

Playtech is the leading platform, content and services provider in the online gambling industry, with a clear strategy to benefit our shareholders, customers, colleagues and the environment.

Founded in 1999, the Company has a premium listing on the Main Market of the London Stock Exchange and is focused on regulated and regulating markets across its B2B and B2C businesses. Both divisions leverage Playtech's proprietary technology to deliver innovative products and services to ensure a safe, engaging and entertaining betting and gaming experience.

Contents

Strategic Report

- 2 Financial highlights
- 3 Operational highlights
- 4 Company overview
- 6 Chairman's statement
- 8 Our investment case
- 10 Our strategy
- 12 Key performance indicators
- 14 Chief Executive Officer's review
- 20 Market trends
- 28 Business model
- 32 Product and innovation
- 44 Stakeholder engagement
- 48 Responsible business and sustainability
- 88 Chief Financial Officer's review
- 95 Risk management, principal risks and uncertainties
- 101 Viability statement

Governance Report

- 104 Chairman's introduction to governance
- 106 Governance at a glance
- 108 Board of Directors
- 110 Directors' governance report
- 124 Audit Committee report

Remuneration report

- 129 Statement by the Committee Chair
- 131 Directors' Remuneration Policy
- 136 Annual report on remuneration
- 146 Directors' report

Financial Statements

- 153 Independent auditor's report
- 161 Consolidated statement of comprehensive income
- 162 Consolidated statement of changes in equity
- 163 Consolidated balance sheet

- 165 Consolidated statement of cash flows
- 167 Notes to the financial statements
- 236 Company statement of changes in equity
- 237 Company balance sheet
- 238 Notes to the Company financial statements
- 246 Five-year summary

Company Information

- 247 Company information

→ View the Digital Summary Report at www.ar23.playtech.com



Financial highlights

2023 saw a strong financial performance

Group revenue growth¹

7%

Group Adjusted EBITDA¹

€432m

B2B Adjusted EBITDA growth¹

14%

Net debt to EBITDA⁴

0.7x

Revenue¹
€'m

2023	1,707
2022	1,602
2021	1,205
2020	1,079
2019	1,441

Revenue from regulated markets²
%

2023	92
2022	89
2021	85
2020	84
2019	87

Adjusted EBITDA^{1,5}
€'m

2023	432
2022	395
2021	308
2020	248
2019	372

Diluted Adjusted EPS¹
c

2023	50.2
2022	51.5
2021	40.9
2020	8.8
2019	44.6

Net debt to EBITDA⁴
x

2023	0.7
2022	0.6
2021	1.9
2020	1.7
2019	1.6

Adjusted operating cash flow³
€'m

2023	383
2022	397
2021	318
2020	276
2019	303



A strong performance in 2023, driven by both the B2B and B2C divisions, with a resilient balance sheet."

Chris McGinnis
Chief Financial Officer



- 1 From continuing operations.
- 2 B2B and B2C only.
- 3 Continuing operations but includes Finalto in FY 2019 and FY 2020. Adjusted for Snaitech's PREU tax payment of €90 million relating to 2020, which was paid in 2021 due to circumstances around COVID-19. Definition has changed from FY 2021 to adjust for changes in jackpot balances, security deposits and client funds, professional fees and ADM security deposit.
- 4 Net debt/Adjusted EBITDA is calculated as gross debt less Adjusted gross cash including cash held for sale and excluding cash held on behalf of clients, progressive jackpots and security deposits divided by Adjusted EBITDA from continuing and discontinued operations.
- 5 Adjusted EBITDA for prior years is restated to reflect Snaitech bank charges being recognised within EBITDA from FY 2023. Previously, they were recognised within finance expenses.

Operational highlights

Good progress made against strategic priorities

B2B – strengthening across key markets

US continues to gain traction

2023 was a year where significant progress was made on executing the US strategy. We signed a landmark agreement with Hard Rock Digital in early 2023, including an \$85 million equity investment. We also launched with several operators in multiple states, and are now licensed in 11 states with further applications progressing.

Capitalising on Live

Live continued to see healthy revenue growth with regulated markets up 24% in 2023 versus 2022. Investment remains a priority with the launch of our third US studio in Pennsylvania, while we have opened a second studio in Lima. Innovative content continues to be rolled out, with the launch of Jumanji™ The Bonus Level Live and Big Bad Wolf Live.

Structured agreements drive LatAm growth

During 2023, we witnessed an excellent performance from Wplay in Colombia and encouraging progress from Galerabet in the exciting Brazil market, and continued to benefit from our highly successful partnership with Caliplay in Mexico.

B2C – delivering across both retail and online

Preserving brand leadership

Snai's brand equity plays a crucial role in driving growth, particularly in the context of the advertising ban in the Italian market. In 2023, the Snai brand was ranked number one in sports betting (retail and online combined, as measured by gross gaming revenue (GGR)), which is a testament to its consistently strong operational performance and unique brand identity.

Retail betting business showing strength

Driven by pent-up demand in Italy post the World Cup, the retail betting division delivered a record performance, c.20% above the pre-pandemic levels achieved in 2019. This illustrates the strength of the Snai brand, and increases the addressable pool of customers to transition to online.

Bolt-on acquisition; strong M&A pipeline

In March 2023, Snaitech acquired Giove Group, a well-established betting operator in the Puglia region (southern Italy). Giove holds licences for both retail betting and online and directly manages 18 betting shops. The acquisition, while small, illustrates the appetite to grow the Snaitech business in Italy.

Championing sustainability across the Company

Pioneering safer gambling solutions

Playtech has enhanced its leading Player Account Management+ (PAM+) offerings through the development of personalised responsible gambling tools for individual players. These tools are capable of adapting to the players' risk level, which is calculated by Playtech's cutting-edge analytics tool BetBuddy.

Paving the road to net zero

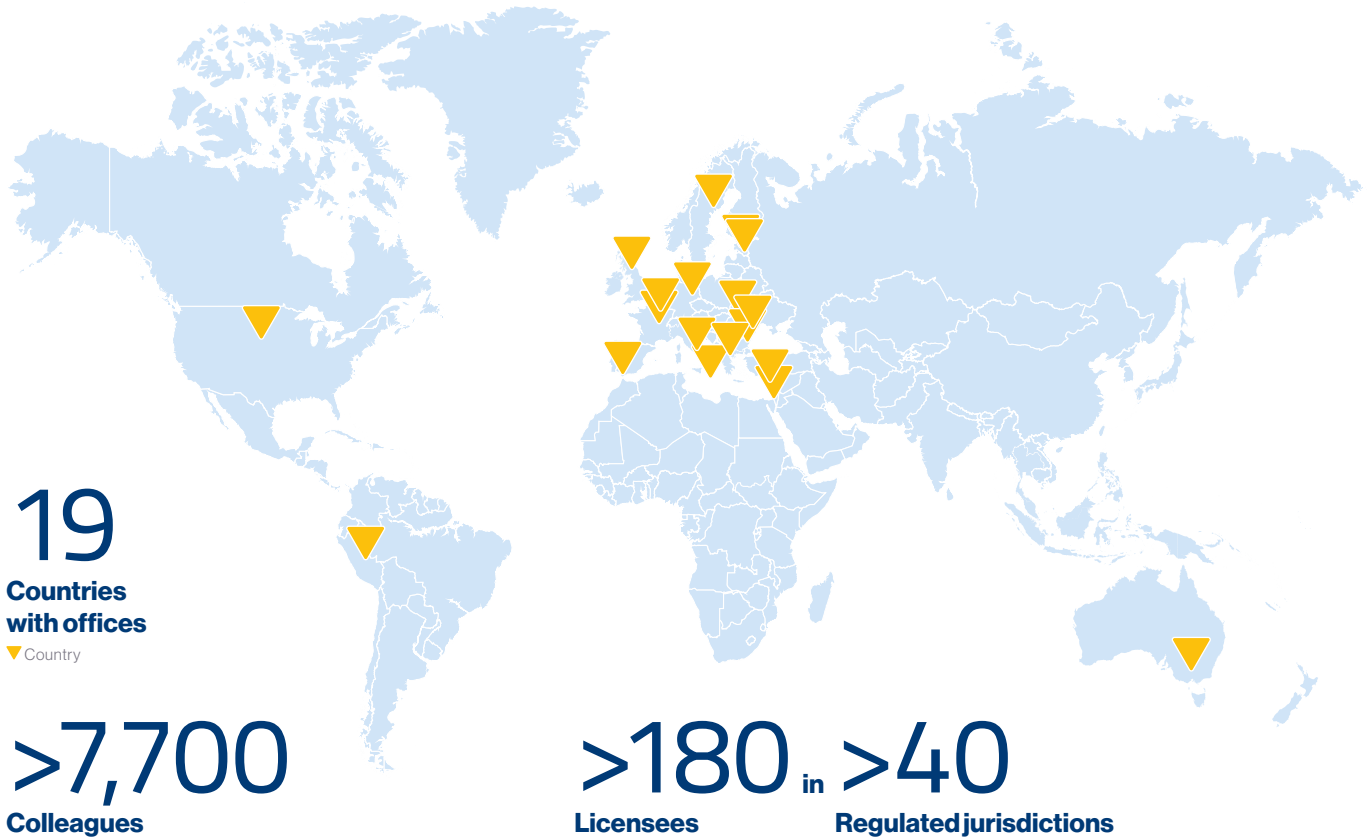
As Playtech sets in motion its net zero plan, the Company has approved a near-term science-based emissions reduction target of 50.4% in its Scope 1, 2 and 3 emissions by 2032, and a net-zero science-based target by 2040 with the Science-based Target initiative (SBTi).

Providing support to colleagues facing hardship

Playtech launched its Global Benevolent Fund, an initiative to provide financial support to colleagues and their immediate families who may encounter unforeseen, severe, life-changing challenges such as medical emergencies, severe illness, and financial hardship.

Company overview

The leading platform, content and services gambling technology company



A global company

Playtech was established at the inception of the online gambling industry and possesses unparalleled knowledge and expertise in the sector, with over 20 years of experience and investment in technology. Playtech's global scale and distribution capabilities, with over 180 licensees operating in over 40 regulated markets and with offices in 19 countries, mean we are ideally positioned to capture opportunities in newly regulating markets and high-growth markets with low online penetration.

Core competencies

Scale and distribution

Playtech's scale and distribution network in both retail and online allows it to power its leading suite of platform, content and services.

→ Read more on [page 30](#)

Data

Playtech's scale enhances its data-driven analytics, allowing it to develop intelligent platform features to improve customer experience.

→ Read more on [page 41](#)

Sustainability

Growing our business in a sustainable and responsible way, and in line with our values, is a key factor in delivering long-term value for all of our stakeholders.

→ Read more on [pages 48 to 87](#)

Innovation

We invest heavily to deliver innovative ways for end customers to experience content and services, such as pioneering omni-channel gaming.

→ Read more on [pages 32 to 43](#)

Our operations

B2B

Providing technology to gambling operators globally through a revenue share model and, in certain agreements, taking a higher share in exchange for additional services.

→ Read more on **page 28**

€684m

Revenue

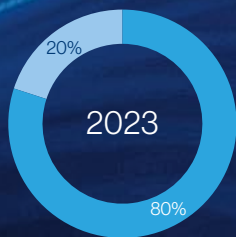
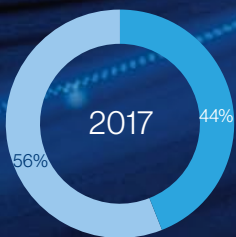
€182m

Adjusted EBITDA

27%

Adjusted EBITDA margin

An increasingly more sustainable division



● Regulated B2B revenues ● Unregulated B2B revenues

44%

% of regulated B2B revenues (2017)

80%

% of regulated B2B revenues (2023)

B2C

Acting directly as an operator in select markets and generating revenues from online gambling, gaming machines and retail betting.

→ Read more on **page 29**

€1,037m

Revenue

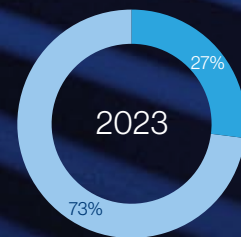
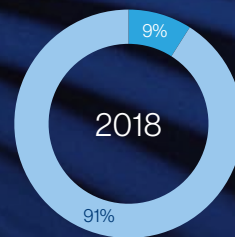
€250m

Adjusted EBITDA

24%

Adjusted EBITDA margin

Snaitech is a fundamentally higher quality business since acquisition



● Snaitech % of online revenues ● Snaitech % of retail revenues

18%

Snaitech EBITDA margin (2018)

27%

Snaitech EBITDA margin (2023)

Chairman's statement

Another year of strong strategic and operational progress



Brian Mattingley
Chairman



We have a clear and proven strategy across both B2B and B2C, underpinned by outstanding products and extremely talented colleagues in some of the most exciting and fastest growing markets worldwide."

Introduction

I am pleased to be writing to you after another successful year for Playtech. The Company has built on the strong strategic and operational progress of recent years, and continues to cement its leadership across both B2B and B2C.

I would like to take this opportunity to thank the Executive Management team, which continues to demonstrate its agility and resilience in navigating a challenging external backdrop, given the ongoing wars in Ukraine and the Middle East. I would also like to highlight our professional and hardworking colleagues around the world, who remain committed to supporting all our customers and growing our business. Finally, I would like to acknowledge the support of the Non-executive Directors, who have worked tirelessly in supporting the Group's strategy and ambitions.

2023 in review

While there were many challenges in 2023, the consistent quality at the core of our business meant that we were able to upgrade our expectations during the year and deliver a strong financial performance. This result was underpinned by good contributions from both the B2B and B2C businesses, and ensures we are firmly on track to meet our medium-term Adjusted EBITDA targets.

B2B

Our B2B performance was powered by our continued strength in regulated and soon-to-be-regulated markets:

- We have laid the groundwork for future growth in the **US**: we signed a landmark strategic partnership with Hard Rock Digital, have three US Live Casino facilities operational and are now licensed in 11 US states.
- In **Latin America**, we further cemented our leadership position with Caliplay in Mexico, as well as our position with Galerabet in Brazil. We are currently working to resolve a disagreement with Caliplay, the online casino and sports betting arm of Caliente. Caliplay remains a highly important customer for Playtech and we are committed to continuing to maintain an open dialogue with Caliplay to discuss a path forward.
- **Live Casino** remains an attractive product vertical and we are continuing to invest in both physical infrastructure and content to capitalise on this exciting opportunity.

B2C

Our B2C operations continue to go from strength to strength, with Snaitech extending its reputation for excellent performance across both retail and online:

- The management team at Snaitech continues to deliver superb results, underlined by the Snai brand maintaining its number one market share position across Italian sports betting brands for retail and online combined.
- The retail betting division delivered a record performance, with revenues c.20% above the pre-pandemic levels achieved in 2019, illustrating the strength of the Snai brand. Online continues to perform well, benefiting from the brand awareness provided by the retail business.
- We remain very optimistic about the prospects for B2C, and are actively looking to accelerate the division's growth through targeted M&A and by optimising HAPPYBET's online offering.

Corporate activity

Hard Rock Digital

As announced in March 2023, Playtech signed a landmark strategic agreement with Hard Rock Digital, the interactive gaming and sports betting division of Hard Rock International. Partnering with such an iconic brand with a proven management team will significantly strengthen Playtech's position in North America and is very much in line with the Group's B2B strategy. As part of the agreement, Playtech has also invested \$85 million in exchange for a minority stake in Hard Rock Digital.

The momentum across our business and the Group's healthy balance sheet have meant that we have been able to be active in reviewing potential acquisition opportunities during 2023, and submitted offers for assets in the B2C segment and for bolt-on acquisitions within B2B. We expect to continue to be open to any opportunities in the coming year, but will also remain very disciplined on price and in assessing the potential for acquisitions to add value for our shareholders.

Refinancing

The refinancing at the end of June 2023 strengthened our balance sheet, giving us the flexibility to invest in our business as well as pursue inorganic opportunities. The new €300 million bond enabled us to redeem all of the outstanding notes due in 2023 and to repay outstanding debt under the existing revolving credit facility, which is now wholly undrawn.

Board changes

At the start of the year, we welcomed Samy Reeb to the Board as a new independent Non-executive Director, bringing his extensive experience of working with global businesses across wealth and tax advisory. We are already benefiting from the additional depth he brings to the Board and will continue to draw on his expertise in the years to come.

A big priority of mine has been to improve the diversity of the Board, and the appointment of Ruby Yam as an independent Non-executive Director in June 2023 moved us in the right direction. While it was unfortunate that she stepped down the following month for personal reasons, we continue to be actively focused on achieving our ambition of having a more diverse Board.

We said goodbye to John Krumins following our interim results in September 2023. John's contribution was invaluable during a period of significant change for the Company. We wish him all the best for the future.

Over the year, we have also made changes to the composition of the Board Committees to ensure that we are making the most of the skills available to us. Further information can be found on page 117 in the Governance section of this report.

Sustainability

Our performance in 2023 was underpinned by our sustainability strategy, which is central to how we operate and serve our customers. As an organisation, we are committed to using technology to advance safer gambling. I am really pleased with the positive steps we have taken in this area, including bringing BetBuddy – our player protection tool – to more brands in more geographies.

2023 also saw Playtech receive recognition for our efforts to reduce our carbon footprint against our targets and an improvement in gender diversity within our leadership ranks. These are both areas I personally feel very strongly about, and we will not be complacent but will continue to invest time and resources in marching towards the targets that we have set ourselves.

Israel and Ukraine

As has unfortunately become necessary in recent years, we have to remain mindful of geopolitical tensions around the world. It can be easy for some to forget that the war in Ukraine rages on, but it remains front of mind for all of us at Playtech given the number of employees we have there. As has been the case since the start of the war, our colleagues continue to go above and beyond in providing support to those who remain on the ground in Ukraine.

We are also deeply saddened by the devastation and death toll caused by the ongoing Israel-Hamas war. Following the initial terrorist attack on 7 October 2023, our priority was to ensure the safety of our colleagues in the region and ensure they had whatever was needed to support them and their families. It goes without saying that, as an organisation, we strongly oppose all forms of hate and we hope for a resolution in the near future. Until then, we will continue to offer assistance to the communities we operate in wherever possible.

Another exciting year ahead

We remain as confident as ever in the opportunity ahead of us for our business and the industry we operate in. We have a clear and proven strategy across both B2B and B2C, driven by outstanding colleagues in some of the most exciting and fastest growing markets worldwide. We are well on track to meet our medium-term expectations, and look forward to continuing to deliver strong returns for all of our stakeholders.

Thank you for your continued support of Playtech.

Brian Mattingley
Chairman
26 March 2024

People and culture – Global Benevolent Fund

At Playtech, we strive to achieve shared values and celebrate success along the way, by empowering Playtech colleagues to be a force for good in the world. Our approach aims to help our people work together to maximise our collective positive impact on players, local communities and the environment.

We continually review ways in which we can support the health and wellbeing of our people, in good times and bad. In 2023, Playtech launched its Global Benevolent Fund, an initiative to provide financial support to colleagues and their immediate families who may encounter unforeseen, severe, life-changing challenges.

Since its inception in late 2023, the Fund has already supported colleagues in need, covering hardships such as losing a family member, long-term injuries and life-changing illnesses.



Our investment case

Structural growth drivers with margin expansion



With an increasingly diversified global offering, Playtech is primed to accelerate organic sales growth across both the B2B and B2C divisions.

Global regulated gambling markets, led by the Americas and Europe, are expected to grow materially. Playtech is well positioned to participate given its broad, high-quality product offering, while structured agreements and SaaS allow Playtech to serve almost any operator across the globe. In our B2B business, high operating leverage within the attractive Live and SaaS segments should provide a further tailwind to margins.

Snaitech, our B2C business in Italy, has become a fundamentally higher quality business since the acquisition, accelerated by the pandemic, due to the structural shift towards the underpenetrated, higher margin online business and this is expected to continue to deliver strong growth.

Playtech has the potential to deliver a powerful combination of top-line growth and margin expansion, which is expected to drive earnings momentum and high cash flow generation for the Group. As a result, further investments can be made to position ourselves advantageously in other newly regulating markets as well as delivering shareholder returns.

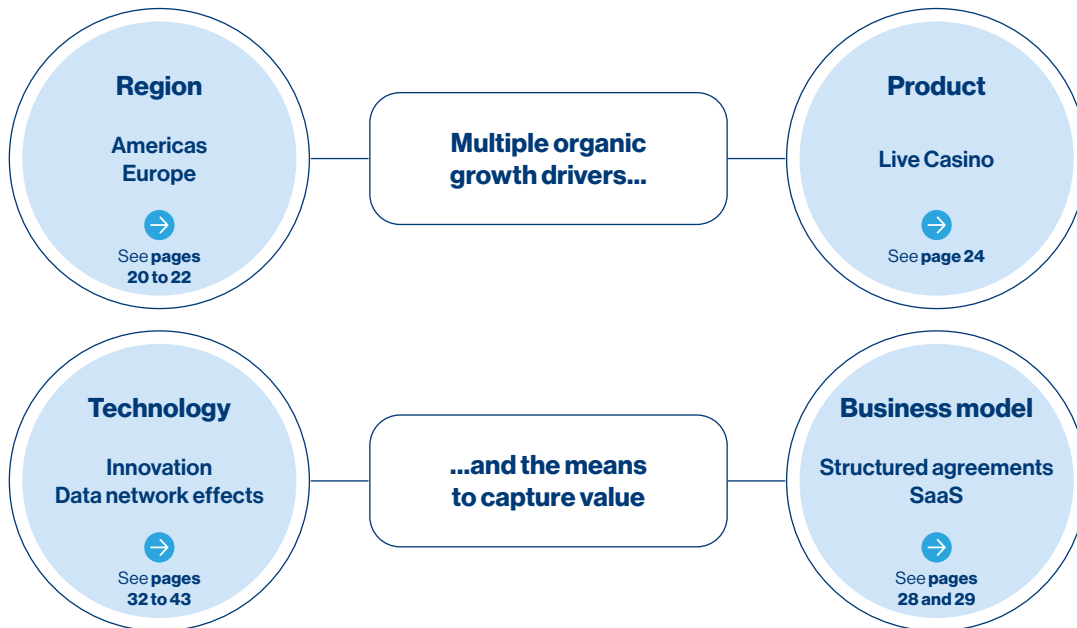
1

Attractive structural growth drivers in B2B

The gambling market is in the midst of a super-cycle (see page 20), driven by the expansion of regulated and regulating markets, with the Americas and Europe leading the way.

At the same time, rapidly shifting consumer and technology trends have grown the appeal of the Live segment.

Playtech is well placed to capture this considerable opportunity. Through its investments in innovation, Playtech possesses a strong technology offering and its sheer scale means it has access to vast amounts of data, allowing it to generate data network effects (see page 23) and take advantage of the benefits of AI. In addition, the variety of its business model offering from structured agreements to SaaS allows it to serve almost any operator.



2

Underpenetrated online segment set to drive B2C growth

Underpenetrated Italian online market

Italy is one of the top two gambling markets in Europe, along with the UK. Unlike the UK, the online market is still underpenetrated at 30% versus 59% in the UK and thus we see scope for the addressable market to grow in Italy. With average revenue per online customer acquired from retail sites more than three times higher than those acquired directly through online channels, Snaitech's strong brand, retail presence and cross-selling approach mean it is ideally positioned to benefit from this growth opportunity.



30%

Italy online penetration¹

59%

UK online penetration¹



Further upside from European expansion

Outside of Italy, there is the potential to acquire retail-focused assets in neighbouring European countries with low online penetration at attractive multiples, with a view to growing the online business given the track record of existing Snaitech management.

¹ Source: H2GC (includes betting and gaming and excludes lotteries).

3

Potential for margin expansion is significant

High operating leverage in Live and SaaS...

Within the Live Casino business, Playtech has already made significant investments in studio infrastructure. Within SaaS, Playtech has also invested heavily in data centres to be able to serve its customer base, while it has already signed up over 450 customers with scope to increase wallet share. Investment to date lays the groundwork for higher operating leverage going forward.

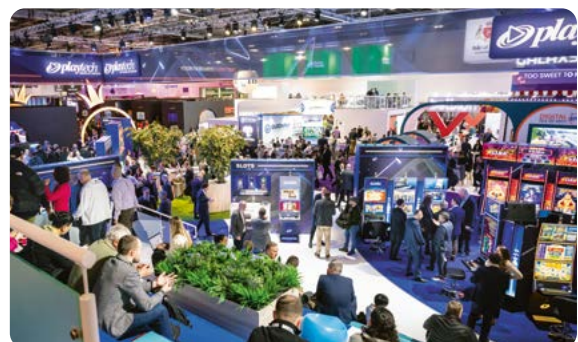


...coupled with the shift to the B2C online channel...

The Snaitech online business has a significantly higher margin than retail. As Snaitech looks to continue to migrate retail customers to online in addition to acquiring native online customers, we should continue to see the share of the online segment increase.

...to drive margin expansion across the Group

With both the B2B and B2C segments exposed to margin accretive factors, we expect Playtech to be able to deliver margin expansion in the years ahead. This, combined with accelerating top-line growth, will deliver earnings growth for Playtech's shareholders.



Our strategy



Building a market-leading global business

Playtech has a clear plan to continue to drive growth in a responsible and sustainable way. Here we outline the medium-term strategic priorities for both the B2B and B2C divisions, which will enable us to deliver revenue growth, expand margins and generate shareholder and stakeholder value.

B2B: well positioned in markets set for growth

1 Be the partner of choice for newly regulating markets

Growth in the gambling industry is primarily driven by regulation – growth comes from markets that are early in the journey of regulating, which then moderates as markets progressively mature. We aim to be the partner of choice for operators in newly regulating markets, with a particular focus on the Americas and Europe.

The US represents a huge revenue opportunity of \$3 billion for Playtech on a per annum basis across iGaming, online sports and platform.

The LatAm region has strong structural drivers (see page 21). Playtech is ideally positioned to deliver strong growth via its structured agreements in multiple countries, including Brazil.

Finally, there continues to be strong potential in European markets that are either regulating or underpenetrated online where Playtech can bring the strength of its offerings to bear such as Spain and Germany.

Link to KPIs



Link to risks



→ See risk section on pages 95 to 100

→ See KPI section on pages 12 and 13

2 Capitalise on Live and SaaS opportunities

Live represents an enormous opportunity (see page 24), in which Playtech has invested heavily. 12 studios are currently operational, including three in the US with Pennsylvania opening at the end of 2023. We have more than doubled the number of tables over the past five years and invested in both the latest cutting-edge technology and branded content, launching Jumanji™ The Bonus Level Live and Big Bad Wolf Live in the year. With significant operating leverage in the business, growth in Live is margin accretive.

The SaaS business model (see page 29) allows Playtech to serve those operators looking for Playtech’s content without the platform, thus increasing the Company’s total addressable market. With investments already made in building out infrastructure, such as data centres, SaaS is a high-margin segment. Although SaaS revenues have been growing strongly, revenue from each operator represents a small proportion of their wallet. Thus, we see ample scope to increase wallet share amongst these existing customers.

Link to KPIs



Link to risks



3 Realign resources to reflect B2B growth areas

With exciting areas of growth in regulated markets and several technology trends (see technology trends on page 23) maturing at the same time, there is a need to continue to invest in the B2B division to ensure Playtech maintains and grows its market share lead. We see opportunities across the B2B business where we can improve efficiencies and eliminate duplication, the savings of which can be used to fund any required investments.



Link to KPIs



Link to risks



Embedding sustainability into our culture

At Playtech, we are embedding sustainability in the DNA of our Company. Our vision is to be the leading technology provider and partner of choice in regulated markets, delivering a safer, engaging and entertaining experience and driving a more responsible and sustainable business and industry.

Sustainability is a Board-level strategic priority, which includes sustainability-linked remuneration for selected leaders and the integration of sustainability principles throughout our operations and supply and value chain.

The most impactful contribution Playtech can make to society is to advance safer gambling and player protection solutions through

technology. By developing and bringing safer products, data analytics and player engagement solutions to the market, we are helping the industry strengthen player protection measures whilst also helping our licensees succeed in regulated markets.

In addition, we are promoting a culture of integrity and inclusion, empowering Playtech colleagues to be a force for good in the world. This includes efforts to ensure operational and day-to-day decision-making takes into consideration environmental and social impacts. We are building an equitable workplace, which includes our efforts to achieve gender equity and equality and support our people in all dimensions of wellbeing.

B2C: a digital-led approach to drive growth

4

Leverage retail presence to grow Snaitech's online business

Italy is one of the top two gambling markets in Europe, along with the UK. Unlike the UK, the online market in Italy is still underpenetrated – 30% currently versus 59% in the UK. As a result, we see significant scope for the higher margin online business to grow.

Snaitech's strong retail brand is critical to its success and a competitive advantage compared to online-only operators, particularly in light of the advertising ban in Italy. With average revenue per online customer acquired via retail sites more than three times higher than those acquired directly through online channels, Snaitech's cross-selling approach means it is ideally positioned to benefit from this growth opportunity.



Link to KPIs

- 1
- 2
- 3
- 4
- 5
- 6
- 7

Link to risks

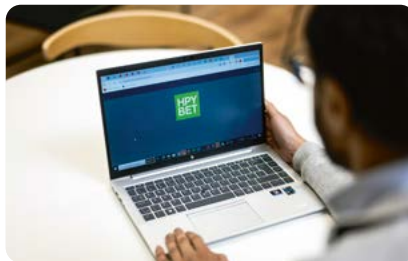
- 1
- 2
- 3
- 4
- 5
- 6
- 7

5

Optimise HAPPYBET for online

HAPPYBET sits under the management of the Snaitech team which continues the process to optimise HAPPYBET's online business. This involves rationalising its retail footprint with significant investment in the online business, mirroring the successful Snaitech strategy.

With Germany now a regulated market, HAPPYBET is in a strong position, having been awarded an online sports betting licence in Germany and beginning to offer online casino.



Link to KPIs

- 1
- 2
- 3
- 4
- 5
- 6
- 7

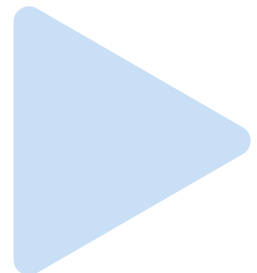
Link to risks

- 1
- 2
- 3
- 4
- 5
- 6
- 7

6

Targeted M&A to expand Snaitech

The Snaitech management team transitioned the business to take advantage of the shift to online. With this high-quality management team in place, there is scope to utilise this skill set and experience to participate in the consolidation of the Italian market and to expand to neighbouring European countries. Consolidation of HAPPYBET's position in Germany and Austria through M&A looks attractive, while acquiring assets in other neighbouring European countries provides further opportunity.



Link to KPIs

- 1
- 2
- 3
- 4
- 5
- 6
- 7

Link to risks

- 1
- 2
- 3
- 4
- 5
- 6
- 7

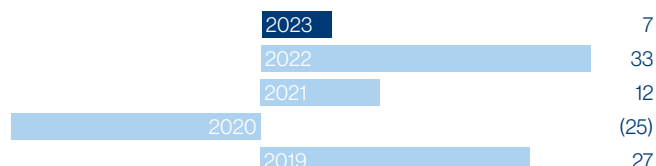
Key performance indicators

Financial

Group revenue growth¹

7%

%



Definition

Increase in revenue from continuing operations divided by prior year revenue.

Why are we focused on it?

Revenue is a key driver of the business and is reported in detail across geography and business unit. The measure enables us to track our overall success and our progress in increasing our market share.

2023 performance

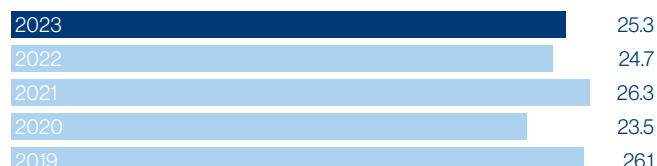
Group revenue grew 7%, driven by regulated markets within the B2B division as well as Snaitech.

Link to strategy

Adjusted EBITDA margin¹

25%

%



Definition

Adjusted EBITDA shown as a percentage of revenue from continuing operations. We use Adjusted EBITDA to aid comparison year to year.

Why are we focused on it?

Adjusted EBITDA margin is a measure of improving profitability in our business and helps to evaluate the leveraging of our operating assets. It also determines the quality of revenue growth.

2023 performance

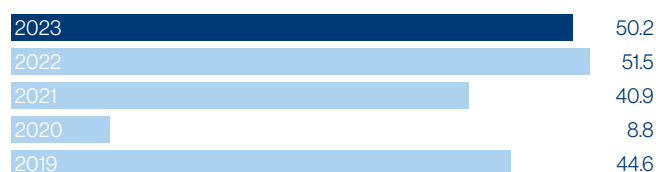
Adjusted EBITDA margin grew 64 bps, mainly driven by operating leverage on good revenue growth within B2B.

Link to strategy

Diluted Adjusted EPS¹

50.2c

c



Definition

Profit before exceptional items attributable to equity shareholders of the Group from continuing operations, divided by the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares.

Why are we focused on it?

Earnings per share reflects the profitability of the business and how effectively we finance our balance sheet. It is a key measure for our shareholders.

2023 performance

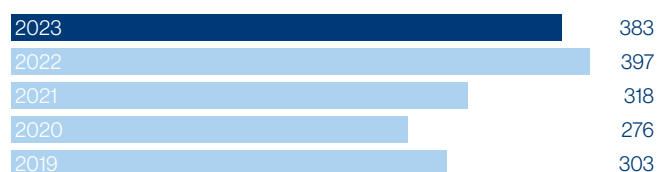
The movement is due to a rise in Adjusted EBITDA and decrease in financing costs, more than offset by the increase in amortisation and depreciation and a higher tax charge.

Link to strategy

Adjusted operating cash flow^{1,2}

€383m

€'m



Definition

Operating cash flow after adjusting for changes in jackpot balances, security deposits and client funds, professional fees and ADM security deposit.

Why are we focused on it?

Delivery of increased cash generated from operations allows us to invest in further growth opportunities across our business as well as deliver shareholder returns.

2023 performance

The movement is due to an increase in earnings, more than offset by the outstanding Caliply receivable. See Note 7 for more details.

Link to strategy



¹ From continuing operations.

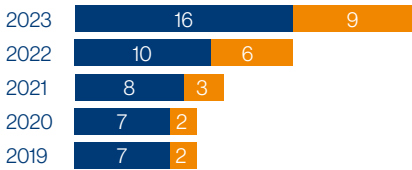
² Includes Finalto up to and including FY 2020. Adjusted for Snaitech's PREU tax payment of €90 million relating to 2020, which was paid in 2021 due to circumstances around COVID-19.

Non-financial

Powering licensees with safer gambling solutions

16 brands

Integrated with BetBuddy



● Brands ● Jurisdictions

Definition

Number of brands in jurisdictions that were integrated and operational as at the end of the year with the Playtech Protect solution, BetBuddy.

Why are we focused on it?

As a business, the most impactful contribution that Playtech can make to the industry and in society is through the provision of technology to advance safer gambling and player protection.

2023 performance

BetBuddy has expanded into three new jurisdictions, having been adopted by six additional brands in Sweden, Italy and Canada excluding Ontario.

Link to Sustainability Priorities

Pioneering safer gambling solutions.



Scope 1 and 2 greenhouse gas (GHG) emissions

38.6%

Reduction since baseline year, 2018



Definition

Amount of carbon dioxide equivalent (CO₂e) emitted through the energy used within all our assets, including office buildings, racetracks, Live studios and data centres. More details on the methodology can be found in the Responsible Business and Sustainability Addendum to the Annual Report 2023.

Why are we focused on it?

The environment, and particularly climate change, is a growing area of concern for Playtech, its investors and its other stakeholders. In 2019 Playtech introduced a GHG emissions target to guide its energy reduction efforts. The Company's ambition is to reduce its absolute Scope 1 and 2 GHG emissions (location based) by 40% by 2025, using 2018 as the baseline year. This target excluded emissions from refrigerants, which had not yet been considered in 2018.

2023 performance

Playtech's Scope 1 and 2 (location-based) emissions, excluding refrigerants, were 7,086 tonnes CO₂-equivalent (CO₂e) in 2023. This is a 38.6% reduction compared to the 2018 baseline (11,543 tonnes CO₂e). During 2023, Playtech continued to its transition to renewable electricity in the key markets where the Company operates. This has resulted in 57.2% of the Company's total energy consumption now coming from renewable sources, backed up by energy attribute certificates, up from 56.4% in 2022.

Link to Sustainability Priorities

Powering action for positive environmental impact.

Gender diversity at senior leadership level

30%/70%

Female/male ratio



● Female ● Male

Definition

Percentage of male and female employees in senior leadership positions.

Why are we focused on it?

Playtech aims to foster a respectful and supportive workplace that enables every colleague to have the same opportunity regardless of background, gender, ethnicity, cultures, beliefs and other attributes that represent our customers and community. The Company has set out a specific diversity target to increase the representation of people who identify as female amongst its leadership population by 35% by 2025 against the 2021 baseline year, with an ultimate ambition to achieve equality in the workplace.

2023 performance

In 2023, Playtech introduced a new Global People Framework. This framework sets out the Company's people strategy across all elements of the colleague journey – from recruitment and onboarding to succession planning and personal and professional development.

Link to Sustainability Priorities

Promoting integrity and an inclusive culture.

Chief Executive Officer's review

A year of significant progress across the Company



Mor Weizer
Chief Executive Officer



The Group made important financial, strategic and operational progress in 2023. Looking ahead, we remain very confident in our ability to execute our strategy and to deliver value for our shareholders."

Overview

2023 was a year of significant progress across Playtech. We delivered an excellent financial performance, with strong contributions from both the B2B and B2C businesses. We also remain firmly on track to meet our medium-term Adjusted EBITDA targets for B2B (€200–€250 million) and B2C (€300–€350 million), while we see further long-term upside given the favourable market dynamics and our competitive advantages.

Playtech's B2B business remains focused on regulated or soon-to-be-regulated markets. The division benefits from its exposure to high-growth markets across the Americas and Europe, which helped the B2B segment to deliver revenue growth of 8% (6% on a constant currency basis) to €684 million (FY 2022: €632 million). Strong operating leverage ensured Adjusted EBITDA margin expanded 130 bps, helping to deliver a 14% increase in B2B Adjusted EBITDA to €182 million (FY 2022: €160 million). Whilst being mindful that revenue has been recognised in full from Caliply despite a large debtor balance at year end (see Note 7 for more detail), this performance reflected broad-based growth across our portfolio of leading products and services.

The opportunity in the US is significant and we have worked hard to position Playtech as a leading technology partner of choice to operators. Playtech now holds licences in 11 US states, which include recent licence approvals in Maryland, West Virginia and Delaware, with applications underway in further states. Having signed deals with multiple operators in 2022, 2023 saw a shift in focus as we looked to execute on launching with these operators across multiple states. In 2023, we launched with Rush Street Interactive and PokerStars, while also expanding our presence with BetMGM and BetParx. Playtech also signed a Player Account Management + (PAM+), Casino and Live Casino deal with Ocean Resort and Casino in New Jersey. As our presence grows, so does our team and our physical footprint. We now have over 200 colleagues in the US, and were pleased to open our third Live facility in the US in Pennsylvania at the end of 2023, adding to our New Jersey and Michigan facilities.

We remain optimistic about the potential of our landmark agreement with Hard Rock Digital to provide Casino and Live, amongst other content, in North America. We finished 2023 by completing the first delivery milestone, launching Casino slots and



table and Live dealer games in New Jersey. 2024 will see us make further progress in rolling out Playtech's high-quality offering across North America. Under the terms of the agreement, Playtech has also invested \$85 million (€79.8 million) in exchange for a small minority stake in Hard Rock Digital.

Playtech is well positioned in Latin America, with established strategic agreements in Mexico and Colombia, which continue to show strong growth. At the same time, we have moved quickly to take advantage of newly regulated markets, such as Brazil. New legislation for sports betting and iGaming has now been signed into law by the President, and we have been encouraged by the early performance of our strategic agreement with Galerabet.

Within our medium-term guidance for B2B, we have set a medium-term SaaS revenue target of €60 million–€80 million. In 2023, we added over 100 new brands and grew revenue by over 50% to €50 million (FY 2022: €32 million), meaning we remain on track to meet this target. Attracting new brands through our SaaS business model is a key component of our strategy, helping to diversify our customer base and take advantage of the business model's inherent high operating leverage.

Snaitech powered the B2C business to another excellent performance in 2023. Revenues across the B2C division rose 5% to €1,037.0 million (2022: €983.1 million), exceeding €1 billion for the first time. Adjusted EBITDA increased 6% to €250.3 million (2022: €235.2 million). While Snaitech delivered another strong overall performance, the dynamics within 2023 were varied. In the first half of the year, within the betting segment, sales were up significantly across both retail and online due to pent-up demand after the football World Cup (given Italy was absent from the tournament). This was partly offset in the second half of the year due to the impact of customer-friendly sporting results in September and October, as has been well flagged by peers across the industry. The online segment continues to see good growth, with Snaitech well placed to benefit given the strength of the brand, the continuous improvements to apps and technology and a broadening of its content offering. The underpenetration of this segment continues to be a structural tailwind for the business.

Underpinning this performance are our talented colleagues around the world. Despite the significant disruption from geopolitical conflict during the year, they have continued to deliver for our customers and we are truly grateful to them all.

Israel and Ukraine

Many of our colleagues continue to be affected by the Israel-Hamas war and war in Ukraine. Our number one priority has been the safety and security of our colleagues and their families, and we are assisting them with a range of support measures. In Israel, as was the case in Ukraine, we have extended support to aid local response efforts with in-kind donations and volunteering as well as donations to hospitals and charities. We are also providing colleagues and their families with mental health and trauma services, as well as, where appropriate, financial assistance. Finally, I want to extend my appreciation to those who have been volunteering and supporting our colleagues, friends and their families affected by these tragic events.

B2B

Core B2B Regulated markets

Playtech's B2B business is one of the leading platform, content and services providers in regulated and soon-to-be-regulated markets. The majority of these are high-growth markets such as the US, Latin America and certain European countries.

Revenue from regulated markets grew by 18% (15% on a constant currency basis) in 2023, primarily driven by a very strong performance from Caliply in Mexico, albeit with a large outstanding debtor balance (see Note 7 for more details). There was also good growth from other regulated markets such as Poland, Spain and Canada.

The Americas

The Americas saw rapid growth once again, with 2023 revenue up 46% (35% on a constant currency basis) compared to 2022. This was largely driven by another strong performance from Caliply as well as growing contributions from other customers, including NorthStar in Canada and Wplay in Colombia.

US

We have dedicated significant resources to establishing and growing the Group's presence in the US and we are pleased with the progress to date. The Group has taken significant steps to capitalise on the favourable regulatory environment in the US, and there remain multiple opportunities ahead. Having signed deals with multiple operators in 2022, 2023 was a year where Playtech shifted its focus to executing on those agreements.

In 2023, we launched with several operators across multiple states. Rush Street Interactive went live in Michigan with its Betrivers brand and in New Jersey with its Sugarhouse brand, both for Casino. Furthermore, we expanded our partnership with BetMGM with the launch of Casino in Michigan and launched with PokerStars in Michigan for both Casino and Live.

In partnership with Aristocrat, Playtech introduced Class II mobile-on-premise gaming at WinStar World Casino and Resort in Oklahoma with the Chickasaw Nation, while also signing a PAM+ deal with Ocean Resort and Casino in New Jersey to relaunch its site as BetOcean.com.

Our relationship with BetParx has gone from strength to strength. In 2023, we successfully launched Live in our newest US studio in Pennsylvania, in addition to New Jersey, featuring Adventure Beyond Wonderland Live Casino. We also launched PAM+ in Ohio and Maryland, giving Playtech a presence with BetParx in five states: Michigan, Pennsylvania, New Jersey, Ohio and Maryland. Further product launches in additional states with BetParx are expected going forward.

One year on from signing a landmark strategic agreement with Hard Rock Digital (HRD), the exclusive Hard Rock International and Seminole Gaming vehicle for interactive gaming and sports betting on a global basis, we remain very optimistic about its potential to grow our presence in both the US and other markets. As part of the partnership, in the US and Canada, HRD's customers will enjoy a variety of Playtech's iGaming content offering including slots, RNG and live dealer table games through HRD's existing proprietary platform and technology offering.

Chief Executive Officer's review continued

B2B continued

Core B2B continued

Regulated markets continued

US continued

These products will also be supplied outside of North America in addition to PAM+ and services including marketing and operations. As part of establishing our agreement with HRD, Playtech invested \$85 million (€79.8 million) in exchange for a small minority equity ownership stake in HRD. In December 2023, Playtech completed the first delivery milestone, after launching online Casino slots and table and live dealer games in New Jersey.

During the course of last year, the Company also made good progress bringing its suite of innovative content to even more states. Adventures Beyond Wonderland Live Casino was launched in the New Jersey facility in July 2023, delivering the first true gameshow experience to the American market, and won the Gaming Product of the Year award in the 2023 American Gambling Awards. Mega Fire Blaze™ Roulette Live, a Playtech Live Casino hit in multiple countries, has opened in Michigan, while the Buffalo Blitz™ Live slot game has also launched in the US in Michigan. In addition, at the end of 2023, we launched a new Casino slot game in the US called Gold Rush™: Cash Collect™, based on the popular Discovery Channel reality TV show. Gold Rush™: Cash Collect™ has already launched in multiple European jurisdictions, proving successful.

Entry into new markets and high demand for Live Casino content has led the Group to expand its physical footprint considerably in recent years. We were pleased to announce that our third Live facility in the US was opened at the end of 2023 in Pennsylvania, adding to our New Jersey and Michigan facilities, positioning us well for Live in all three major iGaming states. Behind the Company's growing physical presence are an increasing number of employees focused on sales, operations and back-office functions, taking total headcount in the US to more than 200 at the end of 2023.

The evolution of the regulatory landscape in the US continues apace. Since the repeal of PASPA in 2018, numerous states have approved legislation to legalise sports betting. Many of these markets have already launched in both online and retail channels, with others expected to launch soon, while in Florida, progress is being made in relation to mobile sports betting.

Online casino, which was not subject to PASPA, is allowed at the discretion of individual states. In 2023, Rhode Island was the only state to authorise online casino, taking the total number of regulated iGaming states to eight including Nevada (poker only).

However, there are several states where iGaming legislation is being considered.

Playtech now holds licences in 11 US states which include recent licence approvals in Maryland, West Virginia and Delaware.

Canada

We are delighted with the positive start to our expanded partnership with NorthStar, which saw strong revenue growth in 2023, albeit from a low base. The Company also made an investment, initially by way of a convertible debenture in December 2022, which subsequently was converted into equity in H1 2023. The agreement also expands the scope of Playtech's offering to NorthStar to include operational and marketing services, in addition to PAM+, Casino, Live, Poker and Bingo solutions already launched. NorthStar has since acquired Slapshot Media Inc. to open up the Canadian market to the NorthStar brand beyond Ontario, and raised additional capital in H2 2023 from Playtech and other investors to accelerate the growth of NorthStar's footprint across Canada. Aside from NorthStar, Playtech has further exposure to the Canadian market with more than ten other operators and launched with FanDuel, Entain via its SIA brand and Jumpman, all for Casino and Live in Ontario.

Latin America

Latin America remains a hugely important market and will be a key driver of growth for the foreseeable future. Whilst there is a large outstanding debtor balance, Caliplay in Mexico continues to grow strongly.

As detailed at the interim results, revenue from Wplay was impacted by certain activities in the first half of the year. However, the second half of the year saw very strong growth in Colombia, and we remain excited about the opportunity afforded by the Colombian market, with Wplay well positioned to grow its presence there further in the years ahead.



In memoriam: Jonathan Richter

It is with great sadness that we lost our dear friend, Jonathan Richter, who was one of Playtech's very first employees. Tragically, Jonathan was one of the many victims of the 7 October terrorist attack in Israel. He was attending the music festival supporting ELEM, a nonprofit committed to improving the lives of at-risk youth all around the country.

Jonathan played a pivotal role in making Playtech become a global leader in its field, establishing and managing the casino and content units for over a decade. Jonathan was a kind and generous person who cared deeply about peace, having lived a life full of community service and dedicating much of his personal time to volunteering.

Jonathan's legacy is a fundamental part of our story, and we will always remember and cherish his contributions.



Despite the significant disruption from geopolitical conflict during the year, our talented colleagues have continued to deliver for our customers and we are truly grateful to them all."



Having seen strong demand since opening our first Live Casino facility in Peru in 2022, last year we built and opened a second studio in Lima. This second facility will ensure we have the capacity to take advantage of further favourable regulation and strong growth in the region, such as in Brazil, in the years to come. Several customers, such as Wplay and Betano, have launched tables in the new Live facility with positive results so far.

We continue to see a shift towards regulation across Latin America, including in Brazil. 2023 saw the country take a crucial step with the President signing into law new legislation for online and retail sports betting and online casino at the end of 2023, and industry expectations are for a launch at some point in 2024.

Brazil is anticipated to be a significant, high-growth market given its large population and love of sports. Playtech is well positioned to benefit given its exciting strategic agreement with Galerabet, which migrated its Sports product onto Playtech's platform in 2023. In addition to Galerabet, Playtech also has exposure to Brazil via its other B2B partners in the country and launched with DoradoBet for both Casino and Live in H2 2023.

Peru has recently enacted legislation and published online gambling regulations for sports betting and online gambling, which are expected to come into effect in 2024, and Playtech is well positioned, launching with Atlantic City for Casino at the end of 2023.

Europe ex UK

In Europe ex UK, B2B revenue growth of 8% (8% on a constant currency basis) was driven by strong performances in several

countries including Poland, Spain and the Czech Republic. This was partly offset by lower revenue from the Netherlands due to increased competition and a strict regulatory environment, and the loss of two retail sports contracts in the year.

Elsewhere in Europe, there were several exciting launches in both Spain and Italy. In Spain, we saw Juegging and DAZNBET both go live with Casino and Live, KirolBet with Live, and Luckia and Platin Casino both with Casino. In Italy, Leo Vegas and StarVegas launched Casino and Live products and Betway launched Live in the year. Playtech also launched with Betway in the UK for Casino. This demonstrates the versatility and scalability of Playtech's business model and the trend to grow customer relationships over time.

We were pleased to extend our contract with the Polish state operator, Totalizator, following a competitive public tender in 2023. The contract, which sees PAM+ extended for multiple years, illustrates the strength of Playtech's offering and our successful strategy of partnering with leading brands and institutions in newly regulated online markets. In February 2024, Playtech also announced that it won the tender via a rigorous public procurement process to become the partner for Live Casino for Veikkaus, the Finnish state-owned and monopoly operator.

We are also growing our Live Casino infrastructure in Europe. Extensions to facilities in Romania and the Netherlands were completed in 2023, with the Les Ambassadeurs casino extension in the UK completed in early 2024, illustrating the growing demand across the segment.

France saw regulatory developments in 2023, with discussions about the regulation of the online casino market taking place with various key French stakeholders. At present, only poker, sports betting and horse race betting are regulated within the online sector, so the regulation of online casino would be a positive for Playtech, particularly as we have multiple customers already using our poker product.

UK

UK revenue in 2023 was flat (1% growth on a constant currency basis) compared to 2022 despite the impact of increased regulation.

Having called for evidence as part of its review into existing gambling laws, the UK Government set out its conclusions and proposals for reform in a White Paper, published in April 2023.

Currently, there is still some uncertainty about the impact of each of the Government's proposals on the industry. Whilst the Government has announced the introduction of stake limits for online slot games (£2 maximum stake for 18–24 year olds and £5 for all other customers), several other proposals are still subject to consultation or pending the publication of consultation responses. The introduction of Financial Risk Assessments (often referred to as "affordability checks"), which must be completed once customers have reached a defined loss level, are subject to the most uncertainty in terms of impact. Until the specifics of any measures that will be implemented and the precise mechanics required to adhere to them are known, it is difficult to assess the overall impact.

Chief Executive Officer's review continued

B2B continued

Core B2B continued

Regulated markets continued

UK continued

The UK remains an important market for Playtech and its customers, as well as being one of the largest and most mature regulated markets in the world. Playtech is already working with customers that took pre-emptive measures in advance of the publication of the White Paper and is committed to supporting its remaining clients as the proposals come into force.

Playtech is uniquely advantaged given its market-leading technology and data, which put safety and responsible gambling at the centre of everything. The Company remains heavily involved in discussions around safer game design and will continue to be following this next wave of regulation. This should further cement Playtech's reputation as the go-to platform for regulated markets.

Unregulated

The Group's strategy to focus on both regulated and regulating markets includes unregulated markets which are likely to regulate in the future. Revenue from these unregulated markets was down 19% (-17% on a constant currency basis) versus 2022, with underlying growth in Brazil more than offset by a decline in Asia, Canada and South Africa.

Asia saw revenue declines compared to 2022 due to continued pressures in the region. In Canada, Ontario transitioned to being regulated and, as a result, some revenue has shifted to regulated markets while other operators have reduced their exposure to the Canadian market. As regulation progresses across Canada, it will continue to add to the size of the North American market opportunity.

The Company is also excited about the potential of the South African market as it takes steps towards regulating. At present, it is a nascent but fast-growing market, which permits sports betting and Live Casino and Playtech launched Casino and Live products with TsogoSun at the end of 2022.



I am pleased we have continued to make progress in all areas relating to sustainability including safer gambling, diversity and climate change."

B2B – driving growth through innovation SaaS

As part of our strategy to grow B2B revenue by €200–€250 million in the medium term, Playtech is also looking to diversify its revenue base through the SaaS business model, which targets the long tail of providers that don't have access to PAM+. At the FY 2022 results, we announced a medium-term SaaS revenue target of €60 million–€80 million, and we are pleased to report that we are making very good progress towards achieving this target, with the SaaS business seeing revenue growth of more than 50% in 2023 versus 2022.

We target growth by looking to increase our wallet share with existing brands on our SaaS platform, as well as attracting new customers in both regulated and regulating markets. Playtech launched over 100 brands in the period, with notable progress in the US as Rush Street Interactive launched in Michigan and New Jersey. We now have more than 450 brands live since the launch of our SaaS model in 2019.

As the SaaS model provides a low friction method of exposing operators to Playtech's content, we have the ability to cross and upsell other Playtech products over time. Meanwhile, a broad range of customers from multiple countries across different product sets means our revenue base is more diversified, ensuring our B2B revenues are more resilient to any changes in our operating environment.

Product developments

Online gaming has undergone significant change in recent years. The combination of Playtech's strong technology, content offering and market-leading position means we are well placed to cater to the ever-increasing demand to deliver new, engaging and immersive entertainment experiences for consumers. In August 2023, Playtech announced the launch of Jumanji™ The Bonus Level Live, a new game within Live that combines cutting-edge technology with the cinematic qualities of the famous movie. Following a complex development process, Jumanji™ The Bonus Level Live is the first-ever Live game inspired by a Hollywood blockbuster, marking a key milestone in the gaming industry.

Playtech has a long history of launching branded content, and the continued demand for themed games inspired the launch of Breaking Bad™: Cash Collect & Link™ in December 2023 within Casino. The game features all the show's key talent and is part of Playtech's award-winning Cash Collect™ suite. Another exclusively licensed branded game from the Cash Collect™ power suite is Gold Rush™, which has been particularly noteworthy as it achieved the fastest return on investment in the history of Playtech Casino for branded games, breaking even just two months after launch.

In July 2023, Playtech also announced the launch of Big Bad Wolf Live, an innovative experience that combines a slot game with elements of a Live experience, released from Quickspin Live, the RNG arm of our Live division. The game, which stands apart due to its artwork and unique features, sets a new industry standard for Live Casino gaming. Having signed the exclusive US rights to Family Feud (®/™ Fremantle), one of US television's longest-running and highest rated gameshows, Playtech expects to launch a gameshow next year. Within Live, there were also developments rolled out to update the in-house video technology.

Finally, we were delighted that Playtech's Live product was recognised as a leading solution in the industry, winning the EGR Live supplier of the year for 2023, acknowledging the achievements of its extremely talented team.

B2C

Playtech's B2C business spans Snaitech, HAPPYBET, and Sun Bingo and Other B2C operations. Overall B2C revenues grew 5% to €1,037.0 million (2022: €983.1 million). Adjusted EBITDA grew 6%, rising to €250.3 million (2022: €235.2 million).

Snaitech

Revenue from Snaitech in Italy increased by 5% compared to 2022, while Adjusted EBITDA also grew 5% versus 2022. This overall performance saw differing dynamics across the period, with a very strong start to the year driven by pent-up demand following the football World Cup, whilst being partly offset by customer-friendly sporting results in the second half of the year. The retail segment saw revenue and Adjusted EBITDA growth of 4% and 6% versus 2022, respectively, and the online business saw revenue and Adjusted EBITDA growth of 8% and 4% versus 2022, respectively.

Retail betting sales were up 15% versus 2022, driven by a strong performance in the first half of the year as customers returned to betting shops after the football World Cup in the final quarter of 2022 (Italy was absent from the tournament). This was partly offset in the second half of the year due to the impact of customer-friendly sporting results in September and October, as has been well flagged by peers across the industry. Gaming machines revenue was flat versus 2022 as this business normalises post-pandemic. At the Adjusted EBITDA level, retail margins expanded 30 bps versus 2022, with operating leverage on strong revenue growth in H1 2023 partly offset by the impact of customer-friendly sporting results in H2 2023.

The online business followed a similar pattern, seeing strong growth in the first half of the year led by good performances across sports betting and casino. The second half of the year saw customer-friendly sporting results impact both revenues and EBITDA margins. The underlying performance of the online segment remains healthy. The underpenetration of this segment continues to be a structural tailwind for the business, with Snaitech well placed to benefit given the strength of the brand, the continuous improvements to apps and technology and a broadening of its content offering.

As announced at the time of our interim results in September 2023, Snaitech last year acquired Giove Group, a well-established betting operator in the Puglia region (southern Italy), the integration of which has now been completed. Giove holds licences for both retail betting and online and directly manages 18 betting shops. The acquisition, while small, illustrates the appetite to grow the Snaitech business in Italy.

In 2023, the Snai brand was ranked number one in sports betting (retail and online combined, as measured by GGR), which is a testament to its consistently strong operational performance and unique brand identity.

HAPPYBET

HAPPYBET revenues were down 9% in 2023 compared to 2022, driven by a rationalisation of retail sites in Germany. Adjusted EBITDA losses narrowed to €9.8 million in 2023, when excluding a €2 million historical litigation settlement expense. Including the historical litigation settlement, Adjusted EBITDA saw a loss of €11.8 million (2022: €-10.8 million).

The Snaitech management team has taken on responsibility for HAPPYBET and we are seeing early signs of improvement across the retail and the online segments. Within retail, less profitable stores have been rationalised in Germany with plans to open new shops in 2024 underway. In online, work on optimisation of the player bonus policy and improvements in the approach to risk and trading around the sportsbook are ongoing.

Sun Bingo and Other B2C

Sun Bingo and Other B2C saw 12% revenue growth in 2023 to reach €73.4 million (2022: €65.3 million) while Adjusted EBITDA grew to €6.0 million, up from €2.0 million in 2022. The primary reasons for the improvement in performance were the increased marketing spend at the end of 2022 around the time of the football World Cup, resulting in higher revenue growth in 2023 at a high contribution margin, in addition to more effective marketing spend throughout 2023 and higher retention of customers due to improved product user experience.

Responsible business and sustainability

In 2023, we continued to execute against our five-year sustainability strategy. I am both proud and pleased to be able to report progress across all our commitments.

- We strengthened our portfolio of safer gambling technology and solutions under Playtech Protect with the development of personalised responsible gambling journeys to help operators enhance safer gambling interactions with their players. Playtech was also awarded the Advanced Level Three of the GamCare B2B Safer Gambling Standard – the highest possible level of award.

- In 2023, Playtech also made progress against its global target to reach 35% female representation in leadership positions by 2025. At the end of the year, Playtech reached 30% female representation amongst leadership positions as compared to 26% in 2022. In 2024, Playtech will continue to refine its understanding of gaps in female talent across the Group and take action to increase female retention.
- We initiated our net zero by 2040 plan, and in early 2024, the Science Based Targets initiative (SBTi) approved Playtech's near-term science-based emissions target, a 50.4% reduction in its Scope 1, 2 and 3 emissions by 2032. Playtech has also committed to set long-term emissions reduction targets with SBTi in line with reaching net zero by 2040.
- We supported a wide range of charitable and volunteering activities, exceeding our community target set for 2025 by the end of 2023, with over 160,000 people engaged through community investment and mental health programmes over the past three years.
- We are honoured to be included in the S&P Global Sustainability Yearbook 2024 for our sustainability efforts. By championing sustainability and operating responsibly, we continually strive to make a positive impact on our customers, colleagues, communities and the environment.
- In August 2023, we established a Global Employee Benevolent Fund to provide support to colleagues and their immediate families who may encounter unforeseen, severe, life-changing challenges.

Mor Weizer

Chief Executive Officer

26 March 2024



Market trends

Regulation, technology and online: where the market is heading

Playtech operates in a dynamic, fast changing environment and is well placed to take advantage of marketplace trends. This section examines our operating environment across four trends around regulation, sustainability, technology and the shift to online.

1) A super-cycle driven by a trend towards regulation

Regulation is the key driver of growth in the gambling industry

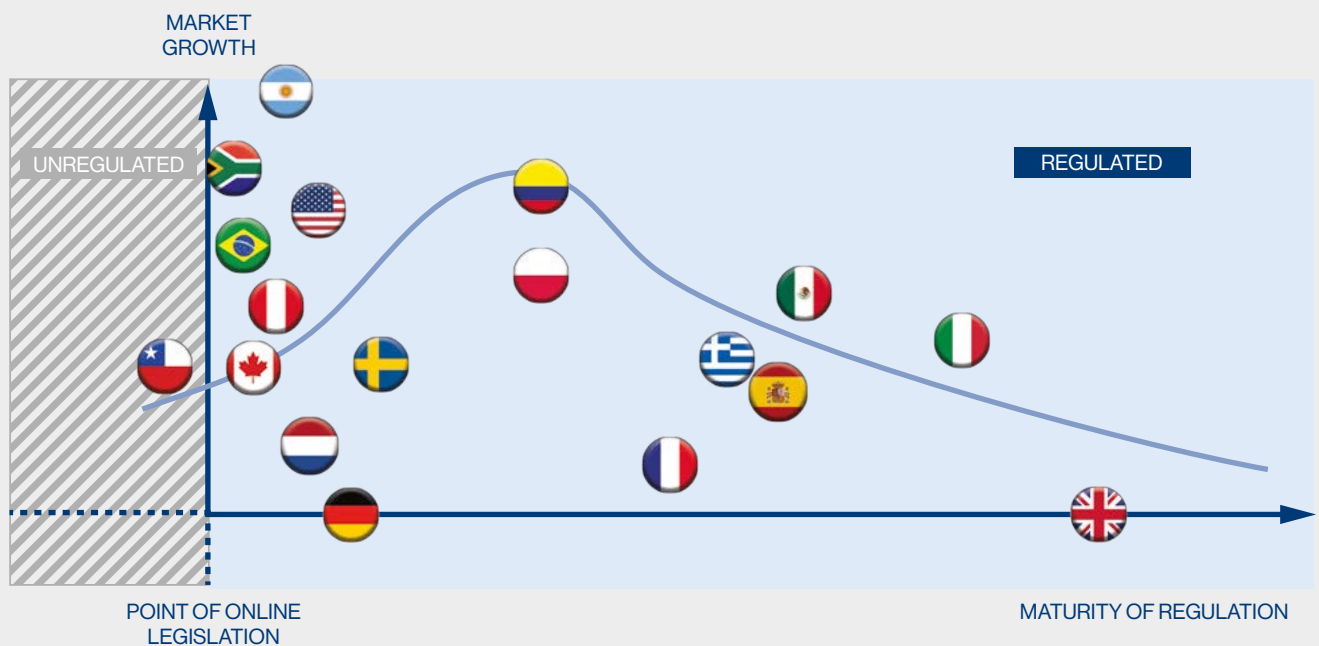
Regulation is the key driver of growth in the gambling industry. Those countries that become newly regulated tend to see strong growth early on, which is why it is crucial for operators and technology partners to build a presence in a country that is about to be regulated or is newly regulated. However, growth typically slows down after a certain period. This tends to be driven by three main factors. Firstly, there is increased competition as new players enter the market, causing pricing pressure. Secondly, as markets mature, they become saturated due to limited demographic growth. Thirdly, regulation typically becomes more stringent over time. For example, in the mature UK market, we have seen a tightening of rules on age and identity checks and a ban on gambling using credit cards.

Deviations from the broad shape of the curve are mainly attributable to the stringency of regulations in a country. For example, Spain has implemented strict restrictions on advertising for the gambling sector.

At this point in time, we are in an advantageous position in multiple countries across the world which are moving towards regulating gambling or have newly regulated the sector. In the next section, we assess each of the major regions in the world and how Playtech has positioned itself.

Evolution of online gambling market growth rates following online regulation

Online growth rates moderate as regulation matures



Source: H2GC and Playtech estimates.

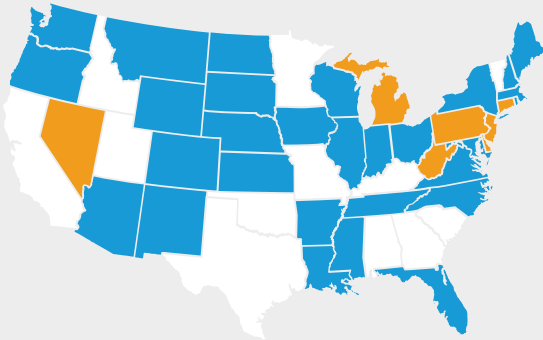
US

State-by-state legislation in the US

The regulatory landscape in the US is ever progressing. Since the repeal of PASPA in 2018, numerous states have approved legislation to legalise sports betting. Many of these markets have already launched in both online and retail channels, with others expected to launch soon. In Florida, progress is being made in relation to mobile sports betting, enhancing the future prospects of the Company in the medium term given its landmark strategic partnership with Hard Rock Digital (HRD).

Online casino, which was not subject to PASPA, is allowed at the discretion of individual states. In 2023, Rhode Island was the only state to authorise online casino, taking the total number of regulated iGaming states to eight including Nevada (poker only). However, there are several states where iGaming legislation is being considered.

Current US state-by-state regulatory landscape Regulation is the biggest market driver in the short term



- States that offer only sports betting
- States that offer both sports betting and iGaming

Source: VIXIO.

Latin America

A region trending towards regulation

Latin America has shown significant progress in regulating online gambling in recent years. The focus in 2023 has been on Brazil, which has now taken the crucial step towards regulation with the President signing in law new legislation for online and retail sports betting and online casino at the end of 2023 and industry expectations are for a launch at some point in 2024. Peru has recently enacted legislation and published online gambling regulations for sports betting and online gambling, which are expected to come into effect in 2024. Chile is also in the process of approving an online gambling bill, which was filed in March 2022 and is expected to pass in 2024. Elsewhere, in Argentina, the Santa Fe province should join already regulated Buenos Aires, Mendoza and Cordoba, after the Senate approved the Bill at the end of 2023.

Several countries in LatAm with large populations and GDP

Significant opportunity in LatAm

Country	Population	GDP (\$ million)
Brazil	215,000,000	1,920,000
Mexico	128,000,000	1,466,000
Colombia	52,000,000	344,000
Argentina	46,000,000	631,000
Peru	34,000,000	243,000
Chile	20,000,000	301,000
Guatemala	17,000,000	95,000
Costa Rica	5,000,000	69,000
Panama	4,000,000	77,000

Source: Worldometer, World Bank.



Market trends continued

1) A super-cycle driven by a trend towards regulation continued

Europe

Europe – a mix of newly regulating and mature markets

The market in Europe is more nuanced than the Americas region. On the one hand, there are countries that are moving towards regulating their online market such as France and Germany, while others are mature but still have an underpenetrated online market, such as Italy and Spain. And finally, there is the UK, which is the most mature market of all with high online penetration rates.

Germany

Germany's regulated online gambling and sports betting market continues to expand as the number of licensed operators approaches 100 since the introduction of the regulatory framework in July 2021. Despite the notable progress, the operating environment remains challenging for regulated operators due to stringent rules and limited enforcement that encourages competition from off-shore operators. In 2023, licensed operators were increasingly vocal about the need to modernise the rules, that do not include online casino-type games, especially around the €1 cap per spin in online slot bets and €1,000 per month per player online deposit limit.

France

France saw regulatory developments in 2023, with discussions about the regulation of the online casino market taking place with various key French stakeholders. At present, only poker, sports betting and horse race betting are regulated within the online sector, so the regulation of online casino would be a positive for Playtech, particularly as we have multiple customers already taking our poker product.

UK

There continues to be some uncertainty around the impact of the White Paper on the industry. The proposals have not resulted in changes to legislation or regulation just yet, and are subject to consultation with various stakeholders, the timing of which is unclear. The introduction of Financial Risk Assessments (often referred to as 'affordability checks') which must be completed once customers have reached a defined loss level, are subject to the most uncertainty in terms of impact. The Government's White Paper recommendation that these checks be frictionless is positive, as is the Gambling Commission's commitment to pilot these checks first in order to ensure that they can be completed without friction. However, until the specifics of any measures that will be implemented and the precise mechanics required to adhere to them are known, it is difficult to assess the overall impact.

Asia

Asia remains broadly unregulated

Gambling is a very popular pastime in Asia, which possesses structural growth drivers such as a passion for sport, large populations and above average GDP growth, not dissimilar to the LatAm region. However, the majority of markets remain unregulated. Over the long term, we see Asia following a similar path as the Americas towards regulating the sector, but the visibility of this path remains unclear at the present time.

Asia is increasingly a smaller part of B2B

While there have been issues in Asia with currency controls and volatile government attitudes towards the gambling sector, it is becoming an increasingly smaller part of the business – 44% of B2B revenues in 2017 compared to less than 10% in 2023 driven by a combination of declining Asia revenues and accelerated growth in other regions and regulated markets.

Africa

The proliferation of regulated online gambling in Africa has been limited in the past due to unreliable and inconsistent digital infrastructure. However, in recent years, online penetration rate has increased notably to reach 48.2% in 2023.

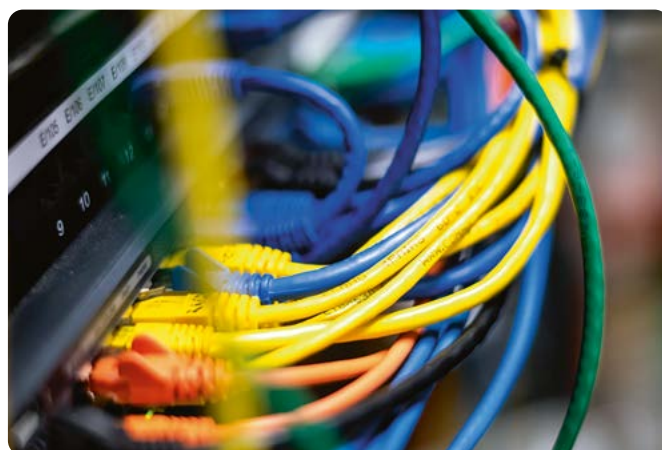
South Africa: a large market with an established regulatory framework

South Africa represents one of the largest online gambling markets in Africa, valued at \$1.1 billion GGR and projected to reach \$2.9 billion by 2028 as per H2GC. The online sportsbook market is regulated with local licensing, whilst iGaming is only permitted in two provinces: Western Cape and Mpumalanga. Playtech has been actively exploring the South African market since 2022, establishing a presence via partnerships with key operators such as TsogoSun and Hollywood Bets.

2) Growing requirements to use data analytics for player protection

Safer gambling is a material ESG topic for the gambling industry. Both regulators and the gambling industry recognise the importance of developing safer gambling solutions, evaluating their effectiveness and helping support research that leads to the development of evidence-based regulation.

The development of tools and software, and new technologies, including the use of generative AI, is increasingly being used to provide new and innovative ways for the sector to ensure player safety.

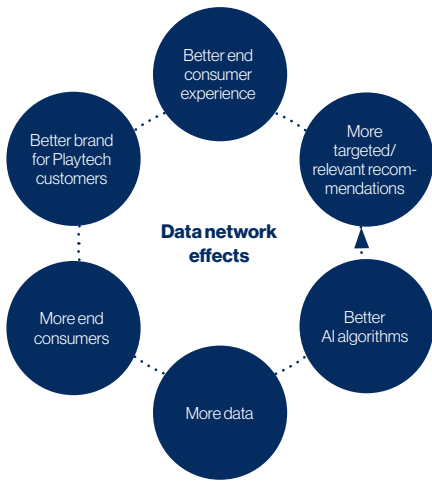


3) Technology – multiple technologies about to hit mainstream adoption

Data and AI

Overview

The digitisation of the world is creating unimaginable amounts of data from all kinds of sources. More data is being generated every two years than in all of time before that point. However, the key to obtaining a competitive advantage is getting access to the right data sets and drawing insights from them. Those companies that are able to attract a large number of users gain access to the most data, which allows them to train their AI algorithms to give more accurate results. This in turn attracts more users, triggering data network effects that become difficult to compete against.



Impact on the industry/Playtech

The use of data to gain actionable insights into customers is a cornerstone of the online gaming industry. It facilitates:

- the delivery of a personalised experience for each user, thus increasing revenue per customer;
- new customers being acquired through intelligent marketing;
- players being verified and the detection of fraud; and
- tackling gambling addiction, encouraging a more responsible industry.

Given Playtech’s sheer scale, it has access to vast amounts of data. Playtech is investing heavily in its AI capabilities, analytics, business intelligence (BI) and safer gambling tools to ensure that it makes use of this data to retain its competitive advantage and ensures a sustainable future for the industry.

Link to strategy



Virtual reality/ augmented reality

Overview

Augmented reality (AR) is focused on enhancing the real-world experience, with real-time, virtual information overlaying physical objects delivered through a device such as a headset or mobile phone. Virtual reality (VR) provides a completely immersive, computer-generated 3D environment that replaces the real world. With tech titans such as Apple and Meta releasing next generation headsets, we can expect to see significant, as yet unknown, new use cases arise within the gambling sector.

Impact on the industry/Playtech

- Should AR and VR gain broad adoption, they could be used to vastly improve the player experience.
- With VR, players will be able to engage with other players and experience walking the halls of a physical casino in the comfort of their own home.
- With AR, there is the ability to customise a player’s experience in a physical casino, or within Live, to overlay real-time information on the video stream.
- Playtech has begun to incorporate some of these technologies in its offering. The Greatest Cards Show within Live has augmented reality features, while the Poker vertical has released customisable digital avatars.

Link to strategy



5G roll-out

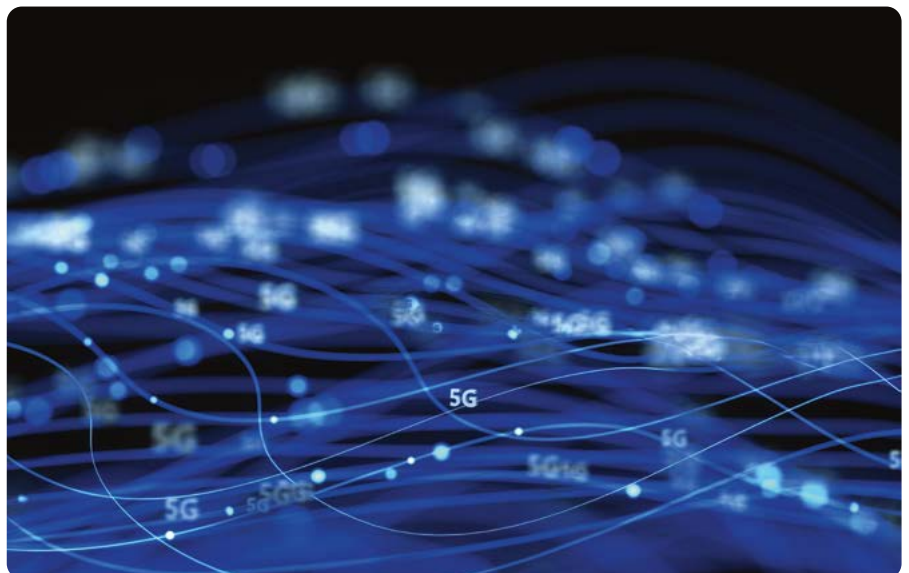
Overview

5G is the latest new global wireless standard and enables a new kind of network that is designed to connect everyone and everything together including machines, objects and devices. It is predicted to deliver much higher data speeds, ultra-low latency, more reliability, a big increase in network capacity and a more uniform experience to more users. These benefits can usher in new immersive experiences such as VR and AR.

Impact on the industry/Playtech

- 5G is an enabler of VR and AR technologies and thus helps to create games that are richer and more immersive than before.
- Video streaming of Live dealer games can be of a much greater quality with higher speeds and a more reliable network.
- In-game sports betting will benefit, particularly on mobile. Inside stadiums, more devices can be connected at once with reduced latency, thus enabling fans to place bets as they watch the game. Outside stadiums, 5G enables fans to simultaneously make bets and stream the game on their mobile phones.
- The low latency of 5G could help to facilitate more social iCasino games, as players will be able to enjoy real-time interactions with other players.

Link to strategy



Market trends continued

4) Shift to online continues, accelerated by the pandemic

Live

Overview

Live is an extremely attractive vertical that is expected to grow significantly over the coming years. This is driven by two major trends:

- Firstly, there is a shift to online from retail as the world digitises and this has accelerated due to the pandemic.
- Secondly, within online, there is a growing trend away from random number generation (RNG) towards Live, as players want more of an interactive, immersive experience. With the imminent launch of VR by tech companies such as Apple, we expect this shift to accelerate.

The combination of these drivers means industry analysts predict the Live market to reach \$15.8 billion based on GGR by 2028, up from \$7.9 billion in 2023, a CAGR of 15%.

Impact on the industry/Playtech

Playtech has already made significant investments to capitalise on this attractive product vertical:

- 12 studios are currently operational with Pennsylvania having opened at the end of 2023. A second studio in Peru was opened earlier this year and will help us to support growth within the attractive LatAm region, particularly Brazil.
- The number of tables has more than doubled over the past four years.
- Significant investment has been made to ensure we have the latest cutting-edge technology and access to great content such as Jumanji™ and Big Bad Wolf Live, two flagship games that were launched in 2023.

These investments have already been made, and the nature of the Live business model is such that additional players can be added to tables at minimal cost. This creates significant operating leverage and leads to Live being margin accretive to the overall B2B division.

Link to strategy



Underpenetrated online markets in Europe

Overview

The pandemic accelerated the shift towards online gambling as retail shops were closed during lockdown and customers, with plenty of time to pass, played online while at home. Given online penetration in 2023 has remained above 2019 levels for all major EU countries, with the exception of Spain, we think it is safe to conclude that the migration to online has remained sticky post pandemic.

There is ample scope for the migration to online to continue. Looking to the UK as an example of a mature market, online penetration in 2023 was 59%, far in excess of Spain, Italy and Germany.

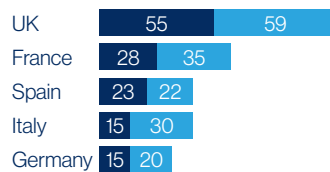
Impact on the industry/Playtech

Within the B2C division, Playtech is very well placed to continue to benefit from an underpenetrated online market in Europe. In Italy, Snaitech gives Playtech exposure to a large market where online penetration remains at 30%, far below the UK at 59%. In addition, the online business is higher margin and less capital intensive, meaning it generates higher return on capital employed. Aside from Italy, Playtech is also well placed in Germany with HAPPYBET, which possesses one of the few available online sports betting licences in Germany.

Within the B2B division, Playtech has a strong presence in Spain across Live, Casino and Sports, and is well positioned to take advantage of the continued shift to the online channel.

Several large European countries have an underpenetrated online market

Online penetration as % of GGR



● 2019 ● 2023

Source: H2GC (includes betting and gaming and excludes lotteries).

Link to strategy



Sports

Overview

As the market shifts to online, the Sports segment is impacted by multiple trends:

- shift to in-play betting and micro betting with the types of bets becoming more granular and over a shorter time frame;
- convergence of sports betting, media streaming and social;
- emerging markets shifting towards embedded betting within streaming services; and
- more and more data sources being used to come up with sports betting odds such as fitness of players.

Impact on the industry/Playtech

- Our Sports offering is targeted at those areas where we see strategic benefits. One such region is LatAm, where many of the countries enjoy a rich sporting culture and we have made good progress in Mexico, Colombia and Panama.
- Our Betbuilder product, now available for football with other sports to follow, will be a focus of our Sports offering given the trend of shifting towards offering more granular types of bets.

Link to strategy





Market trends continued

Americas: the land of opportunity

US

With a well-established presence in the US including three Live studios operational and multiple brands including Hard Rock Digital, Playtech is well placed to take advantage of the huge opportunity in the US market.

The opportunity

The United States of America is the world's largest online gambling market, which is projected to reach \$41 billion in GGR by 2030. Regulation is the single biggest market driver in the short term, and Playtech continues to see positive legislative momentum in the US. Since the repeal of PASPA in 2018 more than 35 states have legalised online sports betting, whilst iGaming is currently regulated in eight states. According to industry forecasts, the online gambling market in the US will continue to display a strong growth profile with a CAGR of more than 20% in both sports betting and iGaming segments out to 2030.



\$41bn

Size of the US market over the long term based on GGR

3

Live studios operational in the US

How we are exposed

Playtech recognises the unmissable growth opportunity offered by the US market and continues to proactively invest in the infrastructure and operational capabilities to accelerate the Group's presence. Our strategy centres around iGaming, where we have extensive experience and are recognised for our leading market content. Having signed agreements with multiple operators as well as a comprehensive structured agreement with Hard Rock Digital, we are well placed in the US. Our infrastructure includes three Live studios, and over 200 colleagues based in the US.



Canada

A growing market with attractive player economics, Canada is fast proving to be a key market for Playtech. With our comprehensive structured agreement with NorthStar, Playtech is well placed to benefit as states regulate in the coming years.

The opportunity

Canada is home to a rapidly growing online gambling market, which is projected to nearly double in size to \$6 billion by 2028, driven by a favourable regulatory environment and attractive market economics. The industry is regulated on a province-by-province basis, with Ontario leading the way to become the first regulated province in April 2022. Total player value is showing impressive momentum, while ROI and cost-per-acquisition metrics are also trending favourably.

How we are exposed

Playtech is well placed to benefit from the on-going expansion of Canadian market via a comprehensive structured agreement with a prominent local operator NorthStar as well as more than 10 other operators and launched with FanDuel for Live in Ontario.



\$6bn

Size of the Canadian market over the long term based on GGR

Brazil

As this hugely attractive market continues to move towards regulating, Playtech is well positioned for success in the rapidly evolving Brazilian gambling market via its partnership with Galerabet and other B2B customers.

The opportunity

Brazil is a global economic powerhouse, is deeply passionate about sports and now home to one of the most exciting markets in gambling. Brazil's large population of 215 million and promising regulatory environment make it an exceptionally attractive market opportunity, with online sports betting and casino expected to reach \$5 billion GGR in the next five years.

How we are exposed

Playtech is well positioned for success in the rapidly evolving Brazilian market via its partnership with Galerabet and several other B2B customers. In 2021, Playtech and Galerabet signed a structured agreement aiming to combine advanced gaming technology and expert knowledge of the local market in anticipation of the regulation in the Brazilian market. Galerabet is building a strong brand identity through sponsorship agreements with the prominent local sporting brands including the Brazilian Football Confederation and the Brazilian Basketball Confederation.



\$5bn

Size of the Brazilian market over the long term based on GGR

Business model

Flexibility to capture every opportunity



B2B

	Conventional	Structured agreement	SaaS
Services		✓	
Content	✓	✓	✓
Platform	✓	✓	
Clients	<ul style="list-style-type: none"> Entain Bet365 Parx Flutter 888 BetMGM 	<ul style="list-style-type: none"> Caliplay Wplay Galerabet NorthStar 	<ul style="list-style-type: none"> Hollywoodbet LeoVegas Betway Novibet SkillOnNet DOXXbet

How we work

Conventional model

Platform + content

The conventional model involves us providing the operator with a platform-based solution, underpinned by Playtech's leading Player Account Management + (PAM+) offering. The operator can then choose from a wide range of product verticals and content, including Live, Casino, Sports, Bingo and Poker.

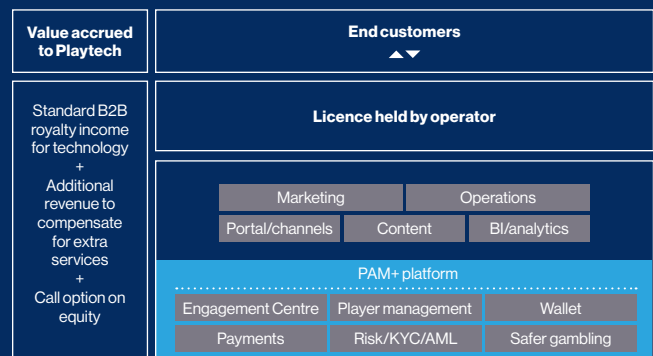
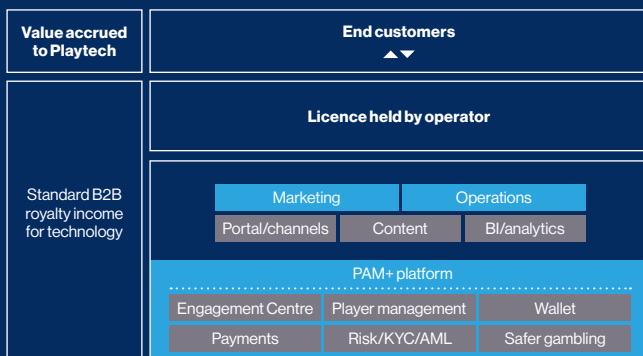
The operator, which holds the gambling licence, is typically responsible for building and maintaining its brand in addition to customer services and marketing. In exchange for providing the technology, Playtech employs a revenue share model with the operator.

Structured agreements

Platform + content + services

We also partner with "local heroes" with a strong retail brand and presence but without the necessary technological expertise to succeed online. Under a structured agreement, we provide a platform-based solution as per a conventional model, in addition to a range of marketing and operational services, some of which are subcontracted out to a third party.

This model also involves a revenue share framework with the operator, with Playtech's share typically higher than in a conventional model to compensate for the provision of these additional services. Playtech also typically injects capital into these operators to help facilitate growth and in return receives an equity call option which can be exercised should the operator be acquired.



● Playtech provides/subcontracted ● Operator provides



SaaS Content

For those operators that have their own platform, we also offer customers the ability to access our content, in a plug-and-play SaaS model. Operators benefit from low implementation costs and quick time to market, while Playtech is able to expand its addressable market and generates a recurring, monthly revenue stream at a higher margin.



B2C

Snaitech

Our B2C division is comprised primarily of Snaitech in Italy and HAPPYBET, the retail and online Sports B2C business in Austria and Germany. Both businesses are led and operated by the Snaitech management team.

Snaitech is a leading operator in the Italian betting and gaming market, and generates revenues from gaming machines, retail betting and online gambling. The business was acquired by Playtech in 2018, bringing together Playtech's leading technology stack with Snaitech's powerful brand and local expertise in one of Europe's largest gambling markets.

Retail

The retail betting business predominantly operates a franchise model with franchisees responsible for staff costs, rent and facilities, while Snaitech itself provides the licence, content, technology and brand.

The franchise model generates growth with relatively low capital intensity, generating high return on capital. Meanwhile, the value sharing agreement with franchisees is at the revenue level, meaning Snaitech is less affected by rising cost pressures.

The gaming machine segment predominantly consists of video lottery terminals (VLTs) and amusement with prizes (AWPs). Snaitech has a higher revenue share from VLTs but incurs the cost for content from operators, while for AWPs, the machine owner takes a higher revenue share but incurs the cost of hardware and content. Further detail is provided in the table below.

Retail	Players in value chain	Share of NGR	Responsibilities
Sports betting	Franchisee	50%–55%	Staff, rent and facilities
	Licence holder	45%–50%	Licence, brand, content, technology, trading and risk
Gaming machines	Platform/machine owner	20%–25%	Machine installation and maintenance; hardware, software and content
	Location owner	50%–55%	Security, location costs and staff
	Licence holder	20%–30%	Licence

Online

The online business operates a direct-to-consumer model, with Snaitech paying a share of revenue to the retail franchisee owners should they sign up customers at their retail site or to affiliates which direct customers to Snaitech's online site. Platform and content costs, part of which are supplied by Playtech, are incurred by Snaitech.

Online	Players in value chain	Share of NGR	Responsibilities
Sports betting and casino	Platform and content owner	10%–15%	Platform and content
	Affiliates/retail sites	20%–25%	Customer acquisition
	Licence holder	60%–70%	Licence, tech, trading, risk and customer services

Business model continued

Our strengths

1

Unparalleled scale

Playtech has a vast reach, with over 180 licensees operating across more than 40 regulated markets and offices in 19 countries. Given this scale, the data, knowledge and expertise that Playtech leverages enable it to improve product design, develop cutting-edge safer gambling tools and support regulatory requirements of operators in various jurisdictions.

2

Award-winning technology

Playtech has a strong track record of innovation and content creation. Thanks to our scale, we're able to invest heavily in R&D and product-related innovations, allocating significantly more funds towards these efforts than our competitors. In fact, over the past five years alone, we've dedicated more than €720 million to support the development of our cutting-edge technological platform.

€720m

Amount invested in R&D over the last five years

3

Flexibility to cater to almost any operator

Playtech's comprehensive B2B technology offering covers the entire gambling value chain with all products integrated into the PAM+ platform. Playtech also boasts one of the industry's broadest content portfolios, available even without having to deploy PAM+, as well as access to third-party content via Playtech Open Platform (POP).

4

Leader in highly attractive Italian market

Playtech's Italian B2C business, Snaitech, is a market leader in the lucrative Italian market. The online segment has seen significant growth at a CAGR of 20% between 2019 and 2023, yet it remains less developed than retail, with online penetration at only 30% (versus 59% in the UK). Snaitech's leading brand and retail presence in Italy, combined with Playtech's technology expertise, make it ideally positioned to continue capturing this market opportunity.

€17bn

Size of Italian retail and online market in 2023 (GGR)

5

Our incredible people

Playtech's people are truly exceptional. They are talented, dedicated and passionate about their work. They invest their time and expertise in the Company. In return, Playtech provides a fun, creative, rewarding and inspiring working environment. We constantly invest in and reward our talent, which has helped us to become the world's leading gaming business, employing over 7,700 people across offices in 19 countries.

6

Focus on sustainability

At Playtech, we are committed to growing our business in a way that has a positive impact on our people, our communities, the environment and our industry. Advancing safer gambling and player protection technology is a key priority. Through our safer products, data analytics and player engagement solutions, we are keeping players safe and helping our licensees succeed in regulated and fast-moving markets.

Supporting our stakeholders



For customers

€163m

Amount invested in cash R&D including safer gambling initiatives

76m

Number of poker tournaments



For employees

>7,700

Colleagues

>250

Number of wellbeing initiatives



For society and the environment

>110

Number of charities and community organisations supported

38.6%

Reduction in CO₂ emission since baseline 2018



For shareholders

€383m¹

Adjusted operating cash flow

44

Point improvement in S&P Global Corporate Sustainability Assessment since 2020

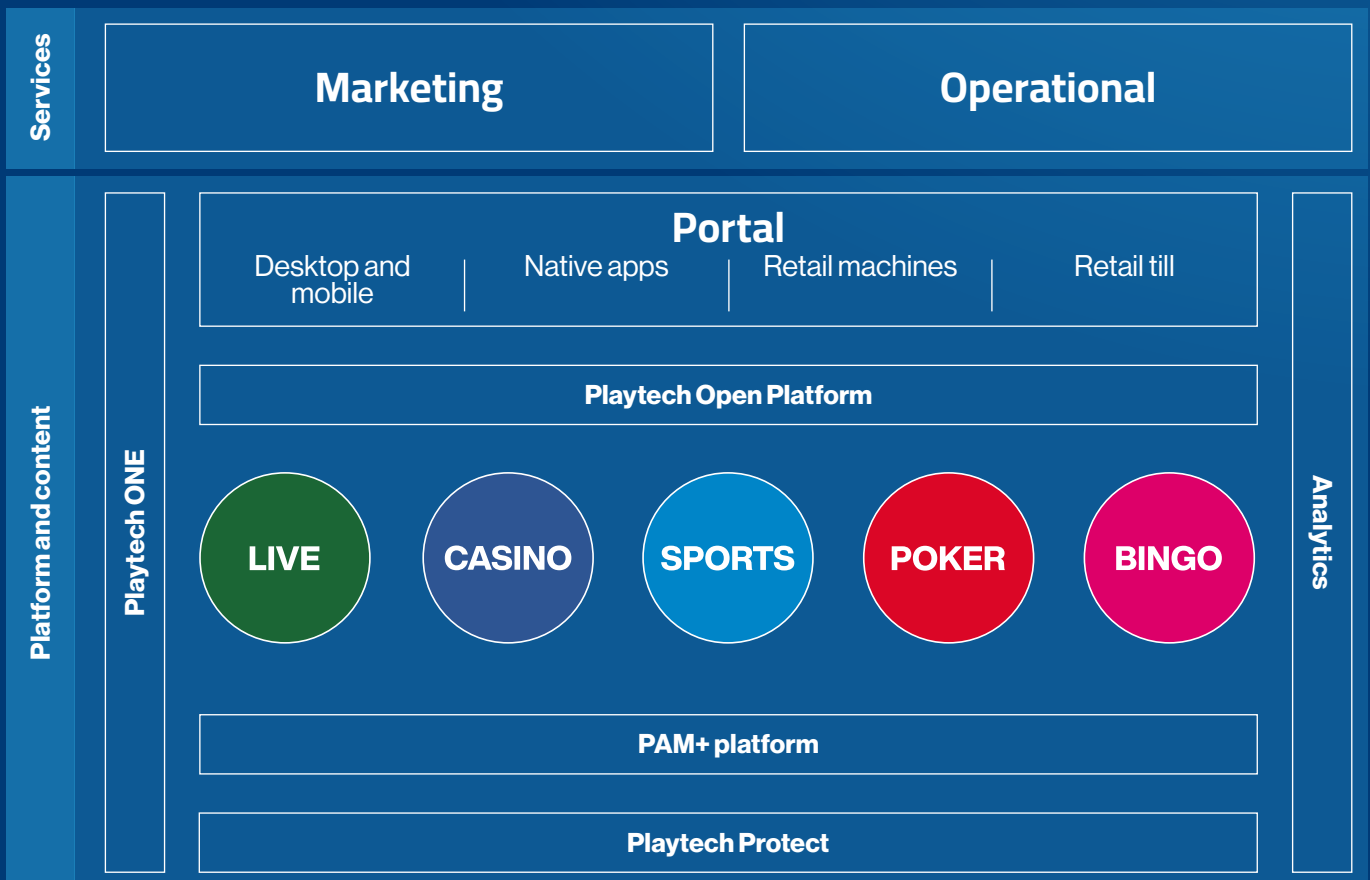
¹ Adjusting for changes in jackpot balances, security deposits and client funds, professional fees and ADM security deposit.



Product and innovation

Providing market-leading solutions through Playtech's bespoke technology

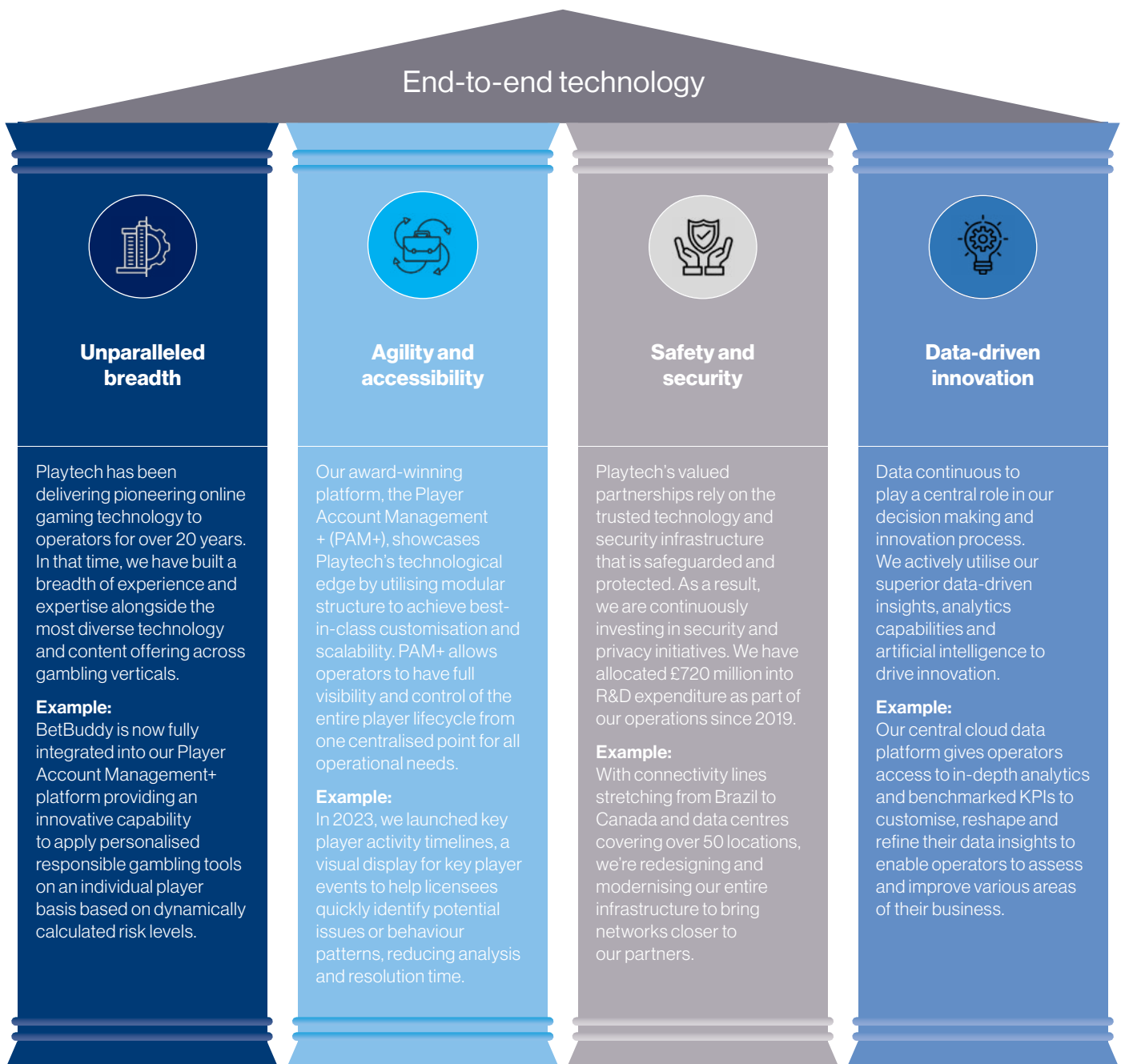
Through our proprietary technology solution, Playtech has pioneered omni-channel gambling technology which provides an integrated and open platform across retail and online for all key verticals, delivering a safe and seamless customer experience.



Playtech’s bespoke end-to-end technology platform is built with four key aims at its heart

Playtech was the original pioneer of the end-to-end technology offering we see across the gaming industries today. Even in the face of established and emerging competition, and the prolific creation of new content and technologies, Playtech remains a major player due to the breadth of its offering and the scale of its customer base.

In response to these challenges, Playtech is building the next generation of products to bring new types of experiences to market across its verticals, including Live and Casino. Through continued investment in technologies and expertise, Playtech gives its licensees a unique and bespoke end-to-end service, with a scale that is unmatched in the industry. Playtech remains committed to investing in technology across the entire business, from sports betting to poker, knowing that valued partnerships are based on trusted technology. Our end-to-end technology offering is underpinned by the four key pillars below.





Product and innovation continued

Platform

PAM+

Our offering

Playtech’s Player Account Management + (PAM+) is the power behind Playtech’s products, providing all the tools necessary to successfully run and manage every aspect of a licensee’s business.

PAM+ enables licensees to access all elements of Playtech’s unique omni-channel capabilities allowing players to seamlessly transition across content verticals via a single account and single wallet, while providing operators with simple third-party integration and full visibility and control of the entire player lifecycle. PAM+ unifies Playtech products across all channels, including retail, presenting operators with a single account overview and allowing them to streamline and optimise marketing spend, maximise cross-sell and conversion potential, leverage player loyalty and value and increase revenues by utilising data and automating key aspects of the player journey. The below graphic describes the key elements that sit within the PAM+ platform.

2023 highlights

- Launch of player activity timeline, a visual display for key player events at a glance, to help licensees quickly identify potential issues or behaviour patterns, reducing analysis and resolution time.
- Free Spins 2, a new upgrade to our Free Spins bonus system, was launched. Licensees now have the option to regulate the value of free spins sent to players, who can then choose one of the possible combinations of the number of free spins and their value.
- Report Viewer 3 brought a modern intuitive UI with improved accessibility, report/configuration search, and new functionalities that make the overall reporting experience smoother.
- Integration with checkin.com was implemented for optimised player onboarding and verification.
- In response to new reporting, regulatory and responsible gambling requirements in the Netherlands and Spain, we made several changes to ensure compliance.

239 billion

Wallet transactions processed in PAM+ in 2023



Engagement Centre

Part of the PAM+ platform, the Engagement Centre brings together Playtech’s entire CRM toolset, some of the industry’s most sophisticated player personalisation and communication products, designed to enable operators to engage with players as effectively as possible throughout the entire lifecycle. The Engagement Centre is also integrated with our Playtech Protect platform, creating opportunities for bespoke safer gambling messages and interactions.

2023 highlights

- In a major milestone, Sportsbook was integrated with Player Journey to take full advantage of Playtech’s engagement tools for Sports customers and increase the value of Playtech’s PAM+ platform. Licensees can now create cross-sell journeys, leaderboards and Missions promotions based on a wide variety of sports-based parameters, including in-play bets and different bet types and markets, and players can be rewarded with sports bonuses and free bets.
- Introduction of Missions, a new promotion type that challenges players to complete various tasks in exchange for rewards. The tasks can range from playing a specific game to betting a certain amount, or hitting a big win, while the rewards can be bonuses, free spins or even real prizes. Missions can be configured to reward players for actions taken across Playtech products including Casino, Live Casino and Sports, or external licensee events, thereby increasing operators’ ability to cross sell.

Playtech Engagement Centre

When to engage?
Market automation

Who to engage with?
Data-driven segmentation tools

Brings together all the engagement elements of PAM+ across all product verticals

What to provide?
Player rewards

How to engage?
Communication tools

25%

Increase in new licensees using leaderboards (including Missions) in 2023 versus 2022

106%

Growth in average daily engagement campaigns across the platform

Safer gambling

Our offering

BetBuddy is our ground-breaking responsible gambling (RG) analytics platform, built around data mining and predictive analytics.

It combines the latest research into gambling behaviour patterns with the power of artificial intelligence, delivering a sophisticated solution to proactively identify and engage with players who might be at risk. BetBuddy has a strong academic curriculum, with over 60 peer-reviewed papers and conference presentations, focused on gambling harms, safer product design and AI.

BetBuddy segments players according to customisable criteria and tags them for clear differentiation. Thanks to these tags, operators can build Player Journeys, which enable personalised safer gambling interactions, both via automatic in-play messages and person-to-person conversations.

Highlights in 2023

- BetBuddy has expanded into three new jurisdictions in 2023, having been adopted by clients in Sweden, Italy and Rest of Canada. At present BetBuddy is integrated across 9 jurisdictions and 16 brands.
- BetBuddy is now fully integrated into our PAM+ platform providing an innovative capability to apply personalised responsible gambling tools on an individual player basis based on dynamically calculated risk levels. The information is displayed in a user-friendly Power BI dashboard format providing a comprehensive overview of each player’s RG status and a snapshot of the RG limits usage.
- Work has begun on the third iteration of BetBuddy (v 3.0), which promises to deliver even more exciting features, including improved segmentation tools, a dedicated sports betting model, and a holistic single customer view. The update also includes a new risk assessment model capable of calculating real-time RG risk scores. This enhancement is currently operational across seven brands in two jurisdictions and has received outstanding feedback from operators.



Product and innovation continued

Content

Playtech has one of the broadest content portfolios in the gambling industry with a huge array of options across the industry's most popular product verticals. The next section outlines Playtech's offerings across our five main verticals along with highlights in what has been an exciting year.



Our offering

Playtech's Live technology brings the real-life casino experience to the online environment. Live casino games, hosted by dealers in specially designed studios, are streamed online, where players can place bets on their computers and communicate with the dealer using the chat function.

We're dedicated to delivering the most authentic and engaging omni-channel Live experience for our partners, driven by a cutting-edge platform using the latest business intelligence data-driven technology.

Our 12 state-of-the-art studio spaces in key markets worldwide are home to industry-leading audio-visual technology, combining networked tables and games with bespoke space for several tier one licensees.

Our extensive, entertainment-driven Live content offering, hosted by native-speaking dealers and presenters, ranges from casino classics such as Blackjack, Baccarat and Roulette, to innovative variants and gameshow-style content, including Adventures Beyond Wonderland Live, The Greatest Cards Show, K-Pop Roulette, Everybody's Jackpot Live, Quantum Blackjack, Buffalo Blitz™ Live Slot and others.

2023 highlights

- In 2023, Playtech's Live vertical exhibited a strong growth trajectory, driven by diversification of content and significant expansion of studio space.
- In the year, we expanded our flagship games portfolio to include popular brands such as Jumanji™, whilst also extending the hugely popular Mega Fire Blaze™ franchise to include Mega Fire Blaze™ Blackjack Live and Mega Fire Blaze™ Lucky Ball. We also launched Big Bad Wolf Live, an innovative experience that combines a slot game with elements of a Live experience, released from Quickspin Live, the RNG arm of our Live division.
- Continuing to invest in branded content, the Company signed the exclusive US rights to Family Feud (®/© Fremantle), one of US television's longest-running and highest rated gameshows, and expects to launch a gameshow next year.
- We've also continued to develop our proprietary in-house video technology and encoders to deploy high quality video features and work has begun on a third generation video delivery platform. Playtech's Live product has been recognised as a leading solution in the industry, winning the EGR Live supplier of the year for 2023, acknowledging the achievements of its extremely talented team.



- Expansion of our studio capacity continues to remain a priority. A new studio was opened in Pennsylvania, US, as well as a second one in Lima, Peru, thus ensuring we can take advantage of the strong growth within the Americas region.

3

Number of Live US studios fully operational



Our offering

Playtech Casino offers one of the industry's most extensive range of "game of chance" based online slot games, delivering over 1,100 innovative in-house and premium branded titles through online or retail channels.

Major original brands include Cash Collect™, Age of the Gods™, Fire Blaze™ and the Blitz™ suite, while our range of exclusive film, sport and entertainment tie-ins includes the Sporting Legends™ series, plus titles from major Hollywood studios such as MGM, Universal, Paramount and AMC. With eight distinct global studios developing content under the Playtech umbrella, we offer an extensive selection of games to suit a range of demands. In-game engagement tools such as leaderboards, Mystery Parcels and engagement games empower licensees to increase player engagement through gamification.

We give customers the tools to build native apps that are iOS compatible by using a Software Development Kit (SDK) without the need for any additional software developers. The native SDK offers fast, straightforward game integration, allowing operators to incorporate Playtech Casino games directly into their app for delivery to the App Store, incredibly important for cross-sell activities between Sports and Casino.

2023 highlights

- In 2023, the Playtech Casino vertical reached new heights of success, thanks, in part, to our ongoing commitment to the "Power Suite" strategy. This approach combines the most advanced slot design and mechanics with a unique narrative, appearance and feel designed to captivate players and establish a strong brand identity.
- In 2023, we launched 65 new games including Dragon Bonanza, a highly popular fantasy slot game that combines distinctive design with attractive prize mechanics. Branded content was also launched, with a highlight being a new brand partnership with Sony to release a new Cash Collect™ slot game based on the iconic TV series Breaking Bad™, as well as Rocky™, a fast-paced feature action game starring Rocky's three greatest opponents – Apollo Creed, Clubber Lang and Ivan Drago.
- Aside from content, Playtech has rolled out several features, including Missions, a new promotional feature in Casino strengthening the platform capabilities, and free spins 2, a long-awaited upgrade to Playtech's offering allowing licensees to give players even more flexibility with how they use their free spins. These high-quality roll-outs have helped to increase the level of our feature adoption with tier 1 customers, with Holland Casino, Bet365 and Sky all using these features.



Product and innovation continued

Purpose-driven content: changing the way people experience gambling entertainment

As online gaming evolves, Playtech continues to satisfy the ever-increasing demand to deliver new, engaging and immersive entertainment experiences for consumers.

Continued investment in branded content

**Live: Jumanji™
The Bonus Level**

Launched in August 2023, Jumanji™ The Bonus Level combines cutting-edge technology with the cinematic qualities of the famous movie. Following a complex development process, Jumanji™ The Bonus Level is the first-ever Live game inspired by a Hollywood blockbuster, marking a key milestone in the gaming industry. This game is housed in a studio designed to immerse players in the world of Jumanji. The studio's attention to detail ensures that the game replicates the authenticity of the original movie, delivering a 24/7 theme park-like experience.



Casino: Rocky™



Playtech's latest Rocky™ game was launched in 2023, delivering a fast-paced feature action with an innovative 25-reel main game and six features to play - one for each Rocky movie. The game stars Rocky's three greatest opponents – Apollo Creed, Clubber Lang and Ivan Drago – and the gameplay variety packs a punch, providing entertainment value for players.

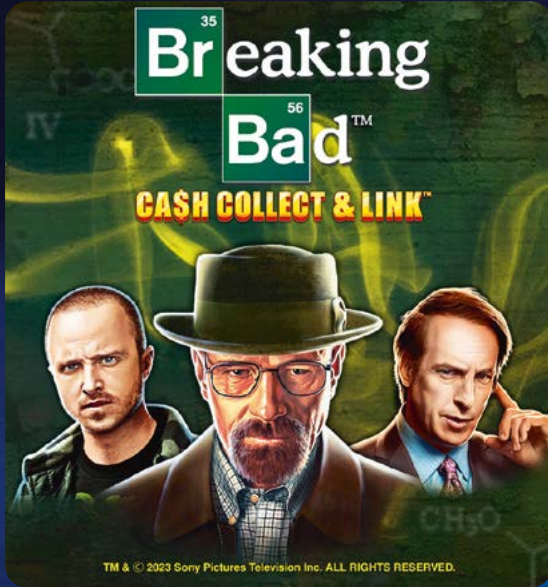
A feature bonanza



Casino: Dragon Bonanza: Gold Hit™

Dragon Bonanza, Playtech's third Gold Hit™ game, utilises our revamped respins feature and incorporates our latest promotional tool, Missions, to drive player engagement, both of which have been extremely well received by operators.

Cash Collect™ reaching new heights



Casino: Gold Rush™: Cash Collect™ ▼

The success of Gold Rush™, an exclusively licensed branded game from Playtech's Cash Collect™ power suite, has been particularly noteworthy, as it achieved the fastest return on investment for a branded game in the history of Playtech Casino, breaking even just after two months post launch, compared to the traditional breakeven timeframe of six months.

2 months

Breakeven period: fastest ever payback period for branded game in Playtech Casino's history

Casino: Breaking Bad™: Cash Collect & Link™ ▲

Breaking Bad™: Cash Collect & Link™, launched in December 2023, features all the show's key talent and is part of Playtech's award-winning Cash Collect™ suite, which already includes successful branded games based on The Walking Dead™ and the popular reality show Gold Rush™. Cash Collect & Link™ is a new twist on the original suite format, with Mega Link symbols creating major win potential in the Hold & Respin round.



Combining the best elements of Live and RNG



◀ Live: Big Bad Wolf

Big Bad Wolf Live is an innovative experience that combines a slot game with elements of a Live experience, released in 2023 from Quickspin Live, the RNG arm of our Live division. The meticulous attention to detail, pristine art and many exciting gameplay features will keep players on the edge of their seats, and sets a new industry standard for Live Casino gaming.

Product and innovation continued

Content continued



Our offering

Playtech Sports delivers a full range of sports betting technology, managed trading services, self-service betting terminals (SSBTs), kiosks and over-the-counter systems, catering to online operators and traditional retail/betting shop businesses of all sizes in major regulated markets worldwide.

Playtech Sports boasts a wide distribution, with around 620 million sports bets placed via our technology on more than 580,000 real events in 2023, which makes us one of the largest B2B Sportsbook providers in the world. Including Snaitech, Playtech has c. 70,000 bet entry points live in retail locations worldwide, including kiosks, SSBTs, traditional over-the-counter (OTC) offerings and space-saving devices such as compact terminals and tablets, designed especially for smaller venues. Our shop TV solution also allows operators to display the latest odds for any sport and promote specific events.

2023 highlights

- Playtech's Sports vertical made good progress in 2023, building on the product modernisation initiative carried out in the previous year. We successfully migrated Galerabet from its previous platform onto our Sports product, positioning us well in the emerging Brazilian market, where the sports betting total addressable market is projected to reach \$3 billion in the next five years. Aside from Brazil, we are particularly strong in Latin America, where we continue to benefit from the success of our structured agreements with Caliplay in Mexico, Wplay in Colombia and Betcha in Panama.
- In Canada, we launched with NorthStar outside of Ontario to ensure it is well placed to benefit as the Canadian market regulates over the coming years. South Africa remains a priority for 2024 and beyond, given the sizeable opportunity as this market opens up.
- From a product perspective, we have made good progress in adding features that are more tailored to the US market such as Bet Builder and Same Game Parlay for NFL, while also broadening our offering of US sports to now include even more player props and micro markets. Our Sports product is now integrated with player journey within the PAM+, allowing operators to deliver a more personalised experience to their players, leading to higher engagement and stronger retention.



Our offering

Playtech's Poker product features everything licensees need to launch their own fully branded, customisable online poker rooms, with multiple game types, table stakes and tournament buy-ins.

All iPoker networks, for international as well as ringfenced regulated markets, offer great liquidity pools and attracted an average of 450,000 players a month during 2023. Marketing and engagement tools such as Missions, leaderboards and integrated player rewards are central to an evolving "gamified" experience, in line with our strategy to appeal to a wider demographic with long-term potential.

2023 highlights

- Playtech's Poker vertical has continued its record-breaking spree in 2023 following the strong performance of the online poker market post the COVID-19 pandemic. Three new operators joined Playtech throughout the year resulting in a 32% year-on-year increase in the average number of players per month.
- To support our growth, we continuously strive for product innovation across game features, promotions and ancillary activities. In 2023, we launched Mystery Bounty Tournaments, a highly popular modification designed to add an extra dose of surprise by offering generous hidden prizes for elimination of opponents. Additionally, we introduced Poker Bingo, a fun and engaging side game that presents players with greater opportunities to win rewards without making additional bets. To top it off, Playtech now offers embedded poker tools to track key player statistics, available to all players free of charge.
- In 2023, we have taken player experience to the next level by relaunching our iPoker native mobile app. The revamped app offers an innovative new look and feel, which introduces more promotional space, interactive interfaces, and a wide range of customisable image effects and animations.





Our offering

Playtech's innovative omni-channel Bingo solution offers players a consistent and streamlined experience across any device or platform, including retail, all through a single wallet and a single account.

Our UK bingo network consists of more than 19 brands and manages 57,000 daily players and close to 18,000 daily concurrent players.

2023 highlights

- In 2023, amidst a challenging market, Playtech has focused on modernising and relaunching its Bingo product. The latest update, due to launch in early 2024, has greatly improved the client interface and customisation features. The renewed design, supported by a modernised tech stack and a new front-end interface, now offers a more vibrant and engaging user experience, positioning the product to appeal to a wider audience.
- The new platform not only benefits end users, but also greatly accelerates product development and enables the rapid launch of innovative marketing features such as jackpot escalations and chained promotions. By leveraging these tools, along with the new lobby banners, operators can attract and engage players more effectively.

As a result of these improvements, we have observed an increase in the level of interest shown by our existing and prospective clients. We have renewed our agreement with Buzz Bingo, extended our contract with Sky Bingo, and secured an agreement with a major Dutch operator, NLO. Armed with a revamped Bingo product, we are now in a good position to capitalise on growth opportunities in key regions such as the US and Latin America.

AI and data

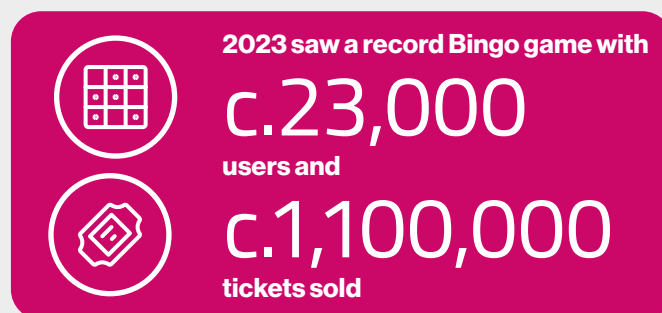
Business intelligence technology (BIT) and artificial intelligence (AI) provide powerful insights

Playtech's new cloud data platform allows data analytics and insights in all domains from product and cross-product KPIs to player behavioural analytics.

This new data platform embodies a data mesh architecture allowing all Playtech products and units to unify their data onto a single platform, bringing efficiency and capability improvements whilst enabling new cross-product analysis and insights.

Our data democracy vision starts with putting the right data into the hands of Playtech staff, but then swiftly moves to providing this same data and analysis to our customers. This provides not just comprehensive KPI dashboards (81 to date), but also includes more advanced analytics such as market benchmarking (an exercise that a single Playtech customer is unable to carry out).

Playtech's data-driven business intelligence technology significantly enhances licensee revenues by increasing insight, improving player experience and increasing lifetime value. Added AI functionality gives licensees the tools to analyse big data and leverage real-time



automated insights into players' behavioural patterns to create a personalised gaming experience.

We also offer the ability to segment players and personalise communication, based on their behaviours, using analytics and AI to improve player experience.

2023 highlights

- New single data portal with comprehensive, interactive dashboards for business KPIs and advanced analytics. Customers can also construct their own bespoke dashboards based on the same shared, anonymised datasets that Playtech uses.
- New cloud-based data mesh architecture empowers all Playtech products to bring their data to the same collaborative platform, enabling improved internal efficiency, and reduces total BI cost of ownership through retiring legacy per product analysis tooling.
- New player analytics tooling made available to licensees – providing analytics on exactly how players are interacting with gaming products for the first time.

Product and innovation continued

Services

Making the most of Playtech's technology

Through partnering with over 180 licensees globally, Playtech has amassed a huge amount of knowledge on the gambling industry including customer acquisition and retention, how to manage risk and operational know-how. For those operators that are looking to launch online in newly regulating markets, this know-how can prove invaluable in ensuring that they make the most of the opportunities of an expanding addressable market. For those that are already established, our services can offer a way to get the most out of Playtech's technology to help deliver further growth. We break down our services offering into three segments: marketing services, operational services and consultancy and training.



Marketing services:

Our marketing services are typically targeted at those operators where we have a deep relationship such as strategic agreements.

Customer acquisition

Executing best practices and strategies in external marketing to execute and promote marketing campaigns in line with an agreed marketing plan and budget. We are experienced across all customer acquisition channels and look to build relationships with partners to ensure maximum value.

Customer retention

Developing and executing marketing strategies to retain, grow and maximise player value while achieving high levels of engagement in line with regulatory and compliance frameworks and procedures. We have experience across all communication channels including social media and gamification and can deliver valuable bonus strategies across all product verticals.



Operational services:

Our operational services are typically available for those customers which use our technology under a conventional business model.

Customer onboarding

Assisting the operator in configuring their customers' onboarding journey/flow. We configure the technical set-up for the system and oversee ongoing results to ensure business performance.

Risk management

Delivering fraud prevention services for the operator to minimise reputational and financial losses. We also offer AML services to ensure operators adhere to regulatory requirements.

Customer experience services

By combining our expertise in regulatory frameworks, customer protection and leading delivery, we provide high-quality customer experience services using AI-driven solutions at scale.

Payment processing

Overseeing the processing of cash out requests by customers from the point of the request to the moment they leave our platform as an "approved" outgoing transaction in line with risk management/ fraud prevention/ AML controls.

Technical delivery services

Delivering the necessary back-office configurations in PAM+ to ensure operators optimise Playtech's technology.



Consulting and training:

Our consulting and training services ensure an easily accessible source of industry and operational knowledge to get the most out of Playtech's technology.

Playtech Academy and training

Playtechacademy.com is the award-winning website that acts as a portal where operators and Playtech colleagues alike can access a wide range of content including videos, presentations, podcasts, thought leadership and live webinars, to enhance their knowledge of Playtech products.

Consulting

Our experienced consultants, across a wide range of locations and covering multiple verticals, help support operators in implementing industry best practice to get the most out of Playtech's technology. Activities are linked to clearly defined and measurable KPIs.

A flexible offering

A plethora of options to fit our licensees' needs

SaaS

For those operators that have their own platform, we also offer the ability to access our content, in a plug-and-play SaaS model. Operators benefit from the ability to access Playtech content without having to license the PAM+ platform with low implementation costs and quick time to market, while Playtech expands its addressable market. The SaaS model can also be used to provide a low-friction method of exposing as many operators as possible to Playtech's technology. Once operators see the quality of Playtech's content and technology, the path to offering additional Playtech products becomes easier. Playtech has been building out the infrastructure for its SaaS business since 2017 including data centres in local markets. As a result, Playtech is ready to accommodate a large number of operators across its infrastructure and has added over 450 brands since launching the SaaS offering.

>450

Brands added since launch of the SaaS offering

Broad range of available third-party integrations

Playtech provides operators with access to specialist services and software from carefully selected third parties. These partners offer products and services that complement or enhance Playtech's existing systems, giving operators a richer, more complex set of tools to achieve their business objectives, while not having to go through an integration process.

>45

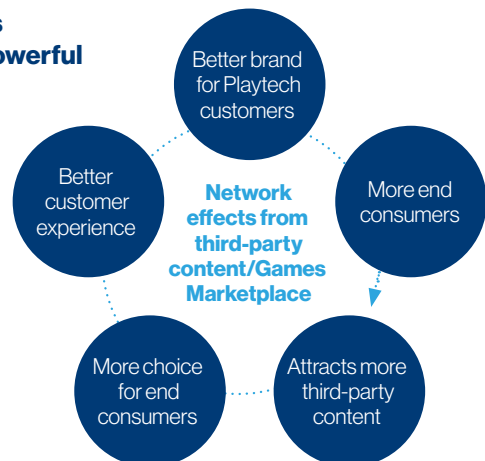
Available third-party solutions



Playtech Open Platform and Games Marketplace

Playtech Open Platform (POP) allows licensees to access more than 10,000 of the industry's most popular online and mobile in-house and third-party games at any time, across any channel and on any device, ensuring licensees can offer their players a broad range of content. The Games Marketplace allows operators to discover and configure Playtech and third-party content, and monitor its performance, regardless of the technology that the game was built in. This also increases the amount of data that Playtech can access, improving our analytics offering and increasing network effects.

Playtech's business model unleashes powerful network effects



Stakeholder engagement

Considering all stakeholders in our decision making

Playtech's success is reliant on maintaining strong relationships with stakeholders.

As a technology leader and trusted service provider in the gambling industry, Playtech's success is built upon maintaining strong relationships and trust with its stakeholders. As an Isle of Man registered company, we are not bound by the UK Companies Act 2006. However, we seek to adhere to best practices and, as such, the following section outlines how the Directors take into account their obligations under section 172(1) (a) to (f) of the Companies Act 2006.





Colleagues

Why we value them

We recognise our colleagues are fundamental to our success and, as such, we put our colleagues at the heart of everything that we do as a company. We strive to recognise and reward everyone's contributions appropriately and give people the opportunity to develop both personally and professionally. Playtech, therefore, needs to attract and retain top talent and a strategic and professional approach to recruitment is essential to achieve this.

Most pertinent issues in 2023

- Flexibility, autonomy and being able to work from home
- Communication about strategy and priorities
- Recognition, continuous feedback, and learning and development
- Employee wellbeing, work-life balance and career progression
- Competitive remuneration and benefits
- Rising cost of living

How the Board and management engage and respond

- Implementation of a new Centre of Excellence function within HR, focusing on talent acquisition, learning and development, and diversity, equity and inclusion
- Series of town halls and office visits with a structured and informal format to:
 - Understand and listen to the ideas, issues and concerns
 - Increase awareness and understanding of the corporate strategy and priorities
 - Establish meaningful, two-way engagement with colleagues
 - Foster a culture of listening, openness and consultation
 - Ensure colleagues are aware of actions as a result of engagement
- Global engagement survey supported by action plans

→ Read more on [pages 60 to 69](#)



Shareholders and bondholders

Continued access to capital is vital to the long-term success of our business. Furthermore, Company Directors can better understand shareholder concerns and the driving forces behind their voting decisions. Engagement with experienced investors can be valuable for the Company in providing feedback on key strategic decisions, whilst also helping to anticipate any issues that may arise in areas such as governance and sustainability.

- Capital allocation priorities
- US and Latin America strategy
- Capturing the market opportunity in Italy and within Live
- Ongoing litigation with Caliplay
- Corporate governance
- ESG strategy and progress on safer gambling, climate and diversity and inclusion

- Annual Report and AGM
- Structured programme of communication between the Company and investors and analysts
- Results presentations and post-results engagement with major shareholders
- Capital Markets Days and analyst site visits
- Board receives regular updates on investor relations
- Engagement with ESG indices
- Chair of the Remuneration Committee engages with shareholders on Remuneration Policy and practice

Stakeholder engagement continued



Licensees and customers

Why we value them

We seek to understand our licensees' and customers' needs and challenges so that we can develop products and services and enter strategic partnerships that will add value. Regularly engaging with licensees and customers also highlights opportunities for innovation to ensure we can stay ahead of the competition, and respond to challenges.

Most pertinent issues in 2023

- Innovation across content, products and platform
- Data protection
- Service reliability and scalability
- Compliance
- Competitive pricing
- Solutions and support to meet and anticipate regulatory developments and sustainability topics – including safer gambling

How the Board and management engage and respond

- Face-to-face engagement at trade shows
- Executive Management team regularly meets with our customers to ascertain how Playtech is delivering as a partner and how we can improve
- The Board regularly receives updates on licences signed and progress on implementations
- Management teams use account management structures and CRM tools across our business to ensure we are delivering to our licensees' and customers' expectations
- Playtech aims to apply best practices, develop skills and capabilities, and deliver continuous improvement in execution to enhance the overall customer experience



Suppliers and technology partners

Our suppliers and technology partners play a crucial role in supporting our operational excellence as well as the success of our commercial teams, our product units and, ultimately, our licensees. Our customers benefit from high-quality provision of technical services as well as the suppliers' and partners' geographic reach, industry-specific and functional domain expertise and implementation support.

- Complexity and speed of onboarding process for new suppliers
- Consistent and regular communication and engagement with key suppliers
- On-time payments
- Fair terms
- Playtech ensures suppliers (including small suppliers) have access to new business opportunities
- Ethical behaviour and supplier compliance with sustainability criteria on climate and human rights
- Innovation partnerships

- Presentations to the Board Sustainability Committee on sustainable procurement risk assessment and sustainable supply chain strategy
- The Procurement function undertakes actions to ensure open communication with vendors and suppliers
- Playtech initiates supplier briefings and brainstorming sessions to help create new solutions aligned with Playtech requirements
- Ensures supplier compliance with regulatory requirements, through due diligence checks, GDPR reviews and information security checks
- Playtech ensures supplier compliance with human rights and climate requirements
- Playtech actively chooses to work with partners that are leaders in their own field and share Playtech's standards and values



Regulators and policymakers

Engagement with regulators plays an important role in, and can be valuable to, facilitating a fairer, safer and more sustainable sector. The Company continues to actively advocate for regulation in existing, future and evolving markets, which is vital to raise industry standards and protect customers, whilst also ensuring the industry continues to provide entertaining products to its customers, and better understand regulator concerns and decision making.

- Further evolution of safer gambling regulatory requirements
- Expansion in the use of technology and data analytics to protect players
- Increased emphasis on enhanced protection or stricter regulatory requirements for potentially more vulnerable groups, e.g. under 25s
- Concerns about the growth of unlicensed operators
- Improving existing regulations and compliance with a greater focus on safer gambling and AML
- New regulatory and legislative developments to promote player and consumer protections

- Board member participation in trade body and one-to-one meetings with regulators and policymakers
- Chief Compliance Officer provides the Board with regular updates on developments
- The Board is engaged with the licensing processes in several new jurisdictions to better understand regulatory requirements
- The Board continues to actively promote further regulation in the US via meetings with state regulators
- The Board receives ongoing updates including the review of the UK Gambling Act and regulatory developments in the US and Latin America
- Playtech delivers training to the Board every 12–18 months, including legal requirements related to anti-money laundering and anti-corruption, as well as regulatory developments



Society and communities

We are committed to operating and growing our business in a way that has a positive impact on the communities and environment where we operate. We also recognise that the challenges facing the sector and communities cannot be solved by one organisation alone. Driving positive social change requires collaboration and partnership.

- Societal concerns about the impact of gambling on digital wellbeing and mental health
- Ethical and responsible use of technology and generative AI
- Action to reduce the risks and impacts on climate change and nature
- Action to tackle modern slavery and human and labour rights issues
- Equality, diversity and inclusion
- The impacts of the Israel– Hamas war and war in Ukraine
- Partnership, engagement and support for local community organisations and causes

- Engagement with the Sustainability and Public Policy Board Committee
- The Board is provided with updates from the Chair of the Sustainability Committee on:
 - The Company's safer gambling strategy
 - Climate change
 - Human rights in the workplace and supply chain
- The Board is provided with regular updates on community-related efforts led by Playtech colleagues
- Endorsement of near-term and 2040 net zero targets and roadmap for SBTi validation
- Sustainability-linked remuneration to include Executive Committee and selected leaders

→ See KPI section on [pages 12 and 13](#)

Responsible business and sustainability

Sustainability: Shaping our sustainable future



Linda Marston-Weston
Chair of the Sustainability and
Public Policy Committee
26 March 2024



In 2023, we continued to make good progress towards meeting our 2025 targets and commitments. I am proud of the work we are doing to embed sustainability into the DNA of our business, our values and our culture."

Our progress in 2023

I am pleased to outline the highlights from our 2023 performance.

During the year, to ensure that we continued to uphold the highest standards, Playtech undertook a further review of the business against the GamCare B2B Safer Gambling Standard, extended the scope of the audit, and was awarded the Advanced Level Three of the standard – the highest possible level of award. In 2023, we continued to strengthen our portfolio of safer gambling technology and solutions under Playtech Protect, with the development of personalised responsible gambling journeys.

Our people are critical to our business success. In 2023, we introduced a new Global People Framework covering all elements of our people strategy from recruitment and onboarding to succession planning and personal and professional development, embedding equality and inclusion at the core of our strategy. We are proud to have launched a Global Benevolent Fund, to provide enhanced support to colleagues and their immediate families who may encounter unforeseen, severe life-changing challenges.

We also set in motion our net zero by 2040 plan. In early 2024, the Science-Based Targets initiative (SBTi) approved Playtech's near-term science-based emissions target, a 50.4% reduction in its scope 1, 2 and 50.4% in scope 3 emissions by 2032. Playtech has also committed to set long-term emissions reduction targets with SBTi in line with reaching net zero by 2040.

Another key highlight in 2023 was the launch of a new sustainability partnership with Hubbub, to further enhance colleague awareness and engagement on sustainable action. We continued and expanded our partnerships with expert charities and academics to help people live healthier lives online, as well as supporting a wide range of charitable and volunteering activities. By the end of 2023, we had exceeded our community target set for 2025, with over 160,000 people engaged through community investment and mental health programmes over the past three years.

I am proud of the progress we have made in 2023. Our focus for 2024 will be to go further and deeper in making sustainability integral to the way we do business at Playtech – for every colleague, irrespective of what they do and where they work in the organisation.

Our sustainability governance

Our sustainability strategy is overseen by a Board-level Sustainability and Public Policy Committee, which is responsible for monitoring the Group sustainability performance as well as setting targets for the Group. The Committee also actively engages with external subject matter experts, leading academics and charities to help challenge and strengthen Playtech's overall approach.

The day-to-day responsibility for sustainability governance sits within the Sustainability and Corporate Affairs function. In practice, this function co-ordinates action, provides subject matter expertise, delivers support to other relevant functions, business units and country-level management, tracks performance and leads engagement and partnerships with external partners. Additionally, there are topical forums to further support delivery of the agenda including the Environment Forum and Community Investment Committee.

The Sustainability function also works closely with the Regulatory Affairs and Compliance function to align and integrate compliance and regulatory considerations into planning and decision making. The Regulatory Affairs and Compliance function is subject to recurring annual reviews, the scope of which is dynamic and varies from year to year. This function continued to lead the Compliance Council and other internal governance forums.

The newly established Risk, Internal Controls and Assurance function together with Internal Audit play a key role in ensuring that internal controls, including sustainability-related matters, are integrated into operational processes across the business.

→ [Read more on the sustainability governance structure on www.investors.playtech.com/sustainability](http://www.investors.playtech.com/sustainability)

Action and accountability

We believe that growing our business in a sustainable and responsible manner is a key factor in delivering long-term value for all our stakeholders.

For this reason, in 2023 the Board strengthened sustainability governance and accountability beyond Executive Management, by linking the Company's sustainability performance and year-on-year progress to the remuneration of the Management Committee and selected leaders. The sustainability performance and measures relate to material elements of our sustainability strategy, which include safer gambling, diversity and inclusion, and the environment.

The Board will continue to review and expand the Company's environmental, social and governance performance measures as well as the scope to build on collective efforts to meet our commitments and most importantly, embed sustainability into our culture and business operations.



Embracing challenge on sustainability

As a business in a rapidly changing industry, Playtech aims to play its part in raising standards and embedding sustainability internally and across the sector. With the continuously evolving societal and stakeholder expectations, Playtech recognises the importance of engaging with stakeholders to ensure the Company's approach to sustainable business remains robust and meets expectations. As a result, in 2021, Playtech set up a Stakeholder Advisory Panel to challenge and guide its sustainability agenda.

Following the seven successful panel sessions from the last couple of years, which allowed Playtech to draw on a wide range of knowledge, insights and experiences, the Company has continued its engagement with this group in 2023. The panel reconvened in person in November 2023, sharing ideas, suggestions, and constructive challenges with members of Playtech's senior management team and Board members. The panel has a crucial role in shaping the sustainability strategy and improving performance.

The main objectives of the session were to discuss global trends and strategic questions that will be important in strengthening and shaping the future of Playtech's sustainability strategy, review the Company's progress and the challenges it faces and demonstrate how Playtech has considered the panel's feedback and comments as part of the evolution of its strategy. Three main themes emerged from the discussion:

- While Playtech has made considerable progress, there remains work to do around embedding sustainability into the Company's culture and engaging with employees, providing them with the tools to embed sustainability into their own sphere of accountability.
- The sustainability agenda is changing at a fast pace. With regulators continuously increasing the minimum requirements for both disclosures and action-led compliance, Playtech will have to innovate to keep its leading edge.
- Industry collaboration and multi stakeholder partnerships can be an important way that Playtech can lead on selected topics and drive change across the sector. A sectoral collaboration around safer gambling has been encouraged by the panel, as well as a potential climate change coalition to accelerate the transition to net zero.



I have been impressed by the willingness of the Board and Executive team to actively listen and engage in constructive conversations with the panel, covering a broad range of sustainability topics, with an enduring focus on the unique role of Playtech within its sector."

Christian Tøennesen, Group Sustainability Director, Selfridges Group

→ [Read more on the detailed summary of the latest panel session on the Playtech website](#)

Responsible business and sustainability continued

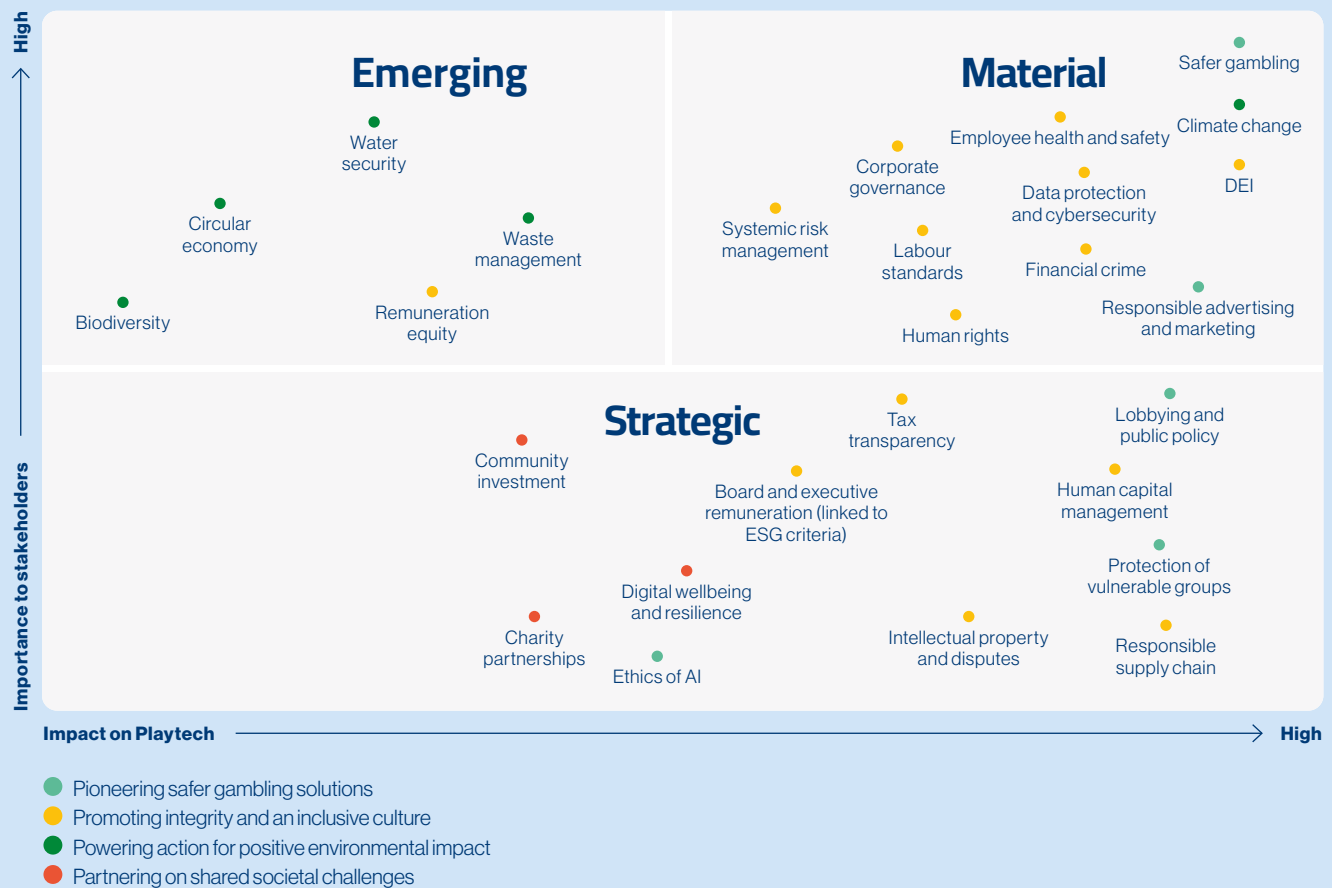
Sustainability materiality



Playtech’s sustainability priorities have been based on the most material environmental, social and governance issues that both internal and external stakeholders consider important for industry and society. Playtech’s most recent materiality assessment was refreshed in 2022 and takes into consideration increased political, regulatory and societal concerns. In 2024, Playtech will refresh its materiality assessment.

Sustainability materiality matrix

The diagram below outlines the material and emerging issues of interest to stakeholders, including topics that are related to wider community investment activities and water usage within the Group’s Italian operations.





Issues that matter to Playtech and society

The Company recognises that standards, requirements and expectations about the role of business in tackling environmental, social and governance topics continue to evolve. Regularly assessing which issues are material to the business and industries it operates in is essential to successfully test and develop the Group's responsible business strategy and reporting. Playtech defines an issue as being material if it is considered important by key stakeholders and could have a significant financial impact on the business. As such, the business considers both risks and opportunities as part of the materiality assessments.

The approach to materiality is dynamic and will continue to evolve and adapt, ensuring assessments help the Company to capture changes in the business and in society, as well as focusing on reporting and sustainability disclosures.

The issues identified as being the most material are:

● Safer gambling

Embraces areas such as games design and product safety, marketing, investment in research, education and treatment (RET), customer engagement, regulation, data analytics and the use of artificial intelligence (AI).

● Climate change

Covers policies, existing and impending regulations, initiatives, and performance relating to climate change prevention, mitigation and adaptation.

● Diversity, equity and inclusion

Covers increased representation and inclusivity for various groups, including gender, culture, identity and disability, directly linked to talent attraction, retention, employee engagement, training and development.

● Responsible advertising and marketing

Refers to adopting a socially responsible approach to advertising and marketing, ensuring that adverts do not exploit the susceptibilities of young or vulnerable people.

● Employee health and safety

Relates to looking after the mental and physical health of employees – a concern that became increasingly prominent following the pandemic.

● Data protection and cybersecurity

Refers to policy, governance and resourcing as well as operational KPIs related to security strategies, data protection and security controls, vulnerability monitoring and risk assessments, and risk management and governance.

● Corporate governance

Refers to elements of governance that relate to the social and environmental aspects of sustainability such as Board diversity and experience, incentives and remuneration, and the integration of sustainability into decision making.

● Financial crime

Focuses on anti-money laundering (AML), anti-bribery and corruption (ABC), tax evasion and professional integrity.

● Human rights

Focuses on recognising the rights of all people regardless of race, sexuality, nationality or any other status. It also covers modern slavery.

● Labour standards

Relates to basic worker rights, working conditions, adequate wages and job security.

● Systemic risk management

Refers to ensuring risks associated with business collapse are managed, such as ensuring there is clear accountability and reporting.

Responsible business and sustainability continued

Our sustainability priorities



Pioneering safer gambling solutions



What we measure:

- Playtech Protect presence and BetBuddy integrations
- Research papers, practical and theoretical
- Uptake of safer gambling tools

Why does it matter:

One of the most impactful contributions we can make to the industry and in society is to advance safer gambling and player protection technology. Through our safer products, data analytics and player engagement solutions, we are keeping players safe and helping our licensees succeed in regulated and fast-moving markets.

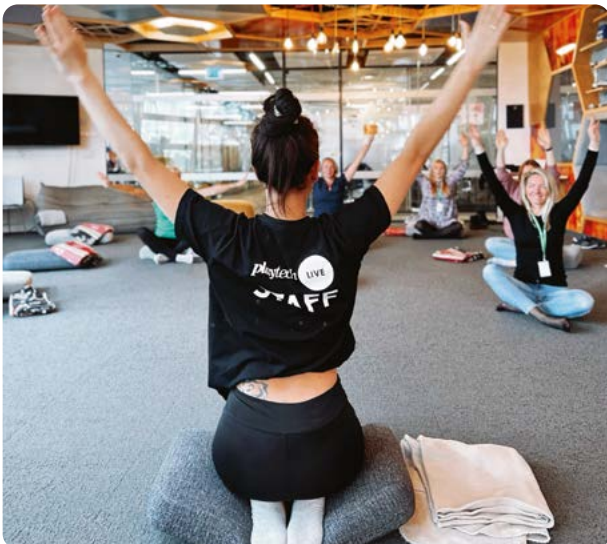
In action:

At Playtech, we are harnessing our culture of innovation to pioneer safer gambling solutions for our customers. Through Playtech Protect, we offer licensees a wide range of responsible gambling and compliance technology, tools and solutions.

➔ Read more on Playtech Protect on **pages 56 to 59**



Promoting integrity and an inclusive culture



What we measure:

- Diversity metrics
- Employee engagement
- Employee wellbeing

Why does it matter:

We are empowering Playtech colleagues to be a force for good in the world. Our sustainability approach helps our people work together with clear targets to maximise our collective positive impact on players, local communities and the environment.

In action:

We are building a culture of equality and inclusion. With our new Global People Framework, we are embedding equality and inclusion as a key element of our talent succession planning, and learning and development strategy.

➔ Read more on Playtech People on **pages 60 to 69**

Sustainability is about taking responsibility for our Company's impact on people, society and the environment. At Playtech, we have developed a framework for action, with four priority areas:

playtech planet



Powering action for positive environmental impact

What we measure:

- Energy and emissions
- Renewable energy in our offices
- Water and waste consumption

Why does it matter:

Climate change is an urgent concern for everyone, including our people, investors and local communities. This is why we have made "Playtech Planet" a stand-alone priority in our sustainability strategy.

In action:

Playtech has committed to near-term and net zero targets to ensure our journey to decarbonisation is in line with limiting global warming to 1.5°C, as per the Paris Agreement.

[→](#) Read more on Playtech Planet on **pages 70 to 81**

playtech partners



What we measure:

- Monetary donations and investments
- Employees' contributions (skills, time and/or money)
- Engagement and reach to assess impact of community programmes

Why does it matter:

We are committed to making a positive impact on society and in local communities. By working with expert partners, we are helping people live healthier lives online and supporting a wide range of charitable and volunteering activities.

In action:

We are collaborating with subject matter experts, industry stakeholders, academic partners and charitable organisations to address societal challenges that are most relevant to our industry and local communities.

[→](#) Read more on Playtech Partners on **pages 82 to 87**

Responsible business and sustainability continued

Our Group Sustainability Scorecard

ESG ratings:

We actively participate in a range of global ESG ratings, indices and frameworks to benchmark our approach against best practice and emerging sustainability challenges:



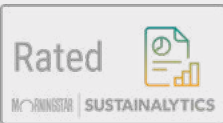
In 2023, Playtech received a rating of "AA" in the MSCI ESG ratings assessment.¹

¹ www.msci.com/notice-and-disclaimer



FTSE4Good

In 2023, Playtech was included in the FTSE4Good Index, with a score of 4.3 (out of 5).



In November 2023, Playtech received an ESG rating of 12.5 and was assessed by Morningstar Sustainalytics to be at low risk of experiencing material financial impacts from ESG factors. In no event shall this information be construed as investment advice or expert opinion as defined by the applicable legislation.²

² www.sustainalytics.com/legal-disclaimers

Playtech scored 55 in the 2023 S&P Global Corporate Sustainability Assessment reflecting an improvement of 44 points over the last three years (CSA score as of 24 November 2023).



Playtech participates annually in CDP's Climate Change Programme. In 2023, CDP recognised our progress with a "B" score.

Priorities



Pioneering safer gambling solutions

Commitments

Expand the portfolio of safer gambling technology, tools and solutions

Harness investment in R&D to advance the next generation of safer gambling solutions

Strengthen operational safer gambling standards and technology across our operations



Promoting integrity and an inclusive culture

Promote integrity, uphold human rights and reduce compliance risk across our operations and supply chain

Foster equal opportunity and equality for all employees

Support employee wellbeing



Powering action for positive environmental impact

Reduce Greenhouse Gas (GHG) emissions within own operations and supply chain

Build capability and climate resilience through decisive actions in both own operations and supply chain

Align to global climate efforts to transition into a low-carbon economy, in accordance with the latest climate science and prioritise climate innovation



Partnering on shared societal challenges

Help people live healthier online lives and adopt digital resilience and safer gambling behaviours

Contribute to and support research, education and treatment to prevent, reduce and address gambling-related harm

Empower local community groups to deliver a positive impact

Playtech uses a sustainability scorecard to monitor and assess performance against its sustainability priorities, commitments and targets.

Performance measures	2023 performance
Playtech Protect presence (number of jurisdictions)	9
Brands integrated with BetBuddy (number of brands)	16
Research papers during the year (number of papers)	5
SaaS partnerships (number of safer gambling and compliance partnerships)	15
Achievement of safer gambling independent certification or assurance across operations	GamCare B2B Safer Gambling Standard, Level 3 G4 international certification of responsible online gambling (Snaitech)
Customer interactions (B2C) training during the year (completion rate)	88%
Proportion of customers self-excluding and using safer gambling tools during the year (%)	14 % and 22% respectively
Reports raised through Playtech's Speak Up whistleblowing hotline during the year (number of incidents)	11
Compliance training during the year (employee completion rate)	94%
Data protection training during the year (employee completion rate)	93%
Human rights training during the year (employee completion rate)	93%
Information security training during the year (employee completion rate)	92%
Increase gender diversity amongst our leadership population to 35% by 2025 against a 2021 baseline	30%
Reduction in Mean Gender Pay Gap (UK)	19% decrease (from 27.4% in 2022 to 22.1% in 2023)
Reduction in Median Gender Pay Gap (UK)	16% decrease (from 26.5% in 2022 to 22.2% in 2023)
Reduction in Mean Gender Bonus Gap (UK)	6% increase (from 41.1% in 2022 to 43.7% in 2023)
Reduction in Median Gender Bonus Gap (UK)	45% decrease (from 36.5% in 2022 to 20.0% in 2023)
Wellbeing initiatives during the year (number of initiatives)	>250 wellbeing initiatives
Employee participation in wellbeing initiatives during the year (number of employees)	>4,300 employees participated in at least one initiative
Employee Net Promoter Score (eNPS) from employee engagement surveys	41%
Reduce Scope 1 and 2 (location-based) carbon footprint by 40% by 2025 against a 2018 baseline	1.7% increase (excluding refrigerants, see pages 70 to 73 for more details)
Track Scope 3 reductions with focus on key material categories	106,641 tCO ₂ e
Switch all offices, wherever possible, to renewable energy (% of renewable energy)	57%
Get near-term and net zero targets approved by Science Based Targets initiative (SBTi)	SBTi approval received in early 2024
Reach 415,000 people with digital wellbeing programmes by 2025 (number of people reached directly and indirectly)	>680,000 people reached
Total amount invested during the year (€)	>€ 1,500,000 (£ 1,300,000)
Engage 30,000 people in community and mental health programmes to improve livelihoods by 2025 (number of people engaged)	>160,000 people engaged
5% year-on-year increase in employees' contributions (skills, time or money), reaching a global average of 10% by 2025 (%)	10.5% global average (increase by 129.0% since 2022)
Total value of monetary donations during the year (€)	>€ 710,000

Responsible business and sustainability continued



Pioneering safer gambling solutions



One of the most significant contributions Playtech can make to the industry and society is the provision of technology to advance safer gambling and player protection. Through our safer gambling technology solutions, we are helping operators and the industry strengthen player protection measures and create a safer gambling experience.

Commitments:

- Expand the portfolio of safer gambling technology, tools and solutions
- Harness investment in R&D to advance the next generation of safer gambling solutions
- Strengthen operational safer gambling standards and technology across our operations

Performance measures:



- Playtech Protect presence and brands integrated with BetBuddy



- Research papers and partnerships



- Achievement of safer gambling independent certification or assurance across operations



- Safer gambling training



- Uptake of safer gambling tools in our B2C operations

Safer gambling – the changing landscape and our approach

Across all markets, including jurisdictions where online gambling is in the process of being regulated, the importance of protecting players, preventing gambling-related harm and ensuring our industry is sustainable continues to be the most material priority for the gaming and betting sector. With our unique reach, data capabilities, and investments in safer gambling technologies, Playtech has taken the conscious decision to invest in technological solutions to help our licensees and industry, strengthen safeguards and enhance positive player gambling experiences.

Collaboration is vital to our approach. Across its operations and externally, Playtech has partnered with academics, non-profit organisations, licensees and think tanks, to further develop and advance the delivery of safer gambling solutions and standards as well as broaden its safer gambling product portfolio under Playtech Protect.

Gambling regulation – evolving expectations

As regulated online gambling markets mature and as regulators gain greater understanding of the impact of online gambling there is a greater emphasis placed on customer protection. Newly regulating markets learning from the experiences of other regulators are launching with increasingly sophisticated, comprehensive player protection obligations. A crucial aspect of this evolving trend is the shift of regulatory focus to behavioural analytics for player protection purposes. Engagement with policymakers and regulators plays a key role in facilitating a fairer, safer and more sustainable gambling sector.

The Company continues to actively advocate for robust standards in regulating and regulated markets, which can, more adequately, safeguard players as well as better align with regulatory efforts to improve responsible gambling measures and practices. In jurisdictions such as the Netherlands, Spain, Ontario, New Jersey, Colorado and more recently Colombia, there is a trend towards requiring the use of behavioural analytics to identify and address problematic gambling behaviours, and upcoming markets are looking closely at this approach.

Playtech continues to contribute its experience, technology, and research insights to support its licensees and wider industry stakeholders.

16

Brands deployed and integrated with BetBuddy

9

Number of jurisdictions

15

Compliance and safer gambling SaaS partnerships

Playtech Protect – Playtech’s safer gambling offering

Our flagship solution, Playtech Protect, was established to offer licensees a wide range of responsible gambling and compliance technology, tools and solutions, as well as leading to the formation of several research partnerships. These technology solutions are embedded into Playtech’s PAM+ platform and Engagement Centre.

Using our scale, advocacy, and data-driven approach, we are offering safer gambling tools, to help our licensees and industry deliver responsible gambling experiences and effective player protection measures. Playtech Protect combines our advanced technology, data analytics and research to promote safer gambling. The offering includes a range of tools for end-to-end player management, risk and fraud mitigation, and customer engagement.

Within this offering, Playtech’s flagship technology product is BetBuddy, an artificial intelligence powered solution that uses predictive analytics and machine learning to detect problematic play patterns. BetBuddy enables operators to segment their player base according to risk level and initiate personalised interventions like setting deposit limits. By predicting risk at an early stage, BetBuddy enables operators to engage with players in a personalised way while problematic behaviours are still developing. This provides a valuable opportunity to guide users towards safer gambling habits before more severe harm occurs.

In 2023, we saw further uptake of safer gambling technologies, tools and solutions by licensees. This was driven by the introduction of specific requirements on the use of behavioural analytics to detect players at risk in additional jurisdictions, based on licensing requirements, and an increased awareness across the industry of the importance of a proactive approach to safer gambling. In 2023, 16 brands across nine jurisdictions have been integrated with and are using BetBuddy, compared to 13 brands in 2022. Considering that three brands have ceased operations, Playtech has onboarded six additional brands during 2023. By the end of 2023, BetBuddy presence had expanded into three new jurisdictions, having been adopted by brands in Italy, Sweden and Canada, excluding Ontario.

During the year, Playtech added a supplementary new model that operates in near real time. This new functionality allows licensees to assess players’ risk in just a few hours after opening their gaming account.

Additionally, Playtech took steps to improve the user experience for BetBuddy as well as explore how best to measure the effectiveness of interactions with at-risk players. As part of this process, we conducted extensive interviews with customer agents and client representatives to inform improvements to the front end of our tools. The goal is to consolidate all relevant information on each player into a single user interface. This would enable agents to carry out more personalised and effective safer gambling interactions and track their impact over time. The aim of these improvements is to test and analyse the efficacy of specific interactions and gain quantitative insight into which approaches are most and least successful.

The Playtech Engagement Centre offering continues to allow licensees to create bespoke safer gambling journeys, interact with their players and provide information or encourage them to undertake a specific action.

Playtech continues to maintain and expand its compliance and safer gambling Software-as-a-Service (SaaS) partnerships, which play an important role in supporting more licensees to compete, grow and thrive in the changing regulatory landscape. These partnerships offer licensees a multifaceted range of quality technology solutions as well as making access easier via the Playtech integration.



Progress on the journey to player personalisation

Playtech’s flagship product BetBuddy, our responsible gambling analytics platform, combines the latest research into gambling behaviour with the power of AI, delivering a sophisticated solution to proactively identify and engage with players who might be at risk of experiencing harm from their gambling.

In 2023, Playtech took a significant step to further enhance player protection with the development of new functionality which allows operators to apply more personalised responsible gambling rulesets for players according to the player’s risk level calculated by BetBuddy.

Key features of this development include the ability to establish additional optional limits or enforce specific parameters that players must adhere to. These include cooling off periods, a permissible number of limit increases, a personalised maximum value the limit can be increased to and more. Different settings can be applied according to the risk level of a player.

This avoids the need for operators to use generic, blanket rules across the different player risk levels, and enables the application of the appropriate and relevant level of protection. For higher risk players, this functionality allows the operator to apply tools in a way that offers a greater level of protection, while for lower risk players, the tools offered meet the regulatory requirements without being overly restrictive. This means boundaries can be set that are more personalised and based on previous player behaviour.

Playtech has also developed a Player responsible gambling dashboard which will provide our licensees with a comprehensive overview of each player’s responsible gambling status, including a snapshot of their responsible gambling limit usage status, as well as a historical overview of time-outs, self-exclusions, deposits and withdrawals and other activity. The system is currently being tested, prior to roll-out in 2024.

Responsible business and sustainability continued

Consumer Insights and Trends Report in Latin America

In 2021, Playtech conducted a research study to examine how players in Latin America perceive responsible gambling. The study aimed to gain insight into how the gambling industry can promote a safe and fair gambling experience in each region. In 2022, Playtech continued its research and published the second edition of its report on responsible gambling in Latin America in September 2023.

The report's recommendations aim to inform future collaboration, public policy measures and corporate approaches to improve the development, distribution and assessment of digital tools for those at risk of gambling-related harm. It provides a comprehensive overview of public perceptions in the Latin American market, including responsible gambling behaviour, player protection messages, unconventional betting categories, and the roles of the gambling industry and government in promoting responsible gambling guidelines.

The study highlighted that despite the increasing trend of online gambling, 93% of Latin Americans consider themselves responsible gamblers and 49% prioritise not feeling anxious while gambling as an important aspect of responsible gambling. While there have been advancements in providing safer gambling support and information, there are still challenges in tailoring and measuring the effectiveness of digital tools for player protection.

The report also showed that in the previous study, 53% of the subject interviewees had placed bets in the last six months, a number that jumped to almost 70% in this survey. Among those who hadn't placed bets in the first study, the main reasons given were not knowing how to do it safely (24%) and being worried about losing money or becoming addicted (14%). At the same time, respondents said they would feel safer about gambling online if they had more information and tools for player protection (45%), more information about gambling companies (44%), and a brand/company they recognise (42%).

By publishing this research, we hope that the insights will help inform improvements in personalised, real-time player interactions as well as approaches for creating a safe entertainment environment for all online players across Latin America. The Responsible Gambling Report is available at, www.playtech.com.



As the Latin American sports betting market grows, it is crucial for our industry to prioritise player safety and security. By harnessing cutting-edge technologies, we can create a secure environment that meets the evolving needs of our customers. "

Mor Weizer
Playtech CEO

Playtech Protect – Playtech's safer gambling offering continued

One area of focus in mature markets, such as the UK, is the role that technology solutions can play in assessing player affordability. Playtech continued to engage with third-party providers to ensure it is well positioned to support licensees with technology solutions to assess customer affordability voluntarily as well as when regulatory regimes mandate affordability checks. In 2023, Playtech increased its compliance and safer gambling SaaS partnerships to 15, from 11 in 2022.

Safer gambling – research and insights programme

Our research and insights programme focuses on better understanding how our products and services support safer gambling, shares our insights and experience and encourages further research and analysis by others.

In 2023, Playtech published Industry Research Briefings on Product Risk, Bonus Offers, Risk Identification and Explanation, and AI Governance and Accountability, as well as the second edition of a research report on Responsible Gambling Trends in Latin America.

Playtech also presented two papers at the 18th International Conference on Gambling & Risk Taking (ICGRT), the world's largest research conference in the field, organised by the University of Nevada, Las Vegas International Gaming Institute. All are available on Playtech's website, www.playtech.com.

Progress has also been made on the four-year research partnership with Holland Casino, Erasmus University and the University of Amsterdam that was commenced in 2022. This partnership is exploring how to measure player risk and behavioural impacts from safer gambling interactions. It will develop a library of interventions which will be made publicly available. The initial pilot is due to commence in 2024.

Safer gambling standards and certification

In 2021, Playtech was the first company to achieve the GamCare B2B Safer Gambling Standard. GamCare is the UK's leading provider of information, advice and support for anyone affected by problem gambling. The GamCare Safer Gambling Standard is an independent quality standard which assesses the quality of controls companies put in place to protect customers from experiencing gambling-related harm. For more information about the standard, please go to www.safergamblingstandard.org.uk.

The accreditation process involved an in-depth review of Playtech's business, including governance, culture and executive support for safer gambling, as well as safer game design and product development. To ensure that Playtech continues to uphold the highest standards, in 2023, we undertook a further review of the business against this standard, extended the scope of the audit to all our product verticals and were awarded the Advanced Level Three of the standard – the highest possible level of award.

In 2023, the Snaitech Group has also secured certification of its safer gambling programme by obtaining the renewal of the G4 international certification of responsible online gambling.



Responsible gambling escalations to licensees – iPoker

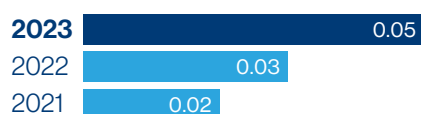
Within the Poker network, iPoker employs its analytical skills to identify possible money laundering, problem gambling and collusion issues. Playtech's dedicated team identifies potential issues and escalates these to licensees to review and assess whether further action should be taken. While Playtech is unable to take direct action on behalf of licensees, as it does not have access to player accounts, money or personal information, the team assists licensees by escalating potential concerns about safer gambling, collusion and anti-money laundering (AML).

In 2023, a new licensee joined the iPoker network, bringing a significant number of new players with them and so increasing the average number of players and responsible gambling escalations, by 17% and 35% respectively in comparison to 2022. Playtech identified an increase in promotional abuse and introduced a new "process scanning" tool which helped in identifying prohibited software use on a player's computer. Additional processes for "Real Time Assistance (RTA)" detection were also rolled out, following a new partnership between iPoker and GTO Wizard, a leading poker web app training provider. Playtech continued to develop improvements based on further automation of our Bot Detection process, reducing complexity and enabling quicker detection checks.

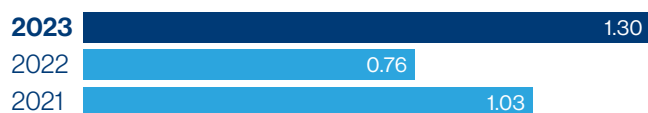
Escalations to licensees – iPoker

The table below summarises the percentage of unique cases escalated to licensees on AML, collusion and responsible gambling over the past three years.

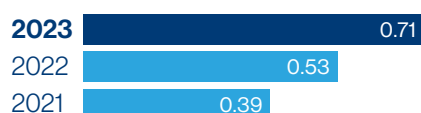
AML (%)



Collusion (%)



Responsible gambling (%)



Responsible gambling escalations to licensees – Live

Playtech's Live Casino operations continued to provide licensees with information about player behaviour that could indicate players at risk and/or displaying behaviour that could be harmful. Like the iPoker team, the Live operation does not have access to player accounts, money or personal information.

The Live team uses a machine learning application, which analyses chat for words and phrases indicating potential at-risk behaviour. This year, Playtech is reporting on safer gambling escalations to include data from its Live Casino operations in Spain, Romania, Latvia, the US and Peru. In 2023, Playtech at-risk escalations from its Live operations totalled 55,895 cases, compared to 53,085 in 2022 and 23,802 in 2021. This number has increased due to full-year operation and expansion of the Live studio in Lima and the closure of the PGS (Belgium) Live studio.

Strengthening safer gambling in B2C operations

In 2023, Playtech B2C operations continued to build on the initiatives started in 2022 to improve the quality and accuracy of Playtech's models to identify at-risk players as well our customer interaction procedures. The projects initiated included updates to Playtech's technology infrastructure and use of near real-time identification of at-risk players.

In 2023 Playtech took a significant step to further enhance player protection with the development of a new internal single customer view tool to assess player risk and a new segmentation engine to enhance categorisation of gambling risk categories using a combination of risk factors. The latter project will enable Playtech to also strengthen its capability to direct players towards specific player journeys based on this segmentation.

Customer interactions

In 2023, we reported customer interactions, split by proactive person-to-person interactions led by our Customer Service agents at PTMS and reactive interventions triggered by player behavioural activities and BetBuddy, our responsible gambling analytics platform. The Playtech B2C Operations team engaged with customers on safer gambling through several channels; over 24,000 proactive person-to-person interactions via phone and email and over 760,000 interventions triggered via automated emails and account inbox messages. Triggers could be the result of source of funds, deposited amounts or directly from BetBuddy. The total number of customer interactions has increased significantly from 2022 and 2021 due to the reintroduction of deposit limits. Players reaching the daily gross deposit threshold receive a safer gambling intervention email. Players, with additional deposit triggers, prompt a responsible gambling interaction.

Playtech continued to monitor the number of self-exclusions and use of responsible gambling tools within the UK B2C operations in 2023 as a proportion of the total unique customers. The proportion of customers self-excluding slightly increased to 14% in 2023, from 13% in 2022. This was due to the business being more active in self-excluding customer accounts proactively. The number of customers using Responsible Gambling Tools has decreased to 22% due to better use of operator led limits and proactive interactions.

Uptake of safer gambling tools – B2C

	2023	2022	2021
Proportion of customers self-excluding (%) ¹	14%	13%	10%
Proportion of customers using RG tools (%) ²	22%	33%	32%

¹ Number of self-exclusions and registrations with GAMSTOP as a percentage of total unique customers within Playtech's B2C operations in the UK.

² RG tools comprise reality checks, time-outs and deposit limits.

Customer interactions¹

	2023	2022	2021
Total number of customer interactions:	525,107	12,730	5,314
Total number of proactive interactions ¹	24,419	12,730	5,314
Total number of reactive interactions	500,688	—	—
Total number of automated interventions ²	763,459	263,762	529,244

¹ Previously noted as 'Person-to-person interactions via phone, email or live chat'.

² Previously noted as 'Emails'.

Responsible business and sustainability continued



Promoting integrity and an inclusive culture



We are committed to conducting our business with integrity and promoting a culture of openness, integrity, and accountability. We aim to ensure that this ethos guides our decision making and creates a supportive and respectful environment where all have equal access to opportunities and employee wellbeing is paramount.

Commitments:

- Promote integrity, uphold human rights and reduce compliance risk across our operations and supply chain
- Foster equal opportunity and equality for all employees
- Support employee wellbeing

Targets and performance measures:

-  • Increase gender diversity amongst our leadership population to 35% by 2025 against a 2021 baseline
-  • Reduce gender pay and bonus gap
-  • Engage with supply chain following risk assessments
-  • Improve employee engagement and wellbeing

30% Female
70% Male

Amongst leadership population

Reducing compliance risk

Responsible business practices are not just the right thing to do – they are critical to Playtech’s licence to operate, and to delivering long-term commercial success. That is why Playtech continues to put ethical principles at the heart of its business. In addition to its values, the Company has set out its ethical business principles as it seeks to make compliance and ethical behaviour a core part of its culture.

Taking action to reduce compliance and financial crime risk

Playtech conducts regular risk assessments to identify and mitigate its compliance, ethical and regulatory risks, including money laundering, bribery and corruption and tax evasion. Playtech has a zero-tolerance policy for corruption and is committed to keeping crime out of its operations.

This includes regular licensee and third-party risk assessment and monitoring, including reviewing compliance risks across the lifecycle of relationships with third parties – including customers, business partners and suppliers – and is supported by automated monitoring of those entities and third parties. The system monitors for historical and real-time considerations such as Politically Exposed Persons (PEP), sanctions, legal action, insolvency and disqualifications. In addition, the Compliance and Regulatory Affairs function provides input to the Group’s quarterly risk management process. This process document is supported by a risk register, risk matrix, assessment guide, interview schedule and Group risk management processes.

Playtech also conducts annual anti-money laundering risk assessments. These assessments are based on industry standard documents produced by the industry body, the Gambling Anti-Money Laundering Group (GAMLG). The GAMLG methodology has been adapted to reflect the risks associated with each part of Playtech’s business. Once completed, the risk assessments are subject to review and challenge by external legal counsel, and summaries of the findings and progress are provided to regulators.

The Global Regulatory Awards, hosted by Vixio Regulatory Intelligence, provide a platform to recognise the achievements of individuals, teams and organisations working in compliance, corporate social responsibility, and safer gambling. In 2023, our colleague Charmaine Hogan was the winner of the “Head of Regulatory Affairs/Government Relations of the Year” award, demonstrating our commitment to set new standards in the industry.



Policies

In 2023, Playtech reviewed and updated its policies to ensure they are aligned with evolving legislation and industry best practice. This included updates to its anti-bribery and corruption, business ethics and Speak Up policies as well as its safer gambling policy, available at www.playtech.com.

Playtech communicates these policies to all employees through a number of channels including local communications, Playtech Home (Playtech’s intranet site), annual training, bespoke training, and dedicated compliance emails and newsletters.

Training

Each year, Playtech deploys a wide range of training for employees covering compliance topics including anti-money laundering, anti-bribery and corruption, safer gambling, data protection and anti-facilitation of tax evasion. All employees are required to complete test-based e-learning training and attest to the relevant policies under each topic. In 2023, the Company continued training on modern slavery and human rights for all employees. Playtech also deploys data protection and information security awareness training modules. For more information on data protection and cybersecurity, please refer to the relevant sections in this chapter. The modules include a test to help the Company understand the levels of understanding and awareness in Playtech’s workforce. Employees who fail to complete the module will lose their eligibility for bonuses within the financial year.

Playtech continued to provide annual training to its dedicated B2C Customer Service team, Playtech Managed Services, around meaningful responsible gambling interactions. In 2023, the training aimed to equip the Customer Services agents to help players manage their habits, encourage self-reflection and ensure players’ wellbeing. The refresher workshop focused on the distinction between concerning and serious behaviour, game fairness and key soft skills for effective interactions handling.

Playtech also delivers regulatory, compliance and sustainability training to the Board every 12–18 months. During 2023, Board training included briefings on legal requirements related to corporate governance, with a focus on Director duties, sustainability, anti-money laundering and anti-corruption, as well as regulatory developments and the various nuances across jurisdictions.

Training overview

The chart below outlines the participation and completion rate in core compliance training offered to Playtech employees.

Training type	Employees	Completion rate
Compliance essentials ^{1,2}	6,658 / 7,090	94%
Human rights ²	4,479 / 4,799	93%
Customer interactions (B2C)	215 / 244	88%

Training type	Contractors	Completion rate
Compliance essentials ^{1,2}	68 / 72	94%
Human rights ²	68 / 73	93%

- Total number completing the training
- Total number of eligible individuals

- 1 Snaitech employees also completed training relating to Italian Legislative Decrees 231/01 and 231/07, in light of regulatory changes.
- 2 Average training hours per employee is 0.83.



Responsible business and sustainability continued

Reducing compliance risk continued

Speaking up

An important aspect of Playtech's commitment to conducting its business with integrity and promoting a culture of openness and accountability is providing a channel for employees to voice concerns about anything they find unsafe, unethical or unlawful. The Company's Speak Up line, introduced in 2017, is instrumental in ensuring that employees have access to an independent channel to raise concerns confidentially and anonymously, wherever permitted under local legislation.

During 2023, Playtech had 11 incident reports, anonymously submitted via the Speak Up platform. The Speak Up review process is led by the Chief Compliance Officer and General Counsel. Incidents raised during 2023 were reviewed and resolved within the year. In 2024, the Company will continue to promote this as an important channel for raising ethical concerns.

Data protection

Playtech is committed to protecting and respecting the personal data it holds, in accordance with the laws and regulations of the gaming markets in which it operates. The Company's systems, software, technologies, controls, policies, and processes have been adjusted to ensure appropriate management of privacy risk.

Personal data processing is crucial to Playtech's business model, with customers and clients trusting the Company with their personal data every day. Ultimately, they only trust Playtech as a business partner and supplier when they have confidence that their personal data is safe and understand how and why it is used by the Company.

Playtech's Group-wide security and privacy policies support the management of data privacy risk and are accessible to and applied by all its global businesses units. Playtech provides transparency to its players, employees and stakeholders on how it collects, uses and manages their personal data and their associated rights.

Following the implementation of the EU General Data Protection Regulation (GDPR) in May 2018, and numerous regulatory requirements for the gambling industry, Playtech has embedded a tested and verified as well as robust and consistent approach to data protection and security across all its jurisdictions. Playtech takes all possible steps to safeguard personal data by adhering to the principles contained within GDPR and other relevant data protection legislation.

Playtech has a dedicated Data Protection team that reports monthly to the Board on data privacy risks and issues. The Data Protection team's work focuses on driving privacy by design, monitoring of policies and conducting reviews and data privacy impact assessments. The Group has procedures that clearly set out the actions required when dealing with a data privacy incident. These include notifying regulators, clients, or data subjects as required under applicable privacy laws and regulations. Playtech continues to mature the depth and frequency of data protection and cybersecurity reporting to maintain high visibility for its senior management team and the Board.

In view of the evolving regulatory and technological landscape Playtech is proactive in its approach to data privacy and aims to continually improve its policies and their application. All Playtech employees and partners are required to comply with confidentiality requirements, and legal and regulatory obligations, with contractual terms such as data processing agreements and EU model clause agreements governing the use, disclosure and protection of information. Each year, employees and contractors are also required to complete test-based data protection and security awareness training.

Training overview

The chart below outlines the participation and completion rate in data protection and security training offered to employees and contractors in the organisation.

Training type	Employees	Completion rate	Contractors	Completion rate
Data privacy and protection ¹	4,479 / 4,799	93%	68 / 73	93%
Information security ²	6,478 / 7,031	92%	87 / 92	95%

- Total number completing the training
- Total number of eligible individuals

1 Average training hours per employee is 0.83.

2 Average training hours per employee is 1.24.





Cyber and physical security

The Playtech Security team's mission is providing business enablement for the gaming platform, licensees and players in a secure, non-intrusive and scalable manner. The global technological environment is ever evolving, as are cyber and physical security threats. The gaming and betting industry is a highly lucrative target for malicious parties, ranging from individuals operating by themselves to highly sophisticated organised crimes groups, which drives Playtech Security team to constantly strive for improved technologies, processes and skills to address these challenges.

The Playtech Security team oversees the operational, technical and organisational measures taken to protect the organisation from both cyber and physical security risks. Domains such as infrastructure, application, compliance and physical facilities are covered by a comprehensive security programme, which assures the safe and secure operation of Playtech's business. The Global Security team has a strong customer-centric approach with a focus on securing customer data; performing security tests and audits; monitoring activities around product applications and infrastructure; and educating licensees on the security capabilities of Playtech's platform.

Furthermore, the Playtech Security team provides input into the corporate risk register as well as provides monthly updates to the Board about the security programme, which includes annual audit activities, in-house and by licensees (ISO 27001, ISAE 3402, PCI-DSS, and global regulations), network security architecture, automation and governance, state-of-the-art protection of the Company's devices from malware, in-depth scanning of application code across Development teams to find security bugs and a 24x7 Security Operations Centre (SOC) team which monitors security incidents across the Company.

Compliance and responsible supply chain management

In 2023, Playtech refreshed its Group procurement policy to strengthen oversight and mitigate compliance, ethical and climate-related risks, and to ensure minimum standards are adhered to when entering joint ventures. The Company also formalised its Supplier Code of Conduct, approved by the Board, to collate Playtech's expectations on supplier conduct and seek suppliers' adherence to the Code, in light of evolving regulations and the need to meet expectations from businesses to work in a responsible ethical manner. Following the completion of the Compliance Healthcheck in 2022, Compliance continued to work closely with the Legal and Procurement functions to ensure appropriate procedures are in place, including reviewing risks arising from the supply chain and implementing mitigating actions.

Human rights

Playtech is committed to upholding the principles embodied in the Universal Declaration of Human Rights, as well as the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. Playtech's most salient human and labour rights issues relate to employment, data protection, procurement of goods and services, and AML, specifically ensuring that individuals involved in human trafficking and slavery are not laundering their money through Playtech's operations.

In 2023, Playtech published its seventh Modern Slavery Act statement, outlining the initiatives the Company is undertaking to understand and assess potential risks of modern slavery and human trafficking, which is available at www.playtech.com.

Key areas of focus for 2023 included reinforcement of processes and procedures for managing third parties used in employment practices, including audit procedures, and strengthening supplier human rights assessments. In 2023, Playtech continued to enhance its supplier risk profile to identify sectoral risks as well as risks from their geographical location. A risk assessment matrix was used, looking at sectoral risk, country risk and spend data to prioritise next steps. The Company has reviewed 140 supplier sectoral categories and has given a human rights and modern slavery risk rating from "low" to "high" to each category. The Group has identified 71 "high" and "medium" categories as priority categories. To identify country-specific risks, the Company took account of a number of external indices in its process, including the UN Human Development Index, Freedom House's Freedom in the World Civil Liberties, the US State Department's Trafficking in Persons report, the Global Slavery Vulnerability Index and the World Bank Worldwide Governance Indicators – Regulatory Quality, with the addition of the UNICEF Child Rights Atlas – Workplace Index. Using a combination of sectoral risks, country risks and a spend threshold, we have been able to identify the most relevant suppliers we wanted to engage with to mitigate any possible risks. In 2023, this group of suppliers represented 6.3% of our total spend.

In 2023, using the insights from the human rights risk assessment, Playtech initiated its engagement with the suppliers having been flagged in a high-risk sector and located in a high-risk country through a self-assessment questionnaire to confirm that they continue to uphold the same standard as Playtech. The Company will continue its engagement and in-depth review of its internal processes to ensure any gaps are identified and corrected. In addition, Playtech's Compliance team continues to monitor human rights flags as part of its risk monitoring of third parties, including suppliers, partners and licensees. The Company reviews any cases involving human rights flags on a case-by-case basis to assess risk and actions required.

Responsible business and sustainability continued

Human capital development

At Playtech, our people are the key to our success and at the heart of what we do. We aim to nurture a family-oriented, ethical and compliant culture that is underpinned by our values as well as our commitment to equal opportunity.

To continue to successfully grow our business, we aim to attract and retain top talent in our sector. We seek to ensure that our colleagues feel valued and rewarded as well as support our people to grow and develop personally and professionally. To support and reinforce these aims, Playtech introduced a new Global People Framework. This framework sets out the Company's people strategy across all elements of the colleague journey – from recruitment and onboarding to succession planning and personal and professional development.

Within the Global HR function, a new Centre of Excellence has been established to oversee the Company's strategic human capital management functions and commitments including talent management, learning and development, diversity, equity, inclusion and belonging (DEIB) and wellbeing.

Workforce engagement

It is important for the Group that its employees feel fulfilled, are satisfied with their working environment, and have been given the right tools and guidance to develop their skills, experience and career. With the launch of the Global People Framework, several new work streams have been formed to improve employee engagement and raise awareness of Playtech's corporate strategy, support the health and wellbeing of colleagues, and increase learning and development opportunities. The strategy is continuously monitored and assessed by the HR function.

In 2022, Playtech launched its first global employee engagement survey, and utilises an employee Net Promoter Score (eNPS) approach, to measure employee satisfaction. In the first baseline exercise, the Company received a 70% response rate on overall engagement, with a score at 8.2 out of 10. Playtech had an eNPS of 54% ("I would recommend Playtech as a great place to work"). The 2023 survey results had an overall engagement score of 8.1 out of 10, with an eNPS of 41%. In 2024, we are taking steps to boost and improve our engagement plan.

During the year, the Board conducted two site visits, to our Live studios in Michigan and Latvia, to engage with our employees. The Board and the Executive Management team hosted engagement sessions with different groups of employees and presented the Group's strategic aims.

Learning and Development

In 2023, Playtech has introduced a new leadership development function and strategy. As part of this strategy, we are embedding diversity and inclusion as a core part of the development programme for current and future leaders and managers.

During the year, the Company continued its second year of its global mentorship programme. This programme matches mentors and mentees, based on individual professional development needs and aspirations. The programme has been designed to complement our performance and talent management strategy, as a long-term form of training, learning and development. In addition to the main objective of supporting professional development, the programme will enable experienced colleagues to pass knowledge on to others, enriching their role as Playtech's leaders. The programme is designed to run for 12 months, and the programme will close in mid-2024.



The programme provided me with not only personal and professional development but also a better understanding of the Company's structure and operations through the Colleague feedback on the mentorship programme."

Employee Excellence Awards and Recognition

Playtech has an annual Excellence Awards programme to celebrate the accomplishments, dedication and contributions of our colleagues around the world. These awards recognise the extraordinary achievements across eight categories, including business and commercial, technology and innovation, individual and team leadership and community impact.

This year a new category, the "Technical Champion award", was added to recognise employees who demonstrate outstanding commitment to technology skills development and implementation of technology to drive successful transformation initiatives across IT modernisation, cloud transformation, data management, security, employee productivity and customer experience. In 2023, 68 colleagues from 15 countries were recognised for their tremendous accomplishments.



Equality in the workplace

Playtech aims to foster a respectful and supportive workplace that enables every colleague to have the same opportunity regardless of backgrounds, cultures, beliefs, genders and ethnicities, or any other attributes. The Company has set out specific diversity commitments and a target to increase female representation amongst its leadership population, including Executive Management and senior management, to 35% by 2025 against a 2021 baseline, with an ultimate ambition to achieve equality in the workplace. Diversity, equity, inclusion and belonging are at the core of Playtech’s strategy and we committed to:

1. promote an inclusive culture across the organisation;
2. build a more gender diverse workforce, increasing representation of gender at all levels and across all functions;
3. increase leadership representation of underrepresented groups; and
4. adopt a data-driven approach to increase workforce diversity at all levels of the organisation and across all functions.

The Board Sustainability and Public Policy Committee played and will continue to play a key role in engaging with business leaders on inclusion, challenging management to deliver against these commitments as well as monitor progress against the stated targets. The Board Diversity Policy, established in 2022, sets out its approach to ensure that diversity and inclusion is a core part of recruitment and succession planning at the Board.

To support the implementation of the strategy, the Company has refreshed its global recruitment policy, strengthening Playtech’s commitment to recruit from a diverse, qualified group of candidates, thus broadening our talent pool and the Company’s diversity of thought.

In 2022, the FCA finalised new rules on Board and Executive Committee diversity disclosures. For more information on Playtech’s 2023 diversity disclosures, see page 113.



Raising awareness on diversity and wellbeing

As part of our global wellbeing framework, Playtech colleagues were invited to attend webinars covering a wide variety of topics from mental health and wellbeing to diversity and inclusion. In 2023, the Company partnered with external experts to deliver interesting and stimulating content. These are a few examples:

Guest speaker Emily Pattinson, a Senior Inclusion and Diversity Consultant from Inclusive Employers, hosted a webinar on “Supporting People with Disabilities” and how to help disabled colleagues in the workplace. This involved learning about what types of support a colleague with a disability may need and understanding the terminology as well as the global legal requirements.

SIX MHS held a session entitled “Let’s Talk Addiction”. Chair Tony Adams MBE introduced the speaker, sports journalist and writer Ian Ridely, who spoke about his own personal journey of addiction recovery.

On World Mental Health Day, Jenny Okolo, also of SIX MHS, took colleagues through an interactive session to improve their knowledge on diversity and inclusion and drive actions that promote and protect everyone’s mental health as a universal human right.

To mark International Men’s Day and “Movember”, Dave Walsh shared his personal story of overcoming fears and challenges when diagnosed with multiple sclerosis. In a webinar entitled “Overcoming Adversity”, Dave educated colleagues on how to better understand and support physical and mental wellbeing amongst men.



One of the most empowering sessions to date. Dave demonstrates the power of positivity.”

Colleague feedback on the “Overcoming Adversity” webinar

Responsible business and sustainability continued

Measuring progress on gender diversity

Playtech's strategy aims to foster inclusion, improve gender diversity and reduce the gender pay gap across our workforce. In 2023, Playtech saw progress against its global target to reach 35% female representation in leadership positions by 2025, reaching 30%, compared to 26% in 2022. In 2024, Playtech will continue to refine its understanding of gaps in female talent across the Group and take action to increase female retention.

The FTSE Women Leaders Review, launched in 2016 as a follow-up to the Davies Review, is an independent review body which looks at the increase in the number of women on FTSE 350 boards. In February 2024, Playtech was recognised as one of the top 10 performers in the eighth annual FTSE 350 Women Count Report. Playtech ranks ninth place and is one of the 68 FTSE 350 companies that have already met or exceeded the target for Women in Leadership ahead of the target year, with 50.5% of its leadership positions (defined as Executive Committee and direct reports) held by women.

In 2021, Playtech signed up to the All-In Diversity project, an industry-led not-for-profit initiative to benchmark diversity, equality and inclusion for the global betting and gaming sector. In 2023, All-In Diversity released its fourth report on the sector's workforce, ranking Playtech among the top 12 companies. The latest findings continue to showcase the gambling sector as an effective barometer of emerging global trends, technology and changes in society and their impact on the workplace, and we were delighted to be listed alongside many of our industry peers.

The Women in Gaming (WIG) Diversity and Inclusion Awards are aimed at recognising and celebrating the achievements of women in the industry including individuals, teams and organisations that have demonstrated exceptional commitment to promoting diversity and inclusion. In 2023, Playtech won the "Company of the Year" award, the "Excellence in Customer Service (Supplier)" award and the "Inspiration of the Year (Supplier)" award, which was won by Playtech-owned company Quickspin.

The Emerging Leaders of Gaming 40 Under 40 is a programme that recognises professionals under the age of 40 who are making a remarkable contribution to the casino gaming industry. In September 2023, the "Class of 2024" was announced in which Anastasia Kokova, Playtech's Subsidiary Director in Kyiv, Ukraine, was among the 40 honourees.

We continue to strengthen the rigour in performance management processes, including efforts to ensure that remuneration and promotion processes are fair and consistent. The key focus going into 2024 is to continue to collect and monitor our data in the UK and beyond and ensure the right behaviours in our leaders which in turn will promote a more inclusive culture and workforce.



Gender splits: The following charts illustrate the global diversity data and trends from 2021 to 2023.

● Male ● Female ● Prefer not to say

Employees (%)¹

Year	Male (%)	Female (%)	Prefer not to say (%)
2023	60.0	39.2	0.8
2022	60.6	39.4	
2021	62.7	37.3	

Senior managers (%)²

Year	Male (%)	Female (%)
2023	69.3	30.7
2022	73.8	26.2
2021	80.8	19.2

Leadership population (%)³

Year	Male (%)	Female (%)
2023	69.6	30.4
2022	74.1	25.9
2021	77.4	22.6

Directors (%)⁴

Year	Male (%)	Female (%)
2023	66.7	33.3
2022	71.4	28.6
2021	71.4	28.6

Junior managers (%)

Year	Male (%)	Female (%)	Prefer not to say (%)
2023	68.3	31.6	0.1

STEM (%)

Year	Male (%)	Female (%)	Prefer not to say (%)
2023	79.3	19.9	0.8

Revenue generating (%)

Year	Male (%)	Female (%)	Prefer not to say (%)
2023	61.0	38.5	0.5

Direct reports to the Executive Committee (%)⁵

Year	Male (%)	Female (%)
2023	47.1	52.9
2022	50.6	49.4
2021	58.7	41.3

Executive Committee (%)

Year	Male (%)	Female (%)
2023	63.6	36.4
2022	63.6	36.4
2021	70.0	30.0

1 Employees are defined as the total number of employees on the payroll on 31 December. Out of 7,957 employees, 61 preferred not to disclose their gender.

2 From 2021 onwards, senior managers are defined as the leadership population excluding any Board members (e.g. CEO, CFO).

3 Leadership population is defined as Executive Management and senior management, which includes managers with multiple departments or departments with complex and more highly technical responsibilities.

4 Directors are defined as Board Directors on 31 December.

5 Excludes administrative support staff.

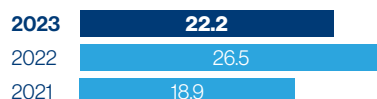
UK Gender Pay Gap data

One of the Group's priorities is to review and reduce the Gender Pay Gap (GPG) with a focus on reducing the median GPG, which is the middle pay point for males and females. The Company currently reports on the GPG in the UK. During 2023, Playtech initiated the enhancement of system capability to expand the reporting focus in other markets.

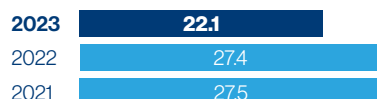
This year is the sixth anniversary of publishing UK GPG data for Playtech. The data analysis and graphical representations indicate a significant reduction of both the mean gender pay gap and the median pay gap. The mean pay gap dropped from 27.4% in 2022 to 22.1% and the median pay gap reduced to 22.2% in 2023 compared to 27.4% in 2022. This is due to the active work undertaken by our HR business partners who are responsible for providing support and advice across Playtech's business units on pay and fair and equal considerations across the different teams. However, our mean bonus gender gap has increased, from 41.1% in 2022 to 43.7% in 2023 as the Company continues to see higher representation of men in higher salaried roles. The proportion of males and females receiving a bonus has improved compared to last couple of years (63.3% males and 67.8% female in 2023 vs 64.9% males and 56.5% females in 2022 vs 80.7% males and 69.0% females in 2021) following continuous improvements to our internal processes and policies to reduce any possible bias and discrimination. Playtech acknowledges the gap remains and is committed to the necessary focus on the gender pay gap and will continue to promote a culture of diversity and inclusion.

Gender Pay Gap¹

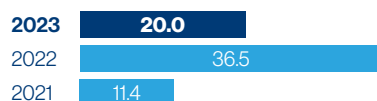
Median Gender Pay Gap (%)



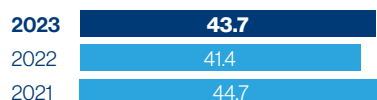
Mean Gender Pay Gap (%)



Median Gender Bonus Gap (%)



Mean Gender Bonus Gap (%)



¹ Based on UK employees only. The numbers were calculated in line with the UK Government's requirements for reporting gender pay figures and cover payroll and bonuses paid up to 5 April 2021, 5 April 2022 and 5 April 2023 respectively.

Human capital metrics

In 2023, Playtech continued to report on its global retention and turnover rates as well as the total number of new hires, split by age groups.

The table below shows the global retention and turnover figures by age groups, in 2023, we also launched the "A Players" initiative to support our talent retention strategy by identifying top talent in the organisation. Playtech's continuing investment in human capital and attractiveness of our employment proposition is evidenced by the recruitment of 3,275 new hires during 2023.

	2023	2022	2021
Global employee retention rate	63%	68%	65%
Under 30 years old	38%	66%	
30-50 years old	78%	88%	
Above 50 years old	84%	93%	
Global employee turnover rate	37%	38%	28%
Voluntary rate	35%		
Involuntary rate	65%		
Under 30 years old	54%	63%	
30-50 years old	20%	23%	
Above 50 years old	13%	15%	
Total number of new hires	3,275	3,155	2,400
Under 30 years old	72%		
30-50 years old	27%		
Above 50 years old	1%		



Responsible business and sustainability continued



Quickspin gets moving to improve health and wellbeing

For the past six years Quickspin, a Swedish game studio owned by Playtech and based in Stockholm, has been running a health and wellbeing challenge for colleagues. The "Health-a-thon" is a challenge that entails setting and meeting wellbeing targets such as managing stress, improving focus or sleep, practising mindfulness, healthy eating or taking part in a physical activity – among others – and to do this while motivating and supporting each other to achieve goals. Each year the "missions" are changed to provide stimulating new targets. Participants took part in teams and tracked their activity through an app. As a further incentive, the winning team and those individuals in first and second place were able to make a donation - funded by Playtech – to a charitable organisation.

The challenge engaged 71% of office employees with 74 people spread over 13 teams taking part. Collectively, participants took approximately 5 million steps, which is equivalent to walking 11,135 kilometres – around the distance from Stockholm to Phuket. Participants managed to complete 916 missions, meaning on average each person completed 12 challenges, improving both their own health and wellbeing, creating team spirit and positively impacting the wellbeing of others.

The team donation of 15,000 SEK went to the Soborna Ukraine charity, which provides physical and psychological support for around 220 families that have been severely impacted by the war. The top two scoring individuals were both awarded a donation of 5,000 SEK – one was made to Save the Children Sweden and the other to the World Food Programme.

Health, safety and wellbeing

The post-pandemic landscape and hybrid working practices are redefining the most productive ways for businesses to engage with their employees.

Playtech recognises the importance of employee wellbeing. In 2023, Playtech continued to implement and scale its global wellbeing framework with a focus on physical, mental, financial and social wellbeing to cultivate a culture of support for its employees. The framework aims to ensure employees have access to a suite of support, advice and networking opportunities to help them be resilient, grow and succeed at work. In 2023, Playtech rolled out more than 250 wellbeing initiatives with a focus on physical, mental, financial and social wellbeing. Over 4,300 employees participated in one or more of these sessions.

Playtech has also partnered with SIX Mental Health Services (MHS) to offer free access to private and confidential mental health and wellbeing services for employees. Their services include a network of counsellors and specialists to support individual needs and advice, through one-to-one sessions with a network of therapists, counsellors and specialists. As part of our partnership, SIX MHS has established dedicated support for our colleagues which offers access to trained mental health professionals in both local languages and in English.

Line managers have played an instrumental role in supporting the Group's commitments to employee wellbeing, leading efforts to initiate and support team and individual wellbeing discussions as well as building awareness and breaking down stigmas about mental health, including discussions on gambling-related harm.

In August 2023, Playtech announced the official launch of its Global Benevolent Fund, an initiative to provide crucial financial support to colleagues and their immediate families who may encounter unforeseen, severe, life-changing challenges such as medical emergencies, severe illness and financial hardship. Since its inception the fund has already supported colleagues in need, covering hardships such as losing a family member and supporting long-term injuries and life-changing illnesses.

Snaitech operational health and safety

Snaitech's business operations are unique within Playtech's operations. The Italian operations comprise retail shops and racetracks, meaning the physical health and safety challenges are different and more material as compared with an office environment. Snaitech is committed to developing and promoting a culture of worker health and safety and is implementing a management system to ensure full compliance with local Italian legislation.

Occupational health and safety data¹

	2023	2022	2021
Total number of accidents	9	8	10
Accident ratio			
Total number of accidents/working hours x 200,000 ²	1.3	1.1	1.6
Number of days lost to accidents	310	224	266
Severity of accident index			
Total days lost for accidents/working hours x 200,000 ²	44.4	31.9	41.3
Number of days of absence ³	10,077	10,747	6,836

1 Covers Snaitech operations only.

2 200,000 is a fixed coefficient (50 working weeks x 40 hours x 100).

3 Number of days of absence in 2021 is defined as hours lost due to illness, which includes COVID-19.



Economic footprint

Playtech is headquartered in the UK, where the Parent Company, Playtech plc, is tax resident. Playtech engages in tax planning that supports its business and reflects commercial and economic activity. Playtech selects the location of its operations based on commercial and operational factors that extend well beyond tax, including: the prevailing regulatory environment available, a widely available pool of technical talent, the linguistic capabilities in these jurisdictions, the location of the Group's licensees, and labour and operational cost factors. The Group is committed to complying with all tax regulations in jurisdictions in which it operates and seeks to minimise the risk of uncertainty and disputes through proactive dialogue with the tax authorities and by obtaining third party expert advice, where appropriate.

Playtech has offices in 19 countries, with offices and commercial activities in multiple jurisdictions, with the majority of its development and technical operations in Ukraine, Estonia, Latvia, Bulgaria and Gibraltar. These locations are well known as technology hubs with a large population of highly skilled experts. The Group's presence in some markets, such as Austria, Australia and Italy, is a result of acquisitions.

Given the dynamic nature of tax rules, guidance and tax authority practice, the business is exposed to continuously evolving rules and practices governing the taxation of e-commerce and betting and gaming activities in countries in which the Group has a presence.

Such taxes may include corporate income tax, withholding taxes and indirect taxes. The Head of Tax keeps the Board and Executive Management fully informed of developments in domestic and international tax laws within jurisdictions where the Group has a presence. The Group has an appropriately qualified Tax team to manage its tax affairs.

During the year, the Board reviewed and adopted the Group's UK Tax Strategy Statement (available at www.playtech.com). The total adjusted tax charge for 2023 is €93.7 million (2022: tax credit of €54.9 million) and the effective tax rate for the current period is 37.4% (2022: 25.5%).

Responsible business and sustainability continued



Powering action for positive environmental impact



Climate change is a pressing concern for everyone, including our people, investors, governments and local communities. We recognise that urgent action is needed to substantially reduce the risks and impacts of climate change and that the Company has an important role to play in the sector and the countries and communities where it operates.

Commitments:

- Reduce Greenhouse Gas (GHG) emissions within our own operations and supply chain
- Build capability and climate resilience through decisive actions in both our own operations and supply chain
- Align to global climate efforts to transition to a low-carbon economy, in accordance with the latest climate science, and prioritise climate innovation

Targets and performance measures:



- Reduce Scope 1 and 2 (location-based) carbon footprint by 40% by 2025 against a 2018 baseline
- Track emissions reductions across our value chain



- Switch all offices, wherever possible, to renewable energy



- Secure approval of near-term and net zero targets by the Science Based Targets initiative (SBTi)

Policy and commitments

Playtech's Group Environmental policy outlines its commitment to reduce its environmental footprint as well as to buying renewable energy and engaging suppliers to reduce their supply chain emissions. In 2023, the Company refreshed its policy to reflect its near-term and net zero commitments and targets, as we set in motion our decarbonisation plan, following Playtech's formal commitment through the Science Based Targets initiative (SBTi). Playtech continued to focus on switching its operations to renewable energy, where possible. The Board and members of the executive management will be participating in refresher climate change training in early in 2024.

In 2023, Playtech continued its cross-functional Environment Forum chaired by the Head of Sustainability. The forum met three times during the year and its remit includes setting, co-ordinating and overseeing the strategy and response to the challenges posed by climate change. The forum drives progress against the Company's commitment to buying renewable energy and engaging suppliers to reduce Playtech's supply chain emissions. Its work on climate change includes reviewing the current GHG targets and strategy to ensure it aligns with the latest science on limiting the level of global warming below 1.5°C and evolving regulatory and reporting framework.



7,086 tCO₂

Scope 1 and 2 (location-based) emissions (excluding refrigerants, see page 72)

38.6%

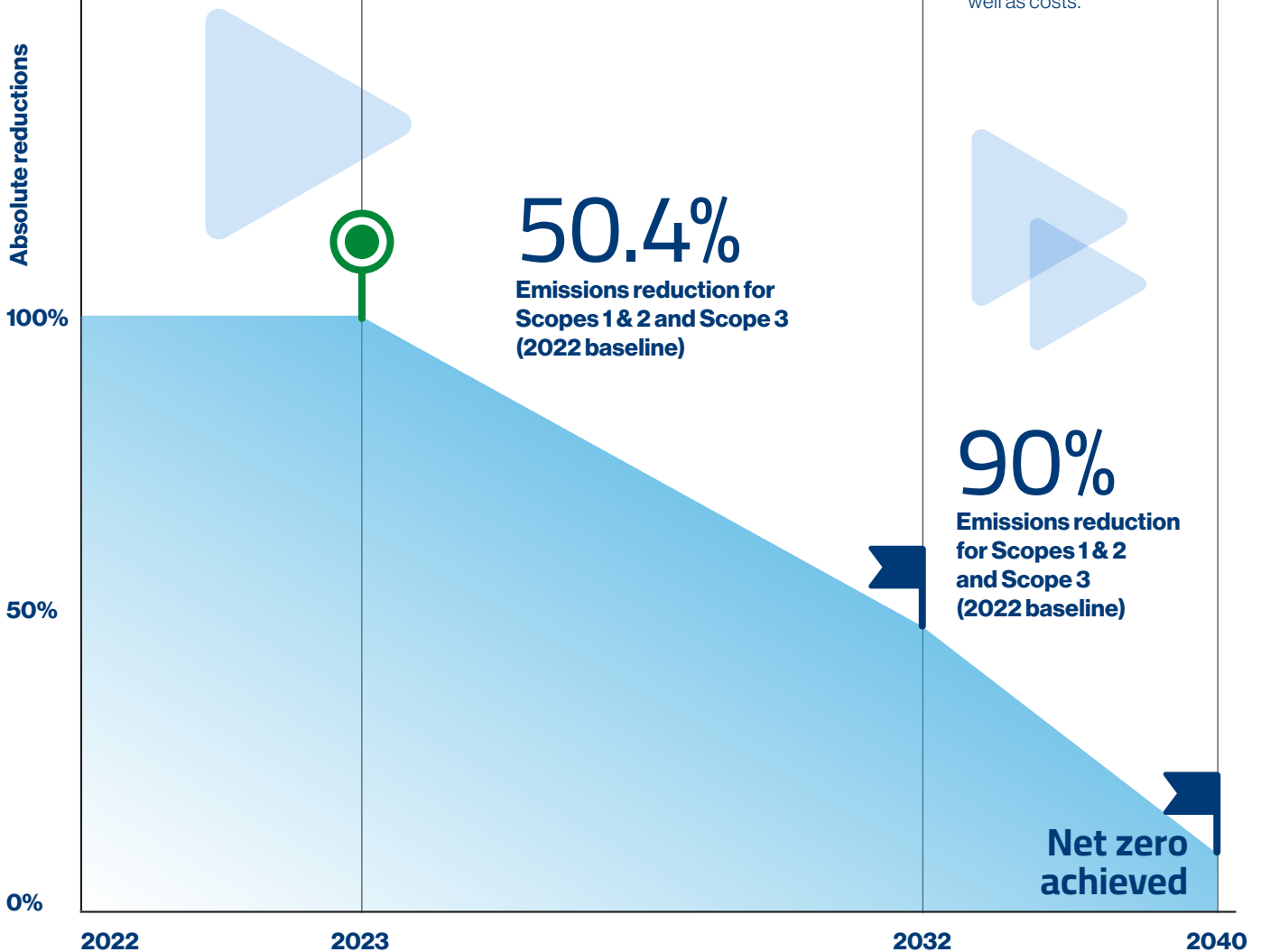
Reduction since 2018 (baseline)

Our path to net zero

- **Drove forward our transition to renewable electricity in key markets where we operate.**
- **56% of our total energy consumption coming from renewable sources.**
- **Publicly committed to setting a near-term (emissions reduction) and long-term (net zero) the Science Based Target initiative (SBTi).**

- In early 2024, the SBTi approved Playtech's near-term science-based emissions target by 2032. Playtech has also committed to set long-term emissions reduction targets with SBTi in line with reaching net zero by 2040.
- Set in motion our emissions reduction action plans for engagement with our franchises and suppliers to decarbonise, focusing on our growth driving operations.
- Establish clear energy efficiency programmes in place across our offices and obtain renewable energy certificates in our site locations, where green energy is available.

- Meet our 50.4% near-term global emissions reduction target and focus on the next phase to net zero.
- Expand our emissions reduction action plans across our operations by engaging with actors within our value chain.
- Shift our technology and infrastructure portfolio, including the use of AI, towards the reduction of carbon emissions as well as costs.



Responsible business and sustainability continued

Environment metrics

In line with the UK Streamlined Energy and Carbon Reporting Regulation (SECR) requirements for 2023, Playtech has reported its Scope 1, Scope 2 GHG emissions and energy consumption figures for the UK. During 2023, Playtech worked to strengthen the completeness of its Scope 1, 2 and 3 footprint as it prepared its submission to the SBTi. This involved investigating known exclusions to determine whether they continue to be immaterial to the overall emissions footprint:

- global exclusions: GHG emissions from the use of refrigerants (Scope 1); and
- partial exclusions:
 - GHG emissions from the treatment of waste generated in operations (Scope 3, Category 5): previous reporting only included Snaitech operations due to data availability;
 - GHG emissions from employee commuting (Scope 3, Category 7): previous reporting only included Snaitech operations due to data availability; and
 - GHG emissions from HAPPYBET franchises (Scope 3, Category 14): previous reporting only included Snaitech franchises. These number around 10,000, while there are around 100 HAPPYBET franchises.

Playtech's materiality threshold for restating previously reported data is 5%. Together, the exclusions set out above represented 5.0% of the Company's total 2022 Scope 1, 2 (location-based) and 3 footprint. However, the difference in disaggregated reported metrics is material, particularly for Scope 1 GHG emissions as the inclusion of refrigerants increases Scope 1 emissions by 143% from the reported metric in 2022.

In addition, Playtech has now also calculated its Well-To-Tank emissions in Scope 3, Categories 4, 6, 7, and 9 to improve the comprehensiveness of its Scope 3 footprint as part of its SBTi submission.

In order to aid compatibility, Playtech has restated its Scope 1, Scope 3 total and breakdown by category GHG emissions for 2022. Unfortunately, data for 2021 is not available.

In 2019, Playtech introduced a GHG emissions target to guide its energy-reduction efforts. The Company's ambition is to reduce its absolute Scope 1 and 2 (location-based) GHG emissions by 40% by 2025, using 2018 as the baseline year. This target excluded emissions from refrigerants, which had not yet been considered in 2018. Playtech's Scope 1 and 2 (location-based) emissions, excluding refrigerants, were 7,086 tonnes CO₂-equivalent (CO₂e) in 2023. This is a 38.6% reduction compared to the 2018 baseline (11,543 tonnes CO₂e).

In 2023, Playtech's total Scope 1 and 2 (location-based) emissions, including refrigerants, decreased by 0.9% compared to 2022. While Scope 1 emissions, both from energy and refrigerants, decreased by 8.9% due to a decrease in energy consumption and refrigerant usage, Scope 2, Location-based emissions increased by 3.4%. This increase in emissions is explained mainly by the increasing emission intensity of the electricity grids in the countries where the Company operates, which averaged 5.1% (weighted by total electricity consumption per country) in 2023. While Playtech cannot influence the electricity grid intensity in the countries where it operates, it can influence its own energy consumption. Total energy consumption decreased by 3.4% compared to 2022. This was achieved by a combination of energy saving measures, supported by environmental specialists and a central fund for energy reduction projects. Playtech will redouble

these efforts in 2023, in pursuit of its target. Normalised per Full-Time Equivalent (FTE) employees, total Scope 1 and 2 (location-based) emissions including refrigerants decreased by 11.3% due to an increase in headcount by 12.1%.

During 2023, Playtech continued to its transition to renewable electricity in the key markets where the Company operates. This has resulted in 57.2% of the Company's total energy consumption now coming from renewable sources, backed up by energy attribute certificates, up from 56.4% in 2022.

Playtech recognises the environmental impact across its global value chain. The Company therefore conducts an annual Scope 3 footprint. In the process, the Group has followed the GHG protocol guidance to calculate those emissions, based on a combination of financial and actual supplier data. The Company is committed to increasing engagement with key suppliers on their emissions and gathering more actual data to continuously improve the accuracy of Scope 3 figures in future years. As part of this annual exercise, Playtech determines which of the 15 categories listed by the GHG Protocol Corporate Value Chain (Scope 3) Standard are relevant to the Company and therefore should be included in its Scope 3 footprint. Thirteen out of the fifteen categories were identified as being relevant to the Company and two were not relevant for Playtech. All relevant categories have been calculated.

Playtech's Scope 3 GHG emissions are over 90% of its total carbon footprint and out of the 15 Scope 3 categories, the Company's top three material categories are "products and services", "capital goods" and "franchises".

The consumption of water across the Playtech Group decreased by 23.3% in 2023, of which the racetracks saw a 28.8% decrease in water consumption. Playtech continues to manage and report on waste produced for Playtech's Italian operations, Snaitech. Snaitech runs a retail operation and three racetracks, which means the environmental impact profile is different from the rest of the Company's markets. In 2023, Snaitech's total non-hazardous waste production increased by 10.9%. The volume that is reused or recycled increased by 11.0%, while the volume sent to landfill has decreased to 0.01 tonnes compared to 5.69 tonnes in 2022.

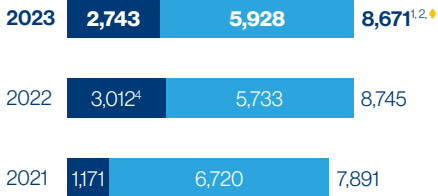
External assurance and benchmarking

We engaged PricewaterhouseCoopers LLP ('PwC') to undertake a limited assurance engagement, reporting to Playtech plc only, using the International Standard on Assurance Engagements ('ISAE') 3000 (Revised): 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information' and ISAE 3410: 'Assurance Engagements on Greenhouse Gas Statements' over Playtech's 2023 GHG reporting (Scope 1 emissions, Scope 2 (location-based) emissions, Scope 2 (market-based), Scope 1 & 2 intensity per FTE employee and Scope 3, Categories 1, 2, 3, and 14). The assured data can be found in the Responsible Business and Sustainability Addendum to the Annual Report 2023. PwC has provided an unqualified opinion in relation to the relevant KPIs and data and their full assurance opinion is available on the Playtech website, www.investors.playtech.com/sustainability. Non-financial performance information, including greenhouse gas quantification in particular, is subject to more inherent limitations than financial information. It is important to read the selected GHG information contained in the Responsible Business and Sustainability Addendum to the Annual Report 2023 in the context of PwC's full limited assurance opinion and the reporting criteria found within the reporting methodology section of the Responsible Business and Sustainability Addendum to the Annual Report 2023, which are also available on the Playtech website, www.investors.playtech.com/sustainability.

Environment metrics

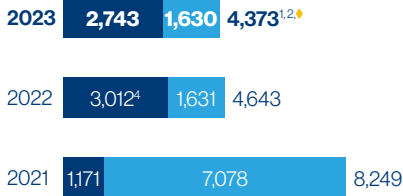
Global Scope 1 and 2 GHG emissions (location-based)

- Global Scope 1 (tonnes CO₂e)
- Global Scope 2 (location-based) (tonnes CO₂e)



Global Scope 1 and 2 GHG emissions (market-based)

- Global Scope 1 (tonnes CO₂e)
- Global Scope 2 (market-based) (tonnes CO₂e)



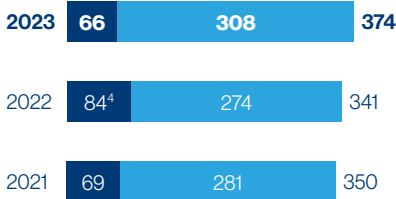
Playtech's total carbon footprint (in 2023)³

- Global Scope 1: 2,743 tCO₂e
- Global Scope 2 (market-based): 1,630 tCO₂e
- Global Scope 3: 106,641 tCO₂e



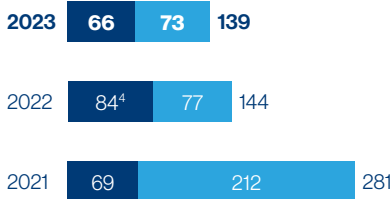
UK Scope 1 and 2 GHG emissions (location-based)^{1,2}

- UK Scope 1 (tonnes CO₂e)
- UK Scope 2 (location-based) (tonnes CO₂e)



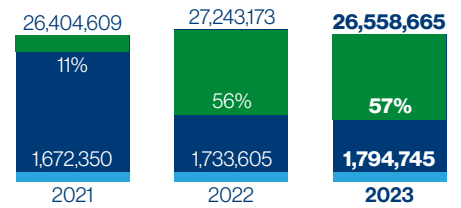
UK Scope 1 and 2 GHG emissions (market-based)^{1,2}

- UK Scope 1 (tonnes CO₂e)
- UK Scope 2 (market-based) (tonnes CO₂e)



Global and UK energy consumption^{1,2}

- Global total energy consumption (kWh)
- UK total energy consumption (kWh)
- From renewable sources (%)

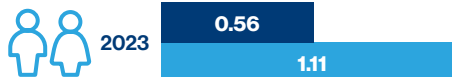


♦ Indicates data extracted from the Responsible Business and Sustainability Addendum to the Annual Report 2023 where it has been subject to independent limited assurance by PricewaterhouseCoopers LLP (PwC). The full assurance statement over 2023 data can be found at www.investors.playtech.com/sustainability. The data for previous years, where assured, is detailed in the respective Annual Reports.

- 2023 absolute data is an estimate based on 99.0% actual data coverage by headcount. Coverage has been above 99% for all three years.
- Due to reporting timelines, data for November and December 2023 has been estimated using November and December 2022 actual data, except for sites where actual 2023 data was already available. This is the same methodology that was applied for all three years.
- Detailed breakdown on the Scope 3 categories, including calculation methods and scope, can be found in the Responsible Business and Sustainability Addendum to the Annual Report 2023.
- Restated to include fugitive emissions from refrigerant usage.

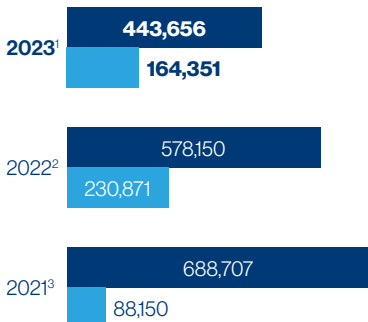
Intensity

- Scope 1 and 2 (market-based) GHG intensity
- Scope 1 and 2 (location-based) GHG intensity[♦]



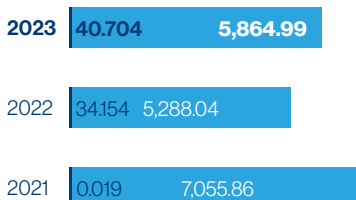
Global water consumption

- Total water consumption (m³)
- Water consumption for watering racetracks (m³)



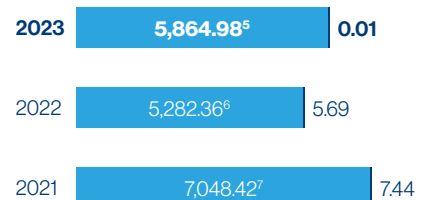
Total waste produced⁴

- Hazardous waste (tonnes)
- Total waste produced (tonnes)



Waste production by treatment⁴

- Sent to landfill (tonnes)
- Reused or recycled (tonnes)



- Estimate based on 75% actual data coverage by headcount.
- Estimate based on 78% actual data coverage by headcount.
- Estimate based on 73% actual data coverage by headcount.

- Data covering Snaitech operations only. Actual data based on 100% actual data coverage by headcount.
- This figure is split between racetracks (manure/by-product of animal origin – 5,300), racetracks (other – 378), and offices (186).

- This figure is split between racetracks (manure/by-product of animal origin – 4,292) racetracks (other – 779) and offices (2012).
- This figure is split between racetracks (manure/by-product of animal origin – 6,946), racetracks (other – 358) and offices (195).

Responsible business and sustainability continued

A partnership with Hubbub to empower employees on taking positive environmental action

Sustainability Listening Project: Report Highlights

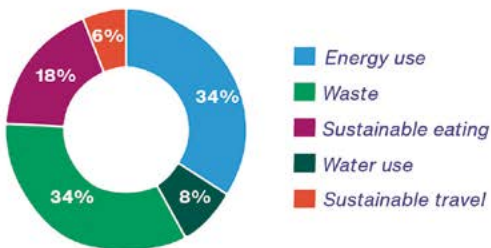
Over 400 colleagues took part!

Playtech colleagues already...



Future aspirations

Colleagues are most interested in adopting actions related to...



8 in 10 colleagues want Playtech to support them to live more sustainably



75% are proud to work for an employer that is prioritising sustainability

So what?

How can Playtech make sustainable living easy, accessible & fun for colleagues all around the world in a way that also aligns with its sustainability goals?

- Establish sustainability as a core part of company DNA
- Lead by example
- Harness the power of offices and teams
- Identifying and introducing quick wins
- Get into the detail
- Improvements to physical and mental health

In 2023, Playtech teamed up with Hubbub, an award-winning environmental charity designing creative campaigns to inspire sustainable and practical actions. Playtech is proud to be part of Hubbub’s growing network of over 2,300 organisations, from international businesses to community groups. Through these partnerships, Hubbub has already delivered over 100 campaigns and inspired over 800,000 people to take action to protect the environment around them.

Playtech’s one-year partnership with Hubbub includes four campaigns, each with a different focus, but all geared towards making colleagues better stewards of the environment at home, at work and in their communities.

We kicked off the partnership with Playtech’s “Sustainability Listening Project”, a study of Playtech colleagues’ behaviours and aspirations around sustainable living. Over 400 colleagues took part, with eight in ten stating they wanted Playtech to support them in living more sustainably and to provide tips on energy usage both at work and at home, and 75% stating they are proud to work for an employer that is prioritising sustainability.

The second campaign was Playtech’s “Global Tech Check”, a three-week Company-wide effort to tackle the fastest growing waste stream in the world, electronic waste. Playtech colleagues globally committed to reduce electronic waste by recycling their

non-working technical items and donating working devices to people who need them. Over four weeks 581 items were collected – 482 for recycling in an effort to keep harmful toxins out of landfill and 99 working devices for rehoming.

In response to the Playtech community’s wish to know more about saving energy, Hubbub designed an educational campaign called “Power Down, Save Up” to help colleagues save energy and money during the winter. We launched the campaign in November with an interactive online workshop to provide an overview of what Playtech is doing as a company to reduce energy usage, as well as tips and tricks from Hubbub to dial down personal energy use and save money. The fourth campaign will be rolled out in spring 2024.

“Colleagues are the bedrock of corporate sustainability – showing how much change is possible when people come together – and it’s been brilliant to see so many Playtech colleagues getting involved in environmental action throughout 2023. From speaking up and sharing ideas to inform the sustainability strategy, to donating tech to fight e-waste, and dialling down energy to save carbon... we’ve been amazed by the engagement and involvement.”

Natasha Gammell
Creative Partner at Hubbub



TCFD statement

Playtech has embraced the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), a framework that allows it to report consistently on the opportunities and challenges presented by climate change and provide information on how these might impact strategy and financial performance. Our approach in this area is evolving in line with developing best practice.

This section sets out Playtech’s climate-related financial disclosures, current approach and future plans, consistent with all of the Task Force on Climate-related Financial Disclosures (TCFD) recommended disclosures, in compliance with the Financial Conduct Authority (FCA) Listing Rule 9.8.6R(8) and Companies Act Climate-related Financial Disclosure (CFD) requirements. In the following statement, we outline our compliance with all the elements of the TCFD, including the four TCFD recommendations and the 11 recommended disclosures.

Governance (CFD a)

Current approach

In 2021, Playtech’s Board of Directors officially formed a Sustainability and Public Policy Board Committee with the first meeting in November 2021. Since then, this Committee has set the agenda and monitored the implementation of the responsible business and sustainability strategy.

The Sustainability and Public Policy Committee of the Board has responsibility for overseeing sustainability – including climate-related matters – and reviewing the strategies, policies and performance of the Playtech Group. In 2023, the Committee held four meetings and considers the climate change aspects of business plans,

internal resourcing, expansion and disposal of activities, and capital expenditure. Oversight of climate-related risks, opportunities and strategy sits with this Committee. This Committee will continue to meet quarterly and review climate-related issues as part of the standing agenda. The Chair of the Committee serves as the Board-level champion on these topics and reports to the Board on climate-related issues annually.

The Risk and Compliance Board Committee also reports to the Board on climate-related issues annually.

The frequency with which the full Board considers climate-related risks and opportunities was agreed in 2022 with these matters now discussed biannually.



Responsible business and sustainability continued

Governance (CFD a) continued

Current approach continued

Each member of the Sustainability and Public Policy Committee received training covering ESG and regulatory developments (page 61). In 2022, the Board participated in a detailed climate tutorial covering the physical science basis and regulatory, investor and corporate trends, delivered by external advisers specialised in sustainability.

In 2022, Playtech appointed a Chief Sustainability and Corporate Affairs Officer, who is a member of the Company's Executive Management Committee, and attends the Sustainability and Public Policy Board Committee. The Sustainability function sits within the Corporate Affairs and Sustainability function and holds the day-to-day responsibility and oversight of regulatory compliance and responsible business, along with the Regulatory Affairs and Compliance function. The Chief Compliance Officer is also a member of the Executive Management Committee and attends the Risk and Compliance and Sustainability and Public Policy Board Committees.

Playtech has a cross-functional Environment Forum which is chaired by the Head of Sustainability, who reports into the Chief Sustainability and Corporate Affairs Officer. This Forum is attended by senior representatives from Audit; Risk; the Chief Operating Officer's office; Infrastructure and Technology; Investor Relations; Procurement; Site Operations; and other functions. It meets quarterly to:

- develop, review and update Playtech's climate policies and targets as necessary;
- identify climate risks and opportunities and develop risk management strategies;
- review and define actions to comply with evolving regulatory reporting requirements and voluntary reporting frameworks; and
- allocate the annual environmental budget.

Playtech's governance structure for climate-related risks and opportunities is summarised in the graphic opposite. External ESG consultants support the Environment Forum, Head of Sustainability, CSO, and are periodically invited to join meetings of the Sustainability and Public Policy Committee of the Board as well as the full Board.

Future plans

The full Board will continue to receive training on climate change as part of wider sustainability training that will provide information on the latest climate science and how the public policy agenda is developing in this area. Playtech will continue to review and, if necessary, adapt the Group's governance process to ensure alignment with emerging good practice.

→ Read more on training on [page 61](#)

Strategy (CFD b)

Current approach

Playtech has identified various climate-related risks and opportunities following the scenario analysis exercise that was completed in 2021 and updated in 2022. Playtech quantified their impact where possible and has expanded the number of risks and opportunities that were quantified in 2023. Playtech reviews its business strategy resilience and management approach for each identified risk or opportunity annually.

During 2023, Playtech has also developed a net zero roadmap in support of its commitment to near-term Science-Based Targets and long-term net zero target. By implementing this roadmap, the Company aims to reduce its exposure to climate-related transition risks and strengthen its ability to capture opportunities.

Future plans

Playtech plans to undertake a further scenario exercise in 2024 to take into account the latest climate science transition pathways and internal business information. Playtech also intends to continue to monitor external tools and the latest climate science to assess the physical and transition risks associated with climate change and report on how this has guided our strategy in future reports.

→ Read more on:
 Scenario analysis and climate-related risks and opportunities on [pages 78 to 81](#)
 Risk management, principal risks and uncertainties on [pages 95 to 100](#)
 Net zero roadmap on [page 71](#)

Risk management (CFD c)

Current approach

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, the Risk and Compliance Committee advises the Board on current and future risk strategies. The primary responsibilities delegated to, and discharged by, the Risk and Compliance Committee include:

- reviewing management's identification and mitigation of key risks to the achievement of the Company's objectives;
- monitoring incidents and remedial activity;
- agreeing and monitoring the risk assessment programme including, in particular, changes to the regulation of online gambling and the assessment of licensees' suitability;
- reviewing and assessing climate-related risks in the context of Group-wide risk;
- agreeing on behalf of the Board and continually reviewing the risk management strategy and relevant policies for the Group;
- satisfying itself and reporting to the Board that the structures, processes and responsibilities for identifying and managing risks are adequate; and
- monitoring and procuring ongoing compliance with the conditions of the regulatory licences held by the Group.

Climate-related risks are identified through various channels including quarterly Environment Forum meetings and the climate scenario analysis exercise completed in 2021 and updated in 2022.

Presentations for these meetings include reviews of current national climate policies in the key markets where Playtech operates. The identified risks are assessed by the Head of Sustainability with support from external sustainability advisers and the relevant functions within Playtech. The Head of Sustainability is responsible for updating the Group Internal Audit and Risk function on climate-related risks, which includes a description of the risk, risk categorisation, type, impact and likelihood, mitigation and validity. This information is approved by the Company's Director of Internal Audit and Risk.

All types of climate-related risks and opportunities are considered through the above process, including transition risks (policy and legal, technology, market and reputation); physical risks (acute and chronic); and opportunities (resource efficiency, energy source, products/services, markets and resilience).

The Head of Sustainability is responsible for co-ordinating the management of climate-related risks across Playtech's business. This includes setting the Company's climate strategy, which includes its GHG reduction targets, Environment Policy, collecting and analysing environmental data to identify hotspots, defining and agreeing reduction plans and engaging country leadership teams and key asset managers.

Playtech began assessing climate-related risks and opportunities specifically in 2020 and completed its first scenario analysis in 2021. In 2022, the Company adopted a more systematic approach to reviewing, updating and monitoring climate risks as governance and management processes were further embedded and matured.

The Company's focus was also on shifting sites to renewable electricity where possible and starting to engage with the Company's Procurement function, including through a climate change due diligence questionnaire for new suppliers. Additionally, the Company incorporated climate change into its consideration of risk and viability for the business as a whole.

Climate-related risks are considered as part of the overall risk process. The Group Internal Audit and Risk function collects information on risks from stakeholders across the business, which is then presented to the Group Risk Management Committee (Executive Management Committee) and Board Risk and Compliance Committee (Board Committee).

Climate-related risks are monitored as part of the sustainability strategy and Compliance and Regulatory Affairs risk processes. The Sustainability and Public Policy Committee of the Board feeds into the identification, assessment and management of climate-related risks, which are integrated into the Group risk process by the Head of Sustainability.

→ Read more on:
Scenario analysis and climate-related risks and opportunities on [pages 78 to 81](#)
Risk management, principal risks and uncertainties on [pages 95 to 100](#)

Metrics and targets (CFD g & h)

Current approach

In 2021, Playtech started to quantify the financial impact of climate-related risks.

In 2022, Playtech strengthened the methodology and approach around quantification of climate-related risks and broadened the number of quantified risks and opportunities. This work has continued in 2023, with further risks and opportunities being quantified. This has provided the Company with a clearer understanding of the nature and scale of the challenges it faces.

Playtech has disclosed its Scope 1 and 2 (location-based) emissions annually in the Environment section of the Annual Report and to CDP. The Company started disclosing Scope 2 (market-based) and Scope 3 emissions in 2021. Playtech continues to disclose this information in this report.

Playtech has set a target to reduce its absolute Scope 1 and 2 (location-based) GHG emissions by 40% by 2025 from a 2018 baseline. Progress is monitored annually as part of the year-end Non-Financial Reporting process and captured in the Global Sustainability Scorecard.

In 2021, Playtech carried out its first Scope 3 footprint and calculated market-based Scope 2 emissions, which were prerequisites for setting a science-based target (SBT) – that is, an emissions reduction target that aligns with the latest climate science.

In 2022, Playtech publicly committed to setting a near-term (emissions reduction) and long-term (net zero) SBT, to be validated by the SBTi. The Company submitted its target for validation in 2023 and is currently going through the validation process with SBTi. In early 2024, the SBTi approved Playtech's near term science-based emissions target, a 50.4% reduction in its scope 1 and 2 and scope 3 emissions by 2032. Playtech has also committed to set long-term emissions reduction targets with SBTi in line with reaching net zero by 2040.

Future plans

We will continue to refine our approach to quantification of climate risk. We will also look to develop a suite of indicators beyond tracking our own Scope 1, 2 and 3 GHG emissions that will provide the Board and senior management with a view of how those risks impact the delivery of our strategy over the short, medium and long term.

→ Read more on:
Scenario analysis and climate-related risks and opportunities on [pages 78 to 81](#)
Scope 1, 2 and 3 emissions on [pages 72 and 73](#)
Group Sustainability Scorecard on [page 54 and 55](#)



Responsible business and sustainability continued

Scenario analysis and climate-related risks and opportunities

In 2022, Playtech conducted its second scenario analysis, building on the extensive scenario analysis conducted in 2021. The scenarios used in 2021 were updated based on the latest information from the Intergovernmental Panel on Climate Change (IPCC) and International Energy Agency (IEA). Three workshops were held with Subject-Matter Experts from across the different business units and countries where Playtech operates to consider the outcomes from the 2021 analysis and identify any changes. The Company was again supported by Carnstone, a management consultancy specialised in sustainability and ESG. The outputs of this work were reviewed in 2023 and are considered to still be representative for Playtech.

Playtech’s scenarios and the external scenarios that fed into Playtech’s scenarios are summarised in the table below and comply with the TCFD guidelines to use a range of scenarios that provide a reasonable diversity of potential future climate states, including a 2°C or lower scenario. Playtech selected a 1.5°C scenario because that is the level of global warming that is considered “safe” by climate scientists and is the level of warming the global community is aiming to achieve by 2100; a 2°C scenario because this is considered a more likely outcome considering the scale of the challenge to limit global warming to 1.5°C; and a 3°C scenario as a reasonable worst case scenario, assuming no new policies are announced to further limit global warming. The scenarios draw on the IPCC’s Representative Concentration Pathways (RCPs) and Shared Socioeconomic Pathways (SSPs); the IEA’s World Energy Outlook scenarios; and the Principles for Responsible Investment’s (PRI’s) Inevitable Policy Response (IPR) scenarios. Because scenarios are models of the future and not precise predictions, the scenarios refer to global warming outcomes and the path towards those outcomes on a decadal level. The scenarios use a mix of qualitative and quantitative information and were applied through three lenses: Operations (key markets and assets); Supply Chain; and Customers and Consumers. As Playtech is a global company with assets in 20 markets, the scenarios considered both global climate impacts and specific local impacts in its key markets.

Climate-related risks are regularly monitored by the executive cross-functional Environment Forum, the Sustainability and Public Policy Committee of the Board, as well as the Risk and Compliance Committee of the Board. They are also considered as part of the Risk and Compliance Committee’s biannual review of risks across the Group.

	1.5°C scenario	2°C scenario	3°C scenario	
Playtech's scenarios	Summary: physical aspects	Increase in heatwaves, extreme weather events (precipitation, droughts, storms), floods, species extinctions and wildfires over current conditions, but slow and broadly manageable across most geographies.	Increase in heatwaves, extreme weather events and wildfires which reach unmanageable levels in some geographies by the 2040s. Water availability for agriculture, hydropower and human settlements severely diminished from the 2040s. High flood damages. Significant adaptation necessary and frequent disruption expected.	Various areas of the world become uninhabitable due to intense heatwaves, droughts, or combinations of both. Heavy precipitation events, and longer and more intense wildfire seasons covering more areas of the globe lead to a constant state of disruption. Floods cause widespread disruption, including to coastal infrastructure such as ports. Species extinctions and severe water shortages prevent the production of key commodities including foods. By 2100, sea level rise is becoming a problem for low-lying coastal areas.
	Summary: transition aspects	Significant, rapid and disruptive policy change across carbon pricing, energy, transport, buildings and deforestation. Rapid phase-out of fossil fuels in the 2030s and 2040s. Every policy decision has a climate angle. Global GHG emissions peak by 2025 and reach net zero by the early 2050s.	New policies are implemented over current levels, in a slow and inconsistent manner. Carbon prices and other limits on emissions are implemented but the cost of emitting grows in a slow and steady manner. The electrification of transport and buildings does not pick up much pace. Global GHG emissions peak in the 2020s and reach net zero in the 2070s.	Climate policies are maintained at current levels, with major economies reducing emissions gradually over the next 30 years and reach net zero around 2050. New technologies are not deployed as fast as predicted, and the world remains reliant on fossil fuels with widespread use of Carbon Capture & Storage (CCS) by the second half of the century. Globally, GHG emissions continue to rise.
External scenarios	IPCC Scenarios	RCP2.6/SSP1	RCP4.5/SSP2	RCP6.0/SSP5
	IEA Scenarios	Sustainable Development	New Policies	Current Policies
	Other Scenarios	PRI IPR: 1.5°C Required Policy Scenario	PRI IPR: Forecast Policy Scenario	
	Other data sources	Climate Analytics, Climate Impact Explorer; Climate Interactive, EN-ROADS Climate Change Solutions Simulator; Network for Greening the Financial System, Climate Scenarios Phase 2; World Bank, Climate Knowledge Portal and World Resources Institute, Aqueduct Water Risk Atlas		

Playtech routinely monitors the status of climate regulation in its key markets to ensure that its GHG reduction targets keep pace with regulatory changes.

The risks and opportunities that were identified as part of the climate scenario analysis are summarised in the table below. The Company defines short term as <one year; medium term as one to five years; and long term as >five years.

Therefore, very high impacts are impacts aligned with the Group materiality as set out in the Independent Auditor’s Report on page 158. The Company attempted to calculate the financial impact of each risk and opportunity. For some, however, this was not yet possible due to a lack of data. Playtech will aim to increase the number of risks and opportunities for which impacts were quantified year on year as more data becomes available. For the risks and opportunities where the financial impact was determined and quantified, it was calculated based on a combination of projections on the physical impacts of climate on specific locations, projections on the societal responses to certain future climate states, both from reputable data sources described in the Climate scenarios and sources table and information gathered from within the business.

These quantifications were conducted across 2021 and 2022 for the most part, with the exception of the risk related to water stress, the risk related to disruption to supply chains of IT equipment, and the risk related to employee productivity, which were quantified in 2023. Playtech remains committed to update its scenario analysis, and quantification of the identified risks and opportunities, at least every three years in line with the TCFD recommendations.

The outcomes of the climate scenario analysis are reflected in the risk register on pages 97 to 100. The management approaches identified for likely risks and opportunities are being explored, such as investment in renewable energy generation at key assets. Going forward, Playtech will continue to update its scenario analysis on an annual basis as more information becomes available on the possible climate futures that humanity faces and their impacts on business. The results of these exercises will be reported to the Board at least annually through the Sustainability and Public Policy Committee.

Key








L Low: <€1m
 M Medium: €1m – €5m
 H High: €5m – €10m
 V Very high: >€10m
 N Not yet quantified
● Denotes potential positive financial impact
 ● Denotes potential negative financial impact

Physical risks




TCFD category	Description	Applicable scenario(s)	Time horizon	Materiality	Management approach
Acute	Cancellation of sports events due to high temperatures or extreme weather events. Likelihood: <div style="width: 100%;"><div style="width: 10%;"></div></div> Impact: Loss of revenue and/or higher operating costs.	1.5°C	Medium- and long-term	L	Move to night time events, which would result in higher operating costs due to the necessary lighting. Invest in the most energy-efficient lighting available and/or on-site renewables. Renew racetracks with more resilient all-weather surfaces.
		2°C		L	
		3°C		L	
Acute	Water stress causing disruption to horse racetracks and third-party data centres. Likelihood: <div style="width: 100%;"><div style="width: 10%;"></div></div> Impact: Higher operating costs and temporary disruption to operations.	2°C	Medium- and long-term	L	IT function risk assess and stress test data centres, based on age, location and in-person visits. Invest in water efficient equipment, rainwater treatment and storage facilities, and water-saving measures. Renew racetracks with more resilient all-weather surfaces.
		3°C		L	
Chronic	Higher energy costs to cool buildings, including third-party data centres, Live studios and offices due to higher temperatures. Likelihood: <div style="width: 100%;"><div style="width: 80%;"></div></div> Impact: Higher operating costs.	1.5°C	Short-, medium- and long-term	L	Invest in energy-saving measures and on-site renewables.
		2°C		L	
		3°C		L	
Acute	Reduced employee productivity and ability to commute during heatwaves. Likelihood: <div style="width: 100%;"><div style="width: 20%;"></div></div> Impact: Disruption to operations and higher operating costs.	1.5°C	Medium- and long-term	L	Playtech already has a strong hybrid working culture and demonstrated an ability to perform while large parts of the business were fully working from home during the COVID-19 pandemic. Emergency air-conditioned transport could also be offered to employees where working from home is not an option (for example dealers in Live studios). Increase budgets to support employee benefits, if necessary.
		2°C		M	
		3°C		M	

Responsible business and sustainability continued

Physical risks continued

TCFD category	Description	Applicable scenario(s)	Time horizon	Materiality	Management approach
 Acute	Disruption to supply chains of key IT equipment due to extreme weather events. Force majeure clauses being used more, making it more difficult to be nimble. Likelihood: <input type="text" value=""/> Impact: Disruption to operations.	1.5°C	Medium and long term	L	Key business units are already stocking up on hardware and components to ensure business continuity and building price premiums for priority delivery into budgets. In addition, investment in the capacity to quickly relocate stocks where needed.
		2°C		L	
		3°C		L	
 Chronic	Temporary or permanent closure, or investment in adaptation, of owned assets and third-party data centres due to unsuitability for climate impacts. Likelihood: <input type="text" value=""/> Impact: Higher capital investment, write-off of assets and higher operating costs.	2°C	Long term	L	When expanding into new markets or planning new assets, the resilience of those locations to the impacts of climate change will need to be taken into account. Feasibility studies on the adaptability of current buildings for projected climate impacts. Maintenance and periodic update of business continuity plans. Risk assess and stress test data centres, based on age, location and in-person visits.
		3°C		L	
 Chronic	Higher employee-related costs due to inflationary pressures from climate change and health impacts. Likelihood: <input type="text" value=""/> Impact: Higher operating costs.	3°C	Long term	V	Monitor and adapt employee-related budgets as necessary.
 Chronic	Global economic, political, and societal instability, for example due to migration, unavailability of key life goods, culture change. Likelihood: <input type="text" value=""/> Impact: Disruption of operations and higher taxation.	2°C 3°C	Long term	N N	Monitor the business and political climate in key markets on an ongoing basis.
 Chronic	Extreme weather events and sea level rise would lead to high investment required to keep vulnerable assets operational, including the Italian retail network and Live studios in North and South America, including in New Jersey. Likelihood: <input type="text" value=""/> Impact: Higher capital investment, write-off of assets and disruption to operations.	3°C	Long term	N	Factor future investment into financial planning. Consider future suitability of locations when expanding. Invest in flood defences where possible or absorb costs of relocation where not.

Transitional risks and opportunities

TCFD category	Description	Applicable scenario(s)	Time horizon	Materiality	Management approach
 Policy and Legal	Carbon taxes could pose an additional cost to the business and limit high-emissions activities such as flying, which would lead to a need to recruit expertise locally. Likelihood:  Impact: Higher operating costs.	1.5°C 2°C	Medium term	V V	Set and review emissions reduction targets. Expand local recruitment networks and invest in local talent pools. Relocate employees.
 Market	As the impacts of climate change disrupt key commodity supply chains and agricultural production, the cost of living is expected to rise. This would lead to consumers having less disposable income and would lead to lower revenue for the consumer-facing business. Likelihood:  Impact: Loss of revenue.	2°C 3°C	Long term	V V	Monitor the situation and maintain capacity to supply increases in demand.
  * Market*	As heatwaves, extreme weather events and wildfires force consumers to stay home for periods of the year, there may be growth in online gambling. This presents a risk to business units that depend on physical gambling activities, and an opportunity to business units that focus on online gambling activities. Likelihood:  Impact: Decrease or increase in revenue, depending on the business unit.	2°C 3°C	Long term	N N	Monitor the situation and maintain capacity to supply increases in demand. Shift business units which mainly rely on physical gambling activities to offer online products.
 Products and Services	If casinos are forced to relocate due to the physical effects of climate change, this could lead to increased demand for products used by casinos produced by Intelligent Gaming Solutions. Likelihood:  Impact: Increase in revenue.	3°C	Long term	L	Monitor the situation and maintain capacity to supply increases in demand.
 Markets	If large parts of the tropics and Southern Europe become less desirable to live in due to the effects of climate change in these regions, it could lead to increased attractiveness of key cities in the Northern hemisphere where Playtech has large operational footprints, such as Riga and London. Likelihood:  Impact: Increase in attractiveness to prospective employees.	3°C	Long term	N	Monitor the situation and maintain and expand, if necessary, operations in more attractive locations.

* Depending on the business unit: it's a risk for business units dependent on physical gambling activities and an opportunity for business units dependent on online gambling activities.

Responsible business and sustainability continued



Partnering on shared societal challenges

Playtech is committed to making a positive impact on society and in local communities, where it operates. By working with subject matter experts, academic partners and charity organisations, we aim to help people live healthier lives online and support a wide range of charitable and volunteering activities. We recognise that the challenges facing the sector and our communities cannot be solved by one organisation alone, and that driving positive social change requires collaboration and partnership.

Commitments:

- Help people live healthier online lives and adopt digital resilience and safer gambling behaviours
- Contribute to and support research, education and treatment to prevent, reduce and address gambling-related harm
- Empower local community groups to deliver a positive impact

Targets and performance measures:



• Reach 415,000 people with digital wellbeing programmes by 2025



• Engage 30,000 people in community and mental health programmes to improve livelihoods by 2025



• Strive for 5% year-on-year increase in employees' contributions (skills, time or money), reaching a global average of 10% by 2025

>680,000

People reached, directly and indirectly, with digital wellbeing programmes

>£1,300,000

Total amount invested during the year in research, education and treatment programmes designed to reduce gambling-related harm

Our approach

A guiding principle for Playtech's philanthropic and volunteering activities is collaboration through partnerships. Playtech's social impact efforts focus on a wide range of themes, including mental health, digital wellbeing and safer gambling, as well as humanitarian causes, and supporting colleagues and communities in crisis.

At Playtech, we recognise the significance of addressing the concerns that matter most to our stakeholders and industry. One of the most material areas of focus is how best to reduce gambling-related harm and promote positive digital wellbeing. The delivery of our healthy online lives and digital wellbeing programme displays our commitment to finding solutions and making a meaningful impact within the industry.

Our Global Community Investment Programme is designed to support causes that are pertinent in the local markets where we operate. Around the world, Playtech supports and encourages employees to contribute their time, skills, money and, most importantly, passion to make a positive social impact in their communities. By building a strong and enduring network with local charities and social enterprises, Playtech explores how to positively contribute to societal challenges.

Playtech's Global Community Investment Committee is comprised of senior management, who oversee and monitor the strategy and governance of the philanthropic and volunteering activities across the Group. Local offices have established and formalised charity committees to oversee and drive community investment activity.



Charitable giving and volunteering in our communities

In 2023, Playtech worked with more than 115 local charities in 12 markets, an increase from over 100 charities and ten markets in 2022. Through the programmes supported, Playtech engaged with more than 47,000 people* in 2023, an increase from over 45,000 people engaged in 2022. Community investment includes gifts in kind, monetary donations and employee volunteering. The total value of monetary donations totalled over €730,000. Employees are encouraged to volunteer for a day each year, as well as support charitable fundraising through our matched giving programme. Of the 12 countries that took part in the community investment programme, an average of 11% of employees contributed their time, money or skills in their community.

* Engaged is defined as an individual that has directly benefited and/or has interacted with the programme by receiving financial and/or in-kind support. Community programmes include all remaining causes excluding mental health and digital wellbeing, e.g. health, hardship and environment.



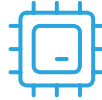
>115

Number of charities supported



12

Number of countries involved in the Community Investment programme



18

Number of 'Tech for Good' initiatives, within the programme



>47,000

Number of people engaged through the community investment programme in 2023

Volunteering in Estonia: Playtech's community impact

Playtech is committed to providing opportunities for its employees to become involved in charitable and volunteering initiatives. Our Community Investment Programme is available to Playtech employees and aims to support colleagues in collectively making a difference in their local communities, through their contributions of time, skills and/or money.

Playtech provides every employee in the organisation with the opportunity to volunteer and support their local communities for one day a year, and in Estonia, colleagues are collaborating with an organisation called Let's Donate Time, which facilitates a range of volunteering opportunities for employees.

For the second consecutive year, Playtech Estonia organised charity weeks at our offices in Tartu and Tallinn. Different time donation options over a two-week period were offered, providing the flexibility needed for as many as possible to take part. More than 100 employees were involved in a week of volunteering including working with Tartu and Tallinn foodbank, a day care centre for the elderly, a church soup kitchen and two animal shelters. Colleagues also volunteered at the Sooma National Park to restore alvars - a task that involves thinning out dense juniper thickets in order to establish paddocks so animals can graze there again.

By participating in Time Donation Weeks, Playtech Estonia is fostering a culture that focuses on giving back and building good relationships between employees and local community organisations.



"Tech for Good" initiative to combat clothing poverty

Playtech funds a number of community-based initiatives aimed at harnessing technology to deliver positive social and environmental outcomes. In the UK, Playtech supported "Give Your Best", an award-winning "Tech for Good" social enterprise that is making it possible for women and children from the refugee and asylum-seeking community in the UK to shop clothing for free, with the dignity and choice they deserve.

In late 2021, Playtech donated the seed funding to support creation of a comprehensive online store. This innovative platform empowers people and brands alike to donate clothing effortlessly online, while also creating a space where the community supported by "Give Your Best" can shop online entirely free of charge.

The launch in 2022 transformed the business from being solely reliant on an Instagram account, to a new e-commerce platform able to process 65% more clothing every month. "Give Your Best" has been able to upscale its activities, supporting more people in clothing poverty, while offering a sustainable and ethical donation solution.

To mark International Volunteering Day on 5 December, an in-office clothing collection and volunteering day was organised with "Give Your Best". Employees donated 122 items and used their Company volunteering day to sort, steam and upload donated clothing items on the website, where people shopped them for free.



Responsible business and sustainability continued

Snaitech's partnership with Special Olympics Italia

Special Olympics Italia provides year-round sports training and athletic competitions in a variety of Olympic-type sports for children and adults with intellectual disabilities, giving them ongoing opportunities to develop physical fitness, demonstrate courage, experience joy, and share their skills and friendship with their families, other Special Olympic athletes and the community.

Snaitech has collaborated with Special Olympics Italia since 2017 through its iZilove Foundation, which promotes the company's charitable and community goals. Snaitech and Special Olympics Italia have two key sustainability objectives – to raise public awareness about the issue of intellectual disability through promotional campaigns, and to share the same core values of integration, participation and enthusiasm. Snaitech is using all the communication tools at its disposal and dedicating its passion and commitment to this cause. Here are a few examples of the collaboration.

In 2017, Snaitech held a fund raising campaign for Italian athletes during the National Winter Games of Bormio, and the following year hosted the opening ceremony of the 34th National Summer Games at the Snai Sesana Racetrack of Montecatini Terme, where over 130 colleagues acted as volunteers.

In 2020, in collaboration with Special Olympics Italia, Snaitech supported the Sappada 31st National Winter Games, and the Smart Games, the first remote sporting event organised during the COVID-19 pandemic. In 2022, the iZilove Foundation supported the 37th National Summer Games in Turin, involving 3,000 athletes, 1,500 volunteers and over 20 different sports disciplines. In April 2023, Snaitech employees supported Special Olympics Italia by taking part in a relay race in the Milan Marathon to contribute to fund raising efforts to take Italian athletes to the Special Olympics World Summer Games in Berlin. The iZilove Foundation also supported Special Olympics Italia at "Play the Games", the programme of sports events scheduled in several Italian regions involving around 5,879 athletes in 19 sports.

Through the iZilove Foundation, Snaitech also supported the "Adopt a Champion" fundraising campaign, to enable three Italian athletes to participate in the games and initiated an internal campaign to invite employees to participate as volunteers in Berlin for three days to support the athletes. Six volunteers from Snaitech in Italy and four from HAPPYBET in Germany participated, as Berlin welcomed 6,500 athletes and Unified Partners from around 190 countries to compete in 26 sports. The athletes were supported by more than 3,000 coaches and 20,000 volunteers.



Supporting communities in crisis

The ongoing wars in Israel and Ukraine have had an unprecedented impact on the lives of many of our colleagues and their communities.

Our first priority was to validate the safety of our colleagues in both countries, and ensure the Company was doing everything possible to support them, as well as their families and local communities. Support included aiding local response efforts and offering mental health and trauma services, as well as, where appropriate, financial assistance through our newly established Employee Benevolent Fund. We have extended support to aid local response efforts with in-kind donations and volunteering as well as donations to hospitals and charities.

We continue to closely monitor the developments in both Israel and Ukraine, as well as the needs of our colleagues and their families and the communities affected.



Playtech's support in Ukraine – the "Cold Winter Project"

Since the outbreak of the war in Ukraine, Playtech has been committed to supporting both our own colleagues living and working in the country, as well as the people of Ukraine affected by the ongoing conflict. We have partnered with humanitarian organisations to provide essential aid, as well as support to a wide range of non-profit organisations, enabling them to deliver vital medical equipment, supplies and psychological assistance to those in need.

Towards the end of 2022, Playtech helped to fund an initiative called the Cold Winter Project, aimed at supporting as many people as possible during the winter months. The Project was run in partnership with two charities, the charity foundation Relief Ship and charity fund Favor and covered three focus areas.

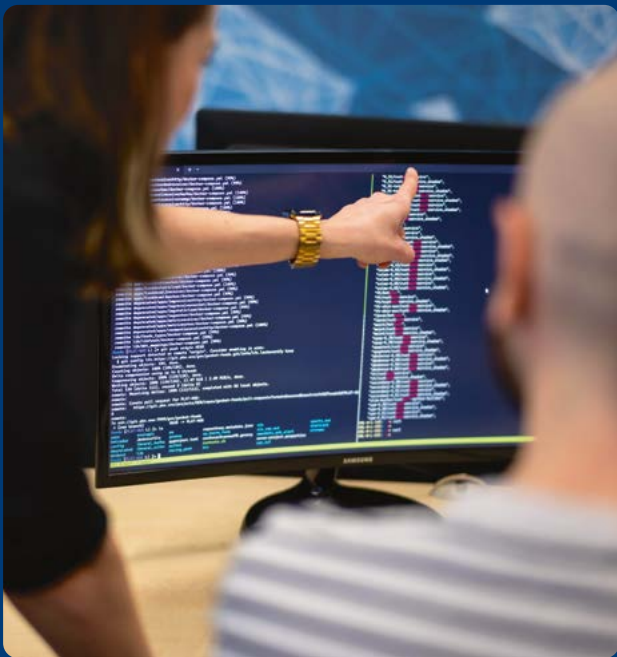
The first entailed providing help to nearly 1,000 people left homeless by the war and living in unheated shelters in Dnipro and in the community of Beziudivka in the Kharkiv area. Unable to keep warm or prepare hot food, they were affected by many issues related to the electricity blackout. Depending on the differing needs of the refugee groups, firewood and blankets were provided, as well as generators, gas burners and gas bottles, which, on delivery by charity volunteers, were carefully unpacked and instructions on safe use provided. During December 2022, Playtech colleagues donated Christmas gifts that were then wrapped and distributed to over 250 children situated in shelters across Ukraine.

The second initiative was funding the delivery of warm meals to around 161,700 people living in eight cities from December 2022 to mid-March 2023. The cities were then under constant fire and recipients of the meals included city residents and migrants as well as sick, elderly, disabled and low-income people in need. Meals were delivered to 15 different lunch hotspots and involved the purchase and preparation of over 25,000 kilogrammes of food.

The third Cold Winter Project initiative was the purchasing of eight ambulances, installing professional medical equipment in each and then delivering them to war zones in dire need of medical transport and equipment.

In December 2023, Playtech demonstrated its ongoing commitment to the Ukrainian communities by funding the "Elderly People's Home" project. This project aims to assist 605 elderly residents of Dnipro Geriatric House, Ukraine's largest facility for senior citizens. Many of these residents are homeless due to displacement and mental health issues. The project involves upgrading the bathrooms and replacing all the windows in the building that accommodates 605 elderly people.

Responsible business and sustainability continued



Evidence-based research to advance player protection

Playtech aims to contribute to building a more responsible, sustainable gambling industry. A key element of Playtech's approach is to support evidence-based research to develop and test best practices to advance player protection measures as well as to address gambling-related harm. Since 2021, Playtech has supported a number of US focused research projects carried out by the Kindbridge Research Institute.

The Kindbridge Research Institute commissioned the Center for Gambling Studies at Rutgers University in New Jersey, a leading public research university in the United States, to set up an evidence-based telehealth model which will be used to evaluate the effectiveness of digital gambling-related harm support and treatments. Treatment for gambling disorder in the US faces several barriers, including the fact that most options involve in-person delivery.

The Kindbridge Research Institute's Treatment Disparity Project is being conducted with Rutgers University to identify the availability of treatment for gambling disorder in the US. The project will result in the creation of an innovative dataset that will pinpoint areas where there are shortages in gambling disorder treatment and indicate the communities of greatest need to guide Kindbridge's telehealth service roll-out plan.

The Kindbridge Research Institute has also supported the 50x4Vets Project, an initiative aimed at improving treatment options for US military veterans. The US is home to roughly 19 million veterans and gambling disorder is three times more prevalent amongst this community than in the wider population. The project's goal is to conduct research on patient characteristics, clinical interventions, and patient outcomes, and identify the most effective interventions, with the aim of implementing this approach in Veterans Health Administration clinics both nationally and internationally.

Investing in safer gambling: research, education and treatment

Healthy online lives and digital wellbeing

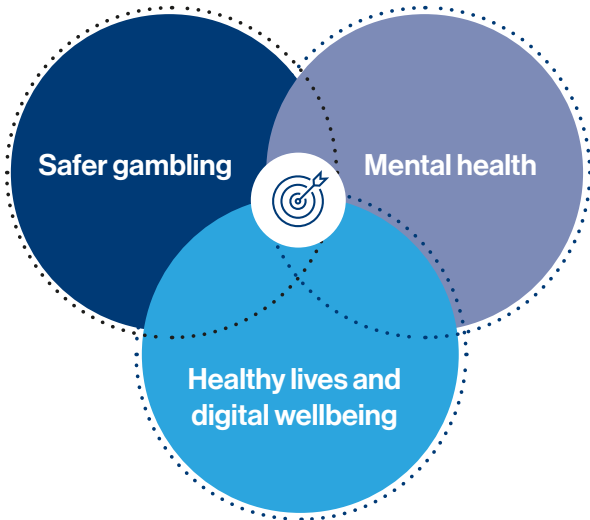
The impacts of gambling-related harm, particularly on mental health, have been rising up the sector's agenda and coming under increasing scrutiny. This is taking place against a backdrop of societal change; with both availability of gambling, and people spending time online increasing – not just to gamble or bet, but to play games and engage with a broad range of social media. Alongside their role as entertainment, all these activities have the potential to encourage unhealthy behaviour and blur the boundaries of what constitutes gambling and healthy online behaviour.

It is now more urgent than ever that academics, policymakers and the gambling industry collaborate with treatment providers and those with lived experience of addiction to make gambling safer. The conversation around gambling has too often been politicised and divided, making it difficult to share insights between all interested parties. This is detrimental to reducing gambling-related harm, which should be everyone's shared goal.

As one of the largest suppliers of gambling products around the world, Playtech is at the forefront of bringing together the gambling industry with academics, policymakers and charity experts. There is strong consensus on many fronts: the need to share data more effectively on gambling, to trial theory in practice before implementing it and to recognise gambling as a health issue.

In 2020, Playtech announced its Healthy Online Living Programme, a commitment to support programmes and partnerships designed to reduce gambling-related harm and promote positive digital wellbeing and health outcomes. In doing so, Playtech formally announced and committed £5 million over five years in five areas of focus, to support partnerships and initiatives that can make a positive difference at the intersection of gambling, online life and mental health. The focus areas include offering preventative education; supporting capability building of frontline staff and support organisations; building the skills of frontline workers in the gambling sector and in healthcare; catalysing innovative digital solutions; and leveraging research, data and AI to deliver insights and solutions.





Since then, Playtech has established strategic partnerships with a growing number of organisations. These include Betknowmore and the Epic Restart Foundation (UK charities that help rebuild lives after gambling problems); Kindbridge, a US organisation that provides an online network of resources for those seeking support and advice about gaming and gambling-related harm; RG Plus, a strategic consultation service developed by the Responsible Gambling Council that offers customised solutions to help operators develop innovative responsible gambling programming; the National Centre for Suicide Prevention; YGAM, an award-winning charity providing evidence-based education to help prevent problem gaming and gambling; and more. To-date, over 680,000 beneficiaries have been reached, both directly and indirectly.

Investing in research to reduce gambling-related harm

Playtech has continued to increase its investment in research, education and treatment programmes designed to reduce gambling-related harm. In 2023, Playtech invested over £1,300,000 in such programmes and initiatives.



Supporting the development of Suicide First Aid Training for the gambling sector

Playtech is collaborating with a wide range of non-profit partners to tackle shared societal challenges, such as gambling-related harm. Betknowmore UK identified a need to address inconsistent training programmes, policies and procedures designed for suicide prevention in the gambling sector. Betknowmore partnered with the National Centre for Suicide Prevention, Education and Training to develop, test and pilot training that provides gambling operator customer service and support teams with the knowledge, skills and confidence building needed to help and support those at risk and/or experiencing suicidal thoughts.

This collaboration led to the creation of the Phase Red Suicide First Aid Training course, a bespoke City and Guilds certified programme specifically designed for responsible gambling and customer facing teams.

Participants in compliance and customer care roles in the gambling industry have found the training particularly helpful, reporting that it helped remove myths and taboos surrounding suicide and left them feeling more confident in supporting customers who may be exhibiting signs of suicide risk. They also found the course helpful when it came to considering their own mental health and wellbeing.

The beneficiaries include direct participants and indirect beneficiaries with 365 direct participants and 21,560 indirect beneficiaries to date. With the development and piloting of the training successfully complete, the next phase of the project is underway to further roll out the training with the aim of it ultimately becoming a leading programme for the sector.

In November 2023, the course received recognition, winning the “Responsible Gambling Solution or Service Provider of the Year” award at the Global Regulatory Awards hosted by Vixio Regulatory Intelligence.

Chief Financial Officer's review

Strong performance across both B2B and B2C



Chris McGinnis
Chief Financial Officer



2023 saw a strong financial performance across both B2B and B2C, with Adjusted EBITDA ahead of previously raised expectations."

9%

Growth in Group Adjusted EBITDA

Overview

Group performance

Overall, Playtech delivered strong financial results in 2023, with Adjusted EBITDA¹ of €432.3 million (2022: €395.4 million), growing 9% compared to 2022. Total reported revenue from continuing operations was €1,706.7 million (2022: €1,601.8 million), representing a 7% increase compared to 2022.

The strong performance was driven by both the B2C and B2B divisions. In B2C, Snaitech had a solid 2023 performance driven by growth across both the online and retail divisions. This drove B2C Adjusted EBITDA of €250.3 million, an increase of 6% compared to 2022. The overall growth was a combination of a very strong start to the year, partly driven by pent-up demand post the 2022 football World Cup and partly offset by customer-friendly sporting results in the second half of the year.

In B2B, the results were driven by strong growth in regulated markets, with revenues growing by 8% from €632.4 million in 2022 to €684.1 million in 2023 and Adjusted EBITDA increasing by 14% from €160.2 million in 2022 to €182.0 million in 2023. With strong growth seen in the Americas and Europe ex UK, the good performance reflects the Group's strategy of focusing on opportunities in regulated and soon-to-be-regulated markets and is further analysed in this report.

In March 2023, the Group invested \$85.0 million (€79.8 million) in Hard Rock Digital in exchange for a small minority interest in a combination of equity shares and warrants. This investment forms part of the Group's strategy to expand its presence in the US, in addition to providing growth opportunities globally.

The Group has been dealing with the ongoing Caliplay disputes, in particular in relation to the unpaid B2B licence fees and additional B2B services fee in respect of FY 2023 (€32.3 million outstanding for the period August 2023 to December 2023 and €54.2 million outstanding for

the period July 2023 to December 2023 respectively). The Group has recognised the full outstanding amount within its total revenue for the year and in line with its revenue accounting policies.

In recognising the entire amount, Playtech has assessed that it is highly probable that there will not be a significant reversal of this revenue in a subsequent period and the receivable is fully recoverable as further explained in Note 7 of the financial statements.

Reported and Adjusted Profit

Adjusted Profit before tax from continuing operations grew by 16% to €250.5 million (2022: €215.4 million), driven mainly by the rise in Adjusted EBITDA and decrease in financing costs, partly offset by the increase in amortisation and depreciation.

Reported profit before tax from continuing operations increased to €235.8 million (2022: €95.6 million) which, in addition to the above, also includes the increase in the unrealised fair value of derivative financial assets, which was partly offset by higher goodwill and intangible impairments compared to 2022. Total post-tax reported profit from continuing operations was €105.1 million (2022: €40.6 million), with the movement in tax explained further in this report.

Balance sheet, liquidity and financing

The Group continues to maintain a strong balance sheet with Adjusted gross cash, which excludes the cash held on behalf of clients, progressive jackpots and security deposits, of €363.3 million as at 31 December 2023 (2022: €272.4 million). The increase is a result of the new €300.0 million bond issue which took place in June 2023 and the continued strong performance of the Group throughout the year, partly offset by the €200.0 million repayment of the 2018 Bond and the uncollected €86.5 million Caliplay debt. Net debt increased slightly to €282.8 million as at 31 December 2023 (2022: €275.2 million), while net debt/Adjusted EBITDA remained flat at 0.7x (2022: 0.7x).

Playtech has taken a proactive approach to managing its balance sheet. In June 2023, the Company acted quickly to take advantage of a window of relative market calm and secure favourable interest rates, issuing €300.0 million of senior secured notes due 2028 at an interest rate of 5.875%. Part of the proceeds were used to redeem all of the outstanding €200.0 million 3.75% senior secured notes due in October 2023. The Company also used the proceeds to repay the outstanding debt under its existing revolving credit facility in July 2023, which remains available and undrawn today.

Group summary (continuing operations)³

	2023 €'m	2022 €'m
B2B	684.1	632.4
B2C	1,037.0	983.1
B2B licence fee – intercompany*	(14.4)	(13.7)
Total Group revenue from continuing operations	1,706.7	1,601.8
Adjusted costs ⁴	(1,274.4)	(1,206.4)
Adjusted EBITDA from continuing operations	432.3	395.4
Reconciliation from EBITDA to Adjusted EBITDA:		
EBITDA	406.5	362.3
Employee stock option expenses	6.3	8.0
Professional fees	14.4	15.7
Ukraine employee support costs	—	3.3
Onerous contract	—	10.4
Fair value change of redemption liability	—	(4.3)
Impairment of investment and receivables	5.1	—
Adjusted EBITDA	432.3	395.4
Adjusted EBITDA margin	25%	25%

* These are the B2B licence fees paid from the B2C divisions to B2B.

The Group's total reported EBITDA increased by 12% to €406.5 million (2022: €362.3 million). The adjusted items between reported and Adjusted EBITDA are explained in Note 11 of the financial statements.

Q&A with Chris McGinnis

1. What is it that sets Playtech apart?

Playtech is known for its market-leading technology, first-in-class content and commitment to ensuring a safe betting and gaming experience, so it could be any of these. The common thread running through it all is our people. Everywhere you look, we have fantastic colleagues working hard to help us lead the way and deliver an excellent experience for our customers. They never cease to amaze me!

2. What has surprised you the most about the CFO role?

One of the biggest differences has been moving from an externally focused role in investor relations to a more internally focused one as CFO. I still engage with analysts and investors regularly, but a much larger proportion of my time is now spent working with our colleagues around the business. That different perspective has shown me more clearly than ever just how much talent we have within the business and leaves me feeling very optimistic about the future.

3. Can you share some insights into your experience and the challenges you've faced?

Unfortunately, a number of our colleagues in Ukraine and more recently Israel continue to be affected by wars in their respective regions. As we have done for the past few years, our priority is to ensure that we are doing all that we can to support them and their families.

From a financial perspective, there's been a lot of macroeconomic uncertainty and all businesses have had to manage pressures from inflation and a higher interest rate environment. Navigating that has been a challenge, but one that we've risen to.

4. Can you share some of the key accomplishments that you're particularly proud of?

Back in March 2023, I set out several priorities and I'm pleased with the progress we're making across all of them. In particular, we've strengthened our cash generation over the past year, which reflects the excellent performance across both our B2B and B2C operations.

The refinancing we completed was a key moment that highlighted the strength of our business and our balance sheet, as well as giving us the flexibility to pursue organic and inorganic opportunities.

5. Looking ahead, what are your priorities for the upcoming year?

I think there are a lot of exciting growth opportunities for Playtech in 2024 and beyond. As CFO, I see the finance team's and my role as enabling the business to take advantage of these opportunities, while keeping expenditure well controlled and continuing to execute against our strategic priorities.

Chief Financial Officer's review continued

Divisional performance

B2B

B2B revenue

	2023 €'m	2022 €'m	Change %	Constant currency %
Americas	211.9	144.7	46%	35%
– USA and Canada	13.2	7.6	74%	82%
– Latin America	198.7	137.1	45%	32%
Europe excluding UK	200.1	184.6	8%	8%
UK	126.1	126.7	0%	1%
Rest of the World	7.0	5.6	25%	25%
Total regulated B2B revenue	545.1	461.6	18%	15%
Unregulated	139.0	170.8	-19%	-17%
Total B2B revenue	684.1	632.4	8%	6%

Overall, B2B revenues increased by 8% (6% on a constant currency basis), largely due to an increase in the regulated B2B business.

Regulated B2B revenues² increased by 18%, driven by an increase in regulated markets in the Americas and Europe (excluding the UK) of 46% and 8% respectively (35% and 8% respectively on a constant currency basis), partly offset by a decline in unregulated revenues.

The increase in the Americas was primarily driven by Mexico, due to revenue growth from Caliply (albeit it there remains a large outstanding receivable balance – see Note 7 of the financial statements), with increasing contributions from other countries such as the US through Parx, Canada via NorthStar and other licensees, and Colombia via Wplay. In Europe (excluding the UK) growth was driven by several countries including Poland, the Czech Republic and Spain, although this growth was partly offset by the loss of two retail sports contracts. The increase in Poland was driven by Playtech's partnership with Polish state operator, Totalizator, which is going from strength to strength, whereas in Spain, there were several new launches during 2023.

The small decline seen across the UK market was due to the continued impact of the uncertain regulatory climate. The majority of the decline in unregulated markets is due to revenue moving to the regulated category, as areas such as Ontario in Canada regulate, as well as further declines in revenue in Asia.

B2B costs

	2023 €'m	2022 €'m	Change %
Research and development	100.2	87.5	15%
General and administrative	85.5	82.6	4%
Sales and marketing	19.5	16.8	16%
Operations	296.9	285.3	4%
Total B2B costs	502.1	472.2	6%

Total B2B revenue and costs

B2B revenue	684.1	632.4	8%
B2B costs	(502.1)	(472.2)	6%
Total B2B Adjusted EBITDA Margin	182.0	160.2	14%
	27%	25%	

Research and development (R&D) costs include, among others, employee-related costs and proportional office expenses. Expensed R&D costs grew by 15% to €100.2 million (2022: €87.5 million), driven by the increase in employee-related costs, including inflationary

salary rises from higher investment in the core gaming development team (Casino, Live and IMS). Capitalised development costs were 35.3% of total B2B R&D costs in 2023 (2022: 38.7%).

General and administrative costs include employee-related costs, proportional office expenses, consulting and legal fees, and corporate costs such as audit and tax fees and listing expenses. These costs increased by 4% to €85.5 million (2022: €82.6 million), mainly due to increases in professional fees and other administration costs.

Sales and marketing costs increased by 16% to €19.5 million (2022: €16.8 million), mainly due to the full return of marketing and exhibition activities to pre-COVID-19 levels.

Operations include costs relating to infrastructure and other operational projects, IT and security and general day-to-day operational costs, including employee and office-apportioned costs and branded content fees. These costs increased by 4% to €296.9 million (2022: €285.3 million), driven mainly by Playtech's expanding Live operations in Peru, US and Romania, as well as an increase in costs to support Playtech's structured agreements.

B2B Adjusted EBITDA

Total B2B Adjusted EBITDA increased by 14% to €182.0 million (2022: €160.2 million), while EBITDA margin increased to 27% from 25% in 2022, driven by the movement in revenue and costs, as described above.

B2C

	2023 €'m	2022 €'m	Change %
Snaitech			
Revenue*	946.6	899.8	5%
Costs	(690.5)	(655.8)	5%
Adjusted EBITDA Margin	256.1	244.0	5%
	27%	27%	
Sun Bingo and Other B2C			
Revenue	73.4	65.3	12%
Costs	(67.4)	(63.3)	6%
Adjusted EBITDA Margin	6.0	2.0	200%
	8%	3%	
HAPPYBET			
Revenue	18.2	20.1	-9%
Costs**	(30.0)	(30.9)	-3%
Adjusted EBITDA Margin	(11.8)	(10.8)	
	N/A	N/A	
B2C Adjusted EBITDA Margin	250.3	235.2	6%
	24%	24%	

* Includes intercompany revenue from HAPPYBET of €1.2 million (2022: €2.1 million).

** Includes intercompany costs from Snaitech of €1.2 million (2022: €2.1 million).



Snaitech

Snaitech revenues increased 5% from the prior year to €946.6 million (2022: €899.8 million), with operating costs seeing the same 5% increase to €690.5 million (2022: €655.8 million). These results were driven by good growth across both the retail and online segments, although there were differing dynamics across the period. The first half saw a very strong start driven by pent-up demand post the football World Cup. This was partly offset by customer-friendly sporting results in the second half of the year.

As a result of Snaitech's movement in revenue and costs, Adjusted EBITDA increased by 5%, while the respective margin remained stable at 27% (2022: 27%).

Sun Bingo and Other B2C

Revenue from the Sun Bingo business increased by 12% to €73.4 million (2022: €65.3 million). Operating costs within Sun Bingo increased by 6% to €67.4 million (2022: €63.3 million), leading to an Adjusted EBITDA of €6.0 million (2022: €2.0 million). The increase in Adjusted EBITDA was due to the increase in marketing spend towards the end of 2022 during the football World Cup, resulting in higher revenue growth in 2023 at a high contribution margin. Furthermore, during 2023, the division saw improvements in its return on investment from more effective marketing and stronger retention rates. Adjusted EBITDA still includes the unwinding of the minimum guarantee prepayment of €5.2 million in the current year (2022: €5.4 million), recognised as an expense over the new period of the contract which was renegotiated in 2019.

On a reported basis, Playtech incurred a one-off cost of €10.4 million in 2022 to terminate an onerous contract with a service provider.

HAPPYBET

Revenue from HAPPYBET decreased by 9% to €18.2 million (2022: €20.1 million), with costs decreasing by 3%. The business remains loss making, with Adjusted EBITDA loss in the current year of €11.8 million (2022: loss of €10.8 million), albeit 2023 includes a €2.0 million expense relating to a litigation settlement.

Below EBITDA items

Depreciation and amortisation

Reported and adjusted depreciation increased by 12% to €46.5 million (2022: €41.5 million). After deducting amortisation of acquired intangibles of €42.6 million (2022: €42.0 million), adjusted amortisation increased by 24% to €84.1 million (2022: €67.8 million) after the renewal of certain licences in Snaitech during H2 2022, which were previously extended for free until June 2022, meaning there was no corresponding amortisation in H1 2022. The remainder of the balance under depreciation and amortisation of €21.2 million (2022: €18.9 million) relates to IFRS 16 Leases and the recognition of the right-of-use asset amortisation.

Impairment of intangible assets

The reported impairment of intangible assets of €89.8 million (2022: €38.5 million) mainly relates to:

- the impairment of the Eyecon cash-generating unit (CGU) of €7.8 million (2022: €13.6 million), driven by underperformance due to the increasingly competitive UK online market;
- the impairment of the Quickspin CGU of €9.6 million (2022: €7.0 million), as the business goes through a transitional period, resulting in a decline in revenue, but shows signs of recovering following an internal realignment whereby it is now under management of the Live business unit; and
- the impairment of the Sports B2B CGU of €72.2 million (2022: €Nil) due to the loss of two significant retail contracts in the year.

The prior year impairment of €38.7 million related to the impairments of the Eyecon CGU of €13.6 million, Quickspin CGU of €7.0 million, Bingo VF CGU of €12.5 million and IGS CGU of €5.6 million.

Finance income and finance costs

The reported and adjusted finance income of €12.3 million (2022: €11.6 million) mainly relates to net foreign exchange gain of €2.2 million (2022: €9.2 million) and interest received of €10.0 million (2022: €2.4 million).

Reported finance costs include interest payable on bonds and other borrowings, bank facility fees, bank charges, interest expense on lease liabilities and expected credit losses on loan receivables. Reported finance costs decreased by 26% to €46.2 million (2022: €62.8 million), mainly due to the repayment of the 2018 Bond in H2 2023. The difference between adjusted and reported finance costs is the movement in contingent consideration of €3.3 million (2022: €0.1 million) relating to the acquisition of AUS GMTCC PTY Ltd.

Unrealised fair value changes in derivative financial assets

The unrealised fair value increase in derivative financial assets of €153.4 million (2022: €6.0 million) is due to the movement of the fair value of the various call options held by the Group which fall under the definition of derivatives within IFRS 9 Financial Instruments, with the most significant increase being as a result of the uplift in the fair value of the Playtech M&A Call Option. Further details on the fair value of the various call options are disclosed in Note 21C of the financial statements.

Taxation

A reported tax expense from continuing operations of €130.7 million (2022: €55.0 million) arises on a reported profit before tax of €235.8 million (2022: €95.6 million) compared to an expected charge of €55.4 million based on the UK headline rate of tax for the period of 23.5%. The key item for which the reported tax charge has been adjusted are UK tax losses on which a deferred tax asset of €37.2 million was derecognised as expected utilisation would fall outside the forecasting period and therefore there is not sufficient certainty they will be recovered.

The total adjusted tax expense is €93.7 million (2022: €54.9 million) which arises on an Adjusted Profit before tax of €250.5 million (2022: €215.4 million). The total adjusted tax expense of €93.7 million consists of an income tax expense of €35.3 million (2022: €20.4 million) and a deferred tax expense of €58.4 million (2022: €34.5 million). The total adjusted deferred tax expense mainly consists of a deferred tax expense of €42.2 million relating to the Snaitech group including the use of Snaitech tax losses and excess interest expense.

The Group's effective adjusted tax rate for the current period is 37.4%. This rate is higher than the UK headline rate for the period of 23.5%. The key reasons for the differences are a mix of profits including subsidiaries located in territories where the tax rate is higher than the UK statutory tax rate (which predominately relates to Snaitech based in Italy), current year tax losses not recognised for deferred tax purposes and expenses not deductible for tax purposes which include impairment of intangibles.

Chief Financial Officer's review continued

Discontinued operations

Finalto (formerly TradeTech Group)

Finalto was disposed of in July 2022 with cash proceeds of \$228.1 million (€223.9 million) and transaction costs of €1.6 million resulting in a profit on disposal of €15.1 million.

Adjusted Profit

	2023 €'m	2022 €'m
Reported profit from continuing operations	105.1	40.6
Employee stock option expenses	6.3	8.0
Professional fees	14.4	15.7
Fair value change and finance costs on contingent consideration and redemption liability	3.3	(4.2)
Ukraine employee support costs	—	3.3
Onerous contract	—	10.4
Impairment of investment and receivables	5.1	—
Fair value changes of equity instruments	6.6	0.3
Fair value changes of derivative financial assets	(153.4)	(6.0)
Fair value loss on convertible loans	—	3.0
Loss on disposal of subsidiary	—	8.8
Amortisation of intangible assets on acquisitions	42.6	42.0
Impairment of property, plant and equipment and intangible assets	89.8	38.5
Deferred tax on acquisitions	(8.2)	(8.3)
Derecognition of brought forward deferred tax asset	37.2	—
Tax related to uncertain provision	8.0	8.4
Adjusted Profit from continuing operations	156.8	160.5

The reconciling items in the table above are further explained in Note 11 of the financial statements. Reported profit post tax from continuing operations was €105.1 million (2022: €40.6 million), mainly due to the increase in the fair value of the derivative financial assets, partly offset by an increase in CGU impairments and the derecognition of brought forward deferred tax assets.

Adjusted EPS (in Euro cents)

	2023	2022
Adjusted basic EPS from continuing operations	51.7	53.5
Adjusted diluted EPS from continuing operations	50.2	51.5
Basic EPS from profit attributable to the owners of the Company	34.7	29.2
Diluted EPS from profit attributable to the owners of the Company	33.7	28.1
Basic EPS from profit attributable to the owners of the Company from continuing operations	34.7	13.5
Diluted EPS from profit attributable to the owners of the Company from continuing operations	33.7	13.0

Basic EPS is calculated using the weighted average number of equity shares in issue during 2023 of 303.3 million (2022: 300.1 million). Diluted EPS also includes the dilutive impact of share options and is calculated using the weighted average number of shares in issue during 2023 of 311.9 million (2022: 311.9 million).

Cash flow

Cash conversion

Playtech continues to be cash generative and delivered operating cash flows of €366.9 million (2022: €410.9 million) including cash from discontinued operations which only impacts H1 2022.

	2023 €'m	2022 €'m
Adjusted EBITDA	432.3	429.2
Net cash provided by operating activities	366.9	410.9
Cash conversion	85%	96%
Change in jackpot balances	3.3	(3.6)
Change in client funds and security deposits	(2.1)	15.3
Professional fees	14.4	24.4
ADM security deposit (Italian regulator)	0.7	11.5
Adjusted net cash provided by operating activities	383.2	458.5
Adjusted cash conversion	89%	107%

Excluding the impact of discontinued operations, operating cash flows decreased from €382.7 million in the prior year to €366.9 million in 2023, with the decline driven by the outstanding Caliply receivable as further explained in Note 7 of the financial statements.

	2023 €'m	2022 €'m
Adjusted EBITDA	432.3	395.4
Net cash provided by operating activities	366.9	382.7
Cash conversion	85%	97%
Change in jackpot balances	3.3	(3.6)
Change in client funds	(2.1)	(9.4)
Professional fees	14.4	15.7
ADM security deposit (Italian regulator)	0.7	11.5
Adjusted net cash provided by operating activities	383.2	396.9
Adjusted cash conversion	89%	100%

Adjusted cash conversion of 89% (2022: 100%) is shown after adjusting for jackpot balances, client funds, professional fees and ADM security deposit.

Adjusting for the above cash fluctuations is essential in order to truly reflect the quality of revenue and cash collection. This is because the timing of cash inflows and outflows for jackpots, security deposits and client funds only impact the reported operating cash flow and not Adjusted EBITDA, while professional fees are excluded from Adjusted EBITDA but impact operating cash flow.

Cash flow statement analysis

Net cash outflows used in investing activities totalled €317.6 million (2022: €358.3 million), key items of which include:

- €79.8 million for the acquisition of a small minority interest in Hard Rock Digital (refer to Note 21B);
- a €41.3 million cash payment in relation to a subcontractor option redemption (refer to Note 21C); and
- €150.0 million (2022: €125.4 million) used in the acquisition of property, plant and equipment, intangibles and capitalised development costs.

Net cash inflows from financing activities totalled €39.9 million (2022: outflow of €566.9 million), key movements of which include:

- redemption of the outstanding €200.0 million bond due 2023; and
- net proceeds of €297.2 million received from the new bond issued in 2023.

Balance sheet, liquidity and financing

	2023 €'m	2022 €'m
Cash and cash equivalents (net of ECL)	516.2	426.5
Cash held on behalf of clients, progressive jackpots and security deposits	(152.9)	(154.1)
Adjusted gross cash and cash equivalents	363.3	272.4
Bonds	646.1	547.6
Gross debt	646.1	547.6
Net debt	282.8	275.2
Adjusted EBITDA	432.3	395.4
Net debt/Adjusted EBITDA ratio	0.7	0.7

Cash

The Group continues to maintain a strong balance sheet with total cash and cash equivalents of €516.2 million at 31 December 2023 (2022: €426.5 million). Adjusted gross cash, which excludes the cash held on behalf of clients, progressive jackpots and security deposits, increased to €363.3 million as at 31 December 2023 (2022: €272.4 million), a result of the new €300.0 million bond issue and the continued strong performance of the Group throughout the year, offset by the repayment of the outstanding €200.0 million bond due 2023 (the "2018 Bond") and the Caliplay outstanding debt of €86.5 million.

Financing and net debt

As at 31 December 2023, the Group had the following borrowing facilities:

- €350.0 million 2019 Bond (2022: €350.0 million) (4.25% coupon, maturity 2026) which was raised in March 2019;
- undrawn €277.0 million revolving credit facility (2022: undrawn); this facility is available until October 2025, with an option to extend by 12 months; and
- €300.0 million 2023 Bond issued in June 2023, as further discussed below.

Playtech has taken a proactive approach to managing its balance sheet. In June 2023, the Company acted quickly to take advantage of a window of relative market calm and secure favourable interest rates. Playtech issued €300.0 million of senior secured notes due 2028 at an interest rate of 5.875% (2023 Bond). The 2023 Bond has been assigned a rating of BB by S&P Global Ratings UK Limited and Ba2 by Moody's Investors Service Ltd upon issue. In July 2023, part of the proceeds of the bond were used to redeem all of the outstanding 2018 Bond of €200.0 million 3.75% due in H2 2023 and to repay the outstanding debt under its existing revolving credit facility, which remains available and undrawn today. The remaining amount, after payment of transaction-related expenses, will be used for general corporate purposes.

Net debt, after deducting Adjusted gross cash, increased slightly to €282.8 million (2022: €275.2 million), while net debt/Adjusted EBITDA remained stable at 0.7x (2022: 0.7x).



Chief Financial Officer's review continued

Balance sheet, liquidity and financing continued

Contingent consideration

Contingent consideration increased to €6.2 million (2022: €2.9 million), mostly due to the fair value movement in the contingent consideration related to the AUS GMTC PTY Ltd acquisition. The existing liability as at 31 December 2023 comprised the following:

Acquisition	Maximum payable earnout (per terms of acquisition)	Contingent consideration as at 31 December 2023	Payment date (based on maximum payable earnout)
Aus GMTC PTY Ltd	€45.3 million	€5.4 million	Q4 2025
Other	€0.8 million	€0.8 million	Various

Going concern and viability assessment

In adopting the going concern basis in the preparation of the financial statements, the Group has considered the current trading performance, financial position and liquidity of the Group, the principal risks and uncertainties, together with scenario planning and reverse stress tests completed for a period of no less than 15 months from the approval of these financial statements.

At 31 December 2023, the Group held total cash of €516.2 million (2022: €426.5 million) and Adjusted gross cash, which excludes the cash held on behalf of clients, progressive jackpots and security deposits, of €363.3 million (2022: €272.4 million). Net debt, which is gross debt after deducting Adjusted gross cash, increased slightly to €282.8 million (2022: €275.2 million).

The financing and net debt position has been reported and analysed in the relevant section above. As at the date of this report (26 March 2024) the Group's facilities include the 2019 Bond of €350.0 million and the 2023 Bond of €300.0 million, both of which are long-term borrowings due in 2026 and 2028 respectively, as well as the fully undrawn RCF of €277.0 million.

As per the going concern assessment under Note 2, under its base case scenario management, the Directors have a reasonable expectation that the Group will have adequate financial resources to continue in operational existence over the relevant going concern period and have therefore considered it appropriate to adopt the going concern basis of preparation in the financial statements.

While the base case cash flow forecasts have assumed full recovery of the Caliplay outstanding amounts within the going concern period of assessment, there is a remote risk that no cash will be received depending on the progress of the legal dispute, and hence this was modelled in the stress test scenario. Even under this scenario the Group still has sufficient headroom on its covenants and liquidity and hence the Directors still have a reasonable expectation that the Group will continue as a going concern over the relevant going concern period. This remote scenario was also modelled in the viability assessment which covers a period of three years and concludes that there is a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three-year period to 31 December 2026.

- Adjusted numbers throughout relate to certain non-cash and one-off items. The Board of Directors believes that the adjusted results represent more closely the consistent trading performance of the business. A full reconciliation between the actual and adjusted results is provided in Note 11 of the financial statements.
- Core B2B refers to the Company's B2B business excluding unregulated Asia.
- Totals in tables throughout this statement may not exactly equal the components of the total due to rounding.
- Comparative information throughout has been restated due to a change in accounting policy. Further details are provided in Note 4C of the financial statements.

Chris McGinnis
Chief Financial Officer
26 March 2024



Risk management, principal risks and uncertainties

Risk as a key priority



2023 saw us strengthen our risk management approach through the on-going development of a bottom-up process whereby risk is reviewed across our business, to identify the main threats to delivery of our strategy."

A message from the Chair of the Risk & Compliance Committee

Understanding the risks that impact our strategy

Risk management is fundamental to both robust corporate governance and the successful delivery of our mission and objectives. The trends outlined in our strategy present both opportunities and threats to our business. Identifying and managing these risks is critical to delivering our strategic goals. Regular discussion of our key priorities and the changing landscape of challenges is the lens through which we assess these.

Strengthening our risk management and internal control

Whilst 2020 through to 2022 presented well-known global challenges, 2023 exacerbated this, not least due to the tragic events in Israel on 7 October compounding upon that in Ukraine.

2023 saw us strengthen our risk management approach through the on-going development of a bottom-up process whereby risk is reviewed across our business to identify the main threats to delivery of our strategy. A robust risk management process continues to be a high priority for our business.

In recognition of the critical relationship between risk management and internal control, reinforced by the UK Corporate Governance Code guidance, we also appointed an experienced Director of Risk, Internal Control and Assurance, to lead a new, dedicated team to design and deliver a new Enterprise Risk Management Framework.

In 2024, we shall further enhance our approach to risk management and internal controls, in line with Corporate Governance guidance, through the embedment of an inter-related assurance process with focused metrics and robust key control management for each of our principal risks to support our operations and as a management tool for business decisions. We shall also implement a testing schedule for key controls emanating from our significant and principal risks. This will form a crucial objective throughout 2024 as the new Enterprise Risk Management programme matures.

Samy Reeb

Chair of the Risk & Compliance Committee

26 March 2024

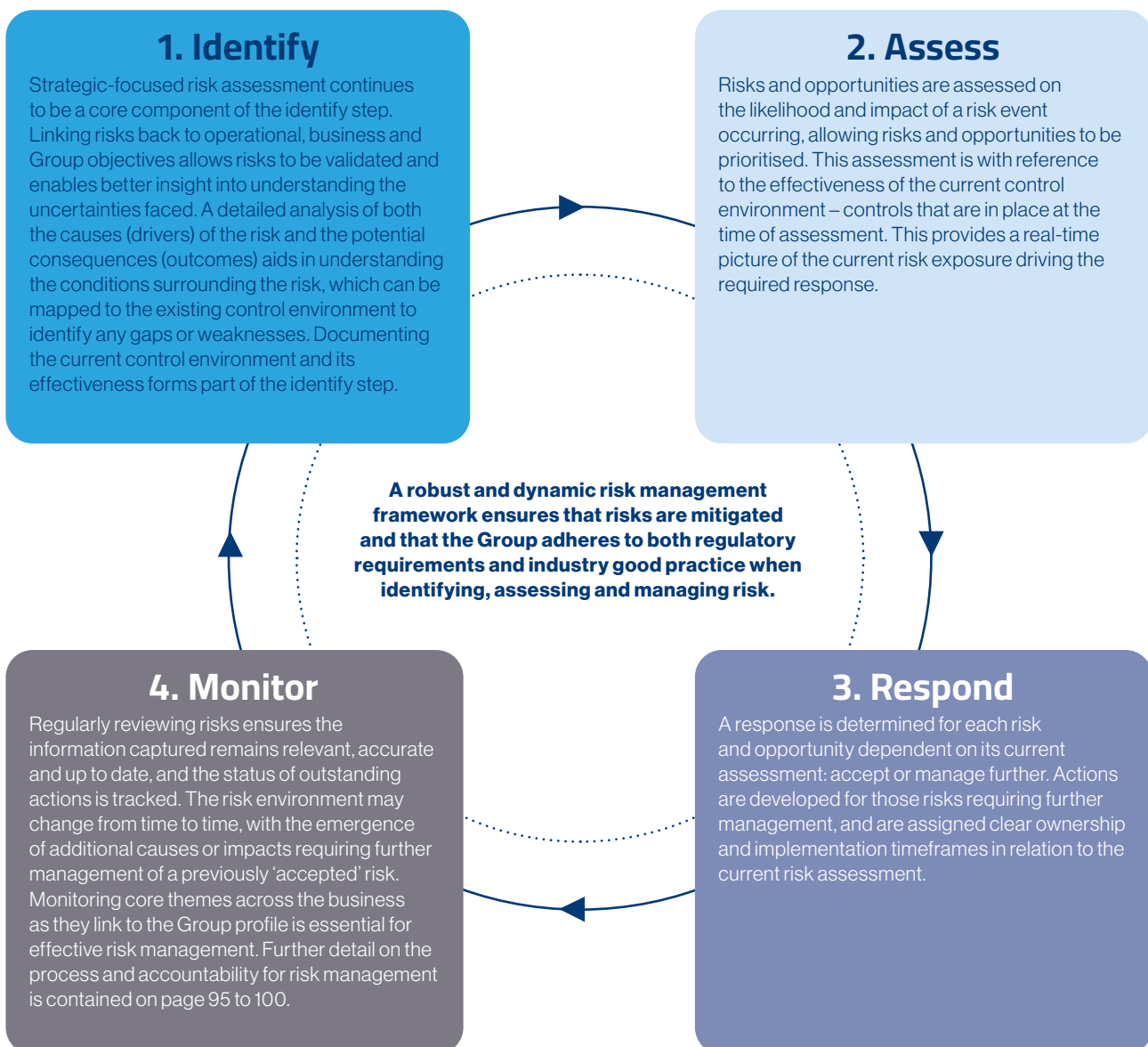
Risk management, principal risks and uncertainties continued

Risk management in Playtech

Our Board is responsible for risk management and promotes a transparent and accountable culture through good stewardship that does not inhibit sensible risk taking critical to growth.

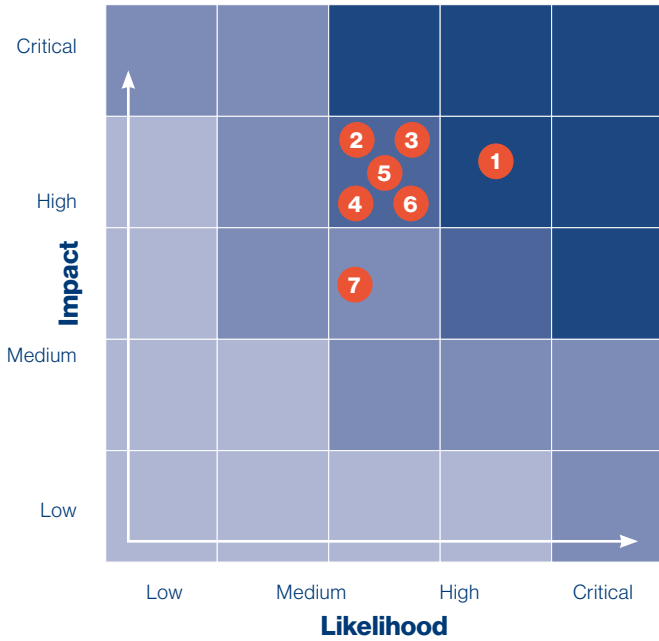
The Board supports good risk management across the Group by implementing and overseeing a framework of appropriate and effective controls that enable risk to be assessed and managed. While sound risk management cannot eliminate all risks, the role of our Board, its committees and the Executive Leadership Team is to ensure that our risk management processes are robust, effective and take account of appropriate exposures.

We continue to strengthen our approach to risk and controls management to develop a process that complies with the requirements of the UK Corporate Governance Code.



Outlining our principal risks

Principal risks heatmap 2023



Key: Matrix – Risk rating classifications (Likelihood x Impact)

	Risk	Trend
Low risk		
Medium risk		
High risk		
Critical risk		
	1. Remaining competitive	→ Stable
	2. Security	→ Stable
	3. Geopolitical considerations	↑ Rising
	4. Legal, compliance and tax	→ Stable
	5. Sustainable business	→ Stable
	6. Talent retention	↑ Rising
	7. Recessionary risk	→ Stable

1) Failure to maintain a competitive position

Risk category	Strategic
Likelihood	High
Impact	High
Trend	→ Stable
Link to strategy	1 2 3 4 5 6

Principal risk

We find ourselves with stronger, more robust competition which can reduce our market share and limit our potential for growth. Our market thrives on the presence of active participants in the market to keep us innovative and relevant and help us advance as an industry.

Mitigation

With technology rapidly advancing, industry consolidations and new and emerging markets on the table, this gives us further opportunity to build on our strategies of:

- placing innovation at the core of the Company, evolving our products and delivering exciting offerings, from both a technology and product perspective;
- exploring new and emerging markets to accelerate B2B and B2C growth;
- dedicating time to retaining and acquiring core talent; and
- harnessing the power of AI technology in our business operations to drive innovation and new ways of working and optimise our products and services to keep us ahead of the competition.

Strategic considerations

If we do not respond to the market dynamics, it will be more challenging to achieve our objectives as well as meet and exceed stakeholder expectations.



Risk management, principal risks and uncertainties continued

Outlining our principal risks continued

2) Data breach, technical systematic failure or security incident

Risk category	Operational
Likelihood	Medium
Impact	High
Trend	→ Stable
Link to strategy	1 2 3 4 5 6

Principal risk

Our operational activities depend on our technology and operational processes to ensure the availability, integrity and confidentiality of our services, assets and personally identifiable data that we hold. A compromise of services or data through a technical system failure, cyber-attack or breach of security would adversely impact our Company, including disruptions to customers, regulatory penalties and reputational damage.

Mitigation

Our current focus to assure the protection of our data and systems, mitigating the risks of compromised Playtech systems, is led by the following security strategies as aligned with our business objectives:

- protecting service operations and delivery, on premise and on cloud, through advanced technological security capabilities and skilled staff;
- establishing a robust security governance framework which operates under global and regulatory security standards, such as ISO/IEC 27001 and GLI-19/33 Information Security Management standard, and oversees Playtech offices and data centres, including Snaitech;
- working with Playtech customers to provide guidance on security configuration and procedures combined with overall assurance that both players and customers receive modern security capabilities by default; and
- assuring business continuity by testing contingency plans as a response to potential technical failures or incidents such as DDoS attacks.

Strategic considerations

The strategic priorities are security risks that may cause service disruption or regulatory non-compliance. While those risks may result in reputational and operational damage, Playtech is well placed to respond and avoid any impact to its growth potential.

3) Geopolitical challenges

Risk category	Macroeconomic
Likelihood	Medium
Impact	High
Trend	↑ Rising
Link to strategy	N/A

Principal risk

We are entering 2024 with the war in Ukraine still active but the situation at present is stable, and the Israel-Hamas war which brings instability around the region, including Houthi attacks in the Red Sea that disrupt global supply chains. In addition to the safety of our staff, there is the risk that regional conflicts will constrain energy supply and disrupt major transportation routes, raising prices across the board and affecting business operations. Over the next year, the attention and resources of global powers are likely to be focused on three hotspots in particular: the war in Ukraine, the Israel-Hamas conflict and tensions over Taiwan. Escalation in any one of these hotspots would radically disrupt global supply chains, financial markets, security dynamics and political stability, viscerally threatening the sense of security and safety of individuals worldwide. All three areas stand at a geopolitical crossroads, potentially leading to broader regional destabilisation.

Mitigation

The past year has highlighted how resilient our organisation can be when we have to prioritise and respond to a crisis. We developed an effective response to the risks posed to us by the war in Ukraine and the Israel-Hamas war by:

- protecting our people and their families which has included financial support as well as flexible working arrangements;
- ensuring capacity and continuity by managing and relocating key infrastructure and sharing knowledge and teams inside and outside of Ukraine and Israel; and
- reviewing reliance on critical supply chains through effective business continuity planning which has included implementing backup generators and evacuation plans.

Strategic considerations

Key staff that are critical to delivering our strategic objectives are still based in Ukraine and Israel. We have contingency plans on standby in case we have to react with immediate notice and are actively monitoring the situation.

4) Non-compliance with a changing landscape in legal, regulatory, licensing and tax requirements

Risk category	Strategic
Likelihood	Medium
Impact	High
Trend	→ Stable
Link to strategy	1 2 3 4 5 6

Principal risk

The regulatory and legislative landscape continues to evolve, with more uncertain politics and greater pressure globally on the industry and tax regimes; therefore, it is vital that we keep abreast of these changes in a timely manner, ensuring Playtech is either first to market for its licensees or retains its dominant position in already regulated markets. We need to be flexible and dynamic when we enter new jurisdictions, and work closely alongside the regulatory bodies, as it can be extremely challenging both operationally and commercially to be ahead of all the legislative requirements. We are also seeing greater focus across environmental, social and governance regulatory and disclosure requirements, with application for both direct operations and supply chain.

Mitigation

It is vital we are at the forefront of regulation and in order to do so we are committed to:

- promoting a safer gambling environment at the forefront of our operations;
- operating a Playtech Regulatory Intelligence team who monitors all regions, and ensures our processes and controls are up to date and relevant;
- having dedicated internal legal, regulatory and tax teams with responsibility for working with and advising the Board of upcoming regulatory changes to ensure compliance;
- utilising external advice and engaging with partners who are familiar with the landscape where possible, to reduce any unknown exposure;
- communicating to the Board fully on all regulatory matters which provides visibility and consultation from the top;
- ongoing assessment and review of our climate-related risks and opportunities; and
- strong engagement with our value chain to mitigate and manage the effects.

Strategic considerations

Increasing regulation puts pressure on new and existing jurisdictions and therefore the marketplace itself. These regulations are wide ranging and relate to gambling, listing rules, tax regimes, financial regulation and requirements under relevant environmental, social and governance-related regulations. This can lead to higher consolidation in the marketplace; therefore, keeping informed helps us to remain competitive and supports our growth.

5) Inability to maintain a sustainable business

Risk category	Strategic
Likelihood	Medium
Impact	High
Trend	→ Stable
Link to strategy	1 2 3 4 5 6

Principal risk

Insufficient awareness and visibility on sustainability-related considerations such as long-term viability of the operations, safer gambling and social impacts, and the concentration of our customer base (see Note 7 for more detail about the Caliploy situation).

Mitigation

The sustainability of our business is a priority and, while we have several means to ensure we deliver on this, some of the key measures we have taken include:

- leveraging technology to promote a safer gambling experience, reinforce player protection measures and strengthen operational and industry standards;
- increased focus on the diversification of our business activities and customer base, including growing new revenue streams through the SaaS business and expanding our customer relationships in the LatAm region;
- setting commitments and targets to align and embed sustainability into our strategy, including setting science-based targets to tackle climate change for SBTi validation and a gender diversity target for our leadership;
- complying with evolving and relevant ESG regulatory requirements, including but not limited to TCFD; and
- establishment of a Sustainability and Public Policy Board Committee, which oversees and monitors the delivery and evolution of ESG risks and opportunities, alongside topic specific governance forums, in which Snaitech also actively participates with the perspective to align with the regulations and continuous improvement.

Strategic considerations

The above elements and our mitigation responses enforce our commitment to ensure the long-term sustainable success of our business and comply with evolving requirements as well as meet evolving stakeholder expectations.

Risk management, principal risks and uncertainties continued

Outlining our principal risks continued

6) Failure to attract and retain key talent

Risk category	Operational
Likelihood	Medium
Impact	High
Trend	↑ Rising
Link to strategy	1 2 3 4 5 6

Principal risk

Failure to retain and attract the correct people, the pressures of global inflation affecting the cost of living, and not adequately planning for unanticipated departures of key people will result in operational deficiencies and hinder our ability to deliver Company objectives.

Mitigation

Ensuring correct acquisition, retention and management of key talent across Playtech is a priority to help us achieve our vision. To help us deliver on this, we ensure we dedicate ourselves to:

- embedding a strong Centre of Excellence (CoE) team which directs focus to key talent pools to attract and retain the right talent for Playtech;
- building customised strategies to identify internal talent allowing us to secure the future of Playtech;
- creating a strong learning and development strategy to retain and grow existing employees;
- promoting a diverse and inclusive culture through our Company values to promote sustainability; and
- establishing effective business and workforce planning to ensure effective succession.

Strategic considerations

Our business thrives on the innovation of our colleagues, and it would be impossible for us to achieve our vision without the support of our employees. Our robust mitigation strategies ensure we remain a core employer of choice across the industry.

7) Adverse impact of recession and financial markets

Risk category	Macroeconomic
Likelihood	Medium
Impact	Medium
Trend	→ Stable
Link to strategy	1 2 3 4 5 6

Principal risk

Several factors pose a risk in the current macroeconomic environment including rising inflation and interest rates, recession and foreign exchange fluctuations. End customers face financial pressure, leaving less disposable income with which to gamble. Aside from the impact on players, elevated interest rates also increase the financial burden on our colleagues and licensees, and influence our investment decisions. From a cost perspective, our B2B business is directly impacted by rising wage pressure and the economic climate. However, our B2C business, Snaitech, is less affected due to a different retail structure which is mainly franchising.

Fluctuations in foreign exchange rates also pose a risk as we expand into jurisdictions with volatile exchange rates, such as the Americas. However, this is not as significant across most of the business as our revenue and cost bases are evenly matched.

Mitigation

We have implemented some monitoring tactics to keep abreast of the ongoing situation and the impact on our operations by:

- actively monitoring the economic environment as it evolves;
- preparing appropriate responses for action plans that we can implement that mitigate the risks to an acceptable level;
- creating internal remuneration and training schemes to retain and support existing employees; and
- creating a Global Benevolent Fund to provide financial assistance to colleagues for unforeseen challenges.

Strategic considerations

Protecting the long-term future of the Group and delivering on our vision is our priority as the uncertain economic climate can adversely impact this.

Viability statement

The UK Corporate Governance Code requires the Board to explain how it has assessed the prospects of the Group and state whether it has a reasonable expectation that the Group can continue to operate and meet its liabilities, taking into account its current position and principal risks.

The Group's principal markets and strategy are described in detail in the Strategic Report (pages 1 to 102).

The key factors affecting the Group's prospects are:

- Playtech is a global business and a leading technology provider in the gambling industry;
- Playtech is well positioned to meet the growing demand in technology in regulated and regulating markets;
- Playtech has a clear vision for its technology-centric growth strategy, driven by new licensee and partnership agreements in the newly regulated markets in the US and Latin America and expanding with existing customers with more products and markets;
- Playtech, through its B2B division, has a diverse portfolio of licensees across retail and online, in over 40 regulated jurisdictions; and
- Playtech, through its B2C division, is also a leader in the second largest European market with Snaitech in Italy; with this leading brand and Playtech's technology it is ideally positioned to continue its success in this market whilst also being the fastest growing player in Italy in the online sector when measured by GGR.

The Directors believe that a three-year period is appropriate for their viability assessment as it is supported by a three-year plan adopted by the Board, which covers Playtech's strategy to continue to penetrate the newly regulated markets in the US and LATAM. This timeframe is reduced from five to three years as it is the period over which the Directors believe they can reasonably forecast the Group's performance. The previous five-year period was adopted in part at the request of the potential acquirers of the Group during the takeover talks in 2021 and 2022 for purposes of valuing Playtech. This three-year plan relies on certain key milestones being met in the initial years (including continued execution of the Group's US strategy and further expansion in certain LATAM countries), which would then drive further growth in the latter years. This plan is revised as required to take into account known facts that will have an impact on the existing forecasts.

In making this statement, the Directors have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency or liquidity. This includes the availability and effectiveness of mitigating actions that could realistically be taken to avoid or reduce the impact or occurrence of the underlying risks. In considering the likely effectiveness of such actions, the conclusions of the Board's regular monitoring and review of risk management and internal control systems, as described on pages 95 to 100, are considered.

Base case three-year projections

As set out in the Chief Financial Officer's Review (pages 88 to 94), the Group had excellent overall results which were driven by Snaitech's solid performance in both its online and retail divisions and continued strong growth in B2B regulated markets. The newly acquired Hard Rock Digital investment made in March 2023 also forms part of the Group's strategy to further expand its presence in the US, along with providing growth opportunities globally.

Base case projections for viability purposes have been made using the Directors' best estimate including the following key assumptions:

- modest Adjusted EBITDA growth beyond FY 2024 on existing business;
- constant growth in new markets in LATAM and the US;
- no major changes in working capital;
- Snaitech gaming and betting license extensions;
- Caliply dispute settled and outstanding balances received;
- repayment of the 2019 Bond; and
- no changes to Group structure.

The resulting financial model assesses the ability of the Group to remain within the financial covenants and liquidity headroom of its existing borrowing facilities. Within the three-year assessment period, the revolving credit facility (RCF) expires (in October 2025 or October 2026 if the extension is taken) and the 2019 Bond of €350 million is due for repayment in March 2026. The 2023 Bond of €300 million which was issued in 2023 falls outside the viability statement period as it is due in 2028. Within the base case projections, it was assumed that the RCF, which is undrawn as at 31 December 2023, will not be utilised and the Group will be in a position to repay its 2019 Bond in full. Under its base case projections, the Group is able to meet its financial covenants under its RCF until the point it expires. Finally, the Directors are confident that, if required, refinancing can be achieved at acceptable terms, a point which is further discussed under Scenario 1 below.

Climate change impact

Included within our TCFD statement on pages 75 to 81 is the Group's second scenario analysis building on the extensive scenario analysis conducted in 2021 to identify the resilience of the Group's strategy under three different possible climate change scenarios (global warming of 1.5°C/2°C/3°C above pre-industrial levels by 2100). Where possible, we quantified the impact as material or immaterial. The outputs of this work were reviewed in 2023 and are considered to still be representative for Playtech. In the instances where it was assessed as material, the impact was for the long term, which is defined as more than three years, and is therefore currently not considered to impact the conclusions made in our viability statement period.

External advisers were appointed to assist with the analysis, and key management across the business is engaged in the assessments made to date and going forward. The key findings are summarised in the TCFD statement. Playtech has expanded the number of risks and opportunities that were quantified in 2023 and plans to undertake a further scenario exercise in 2024. The Group has also developed a net zero roadmap in support of its commitment to near-term science-based targets and long-term net zero targets. By implementing this roadmap, the Group aims to reduce its exposure to climate-related transition risks and strengthen its ability to capture opportunities while investing in renewable energy generation at key assets.

While environmental risk was added to our emerging risks register for the first time in 2021, this has been mitigated through the establishment of the Sustainability and Public Policy Committee of the Board and also through regular monitoring by the executive cross-functional Environment Forum, as well as the Risk and Compliance Committee of the Board. It is also considered as part of the Risk and Compliance Committee's biannual review of risks across the Group. The Board is committed to continuing to assess the situation and the financial and other implications as quantification becomes possible over the viability statement period and beyond.

Viability statement continued

Climate change impact continued

From a viability perspective, in the instances where we cannot yet quantify the impact under each of the scenarios because of the lack of data, this is considered in the overall reverse stress test analysis (see below). Furthermore, we are closely monitoring how the risks will progress over the next few years, meaning that we are already trying to mitigate our potential exposure, and at this point in time are comfortable that any climate change over the viability assessment period will not impact the conclusions being made in our scenario analysis below.

Scenario analysis

Two scenarios were applied to the base case as follows:

1. the stress-test scenario: encompasses the principal risks which were applied to the base case; and
2. the reverse stress-test scenario: used to identify the reduction in Adjusted EBITDA required that could result in either a liquidity event or breach of the RCF and bond covenants.

Under Scenario 1, the following risks were factored in:

- remaining competitive (risk number 1): in considering the ongoing legal dispute with Caliply (Note 7), a significant and valued customer of the Group, we considered the remote probability that no further cash is received from Caliply over the viability statement period;
- building a sustainable business (risk number 5), being the risk of delays in launching and expanding in US and certain LATAM countries due to regulation or competition; this was specifically considered because the impact could be high; and
- complying with a changing landscape in legal, regulatory, licensing and tax requirements (risk number 4), by considering the impact of potential changes in taxes across some of our key markets (such as Italy).

The impacts applied to this scenario were offset by potential savings such as reducing capital expenditure. Under this scenario, which showed a monthly average decrease in Adjusted EBITDA of 46% over the three-year period, the Group would need to extend (past October 2026) its RCF facility to be able to utilise it until the end of 2026 or take out a new bond as the 2019 Bond is due for repayment in March 2026. Either way and as mentioned above, the Directors are confident that refinancing can be achieved at acceptable terms, and, even though currently no formal proposal has been put forward to the Board as it is too soon, the Group is in regular dialogue with its existing banks and is continuously reviewing its options. Finally, under this scenario, the Group was still able to meet its financial covenants under its RCF and bonds, further noting that the probability of all risks applied happening simultaneously is considered remote.

Scenario 2 was specifically looked at because should we breach the covenants under the RCF, the Group would have sufficient funds to repay the outstanding balance (if any). However, if we were to breach the interest cover covenant under the bonds, which would mean the bonds might subsequently be called for repayment, the Group would not be able to repay. This scenario indicated that Adjusted EBITDA would need to decrease on average by 86% over the three-year period at each bank reporting date for the Group to breach the covenant, noting that it did not consider any mitigating actions the Board can take. The probability of this scenario materialising is therefore considered remote, given the excellent overall results in 2023 as discussed in the Chief Financial Officer's Review.

Based on this assessment, the Directors have concluded that there is a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three-year period to 31 December 2026.

The Strategic Report on pages 1 to 102 was approved by the Board and signed on its behalf by Mor Weizer and Chris McGinnis.

Mor Weizer
Chief Executive Officer
26 March 2024

Chris McGinnis
Chief Financial Officer

