial performance measures were:

- disposal of the Finalto business (CEO 2.5%, CFO 5%);
- acceleration of the performance and corporate valuation of the Latin American business (CEO 10%);
- drive initiatives to unlock material increases in shareholder value (CEO 7.5%, CFO 7.5%);
- drive digital growth/channel shift in Snaitech (CEO 5%, CFO 2.5%); and
- accelerate presence in the US market CEO (5%).

The operational highlights set out in the Strategic Report on page 3 demonstrate that the majority of the key strategic objectives set for executives were successfully achieved, with the exception of those objectives which became redundant as a result of the takeover approaches. The Committee carried out an overall assessment of performance against the above measures, and, taking into account the individual contribution of each of the Executive Directors towards these, the Committee resolved that the non-financial element should pay out at a level of 30% and 15% (out of a maximum of 30%) to the CEO and CFO respectively.

This 100% and 85% bonus entitlement resulted in a total bonus payment of £1,600,000 for the CEO (€1,906,208, or 200% of salary in 2021) and £548,888 for the CFO (€653,934, or 127.5% of salary in 2021) respectively. In line with the proposed Policy, 33.3% of this amount will be deferred in shares for two years.

The Committee is satisfied that the annual bonus payments to Executive Directors are a fair reflection of corporate and individual performance during the year, and did not use any discretion in determining the outcomes above.

## LTIP vesting in the year

The LTIP awards granted in February 2019 vested subject to performance conditions measured over a three-year period from 1 January 2019 to 31 December 2021. As a result of the performance conditions being partially met, 46.16% of the award will vest. The Committee did not exercise any discretion in determining this outcome. The outcome was calculated as follows:

	Weighting	% of award vesting for threshold performance	Threshold performance	Maximum performance	Actual performance	Outcome (% of maximum)
Relative TSR – FTSE 250 index (excluding investment trusts)	50%	25%	18.39% (median)	63.69% (upper quartile)	59.05%	46.16%
Relative TSR – bespoke <sup>1</sup>	50%	25%	82.34% (median)	99.46% (upper quartile)		0%
<b>Total</b>	<b>100%</b>					<b>46.16%</b>

<sup>1</sup> The bespoke peer group consisted of 888 Holdings plc, Betsson AB (B shares), GVC Holdings plc (renamed Entain plc), International Game Technology plc, JPL Group plc (renamed Gamesys Group plc), Kindred Group plc, Organization of Football Prognostics S.A. (renamed OPAP S.A.), Paddy Power Betfair plc (renamed Flutter Entertainment plc), Rank Group plc, Sportech plc and William Hill plc.

Awards for Mor Weizer and Andrew Smith vested on 1 March 2022 as follows:

Director	Original number of awards granted	Number of awards vested	Total value <sup>1</sup>	Total value due to share price appreciation <sup>2</sup>
Mor Weizer	471,809	217,787	£1,440,661	£520,729
Andrew Smith	148,260	68,437	£452,710	£163,632

<sup>1</sup> Based on the share price on vesting of £6.615.

<sup>2</sup> Calculated as the share price on vesting of £6.615 less the share price on the date of grant of £4.224.

The awards are also subject to a two-year retention period post vesting.

## One-off award approved by shareholders in 2019

Tranche	Number of awards granted	Share price target	Performance period (years)	Share price target achieved	Vesting date
A	300,000	£6.00	3	Yes	26/11/2021
B	400,000	£7.00	3	Yes	14/12/2021
C	500,000	£8.00	3	No	N/A
D	700,000	£12.00	5	No	N/A

Accordingly, the tranches that vested during the year are as follows:

Tranche	Original number of awards granted	Number of awards vested	Total value <sup>1</sup>	Total value due to share price appreciation <sup>2</sup>
A	300,000	300,000	£2,208,000	£1,050,300
B	400,000	400,000	£2,906,000	£1,362,400

<sup>1</sup> Based on the share price on vesting of £7.36 (Tranche A) and £7.265 (Tranche B).

<sup>2</sup> Calculated as the share price on vesting less the share price on the date of grant of £3.859.

### LTIP awards (audited)

As noted previously, no LTIP award was granted in 2021, due to the Company being in a closed period for the majority of 2021.

### Termination payments (audited)

Claire Milne and John Jackson received payment in lieu of notice during 2021. No termination payments were made to any other Directors during 2021.

### Payments to past Directors (audited)

No payments to past Directors were made in 2021.

### Implementation of Policy for 2022

This section sets out the proposed implementation of the Directors' Remuneration Policy in 2022. The proposed implementation does not contain any deviations from the Directors' Remuneration Policy approved by shareholders at the 2021 AGM.

### Salary review

As stated last year, salary reviews for the Executive Directors take place at the beginning of the calendar year as this will result in the alignment of salary reviews with the Company's financial year.

Accordingly, the Committee reviewed the salaries for both Mr Weizer and Mr Smith in February 2022. It was decided that Mr Weizer and Mr Smith would receive a salary increase of 2% and 3.5% respectively, effective from 1 January 2022. The average salary increase awarded across the UK workforce was 7%.

The current basic salary levels of the Executive Directors are:

- Mr Weizer: £816,000 (equivalent to €972,166 at 31 December 2021 exchange rate between Sterling and Euro used in the accounts) which was effective from 1 January 2022; and
- Andrew Smith: £445,567 (equivalent to €530,840 at 31 December 2021 exchange rate between Sterling and Euro used in the accounts) which was effective from 1 January 2022.

Following the changes to the Board and Committee membership at the end of September 2021, the Committee reviewed the fees payable to Non-executive Directors in light of standard market practice. The pay structure was normalised to standard remuneration practice with a basic NED fee, a fee for chairing Committees, and a differential to the SID.

Accordingly, the Committee determined the revised remuneration structure would be as follows, effective from 1 October 2021:

- Chairman: £338,000 (equivalent to €402,686 at 31 December 2021 exchange rate between Sterling and Euro used in the accounts);
- Non-executive Director base fee: £110,000 (equivalent to €131,052 at 31 December 2021 exchange rate between Sterling and Euro used in the accounts);
- additional Committee Chair fee: £10,000 (equivalent to €11,914 at 31 December 2021 exchange rate between Sterling and Euro used in the accounts); and
- Senior Independent Director fee: £120,000 (equivalent to €142,966 at 31 December 2021 exchange rate between Sterling and Euro used in the accounts).

The Non-executive Director fees recognise core responsibilities and additional duties as Chair of a Board Committee. There will be no increases for 2022.

### Benefits

Benefit will continue to be in line with the approved Policy.

### Pension

The pension contributions to Executive Directors will be 15% of salary for the period from 1 January 2021 to 30 June 2022, and will reduce to 12.5% of salary effective from 1 July 2022, and then further reduce to 10% of salary effective from 1 October 2022.

# Annual report on remuneration continued

## Implementation of Policy for 2022 continued

### Annual bonus

The annual bonus opportunity will remain unchanged at 200% of salary for the CEO and 150% of salary for the CFO.

For 2022, bonuses for the Executive Directors will be based on the following:

	Weighting	Performance target
Adjusted EBITDA	50%	Commercially confidential
Cash flow	20%	Commercially confidential
Non-financial and strategic objectives	30%	Commercially confidential

The Adjusted EBITDA and cash flow targets have been set above City consensus in line with the business plan and the targets will be very challenging in light of the post-COVID-19 trading environment. Maximum payout for achieving the financial targets has been set for achieving 110% of the stretching target level.

The Committee has introduced ESG measures for the 2022 bonus, including measures relating to safer gambling, diversity and reduction of the Company's Scope 1, Scope 2 and supply chain emissions.

The level of bonus payable by reference to the financial performance of the Company will be determined on a sliding scale. There will be retrospective disclosure of the targets and performance in next year's report.

The annual bonus will be subject to recovery and withholding provisions in relation to material misstatement, gross misconduct, or material error in calculation, for a serious reputational event and in the event of corporate failure. These provisions will apply for a period of three years after payment.

In line with the proposed Policy, 33.3% of any bonus earned will be payable in deferred shares.

### Long Term Incentive Plan (LTIP)

In line with the normal schedule and subject to shareholder approval of a new LTIP, the Committee intends to grant LTIP awards this year at 200% of salary for the CEO and 150% for the CFO. For the avoidance of doubt, it is not the Committee's intention to issue any form of catch-up LTIP award despite missing the 2021 award due to the Company being in a closed period for an extended period of time for the majority of last year.

Awards made to Executive Directors will vest on the third anniversary of grant subject to (i) participants remaining in employment (other than in certain "good leaver" circumstances) and (ii) achievement of challenging performance targets. The awards will be subject to relative TSR and adjusted EPS performance, in line with the 2020 LTIP grant. Full details of the performance targets will be disclosed at the time the awards are made and will be in line with the current Remuneration Policy.

Any vesting will also be dependent on the Committee ensuring that the level of performance achieved is consistent with the underlying financial performance of Playtech over the performance period.

LTIP awards will be subject to a two-year retention period post vesting.

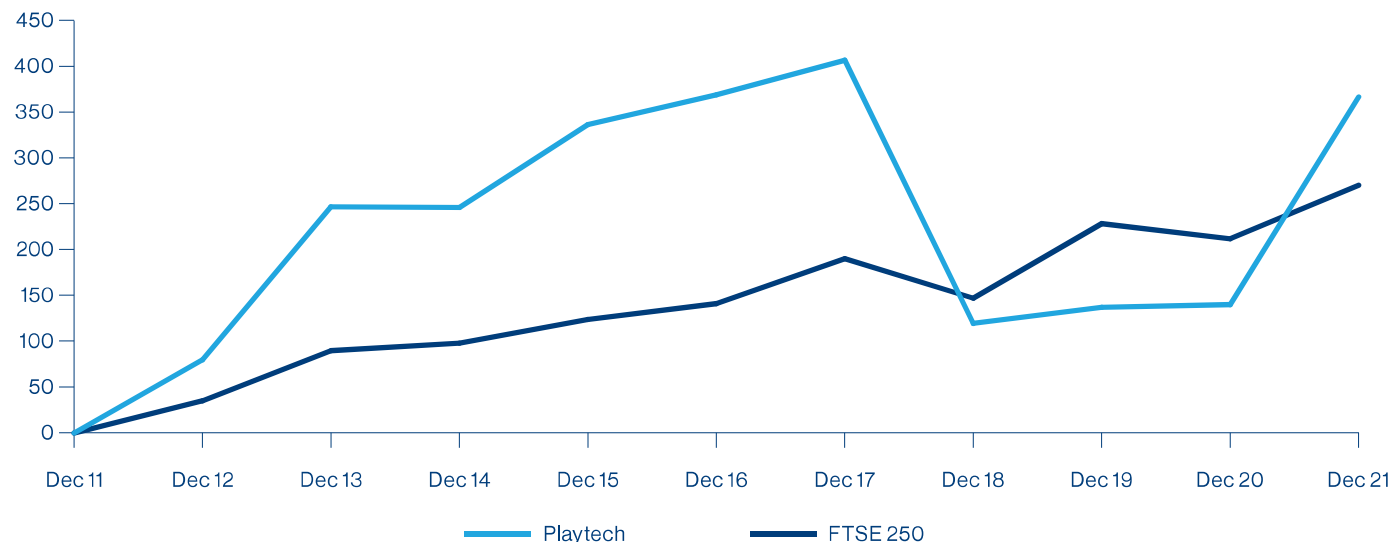
LTIP awards will be subject to recovery and withholding provisions in relation to material misstatement, gross misconduct or material error in calculation, for a serious reputational event and in the event of corporate failure. These provisions will apply for a period of three years post vesting.

### Dilution limits

All of the Company's equity-based incentive plans (other than the Option Plan which was established before the Company's admission to AIM in 2006) incorporate the current Investment Association Guidelines on headroom which provide that overall dilution under all plans should not exceed 10% over a ten-year period in relation to the Company's issued share capital (or reissue of treasury shares), with a further limitation of 5% in any ten-year period for executive plans. The Committee monitors the position and prior to the making of any award considers the effect of potential vesting of options or share awards to ensure that the Company remains within these limits. Any awards which are required to be satisfied by market purchased shares are excluded from such calculations. As at 31 December 2021 we hold 2,937,550 Treasury Shares. As at 1 January 2021, we held 9,965,889 shares in Treasury but on 25 February 2021, we transferred 7,028,339 of these shares to the Company's Employee Benefit Trust.

### Review of performance

The following graph shows the Company's total shareholder return (TSR) performance over the past ten years; the Company's TSR is compared with a broad equity market index. The index chosen here is the FTSE 250, which is considered the most appropriate published index.



The Remuneration Committee believes that the new Remuneration Policy and the supporting reward structure provide a clear alignment with the strategic objectives and performance of the Company. To maintain this relationship, the Remuneration Committee constantly reviews the business priorities and the environment in which the Company operates. The table below shows the total remuneration of Mor Weizer over the last ten years and annual variable and long-term incentive pay awards as a percentage of the plan maxima.

Remuneration of the CEO (Mor Weizer)	Year ending 31 December									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Total remuneration (€'000)	800	1,381	1,740	2,449	2,346	4,192	2,055	2,931	1,905	<b>10,802</b>
Annual bonus (% of maximum)	100%	100%	100%	87.5%	100%	93%	25%	65%	24%	<b>100%</b>
LTIP vesting (% of maximum)	—	—	—	—	—	70%	22%	—	—	<b>46.16%</b>

# Annual report on remuneration continued

## Percentage change in remuneration of Directors compared with employees

The following table sets out the percentage change in the salary/fees, benefits and bonus for each Director from 2020 to 2021 compared with the average percentage change for employees. All percentages are calculated based on the GBP value of pay, as this reflects how pay is set, ignoring the impact of exchange rate fluctuations.

	Salary/fees		Benefits		Bonus	
	2019 to 2020	2020 to 2021	2019 to 2020	2020 to 2021	2019 to 2020	2020 to 2021
<b>Executive Directors</b>						
Mor Weizer	0%	-20%	+31.6% <sup>2</sup>	-1.6%	-63.1%	+233.3%
Andrew Smith	+2.5%	0%	+75.3% <sup>3</sup>	-41.0%	-64.3%	+254.2%
<b>Non-executive Directors</b>						
Brian Mattingley	N/A	N/A	N/A	N/A	N/A	N/A
Claire Milne	+2.5%	-26.1%	N/A	N/A	N/A	N/A
John Jackson	+2.5%	-22.6%	N/A	N/A	N/A	N/A
Ian Penrose	+2.5%	+5.2%	N/A	N/A	N/A	N/A
Anna Massion	+2.5%	+2.8%	N/A	N/A	N/A	N/A
John Krumins	+2.5%	+2.8%	N/A	N/A	N/A	N/A
Linda Marston-Weston	N/A	N/A	N/A	N/A	N/A	N/A
<b>Wider workforce</b>						
Average employee – UK based <sup>1</sup>	+2.7%	+4.5%	+6%	+0.8%	+22%	-15.6%

1 Playtech plc has no employees. The UK workforce was chosen as a comparator group as the Remuneration Committee looks to benchmark the remuneration of the Chief Executive Officer with reference mainly to the UK market (albeit that he has a global role and responsibilities, and remuneration packages across the Group vary widely depending on local market practices and conditions remove unnecessary space).

2 The increase in the value of Mor Weizer's benefits was due to the provision of a fully expensed company car.

3 The increase in the value of Andrew Smith's benefits was due to an increase in healthcare costs.

4 The increase for Ian Penrose reflects his appointment as Senior Independent Director.

## Pay ratio information in relation to the total remuneration of the Director undertaking the role of Chief Executive Officer

The table below compares the single total figure of remuneration for the Chief Executive Officer with that of the Group employees who are paid at the 25th percentile (lower quartile), 50th percentile (median) and 75th percentile (upper quartile) of its UK employee population for 2020 and 2021:

Year	Methodology	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
<b>2021</b>	<b>Method A</b>	<b>229:1</b>	<b>160:1</b>	<b>107:1</b>
2020	Method A	43:1	31:1	21:1
2019	Method A	73:1	52:1	35:1

The employees included are those employed on 31 December 2021 and remuneration figures are determined with reference to the financial year to 31 December 2021. The CEO is paid in GBP Sterling and the ratios have been calculated using the CEO's 2021 total single figure of remuneration expressed in GBP Sterling (£9,145,961).

Option A, as set out under the reporting regulations, was used to calculate remuneration for 2021, in line with the approach taken in 2020, as we believe that that is the most robust methodology for calculating these figures.

The value of each employee's total pay and benefits was calculated using the single figure methodology consistent with the CEO, with the exception of annual bonuses, where the amount paid during the year was used (i.e. in respect of the 2020 financial year) as 2021 employee annual bonuses had not yet been determined at the time this report was produced. No elements of pay have been omitted. Where required, remuneration was approximately adjusted to be on a full-time and full-year equivalent basis based on the employee's contracted hours and the proportion of the year they were employed.

The table below sets out the salary and total pay and benefits for the three quartile point employees:

	25th percentile		50th percentile		75th percentile	
	Salary	Total pay and benefits	Salary	Total pay and benefits	Salary	Total pay and benefits
<b>2021</b>	<b>£35,962</b>	<b>£39,868</b>	<b>£45,000</b>	<b>£57,029</b>	<b>£65,000</b>	<b>£85,662</b>

The Committee considers that the median CEO pay ratio is consistent with the relative roles and responsibilities of the CEO and the identified employee. Base salaries of all employees, including our Executive Directors, are set with reference to a range of factors including market practice, experience and performance in role. The CEO's remuneration package is weighted towards variable pay (including the annual bonus and LTIP) due to the nature of the role, and this means the ratio is likely to fluctuate depending on the outcomes of incentive plans in each year, as has been the case this year due to the vesting of the one-off award which was approved by shareholders in 2019, as a consequence of the increase in the Company's share price. Due to the one-off nature of this award, the Committee has also reviewed the pay ratio excluding the value of this, as set out in the table below:

	25th percentile	50th percentile	75th percentile
	<b>101:1</b>	<b>71:1</b>	<b>47:1</b>

The Committee also recognises that, due to the flexibility permitted within the regulations for identifying and calculating the total pay and benefits for employees, as well as differences in employment and remuneration models between companies, the ratios reported above may not be comparable to those reported by other companies.

### Relative importance of spend on pay

The following table sets out the amounts paid in share buybacks and dividends, and total remuneration paid to all employees:

Payouts	2021 €'m	2020 €'m	Change %
Dividends <sup>1</sup>	—	—	0%
Share buybacks	—	10.1	-100%
Total employee remuneration <sup>2</sup>	<b>384.6</b>	358.2	+7.4%

<sup>1</sup> Total employee remuneration for continuing and discontinued operations includes wages and salaries, social security costs, share-based payments and pension costs for all employees, including the Directors.

### Directors' interests in ordinary shares (audited)

Director	Ordinary shares		Share awards and share options 31 December		Total interests at December 2021
	2021	2020	2021	2020	
<b>Executive Directors<sup>1,2,3,4</sup></b>					
Mor Weizer <sup>5</sup>	<b>277,550</b>	258,750	<b>3,012,225</b>	3,014,685	<b>3,289,775</b>
Andrew Smith <sup>5</sup>	<b>84,875</b>	78,675	<b>324,550</b>	324,910	<b>409,425</b>
<b>Non-executive Directors</b>					
Brian Mattingley	—	—	—	—	—
Claire Milne	—	—	—	—	—
John Jackson	<b>5,000</b>	5,000	—	—	<b>5,000</b>
Ian Penrose	<b>17,500</b>	17,500	—	—	<b>17,500</b>
Anna Massion	<b>32,000</b>	32,000	—	—	<b>32,000</b>
John Krumins	<b>10,000</b>	10,000	—	—	<b>10,000</b>
Linda Marston-Weston	—	—	—	—	—

<sup>1</sup> There has been a significant increase in Executives' share ownership; the CEO's share ownership increased to 254% of salary based on the closing share price of 732.5 pence on 31 December 2021, from 104% on 31 December 2020. In addition, the CFO's share ownership increased to 144% of salary as at 31 December 2021, from 73% on 31 December 2020.

<sup>2</sup> Share options are granted for nil consideration.

<sup>3</sup> These options were granted in accordance with the rules of the Playtech Long Term Incentive Plan 2012 (the "Option Plan"). Options under the Option Plan are granted as nil cost options and in the case of Executive Directors exclusively, the options vest and become exercisable on the third anniversary of the notional grant date. Unexercised options expire ten years after the date of grant, unless the relevant employee leaves the Group's employment, in which case the unvested options lapse and any vested options lapse three months after the date that the employment ends.

<sup>4</sup> Mr Weizer and Mr Smith were each granted an award in 2020 over 546,000 and 176,290 shares respectively. The Adjusted EPS performance condition is based over the financial year ending 31 December 2022, whilst the relative TSR performance conditions are based over the period of 26 October 2020 to 25 October 2023 with normal vesting scheduled for 26 October 2023.

<sup>5</sup> No LTIP awards were granted in 2021.

<sup>6</sup> There was no movement in share interests between 31 December 2021 and the date of publication.

### Role and membership

The Remuneration Committee is currently comprised entirely of three independent Non-executive Directors as defined in the Code. Ian Penrose chairs the Committee, and the other members are Linda Marston-Weston and Anna Massion.

Details of attendance at the Remuneration Committee meetings are set out on page 101 and their biographies and experience on pages 96 to 97.

The Committee operates within agreed terms of reference detailing its authority and responsibilities. The Committee's terms of reference are available for inspection on the Company's website, [www.playtech.com](http://www.playtech.com), and include:

- determining and agreeing the Policy for the remuneration of the CEO, the CFO, the Chairman and other members of the senior management team;
- reviewing the broad Policy framework for remuneration to ensure it remains appropriate and relevant;
- reviewing the design of and determining targets for any performance-related pay and the annual level of payments under such plans;
- reviewing the design of and approving any changes to long-term incentive or option plans; and
- ensuring that contractual terms on termination and payments made are fair to the individual and the Company and that failure is not rewarded.

# Annual report on remuneration continued

## Role and membership continued

The Remuneration Committee also considers the terms and conditions of employment and overall remuneration of Executive Directors, the Company Secretary and members of the senior management team and has regard to the Company's overall approach to the remuneration of all employees. Within this context the Committee determines the overall level of salaries, incentive payments and performance-related pay due to Executive Directors and senior management. The Committee also determines the performance targets and the extent of their achievement for both annual and long-term incentive awards operated by the Company and affecting the senior management. In order to manage any potential conflicts of interest, no Director is involved in any decisions as to his/her own remuneration.

The Remuneration Committee takes advice from both inside and outside the Group on a range of matters, including the scale and composition of the total remuneration package payable to people with similar responsibilities, skills and experience in comparable companies that have extensive operations inside and outside the UK.

During the year the Remuneration Committee received material assistance and advice from the Company Secretary, Brian Moore (who is also secretary to the Committee).

The Remuneration Committee has a planned schedule of at least three meetings throughout the year, with additional meetings and calls held when necessary. During 2021, the Committee met nine times, addressing a wide variety of issues, including:

Month	Principal activity
January and February	<ul style="list-style-type: none"> <li>Review of bonus and other incentivisation arrangements in relation to Executive Directors and members of senior management</li> <li>Review of amendments to Policy to be put to shareholders at the 2021 AGM, including bonus deferral and reduction in pension provision</li> <li>Review of market benchmarking and corporate governance best practice</li> </ul>
March	<ul style="list-style-type: none"> <li>Review of benchmarking, and setting of remuneration of incoming Chairman</li> <li>Consultation with shareholders</li> </ul>
June	<ul style="list-style-type: none"> <li>Review of AGM voting results</li> <li>Market benchmarking</li> <li>Shareholder feedback</li> </ul>
August, September and October	<ul style="list-style-type: none"> <li>Consideration of all remuneration matters in view of takeover approach from Aristocrat</li> </ul>

## External advisers

As a result of PricewaterhouseCoopers LLP's (PwC's) appointment as reporting accountant in relation to Finalto during 2020, the firm stood down as independent adviser to the Committee. The Committee engaged the services of a leading corporate governance adviser to provide advice and market insights in relation to remuneration for which it received fees of £25,000 during the year to 31 December 2021.

## Engagement with shareholders and shareholder voting

The Remuneration Committee is committed to ensuring open dialogue with shareholders in relation to remuneration. Following the 2020 AGM result and in advance of the AGM in 2021, the Company conducted an in-depth shareholder engagement programme in order to better understand shareholders' views in order that these could be taken into account in shaping the revised Remuneration Policy as well as its implementation in 2021.

The Directors' Remuneration Policy and the Directors' Annual Report on Remuneration were each subject to a shareholder vote at the AGM held on 26 May 2021, the results of which were as follows:

	For	Against	Withheld
Approval of Remuneration Report	161,331,310 (69.18%)	71,887,800 (30.82%)	2,059,240
Approval of Remuneration Policy	177,453,581 (75.47%)	57,668,932 (24.53%)	155,838

In the first half of 2021 the Remuneration Committee carried out a wide-ranging review of the Remuneration Policy for Executive Directors, to align more closely with typical market practice, improve reporting transparency and satisfy specific concerns raised by shareholders. In undertaking this review, the Committee has sought to draw a line under the poor voting record on remuneration over the past few years by making material changes to the overall level of pay. This has been a lengthy and difficult process, as we had to address some challenging issues. We have also strengthened our decision making processes to ensure these are balanced appropriately going forward. Following approval of the new Policy, the Board and the Remuneration Committee are committed to keeping this under review and continuing their engagement and dialogue with the Company's shareholders and their advisory bodies on these and other matters and welcome their ongoing feedback.

### Engagement with the wider workforce

With respect to employee engagement, the Board engages with the COO and Global Head of Human Resources on strategic and operational issues affecting and of interest to the workforce, including remuneration, talent pipeline and diversity and inclusion. The COO is a standing attendee at the Board meetings. In addition, the Company has established a Speak Up hotline, which enables employees to raise concerns confidentially and independently of management. Any concerns raised are reported into the Head of Legal and Head of Compliance for discussion and consideration by the Risk Committee. The Board considers the current mechanisms appropriate for understanding and factoring in stakeholder concerns into plc level decision making. However, the Board will assess whether additional mechanisms can strengthen its understanding and engagement of stakeholder concerns in the future.

Specifically, wide-ranging discussions were held around remuneration, reviewing benchmarking data about the competitiveness of Playtech's basic pay levels compared to peer groups and geographies. Bonus targets and quantum were reviewed to continue to improve the alignment of individual and Group operating and strategic performance. The Committee also took the opportunity to consider the list of team members who historically have been eligible for an LTIP grant, to ensure that this element of aligning employee and shareholder interests remains appropriate. There was significant engagement around the wide-ranging implications of the Takeover Offer by Aristocrat for the Company, and also around the uncertainties created for the business and its employees by the numerous items of corporate activity that affected the Company in the year.

Furthermore, and working in conjunction with the ESG Committee, several discussions were held reviewing the Company's approach to diversity and inclusion, followed by setting the Company goals and targets in this area.

During 2021, the Board discussed, reviewed and engaged on a number of stakeholder issues. The material stakeholder topics discussed by the Board in 2021 included:

- executive compensation and pay;
- environmental, social and governance matters;
- developing the business in markets;
- corporate governance;
- diversity;
- inclusion and gender pay gap and regulatory and compliance developments;
- safer gambling;
- data protection;
- environment;
- anti-money laundering and anti-bribery and corruption;
- human rights and modern slavery;
- responsible supply chain and procurement; and
- commercial developments with B2B licensees and third parties.

In 2021, the Board's engagement and understanding of stakeholder interests and perspectives was taken into account as part of the following decisions:

- new and updated policies covering the Compliance Procurement Policy, human rights and the modern slavery statement;
- monitoring of safer gambling protocols and sustainability blueprint;
- consideration of Directors' Remuneration Policy; and
- monitoring developments on the Human Resources function and strategy.

By order of the Board

**Ian Penrose**

Chair of the Remuneration Committee

24 March 2022

## Directors' report

The Directors are pleased to present to shareholders their report and the audited financial statements for the year ended 31 December 2021.

The Directors' Report should be read in conjunction with the other sections of this Annual Report: the Strategic Report, the Corporate Responsibility Report and the Remuneration Report, all of which are incorporated into this Directors' Report by reference.

The following also form part of this report:

- the reports on corporate governance set out on pages 93 to 131;
- information relating to financial instruments, as provided in the notes to the financial statements; and
- related party transactions as set out in Note 36 to the financial statements.

### Annual Report and Accounts

The Directors are aware of their responsibilities in respect of the Annual Report. The Directors consider that the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's performance, business model and strategy. The Statement of Directors' Responsibilities appears on page 131.

### Principal activities and business review

The Group is the gambling industry's leading technology company delivering business intelligence-driven gambling software, services, content and platform technology across the industry's most popular product verticals, including casino, live casino, sports betting, virtual sports, bingo and poker. It is the pioneer of omni-channel gambling technology through its integrated platform technology. As of June 2018, through the acquisition of Snaitech, the Group directly owns and operates a leading sports betting and gaming brand in online and retail in Italy.

### Finalto

The Group's Financials division, named Finalto (formerly TradeTech Group), is a specialist in next-generation B2C and B2B multi-channel trading software and services. In August 2020, the Group, which previously announced it is continuing to evaluate all options for the Financials Division, confirmed that it was in early discussions with a number of parties regarding a potential sale of the division. A formal decision to dispose of this segment was made by the Board before the end of 2020.

In June 2021, the Company received an indicative non-binding offer from Gopher Investments ("Gopher") to acquire the Finalto business for USD 250 million.

In September 2021, the Company announced that it had entered into an agreement with a purchaser, an investment vehicle incorporated in the Cayman Islands, to dispose of the Finalto business for a total consideration of USD250 million. The resolution to sell the Finalto business was put to shareholders on 1 December 2021 and was duly passed. Completion of the disposal is expected to take place in the second quarter of 2022.

Playtech plc is a public listed company, with a premium listing on the Main Market of the London Stock Exchange. It is incorporated and domiciled in the Isle of Man.

The information that fulfils the requirement for a management report as required by Rule 4.1.5 of the Disclosure Guidance and Transparency Rules applicable to the Group can be found in the Strategic Report on pages 2 to 92 which also includes an analysis of the development, performance and position of the Group's business. A statement of the key risks and uncertainties facing the business of the Group at the end of the year is found on pages 85 to 90 of this Annual Report and details of the policies and the use of financial instruments are set out in Note 5 to the financial statements.

### Directors and Directors' indemnity

The Directors of the Company who held office during 2021 and to date are:

	Appointed	Resigned
Brian Mattingley	01.06.2021	—
Mor Weizer	02.05.2007	—
Andrew Smith	10.01.2017	—
John Jackson	01.01.2016	30.09.2021
Claire Milne	08.07.2016	30.09.2021
Ian Penrose	01.09.2018	—
Anna Massion	02.04.2019	—
John Krumins	02.04.2019	—
Linda Marston-Weston	01.10.2021	—

All of the current Directors will stand for re-election at the forthcoming Annual General Meeting to be held on 30 June 2022.

Save as set out in Note 36 to the financial statements, no Director had a material interest in any significant contract, other than a service

contract or contract for services, with the Company or any of its operating companies at any time during the year.

The Company also purchased and maintained throughout 2021 Directors' and Officers' liability insurance in respect of itself and its Directors.

### Corporate governance statement

The Disclosure Guidance and Transparency Rules require certain information to be included in a corporate governance statement in the Directors' Report. Information that fulfils the requirements of the corporate governance statement can be found in the Governance Report on pages 93 to 131 and is incorporated into this report by reference.

### Disclaimer

The purpose of these financial statements (including this report) is to provide information to the members of the Company. The financial statements have been prepared for, and only for, the members of the Company, as a body, and no other persons. The Company, its Directors and employees, agents and advisers do not accept or assume responsibility to any other person to whom this document is shown or into whose hands it may come and any such responsibility or liability is expressly disclaimed.

The financial statements contain certain forward-looking statements with respect to the operations, performance and financial condition of the Group. By their nature, these statements involve uncertainty since future events and circumstances can cause results and developments to differ materially from those anticipated. The forward-looking statements reflect knowledge and information available at the date of preparation of these financial statements and the Company undertakes no obligation to update these forward-looking statements. Nothing in this document should be construed as a profit forecast.

### Results and dividend

The results of the Group for the year ended 31 December 2020 are set out on pages 141 to 214. The Company is not recommending the payment of a final dividend for the year ended 31 December 2021. This situation will be reviewed throughout 2022.

### Going concern, viability, responsibilities and disclosure

The current activities of the Group and those factors likely to affect its future development, together with a description of its financial position,

are described in the Strategic Report. Critical accounting estimates affecting the carrying values of assets and liabilities of the Group are discussed in Note 6 to the financial statements.

The principal and emerging risks are set out in detail in the Strategic Report on pages 85 to 90 together with a description of the ongoing mitigating actions being taken across the Group. The Board carries out a robust assessment of these risks on an annual basis, with regular updates being presented at Board and Board Committee meetings. These meetings receive updates from Finance, Legal, Tax, Operations, Internal Audit, Regulatory and Compliance, Data Protection, Human Resources, IT Security and Group Secretariat. The Group maintains a risk register and a COVID-19 risk register which are monitored and reviewed on a continuous basis.

During 2021, the Board carried out an assessment of these principal risks facing the Group, including those factors that would threaten its future performance, solvency or liquidity. This assessment considered the current situation around the COVID-19 pandemic and the potential impact of the Ukraine crisis. This ongoing assessment forms part of the Group's strategic plan.

After making appropriate enquiries and having regard to the Group's cash balances and normal business planning and control procedures, to include a detailed analysis of various scenarios, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence and meet their liabilities for a period of at least 15 months from the date of approval of the financial statements. In respect of the viability assessment, the Directors reviewed a five-year forecast considering the viability status for the period to December 2026 in accordance with the Group's five-year plan, which is considered to be an appropriate period over which the Group can predict its revenue, cost base and cash flows with a higher degree of certainty, as opposed to more arbitrary forms of forecasts based solely on percentage increases. Notwithstanding projected profitability over the forecast period, the Directors have no reason to believe that the Group's viability will be threatened over a period longer than that covered by the positive confirmation of long-term viability as per the Viability Statement on pages 91 and 92. Given the above, the Directors continue to adopt the going concern basis in preparing the accounts.

### Significant shareholdings

As of 21 March 2022, the Company had been advised of the following significant shareholders each holding more than 3% of the Company's issued share capital, based on 306,356,693 ordinary shares in issue (excluding treasury shares of 2,937,550):

Shareholder	%	No. of ordinary shares
Albula Investment Fund	5.08	15,583,174
Setanta Asset Management	5.08	15,550,370
TT Bond Partners	4.97	15,237,921
Future Capital Group	4.90	15,000,000
Paul Suen Cho Hung	4.61	14,115,010
Vanguard Group	4.41	13,523,899
Dimensional Fund Advisors	3.49	10,705,416
Interactive Brokers (EO)	3.11	9,530,111

The persons set out in the table above have notified the Company pursuant to Rule 5 of the Disclosure Guidance and Transparency Rules of their interests in the ordinary share capital of the Company.

The Company has not been notified of any changes to the above shareholders between 21 March 2021 and the date of this report.

### Capital structure

As at 28 February 2022, the Company had 309,294,243 issued shares of no-par value, of which 2,937,550 are held as treasury shares. The Company has one class of ordinary share and each share carries the right to one vote at general meetings of the Company and to participate in any dividends declared in accordance with the articles of association. No person has any special rights of control over the Company's share capital.

The authorities under the Company's articles of association granted at the last Annual General Meeting for the Directors to issue new shares for cash and purchase its own shares remain valid until the forthcoming Annual General Meeting when it is intended that resolutions will be put forward to shareholders to renew the authority for the Company to issue shares for cash and purchase its own shares.

### Articles of association

The articles of association contain provisions similar to those which are contained within the articles of association of other companies in the gambling industry, namely to permit the Company to (i) restrict the voting or distribution rights attaching to ordinary shares or (ii) compel the sale of ordinary shares if a "Shareholder Regulatory Event" (as defined in the articles of association) occurs. A Shareholder Regulatory Event would occur if a holder of legal and/or beneficial interests in ordinary shares does not satisfactorily comply with a regulator's request(s) and/or the Company's request(s) in response to

regulatory action and/or the regulator considers that such shareholder may not be suitable (a determination which in all practical effects is at the sole discretion of such regulator), to be the holder of legal and/or beneficial interests in ordinary shares. Accordingly, to the extent a relevant threshold of ownership is passed, or to the extent any shareholder may be found by any such regulator to be able to exercise significant and/or relevant financial influence over the Company and is indicated by a regulator to be unsuitable, a holder of an interest in ordinary shares may be subject to such restrictions or compelled to sell its ordinary shares (or have such ordinary shares sold on its behalf).

### Voting rights

Subject to any special rights or restrictions as to voting attached to any shares by or in accordance with the articles of association, on a show of hands every member who is present in person or by proxy and entitled to vote has one vote and on a poll every member who is present in person or by proxy and entitled to vote has one vote for every share of which he is the holder.

## Directors' report continued

### Restrictions on voting

No member shall, unless the Board otherwise determines, be entitled to vote at a general meeting or at any separate meeting of the holders of any class of shares, either in person or by proxy, in respect of any share held by him or to exercise any right as a member unless all calls or other sums presently payable by him in respect of that share have been paid to the Company. In addition, any member who having been served with a notice by the Company requiring such member to disclose to the Board in writing, within such reasonable period as may be specified in such notice, details of any past or present beneficial interest of any third party in the shares or any other interest of any kind whatsoever which a third party may have in the shares, and the identity of the third party having or having had any such interest, fails to do so may be disenfranchised by service of a notice by the Board.

### Transfer

Subject to the articles of association, any member may transfer all or any of his or her certificated shares by an instrument of transfer in any usual form or in any other form which the Board may approve. The Board may, in its absolute discretion, decline to register any instrument of transfer of a certificated share which is not a fully paid share or on which the Company has a lien. The Board may also decline to register a transfer of a certificated share unless the instrument of transfer is: (i) delivered for registration to the registered agent, or at such other place as the Board may decide, for registration; and (ii) accompanied by the certificate for the shares to be transferred except in the case of a transfer where a certificate has not been required to be issued by the certificate for the shares to which it relates and/or such other evidence as the Board may reasonably require to prove the title of the transferor and the due execution by him of the transferor, if the transfer is executed by some other person on his behalf, the authority of that person to do so, provided that where any such shares are admitted to AIM, the Official List maintained by the UK Listing Authority or another recognised investment exchange.

### Amendment of the Company's articles of association

Any amendments to the Company's articles of association may be made in accordance with the provisions of the Isle of Man Companies Act 2006 by way of special resolution.

### Appointment and removal of Directors

Unless and until otherwise determined by the Company by ordinary resolution, the number of Directors (other than any alternate Directors) shall not be less than two and there shall be no maximum number of Directors.

### Powers of Directors

Subject to the provisions of the Isle of Man Companies Act 2006, the memorandum and the articles of association of the Company and to any directions given by special resolution, the business of the Company shall be managed by the Board, which may exercise all the powers of the Company.

### Appointment of Directors

Subject to the articles of association, the Company may, by ordinary resolution, appoint a person who is willing to act to be a Director, either to fill a vacancy, or as an addition to the existing Board, and may also determine the rotation in which any Directors are to retire. Without prejudice to the power of the Company to appoint any person to be a Director pursuant to the articles of association, the Board shall have power at any time to appoint any person who is willing to act as a Director, either to fill a vacancy or as an addition to the existing Board, but the total number of Directors shall not exceed any maximum number fixed in accordance with the articles of association. Any Director so appointed shall hold office only until the next Annual General Meeting of the Company following such appointment and shall then be eligible for re-election but shall not be taken into account in determining the number of Directors who are to retire by rotation at that meeting.

### Retirement of Directors

At each Annual General Meeting one-third of the Directors (excluding any Director who has been appointed by the Board since the previous Annual General Meeting) or, if their number is not an integral multiple of three, the number nearest to one-third but not exceeding one-third shall retire from office (but so that if there are fewer than three Directors who are subject to retirement by rotation under this article one shall retire).

### Removal of Directors

The Company may by ordinary resolution passed at a meeting called for such purpose, or by written resolution consented to by members holding at least 75% of the voting rights in

relation thereto, remove any Director before the expiration of his period of office notwithstanding anything in the articles of association or in any agreement between the Company and such Director and, without prejudice to any claim for damages which he may have for breach of any contract of service between him and the Company, may (subject to the articles) by ordinary resolution, appoint another person who is willing to act as a Director in his place. A Director may also be removed from office by the service on him of a notice to that effect signed by all the other Directors.

### Significant agreements

There are no agreements or arrangements to which the Company is a party that are affected by a change in control of the Company following a takeover bid, and which are considered individually significant in terms of their impact on the business of the Group as a whole.

The rules of certain of the Company's incentive plans include provisions which apply in the event of a takeover or reconstruction.

### Related party transactions

Details of all related party transactions are set out in Note 36 to the financial statements. Internal controls are in place to ensure that any related party transactions involving Directors or their connected persons are carried out on an arm's length basis and are disclosed in the financial statements.

### Political and charitable donations

During the year ended 31 December 2021, the Group made charitable donations of €6.0 million (2020: €6.3 million), primarily to charities that fund research into, and for the treatment of, problem gambling but also to a variety of charities operating in countries in which the Company's subsidiaries are based.

The Group made no political donations during this period (2020: €Nil).

### Sustainability and employees

Information with respect to the Group's impact on the environment and other matters concerning sustainability can be found on pages 43 to 76.

Employee engagement continues to be a top priority across the Group and, in accordance with principle D of the Code, we are looking at ways to increase engagement with our workforce and a further update will be included in next year's Annual Report. Various initiatives

involving our employees are set out in the Strategic Report on pages 2 to 92 and in the statement dealing with our relationship with stakeholders on pages 20 to 23.

Applications for employment by disabled persons are always fully and fairly considered, bearing in mind the aptitude and ability of the applicant concerned. The Group places considerable value on the involvement of its employees and has continued to keep them informed of matters affecting them as employees and on the performance of the Group and has run information days for employees in different locations across the Group during the year. Details of our engagement with stakeholders are set out on pages 20 to 23. Some employees are stakeholders in the Company through participation in share option

plans. Information provided by the Company pursuant to the Disclosure Guidance and Transparency Rules is publicly available via the regulatory information services and the Company's website, [www.playtech.com](http://www.playtech.com).

#### Branches

The Company's subsidiary Playtech Software Limited has established branches in Argentina and Gibraltar. PT Turnkey Services Limited has established a branch in Gibraltar. Playtech Retail Limited has established a branch in the Philippines. Playtech Software Limited (UK) has established a branch in Gibraltar. Intelligent Gaming Systems Limited has established a branch in Argentina. Safecap Cyprus has established branches in Gibraltar and Bulgaria. Quickspin AB has established a branch in Malta. Consolidated Financial Holdings A/S has

established a branch in the UK. CFH Clearing Limited has established a branch in Denmark. V.B. Video (Cyprus) Limited has established a branch in Cyprus and VF 2011 Limited has established a branch in Gibraltar.

#### Regulatory disclosures

The information in the following tables is provided in compliance with the Listing Rules and the Disclosure Guidance and Transparency Rules (DTRs).

The DTRs also require certain information to be included in a corporate governance statement in the Directors' Report. Information that fulfils the requirements of the corporate governance statement can be found in the Governance Report on page 139 and is incorporated into this Directors' Report by reference.

#### Disclosure table pursuant to Listing Rule 9.8.4C

Listing Rule	Information included	Disclosure
9.8.4(1)	Interest capitalised by the Group	None
9.8.4(2)	Unaudited financial information	None
9.8.4(4)	Long-term incentive scheme only involving a Director	None
9.8.4(5)	Directors' waivers of emoluments	None
9.8.4(6)	Directors' waivers of future emoluments	None
9.8.4(7)	Non-pro-rata allotments for cash	None
9.8.4(8)	Non-pro-rata allotments for cash by major subsidiaries	None
9.8.4(9)	Listed company is a subsidiary of another	N/A
9.8.4(10)	Contracts of significance	None
9.8.4(11)	Contracts of significance involving a controlling shareholder	None
9.8.4(12)	Waivers of dividends	None
9.8.4(12)	Waivers of future dividends	None
9.8.4(14)	Agreement with a controlling shareholder	None

# Directors' report continued

## Additional information provided pursuant to Listing Rule 9.8.6

Listing Rule	Information included	Disclosure
9.8.6(1)	Interests of Directors (and their connected persons) in the shares of the Company at the year end and not more than one month prior to the date of the notice of AGM	See page 123
9.8.6(2)	Interests in Playtech shares disclosed under DTR5 at the year end and not more than one month prior to the date of the notice of AGM	See page 127
9.8.6(3)	The going concern statement	See page 84
9.8.6(4)(a)	Amount of the authority to purchase own shares available at the year end	30,635,669 ordinary shares which authority will expire at the AGM and is proposed to be renewed
9.8.6(4)(b)	Off-market purchases of own shares during the year	None
9.8.6(4)(c)	Off-market purchases of own shares after the year end	None
9.8.6(4)(d)	Non-pro-rata sales of treasury shares during the year	None
9.8.6(5)	Compliance with the principles of the UK Corporate Governance Code	See the statement on pages 98 and 99
9.8.6(6)	Details of non-compliance with the UK Corporate Governance Code	See the statement on pages 98 and 99
9.8.6(7)	Re Directors proposed for re-election, the unexpired term of their service contract and a statement about Directors without a service contract	The CEO and CFO serve under service contracts described on page 103 The Chairman and the Non-executive Directors serve under letters of appointment described on page 104

## Additional information under Rule 4.1 of the Disclosure and Transparency Rules

DTR	Requirement	How fulfilled
4.1.3	Publication of Annual Financial Report within four months of the end of the financial year	This document is dated 24 March 2022, being a date less than four months after the year end
4.1.5	Content of Annual Financial Report	The audited financial statements are set out on pages 141 to 226 The information that fulfils the requirement for a management report can be found in the Strategic Report on pages 2 to 92 The Statement of Directors' Responsibilities can be found on page 131
4.1.6	Audited financial statements	The audited financial statements set out on pages 141 to 226 comprise consolidated accounts prepared in accordance with IFRS and the accounts of the Company
4.1.7	Auditing of financial statements	The financial statements have been audited by BDO LLP on pages 133 to 140
4.1.8 & 4.1.9	Content of management report	The Strategic Report on pages 2 to 92 includes an analysis, using financial key performance indicators, of the development, performance and position of the Company's business and a review of the Company's business and on pages 85 to 90 a description of the principal risks and uncertainties
4.1.11(1)	Important events since the year end	The Strategic Report on pages 2 to 92 gives details of important events since the year end. See Note 41 to the audited financial statements on page 214
4.1.11(2)	Future development	The Strategic Report on pages 2 to 92 gives an indication of the likely future development of the Company
4.1.11(3)	Research and development	The Strategic Report on pages 2 to 92 gives an indication of ongoing research and development activities
4.1.11(4)	Purchase of own shares	See the statement on page 127
4.1.11(5)	Branch offices	See the statement on page 129
4.1.11(6)	Use of financial instruments	See Note 5 to the audited financial statements on pages 151 to 162
4.1.12 & 13	Responsibility statement	See the statement of the Directors on page 131

### Statement of Directors' Responsibilities

The Directors have elected to prepare the Annual Report and the financial statements for the Company and the Group in accordance with International Financial Reporting Standards (IFRS) as adopted by the UK.

The Directors are responsible under applicable law and regulation for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group, for safeguarding the assets and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

International Accounting Standard 1 (revised) requires that financial statements present fairly for each financial year the Group's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's "Framework for the Preparation and Presentation of Financial Statements". In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable International Financial Reporting Standards. A fair presentation also requires the Directors to:

- select suitable accounting policies and then apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRS as adopted by the UK subject to any material departures disclosed and explained in the financial statements; and
- provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In addition, the Directors at the date of this report consider that the financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's performance, business model and strategy.

### Website publication

Financial statements are published on the Company's website. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

### Directors' responsibilities pursuant to DTR4

Each of the Directors, whose names and functions are listed within the Governance section on pages 96 and 97, confirm that, to the best of their knowledge:

- the Group financial statements, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the UK, give a true and fair view of the assets, liabilities, financial position and profit of the Group; and
- the Annual Report includes a fair review of the development and performance of the business and the financial position of the Group and the Company, together with a description of the principal risks and uncertainties that they face.

### Annual General Meeting

The Annual General Meeting in 2021 was held in May at MidCity Place, 77 High Holborn, London WC1V 6EA. As a result of the COVID-19 pandemic and the legislative measures and associated guidance introduced by the UK Government in response, for the safety of our shareholders, our employees and the general public, the meeting was held as a closed meeting.

The Annual General Meeting provides an opportunity for the Directors to communicate personally the performance and future strategy to non-institutional shareholders and for those shareholders to meet with and question the Board. All results of proxy votes are read out, made available for review at the meeting, recorded in the minutes of the meeting and communicated to the market and via the Group website.

The Annual General Meeting for 2022 is scheduled for 30 June 2022. The notice convening the Annual General Meeting for this year, and an explanation of the items of non-routine business, are set out in the circular that accompanies the Annual Report.

### Auditor

So far as each Director is aware, at the date of the approval of the financial statements there is no relevant audit information of which the Company's auditor is unaware. Each Director has taken all the steps that they ought to have taken as a Director in order to make themselves aware of any information needed by the Group's auditor for the purposes of its audit and to establish that the auditor is aware of that information.

A resolution to reappoint BDO LLP as the Company's auditor will be submitted to the shareholders at this year's AGM.

Approved by the Board and signed on behalf of the Board

### Andrew Smith

Chief Financial Officer  
24 March 2022