

# Directors' Remuneration Report



In a year of transition for Entain, the Committee have been mindful of the experience of our stakeholders when making remuneration decisions. These reflect a strong alignment of compensation with performance.”

**Virginia McDowell**  
Chair of the Remuneration Committee

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## Annual Statement from the Chair of the Remuneration Committee

On behalf of the Board, I am pleased to present the Directors' Remuneration Report (the "Report") for the year ended 31 December 2023.

This is my first Report as Chair of the Remuneration Committee, having taken on this role on 14 December 2023 upon appointment of Stella David as Interim CEO. I would like to take this opportunity to thank Stella for her contribution and commitment to the work of the Committee.

Following shareholder approval of our Directors' Remuneration Policy (the "Policy") at our 2023 AGM, this year we will be asking shareholders to vote on our Annual Report on Remuneration at our AGM on 24 April 2024. The Report summarises remuneration outcomes for 2023 and explains how we intend to apply the Policy for 2024. The Policy is set out in our 2022 Directors' Remuneration Report and can be found on the Company's website at [www.entaingroup.com](http://www.entaingroup.com).

## 2023 Group performance

2023 has seen significant progress made in re-focusing our business with revised strategic ambitions based on key objectives and priorities for the next three years that will drive shareholder value.

Key performance highlights in 2023 include:

- Group NGR (including our 50% share of BetMGM) up 14%.
- Retail NGR up 9%, reflecting the strength in our retail estate.
- Number of Online active customers up 23% year-on-year.
- Group underlying EBITDA in line with expectations.
- Our joint venture in the US, BetMGM, delivered a strong performance with NGR up 36% year-on-year and positive EBITDA achieved for H2 2023.
- Enhancement of our in-house content and capabilities with acquisition of 365Scores and Angstrom Sports.
- Further expansion into regulated markets with leading market positions including Poland with the acquisition of STS Holdings and signing a 25 year partnership with TAB NZ.
- Second Interim Dividend of 8.9p per share announced, bringing total for the year to 17.8p per share.
- Continued progress on responsibility and sustainability; we remain the only global operator with 100% of our revenue derived from regulated or regulating markets, and have launched a new regulatory and safer gaming charter to deliver market leading player protection in the markets in which we operate.

The end of the year saw the appointment of Stella David as Interim CEO, following the departure of Jette Nygaard-Andersen. Stella is an experienced commercial leader with an outstanding track record of success across multiple industries. While this is an interim appointment, Stella is focused on driving the execution of the revised strategic priorities, while the Board conducts a rigorous search for a permanent CEO.

## 2023 incentive outcomes

### 2023 annual bonus

80% of the annual bonus for 2023 was based on financial metrics (split 60% on Group operating profit and 20% on NGR performance). Our results in 2023 failed to meet the threshold level of the stretching performance conditions that had been set, and so no payout will be made against these metrics.

The remaining 20% of our annual bonus for 2023 was based on non-financial metrics; 15% relating to safer betting and gaming and 5% to our customer. The Committee is pleased that excellent progress continued to be made in both of these areas, resulting in a full payout in relation to these metrics.

The Committee acknowledges the commitment and hard work shown by all our colleagues this year and considers that the final outcome of 20% of maximum for the Executive Directors is fair and reflective of Entain's overall performance during 2023. Further details can be found on page 131.

### 2021 Long-Term Incentive Plan ("LTIP")

The 2021 LTIP was based on performance against EPS and two relative Total Shareholder Return ("TSR") targets over the three-year period ended 31 December 2023.

As a result of performance against the targets set, these awards lapsed in full. Full details are set out on page 132.

## Board changes

### Stella David

Stella David was appointed Interim CEO on 13 December 2023, replacing Jette Nygaard-Andersen. Stella's remuneration package and incentive opportunities are fully aligned with our Policy. Stella will receive an annual base salary of £874,200 from appointment, which represents the previous CEO's salary at the point of departure last year, plus an increase of 3.5% in line with the 2024 salary review budget for all UK colleagues. In order to take up the role as Interim CEO, Stella resigned from two Non-Executive Director roles. On leaving her role as Chair of Vue International, Stella forfeit a cash payment of £500,000 which was due to be made to her in February 2026. In line with our Policy on recruitment, this commitment is being replicated.

### Jette Nygaard-Andersen

The Committee carefully considered the treatment to be applied to Jette's remuneration upon her departure from the Board on 13 December 2023. In doing so, the Committee recognised Jette's contribution to the business over the last three years, including achieving resolution of the HMRC investigation into the legacy sale of our Turkish business, overseeing a strategic shift towards operating only in regulated or regulating markets and overhauling our governance approach.

The Committee agreed Jette's leaving arrangements in the light of this context and further details are set out in the payments for loss of office section on page 135, but in summary:

- In line with her contractual entitlement to 12 months' notice, Jette will remain employed until 13 December 2024 and will continue to receive her normal salary and benefits during this time.
- The Committee agreed to treat Jette as a good leaver in accordance with the Policy and the provisions of the incentive plan rules in respect of her outstanding LTIP and Annual and Deferred Bonus Plan ("ADBP") awards. She will receive a time pro-rated bonus in respect of 2023, determined in the same manner as for the other Executive Directors and paid half in cash and half in deferred shares, as normal.
- In line with our post-employment shareholding requirement policy, Jette will be required to meet her shareholding requirement of the lower of 450% of salary or her actual shareholding for two years following her termination date of 13 December 2024.

### Robert Hoskin

As announced on 15 May 2023, Robert Hoskin stepped down from the Board on 30 June 2023 and left employment on 31 August 2023. Robert's role as Chief Governance Officer ("CGO") was redundant and the Committee agreed the treatment of his remuneration arrangements in the light of this. Further details of Robert's leaving arrangements are set out in the payments for loss of office section on page 135, but in summary:

- Robert's salary was paid up until 31 August 2023 and his medical insurance continues until the end of the plan year (31 March 2024).
- A redundancy payment of £422,300 (in line with local legal requirements in Gibraltar) and payment of £296,188 in lieu of the balance of his contractual notice period was made.
- The Committee agreed to treat Robert as a good leaver in accordance with the Policy and the provisions of the incentive plan rules in respect of his outstanding LTIP and ADBP awards. He will receive a time pro-rated bonus in respect of 2023, determined in the same manner as for the other Executive Directors and paid half in cash and half in deferred shares, as normal.

- In line with our post-employment shareholding requirement policy, Robert will be required to meet his full shareholding requirement of 350% of salary for two years following his leave date of 31 August 2023.

## Looking ahead to 2024

### Directors' salaries

The Committee reviewed the salary of the CFO & Deputy CEO in December 2023 and approved an increase of 3.5% to £573,700 from 1 January 2024. This was in line with the salary review budget for all colleagues in the UK (excluding the 8.3% increase awarded to our UK Retail colleagues).

The salary for the Interim CEO is set out above.

### Annual bonus

The Committee has reviewed the structure and metrics for the annual bonus and concluded that it is appropriate to make some changes for 2024. As for the 2023 plan, 80% of the bonus will relate to financial metrics. This ensures that a substantial portion of the annual bonus will only pay out for delivering on our key financial metrics, which will be split as follows: Group Operating profit (60%), Group NGR (10%) and NGR of BetMGM (10%). The NGR of BetMGM is being included as a standalone metric this year to emphasise the importance of this business to the future value of Entain. The 20% of the bonus based on non-financial metrics will be split equally between safer betting and gaming and individual objectives. The individual objectives will be measurable, robust, and aligned with value creation, and will contain a mixture of quantitative and qualitative metrics. The Committee believes that capturing individual performance will allow them to gain a more holistic and rounded view of each Executive's overall contribution to the business during the year.

### Long-Term Incentive Plan

Awards will be granted in the usual manner in March 2024. In line with our Policy, the Interim CEO will receive an award with a face value of 450% of salary, while the CFO & Deputy CEO will receive an award of 400% of salary.

The Committee considers that relative TSR remains the most appropriate performance metric for the 2024 award given the fast-changing external environment in which Entain operates. This ensures a fundamental alignment with the interests of our shareholders. The comparator groups will remain unchanged (FTSE 100 and a bespoke peer group) as they continue to represent the most appropriate market reference points.

### Conclusion

Entain has delivered strong progress on our strategic transformation during the year, alongside total revenue growth of 14% (including our 50% share of BetMGM). However the Committee acknowledges the experience of shareholders and other stakeholders and has taken this into consideration when determining remuneration outcomes for 2023. The Committee considers that the decisions it has made during the year align with our principles of fairness and transparency, and are aligned with, and in the interests of, our stakeholders.

I hope that you find the report clear and informative and look forward to your support at the forthcoming AGM.

### Virginia McDowell

Chair of the Remuneration Committee

## The Remuneration Committee

### Role of the Committee

The Committee oversees the Company's overall remuneration strategy to ensure it is aligned to the Company's purpose and values and is linked to the successful delivery of the Company's long-term strategy. The Committee has delegated responsibility for designing and determining remuneration for the Chairman, the Executive Directors and senior executive management. It also reviews the remuneration of the wider workforce and related policies and the alignment of incentives and rewards with culture, taking these factors into account when setting the remuneration policy for the executive team.

### Committee membership and attendance during 2023

Member	Number of meetings attended	Number of meetings eligible to attend
Virginia McDowell <sup>1</sup>	6	7
Stella David <sup>2</sup>	6	6
Amanda Brown <sup>3</sup>	2	2
Mark Gregory <sup>4</sup>	1	1
Vicky Jarman <sup>5</sup>	1	1
Rahul Welde <sup>6</sup>	5	6

1. Virginia McDowell was appointed Chair of the Remuneration Committee on 14 December 2023.
2. Stella David was appointed Chair of the Remuneration Committee on 23 February 2023 and stepped down from the Committee on 13 December 2023 when she was appointed as Interim CEO.
3. Amanda Brown joined the Board and the Committee on 8 November 2023.
4. Mark Gregory was Chair of the Remuneration Committee until he resigned from the Board on 17 February 2023.
5. Vicky Jarman resigned from the Board on 17 February 2023.
6. Rahul Welde joined the Committee on 23 February 2023.

During the year, there were five scheduled Committee meetings and two ad-hoc meetings. There will be five scheduled meetings in 2024, with ad-hoc meetings as required.

None of the Committee members or attendees are involved in any Committee decisions from which they may financially benefit personally (other than as shareholders). The Chairman, Chief Executive Officer, Chief Financial Officer & Deputy CEO, Chief People Officer and Director of Reward may attend meetings at the invitation of the Committee but are not present when their own remuneration is being discussed. The Company Secretary acts as the secretary to the Committee.

### Key responsibilities

- Recommending to the Board the Remuneration Policy for Executive Directors and senior management.
- Setting the remuneration packages for each Executive Director and other members of the Executive Committee.
- Setting the remuneration package for the Chairman.
- Overseeing the Remuneration Policy for all colleagues.

The Committee's terms of reference can be found on the Company's website at [www.entaingroup.com](http://www.entaingroup.com).

### Key areas of Remuneration Committee focus in 2023

A summary of the matters considered during the year is set out below.

#### Our workforce

- Remuneration discussion with Employee Forum representatives
- Receiving updates on all-colleague remuneration arrangements throughout the Group
- Review and approval of the 2022 UK Gender Pay Gap Report
- Approval of the launch of the 2023 ShareSave

#### Executive and senior management remuneration

- Determination of the payouts from the 2022 annual bonus plan and the 2020 LTIP award
- Approval of the 2023 annual bonus plan and 2023 LTIP award and their associated performance metrics and targets
- Review of salaries and remuneration packages for senior executives and fees for the Chairman
- Review of performance metrics for the 2024 annual bonus plan and 2024 LTIP award
- Approval of the exit package for Robert Hoskin
- Approval of the remuneration package for Stella David as Interim CEO
- Discussion of exit terms for Jette Nygaard-Andersen, between the Chairman and Committee members in advance of approval by the full Board

#### Committee governance

- Approval of the 2022 Directors' Remuneration Report
- Receiving updates on external market developments in remuneration and governance, including international compensation practices
- Evaluation of the Remuneration Committee, its advisers and the Committee's Terms of Reference
- Review of shareholder feedback received in relation to Directors' remuneration following the 2023 AGM
- Concluding the review of our existing Directors' Remuneration Policy started in 2022, which resulted in the new Policy presented to the 2023 AGM for approval

### Remuneration Committee evaluation

The performance of the Remuneration Committee was assessed as a part of the Board Review, which this year was undertaken through online surveys administered and reviewed by external facilitator Linstock.

As well as addressing core aspects of Committee performance, the exercise had a particular focus on the following areas:

- The alignment of Remuneration Policy with the expectations of shareholders, and with Entain's strategic objectives, including the financial and non-financial metrics used to determine variable pay.
- The effectiveness of relationships and communication with key stakeholders.
- Areas where the Committee had exercised discretion in decision making.
- Priorities for change and improvements to strengthen Committee performance.

The review concluded that the Committee had worked effectively during the year, with positive feedback for the performance of the Committee Chair. The Committee discussed the results of the evaluation in private session and agreed that it would continue to focus on the remuneration strategy for the wider workforce and how remuneration structures could enable Entain to attract and retain global talent. The Committee identified the need to spend more time engaging with employees to better understand the key themes and remuneration topics that are important for motivating the workforce. It was also agreed that the Committee Chair would work more closely with senior management, in particular the Chief Executive Officer and Chief People Officer, to ensure efficient operation of the Committee, with appropriate time spent on key topics such as setting incentive plan targets that motivate shareholder value creation and understanding the markets for talent that Entain competes in.

#### Advice to the Committee

Advisers are appointed independently by the Remuneration Committee, which reviews its selection periodically and is satisfied that the advice it receives is independent, objective and free from conflicts of interest. The total fees paid to the Committee's adviser, Deloitte, in respect of 2023 were £87,750 (2022: £132,500). These were charged on a time and materials basis. Deloitte's advice included provision of market data, advice on content of the new Directors' Remuneration Policy and general guidance on market and best practice.

Deloitte LLP also provided a range of tax and advisory services to Entain during the year, some operating model delivery support, and assistance to the Group's internal audit function.

Deloitte is a founding member of the Remuneration Consultants Group and, as such, voluntarily operates under the code of conduct in relation to executive remuneration consulting in the UK. Further details can be found at [www.remunerationconsultantsgroup.com](http://www.remunerationconsultantsgroup.com).

Management's advice to the Committee was also supported by the provision of market data from Willis Towers Watson and legal advice from Freshfields.

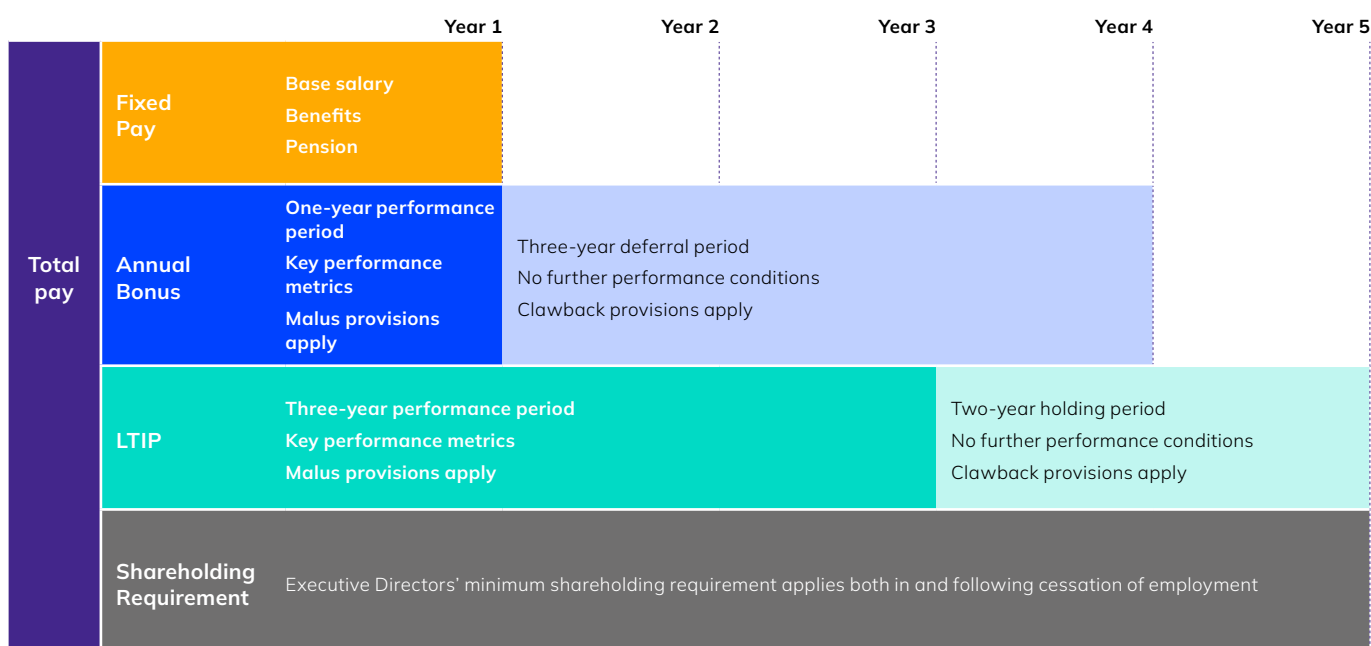
### Shareholder voting and consideration of shareholder views

The 2022 Annual Statement from the Chair of the Remuneration Committee and the Annual Report on Remuneration were subject to an advisory vote at the AGM on 25 April 2023. Our Remuneration Policy was approved by shareholders at the same meeting.

Resolution	Date	Votes for	% of votes for	Votes against	% of votes against	Votes withheld
Annual Report on Remuneration	25 April 2023	461,233,616	98.1%	8,893,883	1.9%	2,140,345
Remuneration Policy	25 April 2023	440,043,910	93.6%	30,077,857	6.4%	2,146,077

## Executive remuneration at Entain

The remuneration framework for Executive Directors at Entain is intended to incentivise them to execute the Company's strategy and create long-term sustainable value for shareholders. It is simple, focused and aligned with key financial and strategic business goals.



### 2023 – Executive Directors' remuneration

The full explanatory notes for each element of remuneration are detailed on pages 130 to 132 in the Annual Report on Remuneration.

£000s	Base Salary	Benefits	Pension	Annual Bonus	LTIP	Total
Stella David (Interim CEO) <sup>1</sup>	46	1	3	–	500	550
Jette Nygaard-Andersen (CEO) <sup>2</sup>	813	56	49	407	–	1,325
Rob Wood (CFO & Deputy CEO)	554	16	29	222	–	821
Robert Hoskin (Chief Governance Officer) <sup>3</sup>	211	2	–	85	–	298

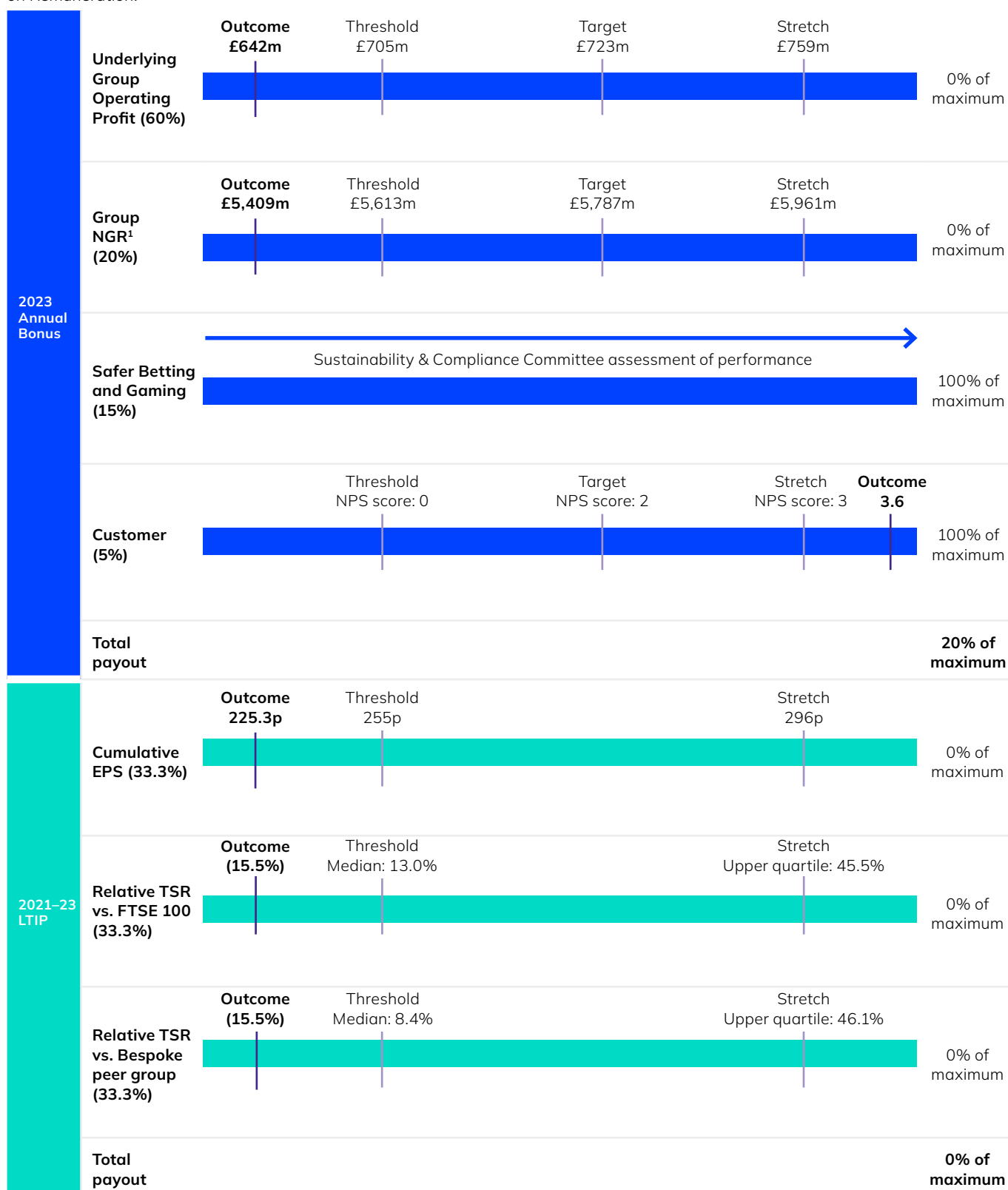
1. Stella David was appointed Interim CEO on 13 December 2023.

2. Jette Nygaard-Andersen stepped down from the Board on 13 December 2023.

3. Robert Hoskin stepped down from the Board on 30 June 2023.

## 2023 Incentive outcomes




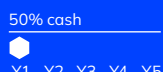
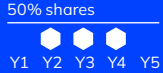
The full explanatory notes for the annual bonus and LTIP outcomes are detailed on pages 131 to 132 in the Annual Report on Remuneration.



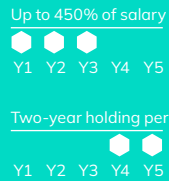

1. Including Entain's 50% share of BetMGM NGR.

## Implementation of the Remuneration Policy for Executive Directors

The tables below illustrate the balance of pay and time period of each element of the Policy for Executive Directors and summarise how the Committee applied the Policy in 2023, together with details of how the Committee intends to implement the Policy in 2024.

Element	Operation	How we implemented the Policy in 2023	How we plan to implement the Policy in 2024
<b>Salary</b> To provide competitive fixed remuneration that will attract and retain appropriate talent. Reflects an individual's responsibilities, experience and role Fixed pay 	<ul style="list-style-type: none"> <li>Salaries for Executive Directors are reviewed annually by the Committee and any increases normally take effect from 1 January. To the extent that increases are awarded, these will ordinarily be no higher than the typical level of increase across the wider workforce</li> </ul>	<ul style="list-style-type: none"> <li>Executive Directors' salaries from 1 January 2023:               <ul style="list-style-type: none"> <li>CEO – £844,600</li> <li>CFO &amp; Deputy CEO – £554,300</li> <li>CGO – £422,300</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Salary of the Interim CEO (with effect from her appointment on 13 December 2023): £874,200</li> <li>With effect from 1 January 2024, salary increase of 3.5% for the CFO &amp; Deputy CEO to: £573,700</li> </ul>
<b>Benefits</b> To provide competitive benefits and to attract and retain high calibre employees Fixed pay 	<ul style="list-style-type: none"> <li>The value of benefits is based on the cost to the Group and there is no pre-determined maximum limit</li> <li>Executive Directors receive standard benefits such as medical and life insurance and car allowance</li> </ul>	<ul style="list-style-type: none"> <li>Normal company benefit provision</li> </ul>	<ul style="list-style-type: none"> <li>Normal company benefit provision</li> </ul>
<b>Pension</b> To provide an opportunity for retirement planning Fixed pay 	<ul style="list-style-type: none"> <li>Executive Directors have the opportunity to participate in a company-provided pension, which is in line with that available to other employees, or may receive a cash allowance in lieu of a company contribution</li> </ul>	<ul style="list-style-type: none"> <li>CEO – 6% of salary cash allowance</li> <li>CFO &amp; Deputy CEO – 4.5% of salary company contribution to the pension plan to June 2023 then 6% of salary of which £833 per month was paid into the pension plan with the balance paid as a cash allowance<sup>1</sup></li> <li>CGO – Opted out of the plan</li> </ul>	<ul style="list-style-type: none"> <li>Interim CEO – 6% of salary cash allowance</li> <li>CFO &amp; Deputy CEO – 6% of salary of which £833 per month is paid into the pension plan with the balance paid as a cash allowance</li> </ul>
<b>Annual Bonus</b> To incentivise the achievement of key financial and non-financial performance targets in line with corporate strategy over a one-year period 50% cash  50% shares 	<ul style="list-style-type: none"> <li>Maximum annual incentive opportunity of 250% of salary for the CEO and 200% of salary for other Executive Directors. No payment will be made for below-threshold performance. 50% of the maximum opportunity is payable for target performance</li> <li>50% of any bonus award will be deferred into shares for three years</li> <li>Dividend equivalents are payable on deferred shares</li> <li>Malus and clawback provisions apply</li> </ul>	<ul style="list-style-type: none"> <li>Maximum opportunities:               <ul style="list-style-type: none"> <li>CEO – 250%</li> <li>Other Executive Directors – 200%</li> </ul> </li> <li>Performance metrics (as a percentage of total):               <ul style="list-style-type: none"> <li>Underlying Group Operating Profit (pre US joint venture) (60%)</li> <li>NGR including US joint venture (20%)</li> <li>Safer Betting and Gaming (15%)</li> <li>Customer (5%)</li> </ul> </li> <li>Executive Directors awarded bonuses of 20% of their maximum opportunity. See page 131 for further information</li> </ul>	<ul style="list-style-type: none"> <li>Maximum opportunities:               <ul style="list-style-type: none"> <li>Interim CEO – 250%</li> <li>CFO &amp; Deputy CEO – 200%</li> </ul> </li> <li>No change to payment mechanisms of bonuses</li> <li>Performance metrics (as a percentage of total):               <ul style="list-style-type: none"> <li>Underlying Group Operating Profit (pre US joint venture) (60%)</li> <li>Group NGR (10%)</li> <li>NGR of BetMGM (10%)</li> <li>Safer Betting and Gaming (10%)</li> <li>Individual Objectives (10%)</li> </ul> </li> <li>Any payment is subject to the completion of mandatory training relating to safer betting &amp; gaming and compliance</li> <li>Targets are considered commercially sensitive, but will be disclosed in the 2024 Directors' Remuneration Report</li> </ul>

1. See page 130 for more details.

Element	Operation	How we implemented the Policy in 2023	How we plan to implement the Policy in 2024
<p><b>LTIP</b></p> <p>To incentivise the execution of the long-term business plan and the delivery of long-term sustainable value for shareholders</p>  <p>Up to 450% of salary</p> <p>Y1 Y2 Y3 Y4 Y5</p> <p>Two-year holding period</p> <p>Y1 Y2 Y3 Y4 Y5</p>	<ul style="list-style-type: none"> <li>Maximum award of 450% of base salary for the CEO and 400% of base salary for other Executive Directors</li> <li>Threshold performance results in 16.7% of the award vesting, where maximum award levels are granted</li> <li>Vesting is on a straight-line basis between threshold and maximum</li> <li>Awards are granted annually and are subject to a three-year performance period</li> <li>A two-year holding period will apply following the vesting period</li> <li>Dividend equivalents are payable on vested awards</li> <li>Malus and clawback provisions apply</li> </ul>	<ul style="list-style-type: none"> <li>Grant levels for 2023 awards:                             <ul style="list-style-type: none"> <li>CEO – 450%</li> <li>CFO &amp; Deputy CEO – 400%</li> <li>CGO – no award made in 2023</li> </ul> </li> <li>Performance conditions:                             <ul style="list-style-type: none"> <li>Relative TSR vs. the FTSE 100 (50%)</li> <li>Relative TSR vs. a bespoke group of sectoral peers (50%)</li> </ul> </li> <li>The performance period for the 2021 LTIP ended in the year and this award will lapse in full. See page 132 for further information</li> </ul>	<ul style="list-style-type: none"> <li>Grant levels for 2024 awards:                             <ul style="list-style-type: none"> <li>Interim CEO – 450%</li> <li>CFO &amp; Deputy CEO – 400%</li> </ul> </li> <li>Performance conditions:                             <ul style="list-style-type: none"> <li>Relative TSR vs. the FTSE 100 (50%)</li> <li>Relative TSR vs. a bespoke group of sectoral peers (50%)</li> </ul> </li> <li>See page 123 for details on LTIP awards to be granted in 2024</li> </ul>
<p><b>Shareholding Guidelines</b></p> <p>To ensure that Executive Directors' interests are aligned with those of shareholders over a longer time horizon</p>  <p>Executive Directors' share ownership</p> <p>Y1 Y2 Y3 Y4 Y5</p>	<ul style="list-style-type: none"> <li>Executive Directors are required to retain 50% of the post-tax number of vested shares from the Company incentive plans until the minimum shareholding requirement is met and maintained</li> <li>Executive Directors are required to maintain 100% of their guideline (or their actual holding if lower) for two years following cessation of employment</li> </ul>	<ul style="list-style-type: none"> <li>Shareholding guidelines:                             <ul style="list-style-type: none"> <li>CEO – 450%</li> <li>Other Executive Directors – 350%</li> </ul> </li> <li>The Executive Directors' share interests as at 31 December 2023 are detailed on page 134</li> </ul>	<ul style="list-style-type: none"> <li>Shareholding guidelines:                             <ul style="list-style-type: none"> <li>Interim CEO – 450%</li> <li>CFO &amp; Deputy CEO – 350%</li> </ul> </li> </ul>

## Performance metrics and link to strategy

The table below demonstrates how each element of our reward package links to our two strategic pillars of Growth and Sustainability. More information about our strategic pillars is set out on pages 23 to 25.

Element of reward	Link to reward	Strategic pillars	
		Growth	Sustainability
Bonus	Underlying Group operating profit	●	●
	NGR	●	
	Safer betting and gaming	●	●
	Individual objectives	●	●
	Deferral of bonus into shares		●
LTIP	Total shareholder return	●	●
	Holding periods for Executive Directors		●
Bonus and LTIP	Malus and clawback provisions apply		●
	Shareholding requirements for Executive Directors		●
Benefits	ShareSave for all employees	●	●
	Market-related benefits package	●	●
	Employee recognition		●
	Learning and development opportunities	●	●

## 2024 Incentive plan metrics

### Annual bonus

#### What financial metrics will be used for the 2024 annual bonus?

80% of the annual bonus will be based on financial metrics that will be split between underlying Group operating profit (60%), Group NGR (10%) and the NGR of BetMGM (10%). The NGR element has been amended from that used in 2023, by splitting out the element relating to BetMGM as a separate metric. This further emphasises the importance of BetMGM's performance to the future value of Entain.

#### What non-financial metrics will be used for the 2024 annual bonus?

As in 2023, the remaining 20% of the bonus will be determined by non-financial metrics. These will be split equally between a safer betting and gaming metric and individual objectives.

In order to have a sustainable business, the protection of our customers has to be fundamental to everything we do and continuing to include a safer betting and gaming metric reinforces the importance of this to all our colleagues.

Alongside this, for the first time, we are including individual objectives in our annual bonus for all colleagues who participate in the plan. This will support the embedding of a performance culture at Entain and drive personal accountability for the delivery of key activities.

#### What is the underpin?

In previous years, the threshold for our safer betting and gaming metric has required a minimum number of colleagues to complete relevant mandatory training. For 2024 we have strengthened this requirement such that completion of these training modules will now be a prerequisite for a participant to be eligible to receive any payment under the annual bonus plan. This further drives personal accountability.

#### Why have changes been made to the non-financial metrics for 2024?

In 2023, the safer betting and gaming metric had a 15% weighting and we included a customer metric with a 5% weighting. While the weighting on safer betting and gaming has been reduced, as described above, the previous threshold has now been changed to a more stringent underpin for the entire annual bonus. For those colleagues whose work most closely impacts on our safer betting and gaming and customer agendas, relevant individual objectives will be set. The Committee is comfortable that this is a more effective way to drive performance in these areas.

#### How will the safer betting and gaming metric work for 2024?

For 2024, the safer betting and gaming metric will be based around our colleagues' completion of relevant training. The outcome of the metric will be monitored and evaluated by the Sustainability & Compliance Committee who will make a recommendation of the outcome to the Committee.

#### When will targets for the 2024 annual bonus be disclosed?

The targets for the annual bonus, including individual objectives for the Executive Directors, are considered commercially sensitive, but will be disclosed, along with their respective outcomes, in next year's Directors' Remuneration Report.

### 2024 LTIP

#### What metrics will be used for the 2024 LTIP?

In determining the LTIP performance metrics for the 2024 award, the Committee has again considered the difficulty in setting appropriately stretching but incentivising financial targets, given the fast-changing external environment in which we currently operate. The Committee has concluded that it remains appropriate to continue to base our 2024 LTIP award entirely on relative TSR metrics. This aligns management's interests closely with the experience of investors and incentivises actions which enhance long-term value creation.

For 2024, 50% of the LTIP awards will be based on TSR performance relative to the FTSE 100 and 50% on performance relative to an industry peer group of the following companies:

888 Holdings, Aristocrat, Betsson, Caesars Entertainment, DraftKings, Evolution Gaming Group, Flutter Entertainment, International Game Tech, La Française des Jeux, MGM Resorts, Playtech, Rank Group, Rush Street Interactive and Sands LV.

#### What are the targets for the 2024 LTIP?

The targets and vesting schedule for the 2024 LTIP awards are set out below.

Metric	Weighting	Threshold <sup>1</sup> (16.7% vesting)	Maximum <sup>1</sup> (100% vesting)
TSR vs. FTSE 100	50%	Median	85th percentile
TSR vs. peer group	50%	Median	85th percentile

1. Straight-line vesting between threshold and maximum.

The Committee will assess the value of the 2024 LTIP awards at vesting and will ensure that the final outturn reflects all relevant factors, including consideration of underlying performance.

## Remuneration in context

### Committed to good governance

When considering executive remuneration, the Committee takes into account a wide range of factors including legal and regulatory requirements, associated guidance, and the views of shareholders and their representative bodies. How the Committee addresses the following principles, taken from the 2018 UK Corporate Governance Code, is set out below.

#### Clarity



- Our remuneration framework is structured to support the financial and strategic objectives of the Group, aligning the interests of our Executive Directors with those of shareholders.
- We are committed to transparent communication with all our stakeholders, including shareholders – page 65 sets out more details of how we engage with shareholders.

#### Simplicity



- We operate a simple but effective remuneration framework.
- The annual bonus and LTIP reward performance against key indicators of success for the business.
- There is clear line of sight for management and shareholders.

#### Risk



- Our incentives are structured to align with the Group's risk management framework.
- Three-year deferral under the annual bonus and the two-year holding period on LTIP awards create long-term alignment, as do our within- and post-employment shareholding guidelines.
- Both incentives also incorporate robust performance targets, malus and clawback provisions, and overarching Committee discretion to adjust formulaic outcomes.

#### Predictability



- The Remuneration Policy clearly sets out the possible future value of remuneration that Executive Directors could receive, including the impact of share price appreciation of 50%.

#### Proportionality



- There is clear alignment between the performance of the Company and the rewards available to Executive Directors.
- Incentive elements are closely aligned to our strategic goals, transparent and robustly assessed, with the Committee having full discretion to adjust outcomes to ensure they align with overall Entain performance.

#### Alignment to culture



- We are committed to effective stakeholder and colleague engagement, part of which is ensuring that the Committee sees all relevant data relating to pay and conditions in the wider workforce.
- Operating responsibly towards our customers is fundamental to the way in which Entain operates and remuneration outcomes are reviewed in the light of actions taken in support of our safer betting and gaming agenda.
- To reflect the importance of our safer betting and gaming activity to the sustainability of Entain, relevant metrics are included in our annual bonus plan. This demonstrates a clear link between remuneration and our culture. The Committee will also take broader ESG considerations into account and may apply discretion if necessary when assessing the appropriateness of incentive outcomes.

## Understanding our colleague reward framework

Our people are vital to our business. At Entain, we believe in fairness throughout the Company. The Group operates a number of general principles applied to all levels.

- We will provide a competitive package compared to the relevant market for each colleague.
- We will ensure colleagues can share in the success of the business, where appropriate, through performance-based variable remuneration and opportunity to acquire Entain shares.
- We aim for transparency and a fair cascade of remuneration throughout the Group.

The Remuneration Committee considers a range of factors when deciding upon the remuneration for Executive Directors, one of which is the alignment with pay practices across the wider workforce. The table below summarises the remuneration structure for employees below the Board.

Element	Wider workforce	Executive Directors and senior management
Base salary	<ul style="list-style-type: none"> <li>• Our base salary is the basis for a competitive total reward package for all employees, and we review these annually.</li> <li>• The review takes into account a number of factors such as country budget, relevant market comparators, the skills, knowledge and experience of each individual, relativity to peers within the Company and local legislative requirements.</li> <li>• In setting the salary review budget each year, we consider affordability as well as assessing how employee base salaries are positioned relative to market rates, forecasts of any further market increases and attrition rates.</li> </ul>	<ul style="list-style-type: none"> <li>• The base salary of our Executive Directors and senior management forms the basis of their total remuneration and we review their salaries annually.</li> </ul>
Benefits and pension	<ul style="list-style-type: none"> <li>• We offer market-aligned benefits packages reflecting market practice in each country in which we operate.</li> <li>• Where appropriate, we offer elements of personal benefit choice to our employees.</li> </ul>	<ul style="list-style-type: none"> <li>• The benefits packages of our Executive Directors and senior management are aligned with the wider workforce of the country in which they are employed.</li> <li>• Subject to local legislation, Executive Directors are eligible to participate in the pension arrangement in their country of employment on the same basis as local employees.</li> </ul>
Short-term incentives	<ul style="list-style-type: none"> <li>• Many of our global workforce participate in the Group annual bonus, with metrics typically aligned to those of the Executive Directors and senior management, although depending on role, greater emphasis may be placed on business unit performance.</li> <li>• We operate local incentive arrangements where appropriate to align with market practice.</li> </ul>	<ul style="list-style-type: none"> <li>• The Executive Directors and senior management participate in the same Group annual bonus plan as eligible members of the global workforce.</li> <li>• Half of any award to an Executive Director is subject to deferral into shares for three years.</li> <li>• Malus and clawback provisions apply.</li> </ul>
Long-term incentives	<ul style="list-style-type: none"> <li>• A proportion of this population is eligible to be considered for LTIP or Restricted Stock Awards, which vest after three years.</li> <li>• Malus and clawback provisions apply.</li> <li>• Employees have the opportunity to participate in the Group's all-employee ShareSave plan.</li> </ul>	<ul style="list-style-type: none"> <li>• We operate an LTIP with a three-year performance period for Executive Directors and senior management, and vesting is subject to Group performance outcomes.</li> <li>• Awards made to Executive Directors are subject to a two-year holding period following vesting.</li> <li>• Malus and clawback provisions apply.</li> </ul>



Read more about the Committee's work in 2023: [pages 116-117](#)

## Consideration of colleague and stakeholder views

The Committee supports and aims for fairness and transparency of remuneration arrangements across the Group, with consistent principles underlying both pay for the Executive Directors and that for our wider colleague population. To support this, the Committee receives regular updates on Group-wide all-colleague remuneration arrangements. During the year, this included briefings on our UK Gender Pay gap, our ShareSave plan and approach to all-employee salary review, including that for our UK Retail colleagues.

We have several colleague forums within Entain. These play an important role in providing our people with a voice and allow them to provide the business with valuable insight and feedback on a range of topics, including remuneration. In addition, Virginia McDowell, in her role as Designated Workforce Director, provides the Committee with updates on colleague views on remuneration. Through the Board, the Committee receives valuable insight as to general colleague views including those on remuneration including feedback from our global 'Your Voice' survey which will be running in January 2024. See page 64 for more detail on our Board Engagement activities.

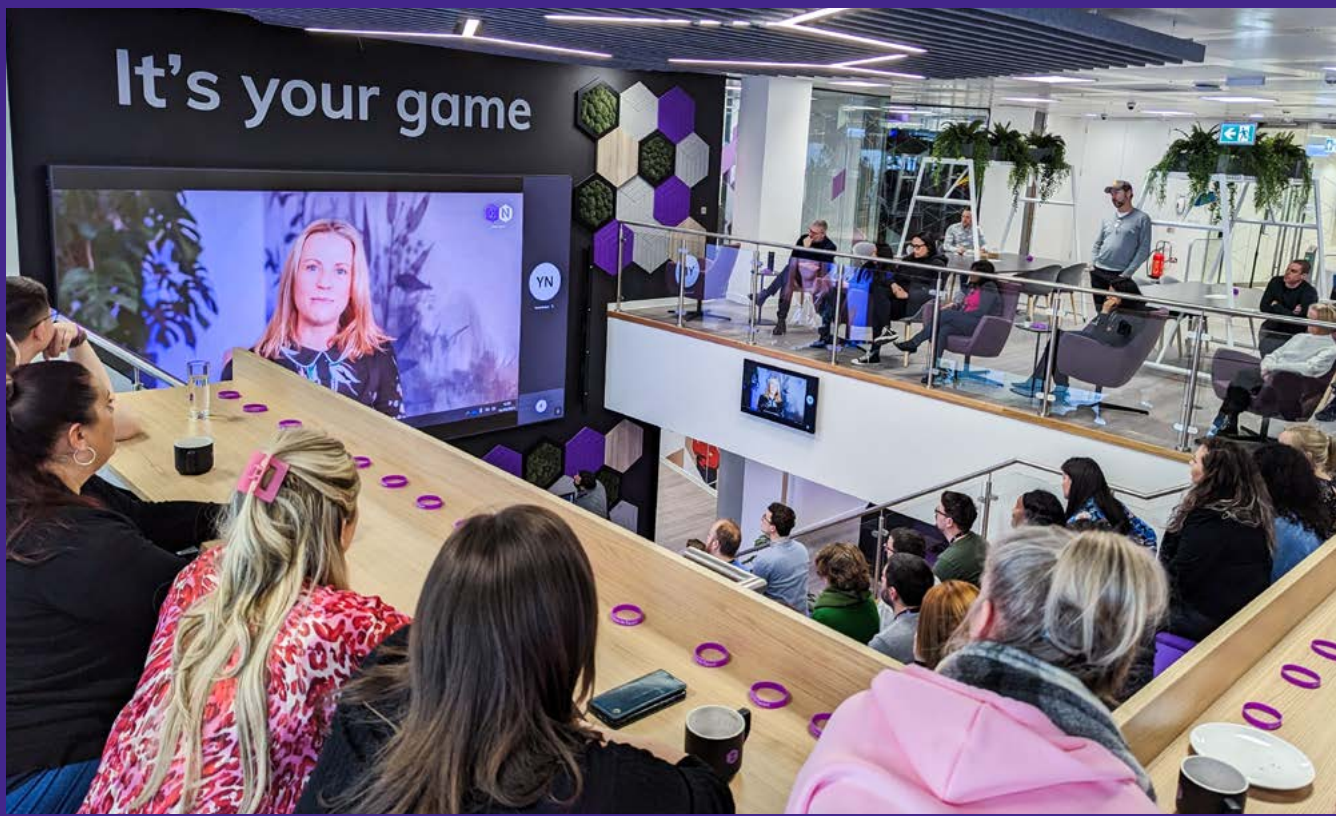
Along with Virginia, Rahul Welde, a member of the Remuneration Committee, participated in Entain's Global Engagement Conference and our Employee Forum AGM, both held virtually in January 2024. These events brought together colleague representatives from across the Group and gave them the opportunity to engage with Virginia and Rahul on a wide range of topics. As with the similar meetings held in previous years, an open dialogue was had and our colleague representatives provided very informative input on their experiences and suggestions. The Committee members are grateful for the ongoing active participation of these colleagues and the insights received and thank them for their input.

### All-employee remuneration and actions in response to cost-of-living pressures

The Committee is mindful of Entain's responsibility as an employer and the focus on this is heightened in the current difficult economic environment which continues to be experienced by our colleagues all over the world. The Committee was pleased that we were able to implement several all-colleague remuneration initiatives during 2023:

- Budgets were set for our 2024 annual salary review taking into account the current inflationary context being experienced by our colleagues globally. As a result, salary review budgets of between 3.5% and 7.0% were approved, depending on local market conditions.
- Noting that the position is somewhat different for our hourly paid colleagues in UK Retail and Stadia, with effect from 1 January 2024, their minimum hourly rate of pay has been increased by 8.3% to £11.80 (from £10.90).
- All of our colleagues have the opportunity to share in the value they create. A third cycle of our all-employee ShareSave plan was launched in April 2023 to colleagues in 25 countries. 15% of our people elected to participate, giving them the opportunity to purchase Entain shares at an option price of £10.08. We intend to offer ShareSave again in 2024.

All of these initiatives acknowledge the importance of our colleagues in delivering the Group's objectives, and the Committee looks forward to continuing the dialogue with our people in the coming year.



**CEO pay ratio (unaudited)**

The first table below sets out the ratio at median, 25th and 75th percentile of the total remuneration received by our CEO compared to the total remuneration received by our UK colleagues, while the second provides further information on the total colleague pay figure at each quartile, and the salary component within this. The total pay for our two CEOs in 2023 was 78 times the median (50th percentile). This is a fall from 2022 which is mainly attributable to the increase in the median pay of our UK colleagues. Our UK employee population is predominantly made up of colleagues working in our retail estate, and the Committee considers that this ratio is not out of line with that at other retail organisations.

	Method	25th percentile	50th percentile	75th percentile
2023	Option A	90	78	65
2022	Option A	101	87	73
2021	Option A	139	122	98
2020	Option A	106	95	75
2019	Option A	278	229	170

UK colleagues – pay element	25th percentile	50th percentile	75th percentile
Salary	17,629	18,975	20,301
Total remuneration	20,893	24,090	28,663

We would highlight the following in terms of the approach taken:

- Option A was chosen as it is considered to be the most accurate way of identifying colleagues at P25, P50 and P75, and is aligned with investor expectations. Under this approach we calculate total remuneration for all of our UK colleagues and rank them accordingly on this basis.
- The lower quartile, median and upper quartile colleagues were calculated based on full-time equivalent data as at 31 December 2023. Salary excludes any statutory payments such as maternity and sick pay; these items are reflected in the Total remuneration figures.
- In reviewing the colleague pay data, the Committee is comfortable that the P25, P50 and P75 individuals identified appropriately reflect the colleague pay profile at those quartiles, and that the overall picture presented by the ratios is consistent with our pay, reward and progression policies for UK colleagues.

The Committee notes that Entain has in place a number of initiatives to ensure that the pay and conditions for our wider colleague population are fair and reasonable and receives regular updates on reward practices throughout the Group.

We aim to provide a market-competitive remuneration package in each of the countries in which we operate. This includes benefits appropriate to the local market and the ability for many colleagues to share in the success of Entain via annual incentive programmes. We successfully launched the third cycle of our all-employee ShareSave plan in 2023 and another cycle will be offered in April 2024. In June 2022, we also made an award of free shares with a value of £300 to all employees. These shares vest in June 2024, subject to continued employment.

Structures are in place to support salary progression, and regular market analysis by geography and role function is carried out, with action taken as appropriate and salaries are typically reviewed in January each year.

**Relative importance of the spend on pay**

The table below sets out the overall spend on pay for all colleagues compared with the returns distributed to shareholders.

Significant distributions	2023	2022	% change
Staff costs (£m) <sup>1</sup>	753.8	654.5	15.2%
Distributions to shareholders (£m) <sup>2</sup>	106.9	50.0	113.8%

1. Increase in staff costs is largely due to an increase in employee numbers and an increase in redundancy costs, along with salary increases implemented in 2023.
2. Increase in distributions to shareholders reflects the payment of two dividends in 2023 compared to only one in 2022.

**Gender pay gap reporting**

2023 is the sixth year in which we have published our UK gender pay gap results. Our median hourly pay difference between male and female colleagues in the UK is 4.0% (2022: 3.2%), which compares favourably with the UK median pay gap for all employees of 14.3% (source: Office for National Statistics, November 2023). Our median bonus pay gap is 44.5% (2022: 38.7%).

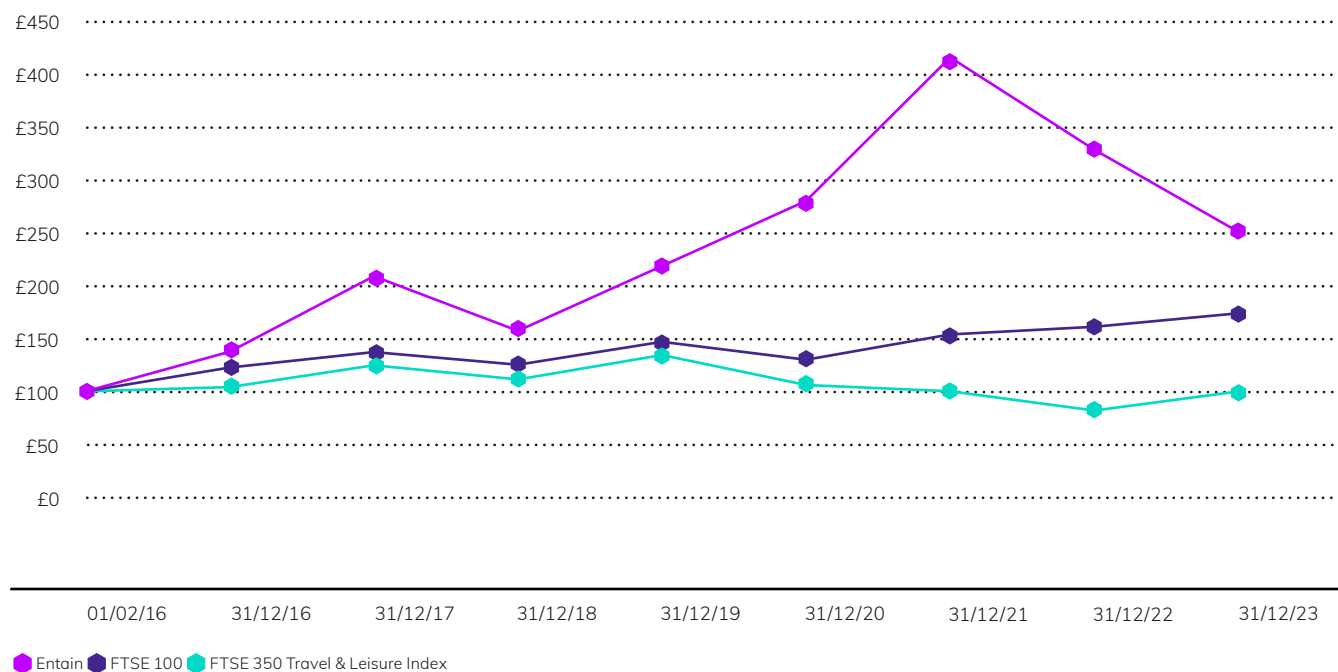
From further analysis it is clear that these gaps largely remain a function of lower numbers of women at senior levels. We are committed to making Entain an inclusive place to work and we are continuing to invest in initiatives to create greater diversity at senior levels. Further information on these is provided on pages 48 and 49. Our gender pay gap report for the year ended 5 April 2023, together with contextual information and more detail on the actions we have underway to close our gender pay gap, can be viewed on the Company's website at [www.entaingroup.com](http://www.entaingroup.com).

## Summary of performance

The chart below shows the value of £100 invested in Entain since obtaining Main Market listing on 1 February 2016, compared with the value of £100 invested in the FTSE 100 Index and the FTSE 350 Travel and Leisure Index. The FTSE 100 has been chosen on the basis that this is the index in which Entain was a constituent of at the end of 2023.

£100 invested in Entain on 1 February 2016 would have been worth £251 at 31 December 2023 compared with £174 if invested in the FTSE 100 and £100 if invested in the FTSE 350 Travel and Leisure Index.

Over the three-year period 1 January 2021 to 31 December 2023 (the period covered by the 2021 LTIP) the total shareholder return ("TSR") of Entain shares was -10.5% compared with +33.8% for the FTSE 100 and -5.8% for the FTSE 350 Travel and Leisure Index.



Source: Thompson Reuters DataStream

## Summary of CEO remuneration outcomes: 2015–2023

Year	2023		2022		2021		2020		2019	2018	2017	2016	2015
CEO	S J Nygaard- David <sup>1</sup>	J Nygaard- Andersen <sup>2</sup>	J Nygaard- Andersen	J Nygaard- Andersen <sup>2</sup>	S Segev <sup>3</sup>	S Segev <sup>3</sup>	K Alexander <sup>4</sup>	K Alexander	K Alexander	K Alexander	K Alexander	K Alexander	K Alexander
Single figure of total remuneration <sup>5</sup>	£0.55m	£1.33m	£1.91m	£2.53m	£0.04m	£0.30m	£1.68m	£5.23m	£19.10m	£18.21m	£17.83m	£3.41m	
Annual bonus payout <sup>6</sup> (% of maximum)	–	20%	48.8%	100%	–	–	–	100%	92%	100%	–	–	
LTIP vesting (% of maximum)	–	–	–	–	–	–	89.8%	91.1%	–	–	–	–	
Legacy award vesting (% of maximum)	–	–	–	–	–	–	–	–	100%	100%	100%	100%	

1. Stella David was appointed Interim CEO on 13 December 2023.

2. Jette Nygaard-Andersen was appointed CEO on 21 January 2021 and stepped down from the Board on 13 December 2023. Jette retained her outstanding LTIP awards and an entitlement to receive a bonus payment in respect of 2023.

3. Shay Segev was appointed CEO on 17 July 2020 and stepped down from the Board on 21 January 2021. Shay's 2018 and 2019 LTIP awards lapsed when he left employment and he was not entitled to any bonus payment in respect of 2021.

4. Kenneth Alexander retired from the role of CEO on 17 July 2020.

5. Figures for 2015, 2016 and 2017 were previously reported in Euros and have been converted into GBP using an average rate for the relevant year.

6. The Executive Directors waived any entitlement to bonus for 2020 due to the Covid-19 pandemic.

## Change in Directors' pay for the year in comparison to all Entain colleagues

The table below shows the year-on-year change in salary, benefits and annual bonus earned from 2020 to 2023, building to a five-year history, for all Executive and Non-Executive Directors and the Chairman, compared to that for Entain's UK colleagues. The comparison is not able to be shown for those individuals who were not in role for the full 12 months of either year.

	2023			2022			2021			2020		
	Base salary/ fees	Benefits	Annual bonus	Base salary/ fees	Benefits	Annual bonus	Base salary/ fees	Benefits	Annual bonus	Base salary/ fees	Benefits	Annual bonus
<b>Executive Directors</b>												
S David <sup>1</sup>	–	–	–	–	–	–	–	–	–	–	–	–
J Nygaard-Andersen <sup>2</sup>	–	–	–	–	–	–	–	–	–	–	–	–
R Wood <sup>3</sup>	3.0%	1.3%	(57.8%)	3.6%	1.4%	(49.5%)	27.2%	2.2%	n/a	–	–	–
R Hoskin <sup>4</sup>	–	–	–	2.5%	(15.1%)	(50.0%)	–	–	–	–	–	–
<b>Non-Executive Directors<sup>5</sup></b>												
B Gibson <sup>6,7</sup>	0%	–	–	0%	–	–	5.3%	–	–	–	–	–
P Bouchut <sup>7,8</sup>	5.1%	–	–	(1.2)%	–	–	1.9%	–	–	(3.8)%	–	–
A Brown <sup>9</sup>	–	–	–	–	–	–	–	–	–	–	–	–
M Gregory <sup>10</sup>	–	–	–	–	–	–	–	–	–	–	–	–
V Jarman <sup>10</sup>	–	–	–	–	–	–	–	–	–	–	–	–
V McDowell <sup>7</sup>	0.9%	–	–	0%	–	–	5.4%	–	–	(8.5)%	–	–
D Satz <sup>11</sup>	(0.4)%	–	–	11.3%	–	–	–	–	–	–	–	–
R Welde <sup>12</sup>	–	–	–	–	–	–	–	–	–	–	–	–
<b>All colleagues<sup>13</sup></b>	<b>10.9%</b>	<b>(5.2)%</b>	<b>(9.7)%</b>	<b>(0.1)%</b>	<b>(16.5)%</b>	<b>(50.8)%</b>	<b>0.1%</b>	<b>1.9%</b>	<b>132.4%</b>	<b>3.5%</b>	<b>(1.4)%</b>	<b>(53.1)%</b>

1. Stella David joined the Board in March 2021 as a Non-Executive Director and was appointed Interim CEO on 13 December 2023. As she was not in either role for a full 12 months in either 2021 or 2023 no comparisons are shown.

2. Jette Nygaard-Andersen joined the Board as a Non-Executive Director in November 2019, was appointed CEO on 21 January 2021 and stepped down from the Board on 13 December 2023. As she was not in either role for a full 12 months in either 2020, 2021 or 2023, no comparisons are shown.

3. Rob Wood joined the Board during 2019. As he was not in role for the full 12 months of 2019, no comparison is shown in respect of 2020. In 2020, as an Executive Director, Rob was subject to a 20% reduction in salary for three months and he waived his entitlement to receive a bonus under the 2020 Group annual bonus plan. In 2021, Rob's salary was increased from £430,000 to £525,000, effective 21 January 2021, upon taking on additional responsibility as Deputy CEO.

4. Robert Hoskin joined the Board on 1 January 2021, therefore no comparison is shown for 2020 or 2021. He stepped down from the Board on 30 June 2023 and so no comparison is shown for 2023.

5. Non-Executive Directors receive fees only and do not receive any additional benefits or participate in a bonus arrangement. There were no increases to Non-Executive Directors' fees in 2023.

6. Barry Gibson joined the Board during 2019. As he was not in role for the full 12 months of 2019, no comparison is shown for 2020.

7. In 2020, Barry Gibson, Pierre Bouchut and Virginia McDowell were all subject to a 20% reduction in fees for three months.

8. The fees for Pierre Bouchut are denominated in Euros and the percentage changes in fees shown for him are as a result of foreign exchange movements, and partly in 2023 due to an increase in fees when he became Senior Independent Director in December 2023.

9. Amanda Brown joined the Board during 2023 and so no comparisons are shown.

10. Mark Gregory and Vicky Jarman joined the Board during 2021 and stepped down in 2023, therefore no comparisons are shown.

11. David Satz joined the Board in 2020, therefore no comparison is shown for 2020 or 2021. David's fees are denominated in US Dollars and the percentage change in fees shown for him are as a result of foreign exchange movements.

12. Rahul Welde joined the Board during 2022, therefore no comparisons are shown.

13. The all-colleague data is comprised of that used to calculate the CEO pay ratio. To eliminate the impact of changes in colleague numbers year-on-year this has been based on average base salary, benefits and annual bonus data.

## Annual Report on Remuneration

The 2023 Annual Report on Remuneration contains details of the remuneration paid and awarded to Directors during the financial year ended 31 December 2023. As an Isle of Man incorporated company, Entain is not subject to the UK remuneration reporting regulations which apply to UK-incorporated companies, nevertheless, this report has been prepared in accordance with the provisions of the Companies Act 2016, Schedule 8 of the Large and Medium Sized Companies Groups (Accounts and Reports) (Amendment) Regulations 2013 (the "Regulations"), the Listing Rules of the UK Financial Conduct Authority and the UK Corporate Governance Code. An advisory resolution to approve the Annual Report on Remuneration and the Annual Statement will be put to shareholders at the 2024 AGM.

### Single figure of remuneration table (audited)

The remuneration of Executive Directors, showing the breakdown between components with comparative figures for the prior financial year, is shown below. Figures provided have been calculated in accordance with the Regulations. Further information on the component elements is provided in subsequent sections.

Executive Directors		Base salary	Benefits	Pension	Annual bonus	Long-term incentive <sup>4</sup>	Total	Total fixed remuneration	Total variable remuneration
		£000	£000	£000	£000	£000	£000	£000	£000
Stella David <sup>1</sup>	2023	46	1	3	–	500	550	50	500
	2022	–	–	–	–	–	–	–	–
Jette Nygaard-Andersen <sup>2</sup>	2023	813	56	49	407	–	1,325	918	407
	2022	820	36	49	1,000	–	1,905	905	1,000
Rob Wood	2023	554	16	29	222	–	821	599	222
	2022	538	15	25	525	1,450	2,553	578	1,975
Robert Hoskin <sup>3</sup>	2023	211	2	–	85	–	298	213	85
	2022	410	5	–	400	1,263	2,078	415	1,663

1. Stella David was appointed Interim CEO on 13 December 2023 having joined the Board as a Non-Executive Director in 2021. Fees paid during 2023 and 2022 for her role as a Non-Executive Director are shown on page 136. The amount shown as Long-term incentive represents the buy-out of a cash payment which Stella forfeit on her resignation as Chair of Vue International. This payment is due to be made in February 2026. It is not subject to performance conditions and so, in line with the Regulations, has been disclosed in 2023, being the year of award.

2. Jette Nygaard-Andersen stepped down from the Board on 13 December 2023.

3. Robert Hoskin stepped down from the Board on 30 June 2023.

4. The amounts shown in last year's report for Rob Wood and Robert Hoskin in respect of the 2020 LTIP were calculated based on an assumed share price of 1,289p. The actual share price at vesting on 12 June 2023 was 1297.5p. The amounts shown for 2022 have been updated to reflect this change and the value of dividend equivalents payable. The proportion of the value of the 2020 LTIP that was attributable to share price appreciation is 40.3%.

### Further information on the single figure of remuneration table

#### Base salary

Salaries are normally reviewed on 1 January each year.

Following the review that took effect 1 January 2023, the salaries of the Executive Directors were:

- Jette Nygaard-Andersen: £844,600
- Rob Wood: £554,300
- Robert Hoskin: £422,300

Stella David's salary from her appointment as Interim CEO on 13 December 2023 was £874,200.

#### Benefits and pension

Executive Directors may receive benefits such as private medical, life insurance and car allowance.

Stella David received a car allowance of £25,000 p.a. and an allowance in lieu of an employer pension contribution equal to 6% of her base salary.

Jette Nygaard-Andersen received a car allowance of £25,000 p.a. and an allowance in lieu of an employer pension contribution equal to 6% of her base salary. A cash allowance was approved by the Remuneration Committee as Jette is a Danish tax resident and therefore not able to participate in any of the Group's existing employee pension arrangements. The payment of a cash allowance in lieu of pension contributions of 6% of salary was included in our Directors' Remuneration Policy that was approved at the 2023 AGM. The quantum is aligned to the maximum company contribution available to employees in the UK. Jette also received reimbursement of certain travel expenses incurred in undertaking her duties as a Director. The table above includes these expenses and the related tax.

Rob Wood received a car allowance of £10,700 p.a. and participated in the defined contribution pension arrangements which are available on the same basis as for other colleagues, receiving a company contribution of 4.5% of his base salary up until 30 June 2023. Following the update to our Directors' Remuneration Policy, approved at the 2023 AGM, to allow payment of a cash allowance in lieu of pension contributions, from 1 July 2023 Rob received a company contribution into the pension plan of £833.33 per month. The difference between that and 6% of base salary was paid to him as a cash allowance.

Robert Hoskin opted out of the pension plan.

## 2023 annual bonus

The Executive Directors, with the exception of Stella David, were eligible to participate in the annual bonus for 2023. Robert Hoskin and Jette Nygaard-Andersen were eligible to participate on a time pro-rated basis.

The annual bonus framework for 2023 was based on performance against four key metrics for Entain: underlying Group operating profit, pre US joint venture (60%), NGR, including the US joint venture (20%), safer betting and gaming (15%) and customer (5%). At the start of the year the Committee set stretching goals for these metrics, was satisfied that these represented challenging but realistic targets, and that significant outperformance would be required to achieve a maximum payout.

The targets set for the financial and customer metrics, the performance achieved against all metrics, and the resulting payout are set out in the table below.

Metric	Weighting	Threshold	Target	Stretch	Actual	Payout as a % of maximum for each metric	Payout as a % of maximum bonus opportunity
Underlying Group operating profit	60%	£705m	£723m	£759m	£642m	0%	0%
NGR	20%	£5,613m	£5,787m	£5,961m	£5,409m	0%	0%
Safer betting and gaming	15%		See below			100%	15.0%
Customer (Net Promoter Score)	5%	0	2	3	3.6	100%	5.0%
					Total as a % of maximum opportunity		20.0%

The safer betting and gaming metric comprised two equally weighted parts of 7.5% each (15% in total).

In summary:

- UK market – based on the usage of our active account management tools amongst risk-assessed online customers and the implementation of ARC™ into our UK Retail business. Through our ARC™ platform, we are able to monitor and categorise player behaviour and interact with the customer to effectively influence behaviour, thereby providing a more positive and safer experience.
- Markets outside the UK – further deployment of ARC™'s advanced models and technologies tailored to each country's regulatory requirements, culture and maturity, giving an opportunity to offer the same targeted interactions and overall experiences to a large number of our players around the globe.

In addition, a minimum level of completion of safer betting and gaming and other relevant training modules had to be achieved by our colleagues globally.

EPIC Risk Management, the leading gambling harm minimisation consultancy, independently reviewed the work carried out and provided advice to the Sustainability & Compliance Committee which has enabled it to make the recommendation to the Committee that the stretch level of performance has been achieved and so a payout in full for this metric was appropriate. More detail on our approach to player protection can be found on pages 44 and 45.

The customer metric (representing 5% of the total bonus) was based on the achievement of a Net Promoter Score ("NPS") target across our core brands. A three-month rolling average NPS at December 2023 of 3.6 was achieved which exceeded the stretch target, resulting in maximum payout for this metric.

In line with the provisions of the UK Corporate Governance Code, the Committee carefully considered whether the proposed outcome could be justified in the context of Entain's overall performance. In doing so, it considered:

- Business performance during 2023, including progress against financial, operational and strategic targets;
- The quality of underlying earnings and whether any significant one-off factors influenced the results;
- Our risk and reputational performance;
- The individual performance of the Executive Directors; and
- Entain's share price performance and the experience of our shareholders over the year.

The Committee noted the Group's operational and financial progress during the year, as set out in the 2023 Group performance highlights in the Committee Chair's letter on page 114.

Taking all the above factors into account, the Committee considered that the outcome under the annual bonus was justifiable and a fair reflection of overall Entain performance during the year, and therefore concluded no further discretionary adjustments were necessary.

The table below sets out the final outcome and annual bonus payable to each Executive Director for 2023.

	J Nygaard-Andersen	R Wood	R Hoskin
Bonus opportunity (% of salary)	250%	200%	200%
Salary eligible for 2023 bonus	£813,198	£554,300	£211,150
Outcome:			
– As % of maximum bonus	20%	20%	20%
– As % of salary	50%	40%	40%
– As £ amount	£406,599	£221,720	£84,460

Half of the total bonus is paid in cash following the year end, while half is deferred into shares under the Annual and Deferred Bonus Plan. These shares will vest after three years, subject to continued employment or approval of good leaver treatment, in line with the Plan rules, as is the case for Jette Nygaard-Andersen and Robert Hoskin.

### 2021 Long-Term Incentive Plan

The Long-Term Incentive Plan values shown in the single figure table for 2023 relate to the vesting of LTIP awards made in 2021. The targets attached to the 2021 LTIP awards and the performance outcome against these are set out below.

Metric	Weighting	Threshold (25% vesting)	Maximum (100% vesting)	Entain performance	Vesting as a % of maximum for each metric	Vesting
Relative TSR vs. FTSE 100	One-third	Median: 13.0%	Upper quartile: 45.5%	-15.5%	0%	0%
Relative TSR vs. bespoke peer group <sup>1</sup>	One-third	Median: 8.4%	Upper quartile: 46.1%	-15.5%	0%	0%
Cumulative adjusted EPS	One-third	255p	296p	225.3p	0%	0%
Total as a % of maximum opportunity						0%

1. The bespoke peer group comprised the following companies: 888 Holdings, Betsson, Caesars Entertainment, Evolution Gaming Group, Flutter Entertainment, Gamesys, International Game Technology, Kindred Group, Playtech, Rank Group and TabCorp Holdings.

Acknowledging that our TSR performance and resulting shareholder experience over the last three years had been disappointing, the Committee concluded that the formulaic outcome was fair and reasonable, and an appropriate reflection of Entain's performance and value delivered to shareholders over the period. As a result, the LTIP awards made to the Executive Directors in 2021 will lapse in full.

## 2023 Share plan awards

## Share awards granted during 2023 (audited)

The table below sets out share awards granted to the Executive Directors during 2023 under the LTIP and Annual and Deferred Bonus Plan ("ADBP").

Name	Award type	Grant date	Face value of award	Shares awarded <sup>1,2</sup>	% vesting at threshold performance	% vesting at maximum performance	Performance conditions
J Nygaard-Andersen	LTIP	16 June 2023	£3,800,700	316,198	16.7%	100%	See below
	ADBP	21 March 2023	£500,200	38,805	n/a	n/a	None
R Wood	LTIP	16 June 2023	£2,217,700	184,459	16.7%	100%	See below
	ADBP	21 March 2023	£262,605	20,372	n/a	n/a	None
R Hoskin	ADBP	21 March 2023	£200,080	15,522	n/a	n/a	None

- The LTIP awards were calculated, in line with the Plan rules, based on a share price of 1,202p (the closing share price on the day prior to grant).
- Consistent with the Directors' Remuneration Policy, 50% of an Executive Director's annual bonus is deferred into shares under the ADBP. The awards shown above were granted in respect of annual bonuses for the 2022 financial year. These awards will normally vest on 21 March 2026, the third anniversary of the grant, subject to continued employment or approval of good leaver treatment. The number of shares granted was calculated, in line with the Plan rules, based on a share price of 1,289p (the average price over the period 1 October to 31 December 2022).

The Committee have previously considered the difficulty in setting appropriately stretching but incentivising financial targets (such as EPS targets) for a three-year period, given the fast-changing external environment in which we operate and concluded that this can be addressed by basing our LTIP awards entirely on relative TSR metrics. This aligns management's interests closely with the experience of investors and incentivises actions which enhance long-term value creation. Therefore, for the 2023 LTIP, 50% of the awards are based on TSR performance relative to the FTSE 100 and 50% on performance relative to an industry peer group. Performance for these awards will be measured over the period 1 January 2023 to 31 December 2025. The target ranges are set out below and reflect the changes the Committee set out when revising our Directors' Remuneration Policy. This was approved at the AGM on 25 April 2023 and provided for increased maximum levels of award under the LTIP, accompanied by an increased level of stretch on performance conditions and a reduction in the level of vesting which would be achieved at threshold performance.

Metric	Weighting	Threshold (16.7% vesting)	Maximum (100% vesting)
Relative TSR vs. FTSE 100	50%	Median	85th percentile
Relative TSR vs. bespoke peer group <sup>1</sup>	50%		

Straight-line vesting between threshold and maximum

- The bespoke peer group for the 2023 awards comprises the following companies: 888 Holdings, Aristocrat, Betsson, Caesars Entertainment, DraftKings, Evolution Gaming Group, Flutter Entertainment, International Game Technology, Kindred Group, MGM Resorts, Playtech, PointsBet, Rank Group, Rush Street Interactive and Sands LV.

The terms of the 2023 awards provide the Committee with the ability to review the outcome at vesting and to make appropriate adjustments if it concludes that participants have benefited from windfall gains over the performance period. The Committee also retains the ability, under the terms of the Policy, to exercise discretion to override the formulaic outcomes if it believes that the formulaic outturn is not appropriate.

## Shareholdings and share interests

### Shareholding guidelines

Executive Directors are required to maintain a shareholding as determined by the Committee and retain this for a period following cessation of employment. Executive Directors are expected to build up their shareholding over a period of five years from the date of appointment as an Executive Director (or, if later, from the date of any change to the terms of the shareholding requirement). Shares that count towards the requirement are those that are beneficially owned, any vested share awards subject to a holding period and unvested deferred bonus shares (on an after-tax basis). The current shareholding requirements are:

- CEO – 450% of base salary.
- CFO & Deputy CEO – 350% of base salary.

In line with the provisions of the UK Corporate Governance Code, the Committee has implemented post-employment shareholding requirements for the Executive Directors to ensure that they remain aligned with shareholders for a period after they step down from the Board. The Committee expects Executive Directors to maintain 100% of their guideline (or their actual holding if lower) for two years following departure. Shares purchased by the Executive Directors out of their own funds will not count towards these guidelines. To assist in the implementation of the post-employment shareholding guideline our policy includes the potential to require leavers to deposit the requisite number of shares into a trust or nominee arrangement. In the case of good leavers, future vestings may be made subject to adherence to the shareholding requirement.

### Share interests (audited)

As at 31 December 2023, the value of Stella David and Rob Wood's shareholdings were £1.5m and £3.3m respectively. The value of Jette Nygaard-Andersen's shareholding at 13 December 2023 (the date she stepped down from the Board) was £1.5m. The value of Robert Hoskin's shareholding as at 30 June 2023 (the date he stepped down from the Board) was £5.2m.

Executive Directors' share interests as at 31 December 2023, or date of leaving the Board, are set out below.

Name	Number of beneficially owned shares <sup>1</sup>	Share interests subject to performance conditions <sup>2</sup>		Share interests not subject to performance conditions <sup>3</sup>		Total interests at 31 December 2023	Value of shares held as % of base salary <sup>4</sup>	Shareholding requirement met?
		Share awards	Share options	Share awards	Share options			
S David	112,186	–	–	–	–	112,186	128%	N
J Nygaard-Andersen <sup>5</sup>	65,381	612,828	–	85,610	–	763,819	130%	N
R Wood	225,037	352,058	–	47,866	–	624,961	449%	Y
R Hoskin <sup>6</sup>	353,539	–	82,156	–	36,686	472,381	919%	Y

1. Beneficially owned shares include shares held directly or indirectly by connected persons. There were no changes in the number of beneficially owned shares for any Executive Director between 31 December 2023 and the date this report was signed.

2. Share interests subject to performance conditions are those made under the LTIP. Awards to Jette Nygaard-Andersen and Rob Wood are granted in the form of conditional awards and those to Robert Hoskin are granted as nil-cost options.

3. Share interests not subject to performance conditions are those made under the ADBP. Awards to Jette Nygaard-Andersen and Rob Wood are granted in the form of conditional awards and those to Robert Hoskin are granted as nil-cost options.

4. In line with our shareholding policy, the value of shares held as a percentage of base salary includes shares owned by the Executive Directors and the after-tax shares held under the ADBP. The values of £1.5m, £1.5m, £3.3m and £5.2m for Stella David, Jette Nygaard-Andersen, Rob Wood and Robert Hoskin respectively are based on the closing share price at 29 December 2023 (994.2p).

5. Jette Nygaard-Andersen stepped down from the Board on 13 December 2023. Under the terms of her exit, time pro-rating will be applied to her LTIP awards when she leaves employment on 13 December 2024.

6. Robert Hoskin stepped down from the Board on 30 June 2023 and left employment on 31 August 2023. Under the terms of his exit his outstanding LTIP awards were time pro-rated to his employment end date and the values in the table above reflect this.

### Executive Directors' service contracts and external appointments

Executive Directors have rolling contracts, terminable by either party giving the appropriate notice.

Director	Date appointed	Arrangement	Notice period
S David	13 December 2023	Service contract	12 months
R Wood	5 March 2019	Service contract	12 months

Subject to Board approval, Executive Directors are able to accept appropriate outside Non-Executive Director appointments provided the aggregate commitment is compatible with their duties as Executive Directors. The Executive Directors concerned may retain fees paid for these services. Stella David is a Non-Executive Director of Norwegian Cruise Line Holdings Limited and of Bacardi Limited. Rob Wood does not currently hold any external appointments. While on the Board, Jette Nygaard-Andersen was a Non-Executive Director of Coloplast A/S.

**Payments for loss of office (audited)****Jette Nygaard-Andersen**

Jette Nygaard-Andersen stepped down from the Board as Chief Executive Officer on 13 December 2023, having held this role since January 2021. Jette originally joined the Board as a Non-Executive Director in November 2019. In line with her contractual entitlement to 12 months' notice, Jette remains employed and on garden leave until 13 December 2024. The Remuneration Committee considered the treatment of Jette's remuneration and agreed the following:

- Salary and benefits paid up until 13 December 2024. Those received up to 13 December 2023, when Jette stepped down from the Board, are shown in the table on page 130. Salary and benefits received between 14 December and 31 December 2023 totalled £34,298.
- After careful consideration, the Committee agreed that Jette would be treated as a good leaver in accordance with the Remuneration Policy and the provisions of the incentive plan rules. As such, she retained her eligibility to receive an annual bonus in respect of 2023, subject to time pro-rating to 13 December 2023. Jette also retained her outstanding ADBP and LTIP share awards, which will continue to vest over their original timeframes. Her LTIP awards will be time pro-rated for time served up until 13 December 2024 and remain subject to their performance conditions and a two-year holding period. Their malus and clawback provisions will also remain in force.
- In line with our post-employment shareholding requirement policy, Jette will be required to meet her shareholding requirement of the lower of 450% of salary or her actual shareholding for two years following her termination date of 13 December 2024. The Remuneration Committee will consider withdrawing good leaver treatment if this requirement is not met.
- £10,500 (excluding VAT) was paid directly to Jette's legal advisers in respect of legal services provided to her in connection with her termination.
- Provision of tax support in the UK and Denmark for all tax reporting periods impacted by remuneration received in relation to Jette's employment with Entain. At her discretion, Jette also has the option to continue an existing executive mentoring arrangement until 13 December 2024 and to receive outplacement support to a maximum cost of £50,000 (excluding VAT). In all cases, any payments will be made by Entain direct to the relevant provider.

**Robert Hoskin**

Robert Hoskin stepped down from the Board as Chief Governance Officer ("CGO") on 30 June 2023 and left employment on 31 August 2023, after 18 years with the Group. The Remuneration Committee considered the treatment of Robert's remuneration arrangements in the light of his role as CGO being redundant and agreed the following:

- Salary paid up until 31 August 2023, and medical insurance continuing until the end of the plan year (31 March 2024). Salary and benefits received up to 30 June 2023, when Robert stepped down from the Board, are shown in the table on page 130. Salary and benefits (including payment for accrued holiday) received between 1 July 2023 and 31 December 2023 totalled £84,137.
- In line with local legal requirements, a redundancy payment of £422,300, calculated in accordance with the Gibraltar Redundancy Pay Order.
- Payment in lieu of the balance of 12 months' contractual notice period (£296,188).
- Given Robert's role was redundant, the Committee was comfortable that he should be treated as a good leaver in accordance with the Remuneration Policy and the provisions of the incentive plan rules. As such, he retained his eligibility to receive a time pro-rated annual bonus plan for 2023 and retained his outstanding ADBP and LTIP share awards, which will continue to vest over their original timeframes. His LTIP awards were time pro-rated based on time served during the performance period and remain subject to their performance conditions and a two-year holding period. Their malus and clawback provisions will also remain in force.
- In line with our post-employment shareholding requirement policy, Robert will be required to meet his full shareholding requirement of 350% of salary for two years following his leave date of 31 August 2023. The Remuneration Committee will consider withdrawing good leaver treatment if this requirement is not met.
- £9,400 (excluding VAT) was paid directly to Robert's legal advisers in respect of legal services provided to him in connection with his termination.

## Chairman and Non-Executive Directors

### Single figure of remuneration table (audited)

The remuneration of the Non-Executive Directors is shown below.

Non-Executive Directors		Fees <sup>1</sup> £000	Benefits £000	Annual bonus £000	Long-term incentives £000	Pension £000	Total £000	Total fixed remuneration	Total variable remuneration
Barry Gibson	2023	450	–	–	–	–	450	450	–
	2022	450	–	–	–	–	450	450	–
Pierre Bouchut <sup>2</sup>	2023	112	–	–	–	–	112	112	–
	2022	106	–	–	–	–	106	106	–
Amanda Brown <sup>3</sup>	2023	13	–	–	–	–	13	13	–
	2022	–	–	–	–	–	–	–	–
Stella David <sup>4</sup>	2023	176	–	–	–	–	176	176	–
	2022	155	–	–	–	–	155	155	–
Mark Gregory <sup>5</sup>	2023	18	–	–	–	–	18	18	–
	2022	106	–	–	–	–	106	106	–
Vicky Jarman <sup>5</sup>	2023	14	–	–	–	–	14	14	–
	2022	85	–	–	–	–	85	85	–
Virginia McDowell	2023	107	–	–	–	–	107	107	–
	2022	106	–	–	–	–	106	106	–
David Satz <sup>6</sup>	2023	94	–	–	–	–	94	94	–
	2022	95	–	–	–	–	95	95	–
Rahul Welde <sup>7</sup>	2023	85	–	–	–	–	85	85	–
	2022	42	–	–	–	–	42	42	–
Former Non-Executive Directors <sup>8</sup>	2023	–	–	–	–	–	–	–	–
	2022	42	–	–	–	–	42	42	–

1. Non-Executive Directors receive fees only and do not receive any additional benefits or participate in any incentive arrangements.

2. Pierre Bouchut's fees are denominated in Euros. The change in fee received in 2023 compared to 2022 reflects foreign exchange rate movements, along with an increase in fees when he was appointed as Senior Independent Director in December 2023.

3. Amanda Brown joined the Board on 8 November 2023.

4. Stella David was appointed as Interim CEO on 13 December 2023. Fees in the table above for 2023 reflect her appointment as a Non-Executive Director. Remuneration for her role as an Executive Director is shown in the table on page 130.

5. Mark Gregory and Vicky Jarman resigned from the Board on 17 February 2023.

6. David Satz's fees are denominated in US Dollars. The change in fee received in 2023 compared to 2022 reflects foreign exchange rate movements.

7. Rahul Welde joined the Board on 1 July 2022.

8. Fees totalling £42,000 were paid to Non-Executive Directors in 2022 who stood down from the Board during that year.

## Fee structure

During 2023, the Committee reviewed the Chairman's annual fee. Based on an assessment of the time and commitment required for the role, including a comparison against relevant market reference points, the Committee determined an increase in the fee for the first time since 2019. Separately, fees for Non-Executive roles were also increased for the first time since 2016, based on an assessment of comparative market data and the increased commitment and complexity associated with performing these roles. The table below sets out the fee structure which will apply from 1 January 2024.

	As at 1 January 2023	As at 1 January 2024
Chairman	£450,000	£525,000
Senior Independent Non-Executive Director	£155,000	£165,000 or €192,500
Board member	£85,000 or €100,000 or \$117,000	£95,000 or €112,000 or \$120,000
Chair of a Board Committee	£21,000 or €25,000	£30,000 or €35,000 or \$38,000
Intercontinental travel allowance <sup>1</sup>	–	£6,000 or €7,000 or \$7,500

1. Where a Non-Executive Director is required to undertake intercontinental travel in the performance of their role, this allowance will be paid (for each trip) to acknowledge the additional time commitment involved. This allowance will not be payable to the Chairman.

## Letters of appointment

Non-Executive Directors are appointed under letters of appointment and as such do not have service contracts. Apart from the Chairman, each Non-Executive Director is subject to an initial three-year term subject to annual re-election at the Company's AGM.

All letters of appointment are available for viewing at the Company's registered office and at the AGM.

Director	Date appointed	Arrangement	Notice period
B Gibson	4 November 2019	Letter of appointment	3 months
P Bouchut	13 September 2018	Letter of appointment	3 months
A Brown	8 November 2023	Letter of appointment	3 months
V McDowell	6 June 2018	Letter of appointment	3 months
R Sandler	3 January 2024	Letter of appointment	3 months
D Satz	22 October 2020	Letter of appointment	3 months
R Welde	1 July 2022	Letter of appointment	3 months

## Share interests (audited)

Non-Executive Directors' share interests as at 31 December 2023, or date of leaving the Board if earlier, are set out below. With the exception of Amanda Brown who joined the Board in November 2023, all Non-Executive Directors (in post at 31 December 2023) held shares with a value in excess of 75% of their annual fee at 31 December 2023.

Director	Number of beneficially owned shares <sup>1</sup>
B Gibson	189,934
P Bouchut	38,500
A Brown	–
M Gregory <sup>2</sup>	7,446
V Jarman <sup>2</sup>	1,700
V McDowell	15,000
D Satz	7,500
R Welde	21,644

1. Beneficially owned shares include shares held directly or indirectly by connected persons. There were no changes in the number of shares owned outright for any Non-Executive Director between 31 December 2023 and the date this report was signed.

2. Mark Gregory and Vicky Jarman resigned from the Board on 17 February 2023. The beneficially owned shares shown for them reflect the position on that date.

## Virginia McDowell

Chair of the Remuneration Committee