

November 2020

### **Updated Investment Association Register response: 2019 General Meeting and 2020 Annual General Meeting (AGM) votes on remuneration**

In this statement, Playtech provides an update on the recent voting outcomes relating to remuneration.

The Remuneration Committee completed a comprehensive shareholder consultation in the second half of 2019. In this consultation, some of Playtech's largest institutional shareholders requested that a performance-based share award be implemented for the CEO. Playtech brought a proposal to adopt such an award to the 2019 General Meeting, and this proposal was approved by shareholders.

Playtech continued consulting with shareholders into 2020 ahead of the 2020 AGM. In implementing the Directors' Remuneration Policy during the financial year ending 31 December 2019 the Remuneration Committee sought to balance the parameters of a publicly listed company's remuneration policy with the need to retain and incentivise its leadership team. As a consequence of an extensive shareholder engagement programme, to hear and reflect the views of its shareholders, there have been major improvements to the way in which the Company approaches remuneration. However, the Company recognises it needs to go further. Ahead of the AGM, the Remuneration Committee consulted further with shareholders to better understand their views on the remuneration report.

Playtech notes that at its General Meeting on 19 December 2019 the resolution to approve the Long Term Incentive Award to the Chief Executive was passed with 54.8% votes in favour, and that at the AGM on 20 May 2020 the resolution to approve the remuneration report was not passed with 36.3% votes in favour. While the majority of shareholders voted for the proposal at the 2019 General Meeting, we recognise the significant proportion of negative votes at this meeting and the negative vote at the 2020 AGM.

Following the 2020 AGM, the Remuneration Committee has begun 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. The Remuneration Committee is carrying out this review in consultation with its remuneration advisers PwC and has recently engaged ISS Corporate Solutions. This process is currently ongoing and further consultation with Playtech's shareholders will commence when a proposed approach is agreed.

We recognise there has been continued concerns from shareholders surrounding Playtech's Directors Remuneration Report and as such, the Board and the Remuneration Committee are committed to continued dialogue with the Company's shareholders and their advisory bodies and we welcome their ongoing feedback.