REMUNERATION COMMITTEE REPORT

The Remuneration Committee considers and evaluates remuneration arrangements for senior managers and other key employees and makes recommendations to the Board. The purpose is to support the strategic aims of the business and shareholder interest, by enabling the recruitment, motivation and retention of key employees, while complying with the requirements of regulatory and governance bodies.

The Committee's report, which is unaudited, except where indicated, is set out below.

The Remuneration Committee

The Committee held five meetings during 2015 all of which were chaired by Stefan Lundborg and also attended by Peter Boggs. Sophia Bendz was appointed by the Board to the Committee in 2015 and attended two meetings. The Chief Human Resources Officer (CHRO) acted as secretary to the Committee and the CEO, CFO and CHRO were coopted on an ad-hoc basis to provide advice and support on remuneration related issues. Where required on specific projects, the Committee was also supported by external advisers.

Remuneration policy

The policy of the Board is to attract, retain and motivate the best managers by rewarding them with competitive compensation packages linked to the Group's financial and strategic objectives. The compensation packages need to be fair and reasonable in comparison with companies of a similar size, industry and international scope. The components of remuneration for executive managers comprise base salary, benefits, performance-related salary and long-term incentives.

The members of the Committee have no personal interest in the outcome of their decisions and give due regard to the interests of shareholders and to the continuing financial and commercial health of the business.

The remuneration packages of senior managers

Senior managers receive base salaries based on position, responsibilities, performance and skills. The base salary is a fixed amount, payable monthly, which is usually reviewed annually in January.

Benefits are based on the requirements of the country where the manager is employed.

The performance-related salary is designed to support key business strategies and financial objectives and create a strong, performance-orientated environment. The performance targets are reviewed annually and are based on both quantitative and qualitative goals. The pay-out is conditional upon the Group achieving set financial targets. Thereafter, individual targets are mainly linked to financial objectives such as Gross winnings revenue and EBITDA. There is also a part which is based on delivery of specific projects and business critical processes. Achievement of targets is assessed on an annual basis. The amount of potential variable pay compared to basic salary varies depending on position and situation, but is in general less than half the amount of the basic salary. All variable elements have a limit, which means that they cannot exceed a predetermined amount.

Under the standard annual cycle of bonuses for the CEO and other executive management, formal approval and payment of bonuses is typically completed after the publication of the Annual report. Remuneration reported in the table on the page opposite is the remuneration paid during 2015. Participation in long-term incentive schemes is based on position in the Group, performance and country of residence.

Equity awards are made through the Performance Share Plan which was introduced in 2013. They are granted under the terms of the Unibet Performance Share Plan, and are linked to the performance of the Group to further align senior management's interests with those of the shareholders. The 16,053 share options and the 97,819 PSP shares outstanding at 31 December 2015 may generally only be exercised if the holder is employed by the Unibet Group at the date of exercise. Exceptions are made in special circumstances.

Developments in 2015

There were two grants made under the Unibet Performance Share Plan (PSP) approved at the AGM in 2013, the first in June 2015 to Unibet Group employees totalling 38,464 shares and the second in November 2015 totalling 2,430 shares. The PSP performance measures are non-market based providing participants with a high degree of alignment to Group performance. PSP awards will depend on the Group achieving financial performance targets over three financial years establishing a clearer link between how the Group performs and the value that the PSP can deliver. These targets are Gross Contribution (Gross Winnings Revenue less Cost of Sales less Marketing Costs), Free Cash Flow per Share and EBITDA and will be measured on an aggregate basis between the full year 2015 and the full year 2017 so that performance in each financial year will be important. Aggregated performance against the targets and the resulting allocation of PSP awards will be disclosed after the full year 2017.

Remuneration of the Board of Directors

All Board Directors are elected at the AGM and the remuneration is recommended by the Nomination Committee and conditional upon approval at the AGM.

The Group does not operate any form of Directors' retirement benefits or pension scheme, and thus no contributions are made in respect of any Director. All Directors have rolling service contracts without notice periods. The auditors are required to report on the information contained in the following two sections of this report on Directors' Remuneration.

Total emoluments (audited)

All information concerning emoluments and interests of the Directors is presented on the basis of continuity from the date of their appointment to the Board of Directors of the Unibet Group. Total emoluments of the Board of Directors and Executive Committee who served during the year are set out below.

The closing price of the Company's SDRs at 30 December 2015 was SEK 864.00 (equivalent to SEK 108.00 post-split), and it ranged from SEK 447.50 to SEK 864.00 during 2015.

	Fees/salary GBP 000	Other ¹ GBP 000	2015 Total GBP 000	2014 Total GBP 000
Directors ²				
Anders Ström, Chairman	141.7	126.7	268.4	233.0
Kristofer Arwin	70.3	_	70.3	64.7
Sophia Bendz	48.3	_	48.3	27.8
Peter Boggs	60.3	_	60.3	69.7
Nigel Cooper	98.3	14.0	112.3	107.0
Peter Friis	48.3	_	48.3	27.8
Therese Hillman ³	48.0	_	48.0	_
Stefan Lundborg	63.3	16.0	79.3	87.4
	578.5	156.7	735.2	617.4
Executive committee				
Henrik Tjärnström, CEO	663.8	_	663.8	1,673.0
Other Executive management	1,448.1	_	1,448.1	1,880.6
Total	2,690.4	156.7	2,847.1	4,171.0

- Other emoluments comprise additional amounts payable such as consultancy.

 Peter Lindell resigned from the Board on 20 May 2014 and accordingly his interests are not shown in the table above.

 Therese Hillman was appointed to the Board at the AGM on 12 May 2015.

Directors' interests (audited)

The Directors' and Executive managements' beneficial interests in the shares/SDRs of Unibet Group plc as at 30 December 2015 are set out below:

	Ordinary shares/SDRs at 30 December 2015 ¹	Ordinary shares/SDRs at 31 December 2014	Performance Share Rights at 31 December 2015	Performance Share Rights at 31 December 2014	Share options at 31 December 2015	Share options at 31 December 2014
Directors ²						
Kristofer Arwin	705	705	i _	_	_	_
Sophia Bendz	952	375	_		_	_
Peter Boggs	14,030	13,100	_		_	
Nigel Cooper	5,000	4,000	_	_	_	_
Peter Friis	250	250	· –		-	_
Therese Hillman ³	195	_	_	_	_	_
Stefan Lundborg	40,000	10,500		_		_
Anders Ström	1,470,000	1,920,000		_		_
	1,531,132	1,948,930	· -		-	_
Executive committee						
Henrik Tjärnström, CEO	163,394	165,394	14,335	5 9,946	· _	_
Other Executive	2,700	2,700	26,618	3 12,157	6,781	81,373

management						
Total	1,697,226	2,117,024	40,953	22,103	6,781	81,373

- 1 Before the share split 8:1.
- 2 Peter Lindell resigned from the Board on 20 May 2014 and accordingly his interests are not shown in the table above.
- 3 Therese Hillman was appointed to the Board at the AGM on 12 May 2015.

Performance graph (unaudited)

Shown on page 31 is a performance graph that compares the Total Shareholder Return (TSR) of Unibet Group plc SDRs with the OMX Stockholm Price Index, this being the index where Unibet Group plc is listed and therefore the most appropriate comparison.

TSR is defined as the return shareholders would receive if they held a notional number of shares and received dividends on those shares over a period of time.

Stefan Lundborg Chairman, Remuneration Committee