WILLIAM HILL PLC (THE "COMPANY")

REMUNERATION COMMITTEE TERMS OF REFERENCE – JANUARY 2019

Constitution

1. The Board has resolved to establish a Committee of the Board to be known as the Remuneration Committee (the "***Committee***").

Purpose

2. The Board has a fiduciary duty to act in the best interests of the Company's shareholders when determining remuneration, and directors should exercise independent judgement and discretion. The Committee has full delegated power and authority to determine and agree with the Board the Company's policy on the remuneration of executive directors, the Chairman and senior management (herein meaning the Executive Committee or the first layer of management below Board level, including the Company Secretary), and to set the remuneration of each. The Committee should develop a formal and transparent procedure for developing policy and determining remuneration. The Committee should also review workforce remuneration and related policies, and determine specific remuneration packages (including pension rights) and compensation packages on employment or termination of office for each executive director and member of the senior management team.

Membership

3. The Committee shall be appointed by the Board exclusively from amongst the independent Non-executive Directors of the Company. The Committee shall consist of at least three members. A quorum shall be two members.

4. The Chairman of the Committee shall be appointed from the members of the Committee by the Board and should where possible have served on a remuneration committee for at least 12 months. The Chairman of the Board may be a member of, but not chair, the Committee if he or she was considered independent on appointment as Chairman. The Chairman of the Committee (or another member of it) should be available to answer questions on directors' remuneration principles and practice both at the Annual General Meeting of the Company and, when required, to discuss these with major shareholders or their representatives.

5. Committee members will normally serve for a period of three years extendable by no more than two additional three-year periods, provided the Director still meets the criteria for membership of the Committee, unless the Board otherwise determines.

6. The Chairman and members of the Committee shall be identified in the Board's Remuneration Report to Shareholders.

7. Each member of the Committee shall disclose to the Committee:

    (a) any personal financial interest (other than as a shareholder) in any matter to be decided by the Committee; and

(b) any potential conflict of interest arising from a cross-directorship.

Any such member shall abstain from voting on resolutions of the Committee in relation to which such interest exists and from participating in the discussions concerning such resolutions and (if so required by the Board) shall resign from the Committee.

Meetings

8. Only members of the Committee have the right to attend Committee meetings. However, other individuals such as the Chief Executive; the Group HR Director; the Head of Reward and Engagement; the Company Secretary and external advisors may be invited to attend for all or part of any meeting as appropriate.

9. The Committee shall appoint the Company Secretary or his or her nominee to be Secretary to the Committee.

10. Meetings may be held by video conference, telephone or by any other manner permitted in the Company's constitution.

11. Meetings shall be held as and when appropriate, but at least annually and usually four times per year, normally before or after regular meetings of the full Board.

12. Papers will normally be circulated at least four working days prior to a meeting.

13. Draft minutes of Committee meetings shall be circulated promptly to all members of the Committee and the Chairman of the Board and, once agreed, to all other members of the Board, unless a conflict of interest exists.

14. The Committee Chairman shall report formally to the Board on its proceedings after each meeting.

Authority

15. The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee, and all employees are directed to co-operate with any request made by the Committee.

16. The Committee is authorised by the Board to obtain internal or external independent professional advice at the cost of the Company, including obtaining advice from third parties with relevant experience and expertise in connection with the matters within these terms of reference. The Committee shall follow the "Guidelines for Seeking Independent Professional Advice" adopted by the Board.

17. The Committee shall not:

    (a) discuss, or pass resolutions in respect of, the remuneration of, or the terms of any consultancy agreement with, any Non-executive Director (other than the Chairman) which shall be a matter for the Board itself, subject to the provisions of the Articles of Association of the Company; or

(b) determine any other matter which the Board shall advise the Committee is reserved to be determined by it.

Duties

18. The duties of the Remuneration Committee shall be to:

(a) determine and agree on behalf of the Board, the Company's policy and framework for the remuneration of the Company's Chairman, Chief Executive, the executive directors and senior management, and set the remuneration of each. The remuneration of Non-executive Directors shall be a matter for the Chairman and the executive members of the Board, acting in accordance with the Articles of Association of the Company, and shall not include share awards or other performance-related elements. No director or manager shall be involved in any decisions as to their own remuneration;

(b) in determining such policy, take into account all factors which it deems necessary including relevant legal and regulatory requirements, the need to support Company strategy and promote long-term sustainable success, the prevailing IA, ISS and Glass Lewis voting guidelines, the provisions and recommendations of the prevailing UK Corporate Governance Code, Listing Rules of the UK Listing Authority, Prospectus and Disclosure and Transparency Rules, and any other applicable rules, as appropriate. The objective of such policy shall be to ensure that members of the executive management of the Company are provided with appropriate incentive to encourage enhanced performance and are, in a fair and responsible manner, rewarded for their individual contributions to the success of the Company. Executive remuneration should be aligned to Company purpose and values and be clearly linked to the successful delivery of the company's long-term strategy. The remuneration of the Chairman (and the Non-executive Directors, as determined by the Chairman and executive members of the Board) shall reflect their time commitments and responsibilities. In drafting the policy the Committee may need to give itself sufficient operational flexibility over pay. The Committee should exercise discretion or judgement in various circumstances when implementing the approved policy;

(c) review workforce remuneration and related policies and the alignment of incentives and rewards with culture, taking these into account when setting the policy and implementing the policy for executive director and senior management remuneration;

(d) agree the terms of appointment and termination of any executive director or other members of senior management and establish a policy on contracts and termination arrangements. Notice or contract periods should be one year or less. If it is necessary to offer longer periods to externally recruited directors, such periods should reduce to one year or less after the initial period. This should ensure that on appointment and on termination, any payments made are fair to the individual and to the Company, and that poor performance is not rewarded and the duty to mitigate loss is fully recognised;

(e) approve the design of, and determine targets for, any performance-related remuneration schemes operated by the Company and approve the total annual payments made under such schemes. The Committee should scrutinise and hold to account the performance of management and individual executive directors against agreed performance objectives;

(f) ensure that the performance-related elements of remuneration form a significant proportion of the total remuneration package of executive directors and senior management. Remuneration schemes should promote long-term shareholdings by executive directors that support alignment with long-term shareholder interests and the strategic goals of the Company. Share awards granted to executive directors should normally be released for sale on a phased basis and be subject to a total vesting and holding period of five years or more. They should also give these directors keen incentives to perform at the highest levels and be designed to promote the long-term success of the Company;

(g) develop a formal policy for executive directors for post-employment shareholdings requirements encompassing both unvested and vested shares;

(h) ensure that remuneration schemes enable the use of discretion to override formulaic outcomes, put in place arrangements to enable the Company to recover or withhold sums or share awards and specify the circumstances when it would be appropriate to do so, and consider appropriate vesting and holding periods for deferred remuneration;

(i) review the design of all share incentive plans for approval by the Board and shareholders. For any such plans, determine each year whether awards will be made, and if so, the overall amount of such awards, the individual awards to executive directors and other designated senior managers and the performance targets to be used;

(j) consult with the Chairman of the Board and/or Chief Executive, as appropriate, about their proposals relating to the remuneration package of other executive directors and senior management including bonuses, incentive payments and share options or other share awards;

(k) judge where to position the Company relative to other companies. The Committee should be aware what comparable companies are paying and should take account of relative performance. But they should use such comparisons with caution, in view of the risk that they can result in an upward ratchet of remuneration levels with no corresponding improvement in performance;

(l) be sensitive to the wider scene, including pay and employment conditions elsewhere in the Company and in each of its group undertakings, especially when determining annual salary increases;

(m) through the Chairman of the Board, ensure that the Company maintains contact as required with its principal shareholders about remuneration;

(n) determine the policy for, and scope of, pension arrangements for each executive director and senior management team member. The pension consequences and associated costs of basic salary increases and any other changes in pensionable remuneration, or contribution rates, particularly for directors close to retirement, should be carefully considered when compared with workforce arrangements;

(o) agree any shareholding guidelines for executive directors and senior management;

(p) agree the policy for categorising benefits in kind and expenses, and subsequently authorising such claims from any member of the Board. Benefits in kind shall be disclosed as appropriate in the Annual Report and Accounts each financial year;

(q) be responsible for the selection and terms of reference of any external consultants advising the Committee. Independent judgement should be exercised when evaluating the advice of external third parties and when receiving views from executive directors and senior management;

(r) review the terms of executive directors' and senior management service agreements from time to time;

(s) exercise independent judgement and discretion when authorising remuneration outcomes, taking account of Company and individual performance, and wider circumstances;

(t) keep the Chairman of the Board, if he is not already a member of the Committee, fully informed of its actions; and

(u) at least once a year, review its own performance, constitution and terms of reference to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board.

19. In discharging it duties, the Committee should consider the following:

(a) clarity – remuneration arrangements should be transparent and promote effective engagement with shareholders and the workforce;

(b) simplicity – remuneration structures should avoid complexity and their rationale and operation should be easy to understand;

(c) risk – remuneration arrangements should ensure reputational and other risks from excessive rewards, and behavioural risks that can arise from target-based incentive plans, are identified and mitigated;

(d) predictability – the range of possible values of rewards to individual directors and any other limits or discretions should be identified and explained at the time of approving the policy;

(e) proportionality – the link between individual awards, the delivery of strategy and the long-term performance of the Company should be clear. Outcomes should not reward poor performance; and

(f) alignment to culture – incentive schemes should drive behaviours consistent with Company purpose, values and strategy.

20. In respect of disclosure, the Committee shall:

(a) prepare both a forward-looking remuneration policy report, to be put to a binding shareholder vote at least every three years, together with an annual remuneration implementation report to shareholders, which will be put to an advisory shareholder vote at the AGM and comply with relevant legal and regulatory requirements;

(b) ensure that provisions regarding disclosure of information as set out in the prevailing Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations and the prevailing UK Corporate Governance Code are fulfilled in respect of the contents of the directors' remuneration report; and

(c) provide a statement in the directors' remuneration report which identifies the Committee's appointed remuneration consultants and discloses whether or not it has any other connection with the Company or individual directors.

21. In order to carry their duties effectively the Committee shall:

(a) have access to sufficient resources in order to carry out its duties, including access to HR and the Company Secretariat for assistance as required;

(b) call on any Director or employee to be present at a meeting of the Committee as and when required; and

(c) be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members.

Approved by the Board on 17 January 2019.