United States of America - Tax Guide

Sharesave RoW (excludes UK & IOM)

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1. Introduction

The following is a summary of the tax treatment of a grant granted to you by Flutter Entertainment plc under the Sharesave RoW (excludes UK & IOM) (the "Plan"). This summary assumes that you have been resident in the United States of America during the lifecycle of the grant.

The tax treatment as explained herein is intended as a guide only. It is limited to a general description of the national tax laws, and is not intended to address city, regional, or other local tax laws that may be applicable to you. It may not apply to your particular tax or financial situation, and we are not in a position to assure you of any particular tax result. Therefore, we recommend that you consult with your own independent tax advisor regularly to determine the consequences of taking or not taking any action concerning your options, and to determine how the tax or other laws in the United States of America apply to your specific situation. This information was last reviewed in July, 2024.

Please note that the information presented above is relevant for participants who have had no period of overseas work during the vesting period of their awards. The tax treatment of your share awards may change if you have relocated internationally, and as such the above rules may not be relevant to you. If you are in doubt regarding the tax treatment of your share awards, please seek advice from a professional tax advisor to confirm the tax position.

2. Overview

Grant	• Option to purchase Flutter Entertainment plc shares in the future at a specified price. • You are **not subject to taxation on equity** at this point.

Vesting	• You are **not subject to taxation on equity** at this point.

Exercise	
	• You will **be subject to tax** at this point. • Taxable income is calculated based upon the appreciation between the grant price value and the fair market value (FMV) on exercise date. • **Flutter Entertainment plc is responsible for reporting the income.** • You are also **responsible for reporting the income.**

Sale	
	• The date you sell Flutter Entertainment plc shares. • This event may generate additional income known as Capital Gain (CG), or a loss. • Generally speaking, Capital Gain is the growth in value from exercise to sale. • If there is a **Capital Gain** on the sale of shares, tax is due in the tax year of sale. • You are responsible for calculating the tax and reporting this capital gain.

3. Tax Treatment

	Grant	Vesting	Exercise	Sale
Income tax / Capital gains tax	No	No	Income tax payable at rates up to 37%.	Capital gains tax payable at rates up to 37%.
Employee social tax	No	No	Yes **FICA:** Flat rate of 6.2% capped at earnings of USD 168,600 of income per year. **Medicare:** Uncapped flat rate of 1.45%. **Additional Medicare:** Uncapped flat rate of 0.9% after USD 200,000 of income per year.	No
Income tax withholding	No	No	Yes	No
Employee social tax withholding	No	No	Yes	No
Employee tax reporting	No	No	Yes	Yes

Income Tax - The rates set out in this guide are marginal rates. In the event that you are required to pay income tax on the value of your award, the amount of income tax you pay will depend on your marginal tax rate. Generally, the more you earn, the higher your marginal income tax rate.

4. Will I pay tax when I am granted options under the Plan?

You will not have to pay any tax when you are granted options under the Plan.

5. Will I pay tax when my options vest under the Plan?

You will not have to pay any tax when your options become exercisable under the Plan.

6. Will I pay tax when I exercise my options?

When you exercise your options you will be required to pay income tax on the difference between the option price and the market value of the shares at that time at rates of up to 37%.

Please note: Federal income tax withholding will apply at a rate of 22% on supplemental income up to USD 1,000,000 per year, and at a rate of 37% on earnings above that threshold.

In addition to Federal tax, State taxes may apply. In California, for example, a rate of 10.23% will be levied on supplemental income, however, income tax at a rate of 13.3% may apply.

7. How will any benefits under the Plan be reported?

You will need to report:

- Any income tax and social security due on exercise of the options in Form 1040 to the tax authorities in the annual tax return, due by April 15.
  Please note that a state tax return is also required. If your final rate of federal income tax is higher than the rate of withholding you may be required to make estimated tax payments to the IRS quarterly.
  The return can be filed online and downloaded from this website: https://www.irs.gov/forms-pubs/about-form-1040.
- Any capital gains tax due on the sale of shares in Form 1040 to the tax authorities in the annual tax return, due by April 15.
  Schedule D/Form 8949 are used to calculate specific types of capital gain/loss, which is then transferred onto the 1040. You would not need a Schedule D/Form 8949 if you did not have any capital asset changes.

8. Will I have to pay any tax on any dividends paid on the shares?

A dividend is a right to participate in the company's profits, at the discretion of the board of directors.

Any dividends you receive will be taxed at rates up to 37%.

Tax treatment for dividends paid on the shares received under the Plan depends on whether or not they constitute "qualified dividends". Qualified dividends are taxed similarly as long-term capital gain, and are taxed at rates of 0%, 15% or 20%, depending on the individual’s total income for the year. Non-qualified dividends are taxed at ordinary income tax rates up to 37%. In addition, a Net Investment Income Tax of 3.8% (NIIT) is applicable to dividend amounts over USD 200,000 (for single filer taxpayers.) The NIIT is usually not applicable to non-resident aliens working outside the U.S. Please note that additional State and local taxes may apply.

9. Will I pay any tax when I sell my shares?

As the calculation of capital gains can be complex and may be subject to certain exemptions, we recommend that you consult your personal financial/tax advisor.

If the sale price of your shares is higher than their cost basis (broadly, the cost basis is equal to the fair market value of the shares at the time of exercise), the difference will be taxable as a capital gain, at a rate up to 37%. If the sale price is lower than the cost basis of the shares, you may realize a capital loss.

Federal and State level capital gains treatment may not follow the same approach, and both should be reviewed with an independent tax advisor.

The treatment of your capital gains depends on the holding period of your shares and can be considered long term (if you held the shares longer than 1 year from the taxable event) and short term (if you held the shares for less than one year from the taxable event).

The federal long-term capital gain tax rate will depend on the annual income and the filing status (below only for single filers) as follows:

- for annual income less than or equal to USD 47,025, the rate applied is 0%

- for annual income between USD 47,025 and USD 518,900, the rate applied is 15%
- for annual income equal or exceeding USD 518,900, the rate applied is 20%

The federal short-term capital gains (i.e. shares held for less than 12 months prior to sale) are treated as ordinary income and taxed at progressive rates of up to 37%.

There is an additional Net Investment Income Tax of 3.8% (NIIT), applicable to amounts over USD 200,000 for single filer taxpayers. The NIIT is usually not applicable to non-resident aliens working outside the U.S.

When you sell your shares, the local company will not withhold any taxes on the gains. You should report any gain or loss arising in your tax return for the tax year in which the sale took place.

10. Additional Information

Wealth tax

No federal wealth tax is levied on an individual’s net worth. However, some states and municipalities impose a tax on an individual’s net worth.

Foreign asset reporting

You are required to report any cash or share accounts held in a foreign institution where the value of the asset is more than USD 10,000. The information must be submitted to the IRS (on Form 114 (FBAR)) by April 15.

The FBAR reporting obligations apply when US persons have certain foreign financial accounts with an aggregate value of at least USD 10,000 at any time during the calendar year. The FBAR, or Report of Foreign Bank and Financial Accounts, is an annual report filed electronically through the Financial Crimes Enforcement Network (FinCEN) BSA E-filing system, and due April 15 following the calendar year reported. The FBAR is not filed with the federal tax return. An automatic extension is allowed to October 15 if the annual April 15 due date is not met. There is no need to request an extension to file the FBAR.

Additionally, you are required to report any “specified foreign assets” on Form 8938 (FATCA) by April 15 if the value of such assets exceeded specified thresholds. The filing threshold for unmarried taxpayers or married taxpayers filing separately is (i) more than USD 50,000 on the last day of the tax year, or (ii) more than USD 75,000 at any time during the year. The thresholds are increased to USD 100,000 and USD 150,000, respectively, for married taxpayers, and further increased for U.S. taxpayers living outside of the United States. You should consult with your personal tax advisor regarding your reporting obligations.

11. Sample tax calculation

This illustrative example assumes the following:

- Grant price of GBP 100.
- Even though the maximum income tax rate applicable is 37%, an income tax withholding rate of 22% is applied in the following example.
- Federal social taxes of 2.35%.
- Capital Gains Tax of 37%.
- This example does not take into account any annual Capital Gains Tax (CGT) exemptions which may be available.
- This illustration does not take into account any capped social tax amount.

Tax implications

Grant

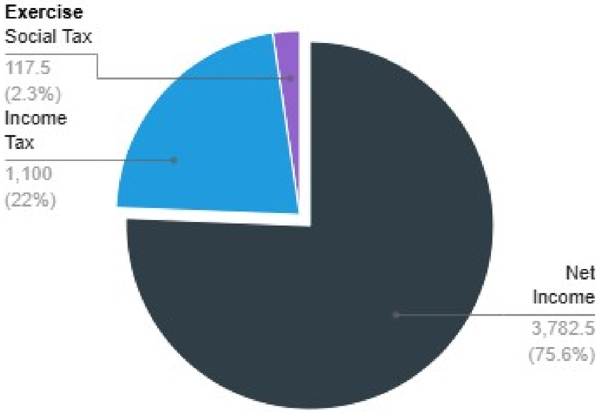
No taxes due.

Vesting

No taxes due.

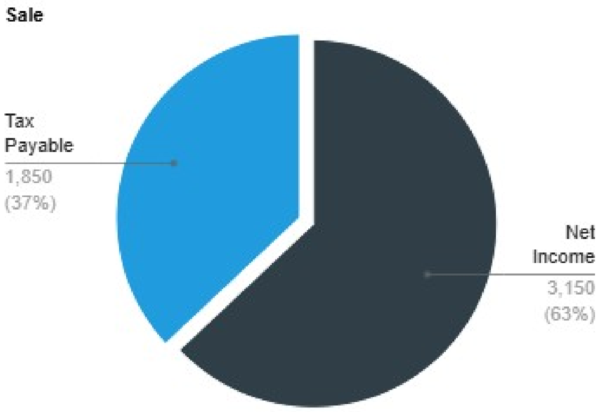
Exercise

Number of Options Exercised	100
Grant Price	GBP 100
Fair Market Value (FMV) of the shares on exercise	GBP 150
Taxable Income (100 x GBP 150) - (100 x GBP 100)	**GBP 5,000**
Federal Social Tax Withheld (GBP 5,000 x 2.35%)	GBP 117.50
Federal Income Tax Withheld (GBP 5,000 x 22%)	GBP 1,100
Total Tax Withheld (GBP 1,100 + GBP 117.50)	**GBP 1,217.50**
Net Income (GBP 5,000 - GBP 1,217.50)	**GBP 3,782.50**



Sale

Number of shares Sold	100
Fair Market Value (FMV) of the shares on Sale	GBP 200
Sale Proceeds (100 x GBP 200)	GBP 20,000
Less: Acquisition Costs	
Amount Previously Taxed	**GBP 15,000**
Capital Gain	GBP 5,000
Tax Payable (GBP 5,000 x 37%)	**GBP 1,850**
Net Income (GBP 5,000 - GBP 1,850)	**GBP 3,150**



** Please note the above is for information purposes only. Transaction fees may also apply and are not included.*