Governance

Progress driven by constructive & continued dialogue

Alan Jackson
Chairman

Dear Shareholder

In my capacity as Chairman of the Board, I am pleased to present the Corporate Governance Report for 2019.

This has been an extremely important year in the growth and development of Playtech. The year has produced many challenges for Playtech and our industries, and the Board continues to evolve to ensure that we have the necessary skills and strategic leadership in order to continue to successfully shepherd the Company. I would like to pass on my gratitude for the enthusiasm and dedication which the Directors and senior management have demonstrated throughout 2019.

Central to Playtech's progress and growth has been a track record of open and constructive dialogue with its shareholders and 2019 has seen the Board continue high levels of engagement to continue important progress on Corporate Governance. Since the voting results at our Annual General Meeting in May 2019, we continued with our extensive Shareholder Engagement Programme and following requests from some of the Company's largest institutional shareholders, we convened a General Meeting in December 2019 seeking shareholder approval for the grant of a Long Term Incentive Award to our Chief Executive Officer. The proposed award was passed with votes in favour at 54.76% and votes against at 45.24%. While pleased with the support for the award, we recognise the level of votes against 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 is cognisant of 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 that allows our senior management team and employees to continue to deliver the year-on-year growth that we have achieved in recent years. This balance enables us to clearly focus on the key risks facing the Group but to be flexible enough in our approach 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. 6,000 employees in 21 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 shepherding the Company through its rapid change. As part of this ongoing progress, it was announced in April 2019, that Anna Massion and John Krumins would join the Board. Anna's deep sector knowledge coupled with John's extensive Board-level experience, will allow the Board to support Playtech's role as the leading gambling technology company in regulated markets. Following Andrew Thomas's decision not to seek re-election and the Annual General Meeting in May 2019, John Jackson was appointed as Senior Independent Director. Susan Ball stepped down from the Board in July 2019.

I joined the Board in 2006 and subsequently became Chairman in 2013. Under provision 19 of the UK Corporate Governance Code 2018 (the "Code"), the Chairman should not remain in post beyond nine years from date of first appointment to the Board. To facilitate effective succession planning and the development of a diverse board, and considering that I was an existing Non-executive Director on appointment, this period was extended. At our Annual General Meeting in May 2019, I indicated that I do not intend to stand for re-election at our Annual General Meeting scheduled for May 2020. I can confirm that a thorough succession planning process is ongoing, and we expect to make an announcement in the near future. We have appointed an external research consultancy to manage this process and details are set out in the Nominations Committee Report on pages 76 and 77.

The Board has confidence in the future of the Group and sees significant growth opportunities ahead. The operational progress reported in 2019 in new and existing regulated markets is a testament to 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 to ethical matters, its definitions of success and the 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 2019, 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 is therefore a co-sourced arrangement, with PwC continuing to provide support to the Internal Audit Team given their experience of the Group and the specialist services they offer.

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

The Annual General Meeting (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 at 10.00 am on 20 May 2020 at The Sefton Hotel, Douglas, Isle of Man and we look forward to seeing you there.

Alan Jackson
Chairman
26 February 2020

"Central to Playtech's progress and growth has been a track record of open and constructive dialogue with its shareholders and 2019 has seen the Board continue high levels of engagement to continue important progress on Corporate Governance."

Board of Directors

Alan Jackson

Non-executive Chairman

Appointment to the Board
Alan was appointed to the Board in 2006 on the Company's flotation on the Alternative Investment Market and became Chairman in October 2013.

Career
Alan has over 40 years' experience in the leisure industry. From 1973 to 1991, he occupied a number of positions at Whitbread, both in the UK and internationally, principally as Managing Director of Beefeater Steak Houses and also the Whitbread restaurant division where he was responsible for the creation and development of the Beefeater, Travel Inn and TGI Friday brands and was responsible for Whitbread's international restaurant development. In 1991, he founded Inn Business Group plc, which was acquired by Punch Taverns plc in 1999. He was Chairman of The Restaurant Group plc from 2001 until he retired from this position in 2016. He stepped down from his role as Deputy Chairman and Senior Non-executive Director at Redrow plc in September 2014.

Skills, competences and experience
Having held several Board positions in both an executive and non-executive capacity in a variety of listed companies in the UK, he brings substantial experience of working in public and private companies, along with strategic and leadership experience.

Board Committees
He is Chairman of the Nominations Committee and a member of the Remuneration and Risk & Compliance Committees.

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 hi-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.

John Jackson

Senior Non-executive Director

Appointment to the Board
John was appointed to the Board in January 2016.

Career
John is a qualified accountant and his previous roles include Group Chief Executive of Jamie Oliver Holdings Limited from 2007 to 2015, Group Retail and Leisure Director of Virgin Group Limited from 1998 to 2007 and Managing Director of Body Shop International from 1988 to 1994. He is currently Non-executive Chairman of Rick Stein Group.

Skills, competences and experience
John brings a wealth of consumer industry experience combined with a strong accountancy and financial background.

Board Committees
He chairs the Audit Committee and is a member of the Risk & Compliance and Nominations Committees.
He is also the Senior Independent Non-executive Director.

Claire Milne

Non-executive Director

Appointment to the Board
Claire was appointed to the Board in July 2016.

Career
Claire has a master's degree from The Johns Hopkins University, Baltimore, is a member of The Law Society of Scotland, a Manx Advocate and a Writer to Her Majesty's Signet. She is a member of the Institute of Directors, the Licensing Executive Society and the Society for Computers and the Law, a General Member of the International Masters of Gaming Law and was Chair of the Isle of Man Gambling Supervision Commission from 2007 to 2012. She is currently a Partner and Team Leader within the Intellectual Property and Science & Technology teams for Appleby in the Isle of Man.

Skills, competences and experience
Claire is a recognised industry expert in eGaming and technology law and regulation, with over 20 years' experience advising gaming and financial services clients as an in-house and private practice lawyer.

Board Committees
Claire is Chair of the Risk & Compliance Committee and sits on the Remuneration Committee, Audit Committee and Nominations Committee.

Ian Penrose

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 Chairman of the National Football Museum, Non-executive Chairman of DataPOWA, and a strategic adviser to Weatherbys Limited and the UK Tote Group.

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 Nominations 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 Director of AGS, LLC.

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 a member of the Remuneration Committee.

John Krumins

Non-executive Director

Appointment to the Board
John was appointed to the Board in April 2019.

Career
John spent nearly 15 years at Morgan Stanley as a Managing Director and subsequently worked at both Deutsche Bank and Societe Generale. John's significant non-executive experience includes his current role as an Independent Non-Executive Director of OrganOx Ltd, his role as a Trustee at Big Education Trust and acting as Finance Committee Chairman & Trustee of the Royal Institution of Great Britain.

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
It is expected that John will become a member of the Audit Committee in the first half of 2020.

Directors' governance report

Introduction

Responsibility for corporate governance lies with the Board, which is committed to maintaining high standards of corporate governance and is ultimately accountable to shareholders. 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 2019. A copy of the Code is available at 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 70 and 71.

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 66.

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 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 62 to 66.

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 78 and 79.

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 66 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. They 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 73 to 79.

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 73 to 79.

Non-executive directors should have sufficient time to meet their board responsibilities. They should provide constructive challenge, strategic guidance, offer specialist advice and hold management to account. See pages 73 and 79.

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 73 to 79.

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 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, cognitive and personal strengths. See pages 73 to 79.

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 73 to 79.

Annual evaluation of the board should consider its composition, diversity and how effectively members work together to achieve objectives. Individual evaluation should demonstrate whether each director continues to contribute effectively. See page 78.

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 73 to 79.

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 66.

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 62 to 66. In addition, our Risk & Compliance Committee Report is set out on page 76.

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 83 to 95.

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. Save for provision 4, being a requirement to present an update on the views of shareholders and actions taken following voting on resolutions at our Annual General Meeting held in May 2019, which has now been rectified and provision 19 dealing with the tenure of the Chair, which is referred to in the Chairman's Introduction to Governance on pages 68 and 69, I am delighted 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 2019.

Claire Milne was appointed as a Non-executive Director on 8 July 2016. Claire is a recognised expert in eGaming and technology law and regulation, with 20 years' experience advising gaming and financial services clients as an in-house and private practice lawyer and was, at the time of her appointment, and continues to be, 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 Company 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 will 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 15 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 2019, the Board comprised the Non-executive Chairman, the Chief Executive Officer, the Chief Financial Officer, and five independent Non-executive Directors. The list of Directors holding office during the year to 31 December 2019 and their responsibilities are set out on pages 70 and 71.

With the exception of Susan Ball, who stepped down as a Non-executive Director on 31 July 2019, Andrew Thomas, who did not stand for re-election at the Company's Annual General Meeting on 15 May 2019, Anna Massion, who was appointed as a Non-executive Director on 2 April 2019 and John Krumins, who was appointed as a Non-executive Director on 2 April 2019, 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
Alan Jackson	Non-executive Chairman
Mor Weizer	Executive Director, Chief Executive Officer
Andrew Smith	Executive Director, Chief Financial Officer
John Jackson	Non-executive Senior Independent Director (Appointed as Senior Independent Director on 16 May 2019)
Claire Milne	Non-executive Director
Ian Penrose	Non-executive Director
Anna Massion	Non-executive Director (from 2 April 2019)
John Krumins	Non-executive Director (from 2 April 2019)
Andrew Thomas	Non-executive Director (1 January 2019–15 May 2019)
Susan Ball	Non-executive Director (1 January 2019–31 July 2019)

Board operation

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

Chairman

- Overall effectiveness of the running of the Board
- Ensuring the Board as a whole plays a full 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

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

Matters considered by the Board in 2019

Month	Material matters considered
January	• Review of US Markets • Review of Tax Matters • Review of Sun Bingo
February	• Review of the 2018 financial results and approval of the Annual Report and Accounts for 2018 • Consideration of a final dividend • Budget FY 2019 • Share Buyback • Issue of Senior Secured Notes
May	• Prepare for AGM • Review of TradeTech • Review of new markets
June	• Review of current trading • Review of Operations • Review of Regulatory & Compliance
August	• Review of interim results • Consideration of interim dividend • Share Buyback • Sustainability Strategy
October	• Review of Convertible Bond • Review of RCF
November	• Strategy Review • Review of Remuneration • Prepare for GM • Budget Review 2020 • Board Evaluation

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 ten meetings scheduled and held in 2019.

During the year, the Chairman met the other Non-executive Directors, 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 2019 are set out in the table to the left.

Board meetings are generally held at the registered office of the Company on the Isle of Man.

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 and the Head of Investor Relations 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 75.

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, business and corporate issues prior to meetings. The Chief Executive Officer's responsibilities focus on coordinating 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
- 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
- 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 and the Nominations 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.

Number of meetings	Board	Audit	Remuneration	Nominations	Risk
Alan Jackson	10 of 10	—	7 of 7	3 of 3	4 of 4
Mor Weizer	10 of 10	—	—	—	—
Andrew Smith	10 of 10	—	—	—	—
Claire Milne	10 of 10	4 of 4	7 of 7	3 of 3	4 of 4
John Jackson	10 of 10	4 of 4	7 of 7	3 of 3	4 of 4
Andrew Thomas	4 of 4	—	3 of 4	1 of 1	1 of 1
Ian Penrose	10 of 10	3 of 4	7 of 7	3 of 3	4 of 4
Anna Massion	6 of 6	—	1 of 1	—	—
John Krumins	6 of 6	—	—	—	—
Susan Ball	6 of 6	2 of 2	4 of 5	—	2 of 2

Note:

Anna Massion was appointed as a Director on 2 April 2019. John Krumins was appointed as a Director on 2 April 2019. Andrew Thomas did not stand for re-election at the Annual General Meeting held on 15 May 2019. Susan Ball stepped down as a Director on 31 July 2019.

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 80 to 82 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 auditors.

The Audit Committee comprises John Jackson (Chairman), Claire Milne and Ian Penrose. It is expected that John Krumins will join the Committee during the first half of 2020.

Remuneration Committee

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

The Directors' Remuneration Report is set out on pages 83 to 95 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), Alan Jackson, Claire Milne and Anna Massion.

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, the Committee advises the Board on current and future risk strategies.

The Risk & Compliance Committee is chaired by Claire Milne. The other members of the Committee are Alan Jackson (Non-executive Chairman), John Jackson (Senior Independent Non-executive Director), and Ian Penrose (Non-executive Director). Ian Ince (Head of Regulatory and Compliance), Alex Latner (General Counsel), Steffen Latussek (Data Protection Officer) and Robert Penfold (Head of Internal Audit) attend the Committee. The Company Secretary, Brian Moore, is secretary to the Committee.

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

In addition, PwC LLP, in their capacity as providers of co-sourced internal audit services, and members of the Group's senior management including the Chief Security Officer, the Chief Executive Officer, Chief Financial Officer and Chief Operating 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:

- Review management's identification and mitigation of key risks to the achievement of the Company's objectives
- Monitor incidents and remedial activity
- Agree and monitor the risk assessment programme including, in particular, changes to the regulation of online gambling and the assessment of licensees' suitability
- Agree on behalf of the Board and continually review 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
- Satisfy itself and report to the Board that the structures, processes and responsibilities for identifying and managing risks are adequate
- Monitor and procure ongoing compliance with the conditions of the regulatory licences held by the Group

The Risk & Compliance Committee met formally four times during the year, and a summary of the key matters considered by the Committee during 2019 are set out below:

- Monitor 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 or opportunity for the Group
- Consider the costs and regulatory requirements for the Group to seek relevant licences in newly regulating markets
- Applications by or on behalf of the Group for licences in existing or newly regulated markets
- Monitor 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
- Consider the overall effectiveness of the compliance strategy and the regulatory risks to the Group's operations and revenues
- Receive and consider reports on discussions with, and the results of, audits by regulators
- Monitor compliance with regulatory licences held in all jurisdictions and adapting procedures, products and technology as appropriate
- Review reports by PwC as external advisers on risk management; consideration of the risks identified from the Group's risk register and of the effectiveness of actions taken to mitigate such risks
- 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
- 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 62 to 66 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, the process for 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 Alan Jackson (Chairman), John Jackson, Claire Milne and Ian Penrose.

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 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 66.

The Nominations Committee meets on an as-needed basis. Three formal meetings were held in 2019. Matters considered at these meetings included the consideration of candidates for the appointment of Non-executive Directors. This led, after a process involving a review of several potential candidates, to the appointment of Anna Massion and John Krumins on 2 April 2019. No external research consultancy was used in these appointments; however, a list of candidates from a range of backgrounds was prepared. In addition, the Committee considered the recruitment process for the appointment of a new Non-executive Chairman of the Company. An external research consultancy, Sam Allen & Associates, has been appointed to manage this process. Sam Allen & Associates have no other connection to the Company or any individual Director.

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 Jackson (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), Jeremy Schlachter (VP Finance) 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 the light 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, with the exception of Alan Jackson, 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 garden 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 dis-apply pro-rating or to permit awards to vest on cessation of employment.

Provision	Detail
Remuneration	Salary, bonus, LTIP, benefits and pension entitlements in line with the above Directors' Remuneration Policy Table
Change of control	No special contractual provisions apply in the event of a change of control
Notice period	12 months' notice from Company or employee for the CEO and six months' notice for the CFO • CEO contract signed on 1 January 2013 • CFO contract signed on 10 January 2017
Termination payment	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
Restrictive covenants	During employment and for 12 months thereafter

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.

On his appointment as Chairman of the Board being announced, Alan Jackson entered into a new letter of appointment (effective from 9 October 2013) when Roger Withers announced his decision to retire as Chairman of the Board in August 2013.

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 and 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.

Name	Date	Term	Termination
Alan Jackson	29 August 2013	Until third AGM after appointment unless not re-elected	Six months' notice on either side or if not re-elected, disqualification or commits gross misconduct
John Jackson	1 January 2016	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
Claire Milne	8 July 2016	Until third AGM after appointment unless not re-elected	
Ian Penrose	1 September 2018	Until third AGM after appointment unless not re-elected	
Anna Massion	2 April 2019	Until third AGM after appointment unless not re-elected	
John Krumins	2 April 2019	Until third AGM after appointment unless not re-elected	

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. Alan Jackson, in discussion with the Senior Non-executive Director, undertook a review of the performance of individual Directors. John Jackson, as Senior Non-executive Director, considered the performance of Mr Jackson 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.

A review of the Board's effectiveness commenced in late 2019. This review was facilitated by Independent Audit Limited, using their Thinking Board online assessment service. Independent Audit Limited have no other connection to the Company or any individual Director and are considered by the Board to be independent. The Company Secretary is in the process of finalising this review, following which, the Board members will discuss the findings and will continue to adopt and implement plans to further develop the effectiveness of the Board during 2020.

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. Alan Jackson, Mor Weizer, Andrew Smith, John Jackson and Ian Penrose met with a number of shareholders to discuss the Company's business and remuneration strategies throughout the year. The Executive Directors 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 Head of Investor Relations and the Director of Corporate Affairs and 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, at which the Chairman will present the key highlights of the Group's performance. The Board will be available at the AGM to answer questions from shareholders.

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
- Direct participation of the Risk & Compliance Committee Chair in the Company's Global Community Investment Committee

The Head of Investor Relations, Chief Operating Officer, and the Chief Compliance and Regulatory Affairs 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 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.

During 2019, the Board discussed, reviewed and engaged on a number of stakeholder issues. The following material stakeholder topics discussed by the Board in 2019 included Executive Compensation and Pay, corporate governance, diversity, inclusion and gender pay gap; regulatory and compliance developments, safer gambling, data protection, environment, anti-money laundering and antibribery and corruption, human rights and modern slavery, responsible supply chain and procurement, commercial developments with B2B licensees and third parties.

In 2019, 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: Compliance Procurement Policy, Human rights and modern slavery statement
- Approval of five-year safer gambling and sustainability blueprint
- Approval of firm wide remuneration plan
- 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 is effectively communicated, within regulatory constraints. Other representatives of the Board and senior management meet with investors from time to time. The Head of IR 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 2019, 144 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.

Summary

An internal team consisting of members drawn from Group Finance, Corporate Affairs, Investor Relations and Group Secretariat 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 was consistent with that used for reporting in the financial statements and is there 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 2019 are representative of the year and is confident that taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position, performance, business model and strategy.

Alan Jackson
Chairman
26 February 2020

Maintaining accountability

John Jackson
Chairman of the Audit Committee

Dear Shareholder

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

During 2019, 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, 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 2019 are set out below.

Composition

The Audit Committee comprises three independent Non-executive Directors. Susan Ball stepped down as Chair of the Committee and as a Director of the Company in July 2019 and was succeeded by John Jackson as Chair of the Committee. John is a qualified Chartered Certified Accountant. Therefore, John has recent relevant financial experience, in compliance with provision 24 of the Code. The other members are Claire Milne and Ian Penrose, both Non-executive Directors. It is expected that John Krumins will become a member of the Committee in the first half of 2020. The Committee is authorised to obtain independent advice if considered necessary.

The Chief Financial Officer 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, as was the external auditor, BDO LLP ("BDO"). The members of the Committee were also able to meet the auditor without any Executive Directors being present in order to receive feedback from them on matters such as the quality of interaction with management. Both Susan Ball and John Jackson met with BDO separately on several occasions during the year to discuss matters involving the audit process.

During the year, Susan Ball and John Jackson met, individually and in private, 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. The activities of the Committee members during the last year have enabled it to continue to understand the culture of the organisation, the risks and challenges faced and the adequacy and timeliness of the actions being taken to address them.

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.

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 included:

- Monitoring and challenging the effectiveness of internal control and associated functions
- Approving and amending 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 ("Code of Ethics") and compliance with their 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 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
- Reporting to the Board on how it has discharged its responsibilities

Audit Committee's activities

In 2019, the Audit Committee met formally four times.

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

- Consideration of the Group's Risk Register
- Effectiveness of the Group's system of internal controls and risk management
- Updates on people risk, and cybersecurity risks
- Review of internal audit plan
- Results of internal audit reviews, management action plans to resolve any issues arising and the tracking of their resolution
- Post-acquisition reviews
- Review of Committee terms of reference

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, including the consideration of acquisition accounting relating to business combinations, and related contingent consideration and impairments, made in the current and prior years, 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 102 to 175).

Revenue recognition

The Audit Committee reviewed the judgements made in respect of revenue recognition, in particular to assess the recognition of revenue from arrangements with customers and partners where the Group is to be remunerated other than by way of a simple revenue share arrangement and undertook a review of key contracts. Following this review, the Committee concluded that the timing of revenue recognition continues to be in line with IFRS requirements. BDO performed detailed audit procedures on revenue recognition and reported their findings to the Committee, which was satisfied as a result of the review process that the approach taken by the Group in the financial statements was appropriate.

Business combinations

The Audit Committee reviewed the judgements made in connection with the accounting treatment for business combinations during the year, together with the assessment of related liabilities in connection with deferred and contingent consideration, and any impairment of the underlying investments of previous years' acquisitions. The Committee reviewed the purchase price allocations (prepared by professional advisers) together with the underlying judgements and forecasts used to determine the fair value of intangible assets, put and call options, and contingent consideration, and satisfied itself that the approach to the accounting treatment taken by the Group was appropriate and in accordance with IFRS requirements and accounting practice.

Contingent Consideration and Put/Call Liabilities

The Audit Committee reviewed the judgements, assessments and calculations made in connection with the accounting treatment for Contingent Consideration and Put/Call Liabilities. The Committee reviewed the basis for the calculating the Contingent Consideration and Put/Call Liabilities in accordance with the relevant agreements together with the underlying judgements and forecasts used to determine the fair value of put and call options, and contingent consideration, and satisfied itself that the approach to the accounting treatment taken by the Group was appropriate and in accordance with IFRS requirements and accounting practice.

Goodwill and intangible assets

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 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 Committee considered the outcome of the impairment reviews performed by management. The impairment reviews were also an area of focus for the external auditor, who reported their findings to the Committee. The Committee satisfied itself that no material impairments were required to the carrying value of goodwill or other intangible assets.

Legal, regulatory and taxation

Given the developing nature of the gambling sector in many countries across the world, and evolving regulation in the financial trading sector, there is a risk that potential material legal or regulatory matters are not disclosed or provided for in the financial statements and therefore the Committee considered with the Group's compliance and legal departments whether there were any known instances of material breaches in regulatory and licence compliance that needed to be disclosed or other claims that required provisions to be made in the financial statements. In particular, the Committee considered forthcoming changes in the regulatory environment in a number of jurisdictions in which the Group's licensees operate, together with the implementation of revised financial services regulations. The Committee considered the control systems adopted to identify potential regulatory issues and the compliance control systems operating in the Group. Discussions were held with the Head of Regulatory and Compliance. Following this review, the Committee was satisfied that adequate provisions and disclosures were being made for any potential contingent liabilities.

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. Consideration was given to transfer pricing studies carried out on behalf of the Group in the current period and previous periods, and assessed, in respect of earlier studies, whether there had been any change in the basis of operations in the relevant territories.

Legal, regulatory and taxation continued

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.

Related party transactions

The Audit Committee examined the practices and procedures adopted by the Group to ensure that related party transactions are conducted on arm's length terms. The Committee considered the processes followed in relation to such transactions that were entered into during 2019 and concluded that these processes had worked effectively and that the related party transactions with entities that are related by virtue of a common significant shareholder had been properly conducted on an arm's length basis and appropriately disclosed in the financial statements.

Viability Statement

The Committee reviewed management's work on assessing risks and potential risks to the Company's business and 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 and make the Viability Statement on page 97.

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 in 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.

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

In recognition of the increasing levels 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 2019. The historical Internal Audit relationship between PricewaterhouseCoopers LLP (PwC) and Playtech continues and is therefore a co-sourced arrangement, with PwC continuing to provide support to the Internal Audit Team given their experience of the Group and the specialist services they offer.

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 audits were reported to the Audit Committee on a regular basis, with recommendations made by Internal Audit and corresponding management actions being reviewed and challenged, where appropriate. In addition to regular feedback of audit results, the Internal Audit Team monitor completion of management actions and provide updates of these to the Audit Committee on a quarterly basis.

An Internal Audit Plan for 2020 was developed by the Internal Audit Team and agreed with the Audit Committee at the November 2019 Audit Committee meeting. Internal Audit will carry out audits in accordance with this plan using a risk-based approach and continue 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.

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 they are independent
- A review of fees paid to the auditor in respect of audit and non-audit services

During the year the auditor undertook certain specific pieces of non-audit work, (including work in relation to tax matters and, the evaluation of potential acquisition targets). In order to maintain BDO's independence and objectivity, BDO undertook its standard independence procedures in relation to those engagements. Further details of the non-audit fees are included in Note 11 to the financial statements on page 136.

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. Its review of the auditor's performance during 2019 included non-audit services. The Committee is satisfied that the carrying out of the above work did not and will not impair the independence of the external auditor.

During the year, the Committee conducted a formal tender process in accordance with the provisions of the Code, and in compliance with the Competition Commission Order relating to the statutory audit market for FTSE 350 companies. At present, the Committee continues to believe that BDO remains the optimal provider of audit services and should remain as auditor for 2020. This matter will continue to be monitored throughout the year.

John Jackson
Chairman of Audit Committee
26 February 2020

Statement by the Committee Chairman

Maintaining transparency

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 2019.

This report describes how the Board has applied the principles of the UK Corporate Governance 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 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 2019 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 2019.

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 them to maintain and enhance Playtech's position as the software and services provider of choice to the gambling sector and deliver in line with Playtech's M&A strategy.

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 fast-moving sectors such as ours we need to apply the policy flexibly in order to deliver the right level of overall pay to Directors.

How we operated our policy in 2019

In our 2018 Annual Report on Remuneration we set out a statement of how we intended to operate the Policy in 2019. The Policy was operated in line with these intentions, with the exception of an additional LTIP award which was granted to the CEO in December 2019 following shareholder approval at a General Meeting.

Following approval of the Policy at the 2019 AGM a number of our largest shareholders initiated conversations with us regarding the implementation of a performance-based share award for the CEO, solely linked to share price performance. This, they felt directly aligned to the interests of all shareholders, creating long-term increases in shareholder value by driving share price growth in the next period of the Company's evolution and supporting the retention of one of the industry's leading CEOs. The Committee undertook an extensive shareholder engagement exercise to design the award, consult with shareholders and make additional changes following this consultation. At the end of this long process, the award was approved by shareholders in December 2019. Further details on the terms of the award are provided in the Annual Report on Remuneration.

The Committee is comfortable that the remuneration paid to the Executive Directors for 2019 is appropriate based on both internal measures and external market benchmarking. As set out in last year's report, the CEO did not receive a salary increase in 2019 and the CFO received a final phased increase to attain the desired market positioning for the role. The CEO's salary will be frozen again for 2020 and the CFO will receive an inflationary 2.5% increase. 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.

Statement by the Committee Chairman continued

Performance and pay outcome for 2019

The final EBITDA outcome for the year was positioned between the on-target and maximum performance target levels, formulaically resulting in 40.5% of the maximum opportunity of 50% paying out under this element of the bonus. The cash flow performance of the business fell below the minimum threshold and therefore no bonus is payable in respect of the 20% of the bonus attributable to cash flow performance.

Good progress was made in challenging market conditions against a number of key strategic priorities, including further development, integration and growth of the Snaitech business, signing of a large number of new brands and licences, renegotiating key customer contracts and the successful bond issue. On this basis the Committee determined that 24.5% and 28.5% (out of the maximum of 30%) of the bonus based on strategic measures should be paid for the CEO and CFO respectively.

In all, the bonuses are payable at 65% and 69% of the maximum for the CEO and CFO respectively. Of the bonuses paid, 25% will be payable in deferred shares in line with the Remuneration Policy.

The 2017–2019 LTIP award will lapse in full since the thresholds for TSR were not met.

No discretion was exercised in determining the bonus and LTIP outcomes for 2019.

How we will operate the policy in 2020

Base salary

The Committee reviewed the Executive Directors' salaries with effect from 1 January 2020.

There will be no change to Mor Weizer's salary for FY 2020. The salary for Andrew Smith, our Chief Financial Officer, will increase by 2.5% to £430,500 with effect from 1 January 2020.

Annual bonus

The annual bonus opportunity will remain unchanged at 200% and 150% of salary for the CEO and CFO respectively. Financial performance will drive 70% of the bonus and will continue to be split 50% EBITDA and 20% cash flow. We will again set stretching targets for both. The remaining 30% of the bonus will be based on key strategic targets. The targets will have a graduated approach to differentiating between good and excellent performance, with full disclosure in next year's Annual Report.

LTIP award

Awards in 2020 will be made at the normal levels of 200% and 150% of base salary for the CEO and CFO respectively and will be subject to challenging performance targets. At the date of this report the precise performance target criteria have not yet been determined, however these will be disclosed at the time the awards are made.

Following shareholder engagement in 2019 and as notified in our Circular to shareholders in November 2019, performance targets will include a financial element in addition to the TSR targets.

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. Any shares which vest after the end of the three-year performance period must be held for a further two years (subject to any sales required to meet tax due on vesting).

Concluding remarks

On behalf of the Remuneration Committee I would like to thank shareholders for their extensive and open engagement over the last year. We are committed to a continued focus on good corporate governance and will continue to seek to normalise remuneration practices over the coming year. As part of this we are developing a strategy to align the Executive pension provision with that of the wider workforce by 2022.

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 2020 AGM.

Ian Penrose
On behalf of the Remuneration Committee
26 February 2020

Summary of Remuneration Policy

The Directors' Remuneration Policy was approved by shareholders at the AGM on 15 May 2019 (59.05% of votes cast being in favour) and became effective from that date. There are no proposals to amend the Directors' Remuneration Policy at the 2020 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 2018 Annual Report, which can be found in the 'Investors' section under 'Annual reports' on the Company's corporate website (www.playtech.com).

Element	Purpose	Operation	Maximum	Framework to assess performance
Salary	To attract, retain and motivate high calibre individuals for the role and duties required To provide market competitive salary relative to the external market To reflect appropriate skills, development and experience over time	Normally reviewed annually, typically effective in January Takes account of the external market and other relevant factors including internal relativities, individual performance and the effect of any exceptional exchange rate fluctuations in the previous year 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	Other than when an Executive Director 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 If a particularly large adjustment is required, this may be spread over a period of time	N/A
Bonus	Clear and direct incentive linked to annual performance targets Incentivise annual delivery of financial measures and personal performance Corporate measures selected consistent with and complement the budget and strategic plan	Paid in cash and shares Clawback and malus provisions apply	200% of salary for the CEO and 150% of salary for other Executive Directors 25% of any payment is normally deferred into shares for two years which is subject to recovery provisions	Performance measured over one year Based on a mixture of financial performance and performance against strategic objectives with normally no less than 70% of the bonus being dependent on financial performance Bonus is paid on a sliding scale of 0% for threshold increasing to 100% for maximum performance
LTIP	Aligned to key strategic objective of delivering strong returns to shareholders and earnings performance	Grant of performance shares, restricted shares or options Two-year holding period will be applied to vested shares (from 2019 awards), subject to any sales required to satisfy tax obligations on vesting Clawback and malus provisions apply	Maximum opportunity of 250% of salary with normal grants of 200% and 150% of salary in performance shares for the CEO and CFO respectively	Performance measured over three years Performance targets aligned with the Group's strategy of delivering strong returns to shareholders and earnings performance 25% of the awards vest for threshold performance
Pension	Provide retirement benefits	Provision of cash allowance	Up to 20% of salary 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	N/A

Summary of Remuneration Policy continued

Element	Purpose	Operation	Maximum	Framework to assess performance
Other benefits	To help attract and retain high calibre individuals	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 Other additional benefits may be offered that the Remuneration Committee considers appropriate based on the Executive Director's circumstances Non-pensionable	N/A	N/A
Share ownership guidelines	To encourage Directors to build a shareholding in the Company	Executive Directors are expected to accumulate a shareholding in the Company's shares to the value of at least 200% of their base salary Executive Directors are required to retain at least 50% of the net of tax out-turn from the vesting of awards under deferred bonus plan and the LTIP until the minimum shareholding guideline has been achieved 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)	N/A	N/A
Non-executive Directors	To provide a competitive fee for the performance of NED duties, sufficient to attract high calibre individuals to the role	Fees are set in conjunction with the duties undertaken 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 Any reasonable business-related expenses (including tax thereon) which are determined to be a taxable benefit can be reimbursed The Chairman is entitled to be provided with a fully expensed Company car	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

Annual report on remuneration

The sections of this report subject to audit have been highlighted.

Directors' emoluments (in €) (Audited)

Executive Director	Mor Weizer 2019	Mor Weizer 2018	Andrew Smith 2019	Andrew Smith 2018
Salary[1]	**1,143,427**	1,128,460	**480,280**	432,294
Bonus[2]	**1,528,580**	556,506	**511,134**	159,995
Long-term incentives[3,4,5]	**—**	104,211	**40,258**	56,823
Benefits[6]	**29,895**	40,640	**36,242**	22,431
Pension	**228,686**	225,620	**96,045**	92,986
Total fixed pay	**1,402,008**	1,394,720	**612,567**	547,711
Total variable pay	**1,528,580**	660,717	**551,392**	216,818
Total emoluments	**2,930,588**	2,055,437	**1,163,959**	764,529

1. 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. Mor Weizer's salary was set at £1,000,000 in June 2017 and there was no further increase during 2019. As noted on page 90, the salary for Andrew Smith was increased from £400,000 to £420,000 with effect from 1 January 2019. This was part of a phased approach to deliver the required market positioning and in recognition of the CFO's continued growth in the role.
2. 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 2018 and 31 December 2019 respectively. Details of (a) how the annual performance bonus for the Executive Directors was determined; and (b) the timing of bonus payments, is set out below.
3. The value of the LTIP for 2019 relates to the 2017 awards, which had a three-year performance period ending 31 December 2019. Based on performance over this period, the Remuneration Committee determined that the 2017 awards will lapse in full. For Andrew Smith, this also includes the value of the portion of his 2016 award which vested in 2019, since this was granted prior to his appointment to the Board and was therefore not subject to performance targets. This award vested in two tranches, the first on 1 September 2017 and the second (which is included in the table above) on 1 March 2019. The tranche which vested during 2019 was over 7,979 shares and had a value of €40,258 based on the closing share price of 429.1 pence at the vesting date and the average exchange rate applicable during the 2019 financial year for the purpose of this report. Share price depreciation over the period to the vesting date (based on the original share price of 788.5 pence used to determine the original number of awards granted) is equivalent to €33,718.77.
4. For Mor Weizer, the value of the LTIP for 2018 relates to 2016 award, which had a three-year performance period ending 31 December 2018. Based on performance over this period, the Remuneration Committee determined that 19.83% of the maximum award vested on 1 March 2019, equivalent to 21,820 nil cost options. The value of the award included above is therefore €104,210.66 based on the closing share price of 429.1 pence at the vesting date and the average exchange rate applicable during the 2018 financial year for the purpose of this report. Share price depreciation over the period to the vesting date (based on the original share price of 788.5 pence used to determine the original number of awards granted) is equivalent to €87,283.41. For Andrew Smith, the LTIP for 2018 includes the value of the portion of his 2015 award which vested in 2018, since this was granted prior to his appointment to the Board and was therefore not subject to performance targets. This award vested in two tranches, the first on 1 September 2016 and the second (which is included in the table above) on 1 March 2018. The tranche which vested during 2018 was over 6,542 shares and had a value of €56,823 based on the closing share price of 780.4 pence at the vesting date and the average exchange rate applicable during the 2018 financial year for the purpose of this report. Share price depreciation over the period to the vesting date (based on the original share price of 847 pence used to determine the original number of awards granted) is equivalent to €4,849.
5. The figures provided above for 2018 differ from those set out in last year's Directors' Remuneration Report due to a calculation error in that report, and since these have been updated to reflect the share price as at the vesting date which was unknown as at the date of the last Directors' Remuneration Report.
6. 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)

There were no increases in the fees paid to the Non-executive Directors in 2019. Fees are paid in Sterling (which is unchanged from 2018) and are translated into Euros in the table below:

Director	Fees 2019	Fees 2018	Annual bonus 2019	Annual bonus 2018	Benefits 2019	Benefits 2018	Pension 2019	Pension 2018	Total emoluments 2019	Total emoluments 2018
Alan Jackson	**439,085**	433,867	**—**	—	**4,536**	9,022	**—**	—	**443,621**	442,889
Andrew Thomas	**45,308**	118,563	**—**	—	**—**	—	**—**	—	**45,308**	118,563
John Jackson	**120,134**	118,563	**—**	—	**—**	—	**—**	—	**120,134**	118,563
Claire Milne	**120,134**	118,563	**—**	—	**—**	—	**—**	—	**120,134**	118,563
Susan Ball	**92,323**	49,031	**—**	—	**—**	—	**—**	—	**92,323**	49,031
Ian Penrose	**120,134**	39,261	**—**	—	**—**	—	**—**	—	**120,134**	39,261
Anna Massion	**89,718**	—	**—**	—	**—**	—	**—**	—	**89,718**	—
John Krumins	**89,718**	—	**—**	—	**—**	—	**—**	—	**89,718**	—

Note:

Alan Jackson was provided with a Company car during the year. Susan Ball joined the Board on 1 August 2018 and subsequently stepped down on 31 July 2019. Ian Penrose joined the Board on 1 September 2018. Anna Massion and John Krumins joined the Board on 2 April 2019. Andrew Thomas stepped down from the Board on 15 May 2019.

Annual report on remuneration continued

Determination of 2019 bonus

In accordance with the Company's Remuneration Policy, the CEO and CFO had the opportunity to earn a bonus in respect of 2019 of 200% and 150% of salary respectively. 2019 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)
Adjusted EBITDA (€m)	50%	335.88	391.86	383.1	40.5%	40.5%
Cash flow (€m)	20%	173.2	211.6	169.7	0.0%	0.0%
Strategic targets	30%		See below		24.5%	28.5%
Total	100%				65.0%	69.0%

As set out in the 2018 Directors' Remuneration Report, the financial performance targets were divided this year between Adjusted EBITDA and Cash flow, with 50% and 20% weightings respectively.

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 2019, the Committee and Board took into consideration the structural imperative of generating additional EBITDA in each of the core B2B Gaming and Snaitech businesses to offset the declining non-core Asian business, and thereby improve the quality of the Group's overall earnings.

As a consequence, on target performance level (60% payout) was set at EBITDA of €373 million. The Committee noted that the Adjusted EBITDA for the financial year ended 31 December was €383 million, €38 million (11%) higher than 2018, with the strong EBITDA performance of the core businesses significantly offsetting the €69 million (43%) year-on-year reduction in the non-core Asian business. As a result, this improvement in the quality of the Group's earnings delivered a resulting 40.5% of the Adjusted EBITDA element of the bonus being payable (out of a maximum of 50%).

Cash flow was introduced as a metric for the annual bonus this year and was measured based on the level of cash generated during the financial year. The Committee noted that the net cash generated from operating activities was €169.7 million, resulting in 0% 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 included further development, integration and growth of the Snaitech business, the signing of new brands and licences and completion of the bond issue and new RCF. Relative weightings for each of the non-financial performance measures varied between the CEO and CFO to reflect the responsibilities of each of their roles.

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. In particular, the Committee took account of the progress made against a number of key strategic objectives, including further development, integration and growth of the Snaitech business, signing a large number of new brands and licences, renegotiating key customer contracts and the successful bond issue. The Committee considered that the targets for the strategic objectives element of the bonus had been met in part and resolved to pay a bonus at a level of 24.5% and 28.5% (out of a maximum of 30%) to the CEO and CFO respectively.

This resulted in a total bonus payment of €1,528,580 for the CEO (130% of salary earned in 2019) and €511,134 for the CFO (103.5% of salary earned in 2019). 25% 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 awards (Audited)

On 28 February 2019 the following awards were made to the Executive Directors under the LTIP:

	Type of award	Total number of awards	Aggregate market value (€)	% of award vesting for threshold performance	Performance period
Mor Weizer	Nil cost option	471,809	2,351,661.04	25%	01.01.2019 – 31.12.2021
Andrew Smith	Nil cost option	148,620	738,152.77	25%	01.01.2019 – 31.12.2021

Awards represent 200% of salary for Mor Weizer and 150% of salary for Andrew Smith based on a share price on grant of 423.9 pence.

No award was made in 2018 as a result of the deterioration in the share price in the year.

In the normal course of events these awards will vest on 1 March 2022, subject to the satisfaction of the performance conditions based on relative TSR performance.

50% of the award will be measured against the companies comprising the FTSE 250 Index (excluding investment trusts) as at grant. The other 50% will measure Playtech's TSR against a bespoke comparator group of 11 listed sector peers as follows:

- GVC Holdings
- Sportech
- Paddy Power Betfair (since renamed Flutter Entertainment)
- William Hill
- 888 Holdings
- JPJ (since renamed Gamesys Group)
- Rank Group
- Betsson
- International Game Tech
- Kindred Group
- OPAP

For both groups, median performance will result in a vesting level of 25%, rising to full vesting for upper quartile performance, with straight-line vesting between these points. Any vesting will further be dependent on the Committee ensuring that the level of TSR performance achieved is consistent with the underlying financial performance of Playtech over the performance period.

As approved by shareholders at a General Meeting held on 19 December 2019, an additional LTIP award was granted to Mor Weizer during 2019 as set out below:

	Type of award	Total number of awards	% of award vesting for threshold performance	Performance period
Mor Weizer	Nil cost option	1,900,000	25%	03.12.2019 – 19.12.2024

The additional LTIP award will vest subject to the achievement of share price targets as set out below:

Tranche	Number of shares	Share price target	Performance period (years)
A	300,000	£6.00	3
B	400,000	£7.00	3
C	500,000	£8.00	3
D	700,000	£12.00	5

Each tranche will vest and become immediately exercisable upon the Company satisfying the relevant share price target during the relevant performance period. A post-vesting holding period will apply such that shares acquired following the vesting of any tranche may not be sold or transferred for a period of at least two years following such vesting and, in any event, until at least the third anniversary of the General Meeting at which the award was approved by shareholders.

LTIP awards from 2019 will be subject to a two-year retention period post-vesting.

LTIP awards granted from 2019 will be subject to recovery and withholding provisions in relation to material misstatement, gross misconduct, material error in calculation, for a serious reputational event and in the event of corporate failure. These provisions apply for a period of three years post-vesting.

The LTIP awards granted in December 2017 vested subject to performance conditions measured over a three-year period from 1 January 2017 to 31 December 2019. As a result of the performance conditions not being met, the 2017 LTIP award will lapse in full. The Committee did not exercise any discretion in determining this outcome. The outcome was calculated as follows:

Measure	Weighting	Performance condition	Performance achieved	% of this element of the award vesting
EPS	70%	Compound growth in EPS between 6% p.a. (for 25% vesting) and 15% p.a. (for 100% vesting)	-5.81%	0%
Relative TSR	30%	TSR performance between median (for 25% vesting) and upper quartile (for 100% vesting) of FTSE 250 (excluding investment trusts)	Below median	0%

Termination payments (Audited)

Susan Ball stepped down from the Board on 31 July 2019 and was paid €22,458 in accordance with her letter of appointment.

Annual report on remuneration continued

Payments to past Directors (Audited)
There were no payments made to past Directors in 2019.

Implementation of policy for 2020
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 January 2020. It was decided that Mr Weizer's salary would remain unchanged for 2019. In Mr Smith's case, the Committee resolved to increase his salary from £420,000 to £430,500 with effect from 1 January 2020. In percentage terms, this increase of 2.5% is below the average increase awarded across the UK workforce 5.7%.

The current basic salary levels of the Executive Directors are:

- M. Weizer: £1,000,000 (equivalent to €1,175,831 at 31 December 2019 exchange rate between Sterling and Euro used in the accounts)
- A. Smith: £430,500 (equivalent to €506,195 at 31 December 2019 exchange rate between Sterling and Euro used in the accounts) which was effective from 1 January 2020

Fees currently payable to Non-executive Directors are:

- Chairman: £393,600 (equivalent to €462,807 at 31 December 2019 exchange rate between Sterling and Euro used in the accounts)
- Non-executive Director base fee: £107,625 (equivalent to €126,549 at 31 December 2019 exchange rate between Sterling and Euro used in the accounts)

Non-executive Director fees have been increased by 2.5% from 1 January 2020. This is in line with the increase made to the CFO's base salary, reflects the inflationary environment and is below the average increase awarded across the UK workforce.

The Non-executive Director fees recognise core responsibilities and additional duties as Chair of a Board Committee.

Benefits and pension
Benefit and pension provision will continue to be set in line with the approved policy.

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

For 2020, bonuses for the Executive Directors will be based on the following:

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

The Adjusted EBITDA and cash flow targets will be set in line with the business plan and the targets will be very challenging. For 2020, the Adjusted EBITDA element of the bonus will be divided between Group, core and non-core divisions.

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, 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 policy, 25% of any bonus earned will be payable in deferred shares.

Long Term Incentive Plan (LTIP)
The Remuneration Committee is expected to grant LTIP awards later this year at 200% of salary and 150% of salary for the CEO and CFO respectively.

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. At the date of this report the precise performance target criteria have not yet been determined, however these will be disclosed at the time the awards are made and will be in line with the current Remuneration Policy. Following shareholder engagement in 2019, and as notified in our Circular to shareholders in November 2019, the LTIP performance targets will include a financial element in addition to the TSR targets.

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.

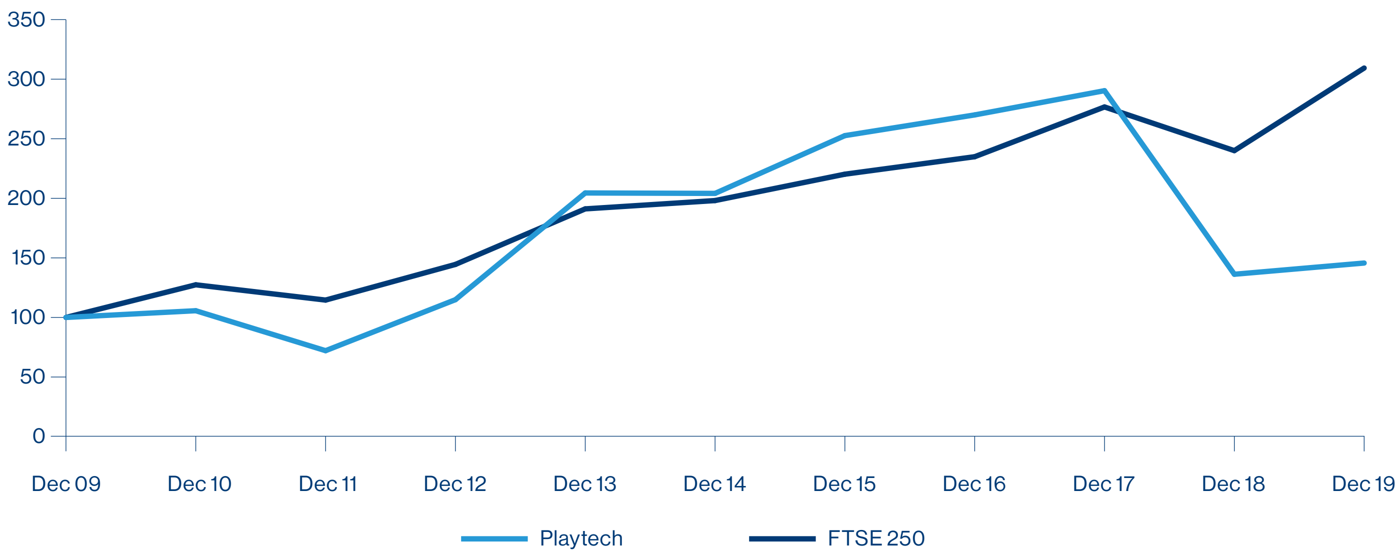
LTIP awards will be subject to recovery and withholding provisions in relation to material misstatement, gross misconduct, material error in calculation, for a serious reputational event and in the event of corporate failure. These provisions will apply for a period of three years post-vesting.

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. On 31 December 2019, the Company held 5,502,550 treasury shares.

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 his achieved annual variable and long-term incentive pay awards as a percentage of the plan maxima.

	Year ending 31 December									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	**2019**
Total remuneration (€'000)	826	808	800	1,381	1,740	2,449	2,346	4,192	2,055	**2,931**
Annual bonus (%)	48%	34%	150%	150%	200%	175%	200%	186%	50%	**130%**
LTIP vesting (%)	—	—	—	—	—	—	—	70%	20%	**—**

Percentage change in remuneration of Chief Executive Officer

In the financial year ended 31 December 2019, Mr Weizer's salary wasn't increased. He was awarded an annual bonus of 130% of salary compared with 50% of salary in the year ended 31 December 2018. On a value basis the increase in Mr Weizer's total remuneration was 42.6%.

The average percentage changes for all UK-based full-time employees were a 5.7%, 9% and 22% increase in salary, benefits and bonus payments respectively. 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).

Annual report on remuneration continued

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

The table below compares the 2019 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.

Year	Methodology	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
2019	**Method A**	**73:1**	**52:1**	**35:1**

The employees included are those employed on 31 December 2019 and remuneration figures are determined with reference to the financial year to 31 December 2019. The CEO is paid in GBP Sterling and the ratios have been calculated using the CEO's 2019 total single figure of remuneration expressed in GBP Sterling (£2,526,192).

Option A, as set out under the reporting regulations, was used to calculate remuneration for 2019 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 2018 financial year) as 2019 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 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 (P25)	Median (P50)	75th percentile (P75)
Salary	£30,240	£40,000	£62,710
Total pay and benefits	£34,761	£48,441	£71,696

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.

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, dividends, and total remuneration paid to all employees:

Payouts (€m)	**2019 €m**	2018 €m	Change %
Dividends[1]	**55.6**	75.9	-27%
Share buybacks	**65.1**	—	N/A
Total employee remuneration[2]	**347.2**	302.8	15%

1. The total dividend in respect of the year ended 31 December 2019 is calculated on the basis that the shareholders approve the proposed final dividend of 12 €cents per share.
2. 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. The average number of employees, including Executive Directors and part-time employees in continuing and discontinued operations, was c. 6,048 during the financial year to 31 December 2019.

Directors' interests in ordinary shares (Audited)

Director	Ordinary shares 2019	Ordinary shares 2018	Share awards and share options 31 December 2019	Share awards and share options 31 December 2018	Total interests at December 2019
Executive Directors[1,2,3,4,5]					
Mor Weizer	**105,570**	91,000	**2,465,685**	389,796	**2,571,255**
Andrew Smith	**33,675**	17,500	**148,620**	77,046	**182,295**
Non-executive Directors					
Alan Jackson	**25,000**	25,000	**—**	—	**25,000**
John Jackson	**5,000**	—	**—**	—	**5,000**
Claire Milne	**—**	—	**—**	—	**—**
Ian Penrose	**17,500**	17,500	**—**	—	**17,500**
Anna Massion	**10,000**	—	**—**	—	**10,000**
John Krumins	**10,000**	—	**—**	—	**10,000**

1. Mor Weizer and Andrew Smith currently hold shares to the value of 41.9% and 31.8% of salary (based on salaries as of 31 December 2019 respectively and based on the closing share price of 397 pence on 31 December 2019). The Committee will continue to monitor progress towards the share ownership guidelines of 200% of salary.
2. Share options are granted for Nil consideration.
3. 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.
4. Mr Weizer received an award in 2016 over 110,038 shares. Performance conditions were based over the three years 2016, 2017 and 2018 with normal vesting scheduled for 1 March 2019. As disclosed in last year's report, 78.18% (88,218 shares) of the award did not meet the performance conditions and lapsed.
5. Mr Weizer and Mr Smith were each granted an award in 2019 over 471,809 shares and 148,620 shares respectively. Performance conditions are based on the three years 2019, 2020 and 2021 with normal vesting scheduled for 1 March 2022.

Role and membership

The Remuneration Committee is currently comprised entirely of four independent Non-executive Directors as defined in the Code. Ian Penrose chairs the Committee, and the other members are Alan Jackson, Claire Milne and Anna Massion.

Details of attendance at the Remuneration Committee meetings are set out on page 75 and their biographies and experience on pages 70 and 71.

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 and include:

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

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. 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 (who is also secretary to the Committee).

Annual report on remuneration continued

Role and membership continued

The Remuneration Committee has a planned schedule of at least four meetings throughout the year, with additional meetings and calls held when necessary. During 2019, the Committee met in person seven times and these meetings addressed a wide variety of issues, including:

Month	Principal activity
January	• Review of bonus and other incentivisation arrangements in relation to Executive Directors and members of senior management
February	• Finalise bonus payments for Executive Directors • Approval of LTIP awards to Executive Directors • Review of Remuneration Policy for Executive Directors
March	• Engagement with shareholders on proposals for revised Remuneration Policy
April	• Finalise proposals for revised Remuneration Policy
July	• Review of AGM voting results • Approval of LTIP awards to members of senior management
October	• Engagement with shareholders in relation to the one-off LTIP award for the CEO
November	• Approval of one-off LTIP award for the CEO

External advisers

During year the Committee initially took advice from Korn Ferry, before PricewaterhouseCoopers LLP (PwC) were appointed as the Committee's new external independent remuneration advisers in October 2019.

The Remuneration Committee is satisfied that the advice received from both Korn Ferry and PwC was objective and independent. Both Korn Ferry and PwC are members of the Remuneration Consultants Group and comply with the voluntary code of conduct of that body is designed to ensure objective and independent advice is given to remuneration committees. Korn Ferry do not provide any other services to the Company. In addition to advising the Committee, PwC provided unrelated Internal Audit services to the Company. The Committee will continue to monitor such engagements in order to be satisfied that they do not affect PwC's independence as an adviser to the Committee.

Korn Ferry received fees of £37,128 and PwC received fees of £57,690 for their advice during the year to 31 December 2019.

Engagement with shareholders and shareholder voting

The Remuneration Committee is committed to ensuring open dialogue with shareholders in relation to remuneration. Following the 2018 AGM result and in advance of the AGM in May 2019, 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 2019.

The Directors' Remuneration Policy and the Directors' Annual Report on Remuneration were each subject to a shareholder vote at the AGM on 15 May 2019, the results of which were as follows:

	For	Against	Withheld
Approval of Remuneration Report	114,928,838 (58.20%)	82,541,555 (41.80%)	3,222,817
Approval of Remuneration Policy	118,149,127 (59.05%)	81,937,009 (40.95%)	607,074

Following an extensive shareholder consultation exercise, the resolutions for the approval of the Directors' Remuneration Policy and the Directors' Remuneration Report for the period ended 31 December 2018 were passed at the Annual General Meeting in May 2019 with 59.05% and 58.20% respectively. With the majority of shareholders voting in support, we believe the results reflect significant progress, however we recognise that a significant minority of shareholders voted against the proposals and the Remuneration Committee has therefore continued to engage with shareholders on remuneration related issues since that time.

The Board and the Remuneration Committee are committed to keeping the Remuneration Policy 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.

A further extensive shareholder engagement exercise was carried out over the latter part of the financial year, driven by some of the Company's largest institutional shareholders who worked with the Company to formulate an additional one-off LTIP award for the CEO. Ahead of the General Meeting to approve this award on 19 December 2019, the Company received a non-binding letter of support to vote in favour from a number of its largest shareholders. The final result of the binding vote to approve this award was as follows:

	For	Against	Withheld
Approval of LTIP grant to Mor Weizer	127,179,674 (54.76%)	105,080,918 (45.24%)	1,667

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.

During 2019, the Board discussed, reviewed and engaged on a number of stakeholder issues. The following material stakeholder topics discussed by the Board in 2019 including:

- Executive Compensation and Pay.
- Corporate governance.
- Diversity.
- Inclusion and gender pay gap; regulatory and compliance developments.
- Safer gambling.
- Data protection.
- Environment.
- Anti-money laundering and antibribery and corruption.
- Human rights and modern slavery.
- Responsible supply chain and procurement.
- Commercial developments with B2B licensees and third parties.

In 2019, 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: Compliance Procurement Policy, Human rights and modern slavery statement.
- Approval of five-year safer gambling and sustainability blueprint.
- Approval of firm wide remuneration plan.
- Monitoring developments on the human resources function and strategy.

By order of the Board

Ian Penrose
Chair of the Remuneration Committee
26 February 2020

Directors' Report

The Directors are pleased to present to shareholders their report and the audited financial statements for the year ended 31 December 2019.

The Directors' Report should be read in conjunction with the other sections of this Annual Report: the Strategic Report, 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 68 to 101
- Information relating to financial instruments, as provided in the Notes to the financial statements
- 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 101.

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.

The Group's Financials division, named TradeTech Group, is a specialist in next-generation B2C and B2B multi-channel trading software and services.

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 66 which also includes an analysis, 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 62 to 66 of this Annual Report and details of the policies and the use of financial instruments is set out in Note 5 to the financial statements.

Directors and Directors' indemnity

The Directors of the Company who held office during 2019 and to date are:

	Appointed	Resigned
Alan Jackson	28.03.2006	—
Mor Weizer	02.05.2007	—
Andrew Thomas	19.06.2012	15.05.2019
Andrew Smith	10.01.2017	
John Jackson	01.01.2016	
Claire Milne	08.07.2016	
Susan Ball	01.08.2018	31.07.2019
Ian Penrose	01.09.2018	
Anna Massion	02.04.2019	
John Krumins	02.04.2019	

Except for Alan Jackson, who will not stand for re-election at the forthcoming Annual General Meeting, all of the current Directors will stand for re-election at the forthcoming Annual General Meeting to be held on 20 May 2020.

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.

As at the date of this report, an indemnity is in place under which the Company has agreed to indemnify Alan Jackson, who held office during the year ended 31 December 2019, to the extent permitted by law and by the Company's articles of association, in respect of all liabilities incurred in connection with the performance of his duties as a Director of the Company or its subsidiaries. A copy of the indemnity is available for review at the Company's registered office. The Company also purchased, and maintained throughout 2019, 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 68 to 101 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 2019 are set out on pages 102 to 162. On 25 February 2020, the Board recommended the payment of a final dividend for the year ended 31 December 2019 of 12.0 €cents per share which will be paid to shareholders on the register as at 1 May 2020. The payment of the final dividend requires shareholder approval, which will be sought at the Company's Annual General Meeting to be held at the Sefton Hotel, Douglas, Isle of Man on 20 May 2020. If approved, the final dividend will be paid on 29 May 2020 and together with the interim dividend of 6.1 €cents per share paid on 22 October 2019 makes a total dividend (expressed in €) of 18.1 €cents per share for the year.

Shareholders who wish to receive their final dividend in Sterling rather than Euros will be required to return currency election forms to the Company's registrars by 8 May 2020. Currency election forms are contained with the notice of Annual General Meeting that accompanies the Annual Report and further copies are available from the Company's website www.playtech.com.

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 3 to the financial statements.

The principal and emerging risks are set out in detail in the Strategic Report on pages 62 to 66 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 & Compliance, Data Protection, Human Resources, IT Security and Group Secretariat. The Group maintains a Risk Register which is monitored and reviewed on a continuous basis.

During 2019, 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 ongoing assessment forms part of the Group's three-year strategic plan.

After making appropriate enquiries and having regard to the Group's cash balances and normal business planning and control procedures, 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 12 months from the date of approval of the financial statements. As part of this assessment, the Directors reviewed a three-year forecast considering the going concern status for the period to December 2022 in accordance with the Group's three-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 above. Given the above, the Directors continue to adopt the going concern basis in preparing the accounts.

Significant shareholdings

As of 31 January 2020, the Company had been advised of the following significant shareholders each holding more than 3% of the Company's issued share capital, based on 303,791,693 ordinary shares in issue (excluding treasury shares of 5,502,550):

Shareholder	%	No. of ordinary shares
Setanta Asset Management	8.33	25,516,600
T Rowe Price Global Investments	7.70	23,592,595
Boussard & Gavaudan Asset Management	6.64	20,327,209
Odey Asset Management	5.38	16,479,449
Aberdeen Standard Investments	4.96	15,202,222
Blackrock	4.71	14,438,892
Vanguard Group	4.24	12,992,649
Dimensional Fund Advisors	3.68	11,266,610

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 31 January 2020 and the date of this report.

Capital structure

As at 31 January 2020, the Company had 309,294,243 issued shares of no-par value, of which 5,502,550 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 to 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.

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 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.

Purchase of own shares

In order to maximise the efficiency of shareholder returns, the Board adopted a new policy to reallocate part of its payout ratio into share repurchases. Accordingly, in February 2019, the Company entered into irrevocable, non-discretionary arrangements with Goodbody Stockbrokers UC and UBS Limited to repurchase shares on its behalf worth up to €40 million. The share repurchase programme commenced on 22 February 2019 and ended on 25 April 2019. A total of 8,050,360 ordinary shares were repurchased under the programme and these shares were subsequently cancelled. Following completion of the programme, the Company's total issued share capital stood at 309,294,243 ordinary shares.

In August 2019, continuing with our policy of maximising the efficiency of shareholder returns, the Company entered into irrevocable, non-discretionary arrangements with Goodbody Stockbrokers UC and UBS Limited to repurchase shares on its behalf worth up to €25 million. The share purchase programme commenced on 23 August 2019 and ended on 1 October 2019. A total of 5,502,550 ordinary shares were repurchased under the programme and these shares are held as treasury shares. Following the completion of the programme, the Company's issued share capital is 303,791,693 ordinary shares (excluding 5,502,550 treasury shares).

During the year, a total of 13,552,910 ordinary shares were repurchased and these represent 4.46% of the current issued share capital of the Company, being 303,791,693 ordinary shares (excluding 5,502,550 treasury shares).

Political and charitable donations

During the year ended 31 December 2019, the Group made charitable donations of €822,000 (2018: €584,000), 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 (2018: €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 48 to 61.

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 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 66 and in the statement dealing with our relationship with stakeholders on pages 78 and 79.

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 78 and 79. 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.

Branches

The Company's subsidiary Playtech Software Limited has established a branch in Argentina. PT Turnkey Services Limited has established a branch in the Philippines. Playtech Retail Limited has established a branch in the Philippines.

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 pages 68 to 101 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

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 93
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 97
9.8.6(3)	The going concern statement	See page 97
9.8.6(4)(a)	Amount of the authority to purchase own shares available at the year end	17,632,742 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 72 and 73
9.8.6(6)	Details of non-compliance with the UK Corporate Governance Code	See the statement on pages 72 and 73
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 77 The Chairman and the Non-executive Directors serve under letters of appointment described on page 78

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 26 February 2020, 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 102 to 162 The information that fulfils the requirement for a management report can be found in the Strategic Report on pages 2 to 66 The Statement of Directors' Responsibilities can be found on page 101
4.1.6	Audited financial statements	The audited financial statements set out on pages 102 to 162 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
4.1.8 & 4.1.9	Content of management report	The Strategic Report on pages 2 to 66 includes an analysis, using financial key performance indicators, of the development, performance and position of the Company's business, a review of the Company's business and on pages 62 to 66 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 66 gives details of important events since the year end. See Note 41 to the audited financial statements on page 162
4.1.11(2)	Future development	The Strategic Report on pages 2 to 66 gives an indication of the likely future development of the Company
4.1.11(3)	Research & development	The Strategic Report on pages 2 to 66 gives an indication of ongoing research and development activities
4.1.11(4)	Purchase of own shares	See the statement on page 99
4.1.11(5)	Branch offices	See the statement on page 99
4.1.11(6)	Use of financial instruments	See Note 5 to the audited financial statements on pages 118 to 127
4.1.12 & 13	Responsibility statement	See the statement of the Directors on page 101

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 European Union.

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 IFRSs as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements
- Provide additional disclosures when compliance with the specific requirements in IFRSs 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 and enable them to ensure that the financial statements comply with Article 4 of the IAS Regulation. 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, are fair, balanced and understandable and provide 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 70 and 71 confirm that, to the best of their knowledge:

- The Group financial statements, which have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and Article 4 of the IAS Regulation, give a true and fair view of the assets, liabilities, financial position and profit of the Group
- 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 2019 was held in May in Douglas, Isle of Man. All Directors were present and made themselves available to answer questions from shareholders. 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 Directors plan to be present at the 2020 Annual General Meeting. 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 2020 will be held at the Sefton Hotel, Douglas, Isle of Man, IM1 2RW on Wednesday 20 May 2020 at 10.00 am. 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.

Auditors

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 auditors are 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 auditors for the purposes of their audit and to establish that the auditors are aware of that information.

A resolution to reappoint BDO LLP as the Company's auditors 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
26 February 2020