

Entain

For the good of entertainment

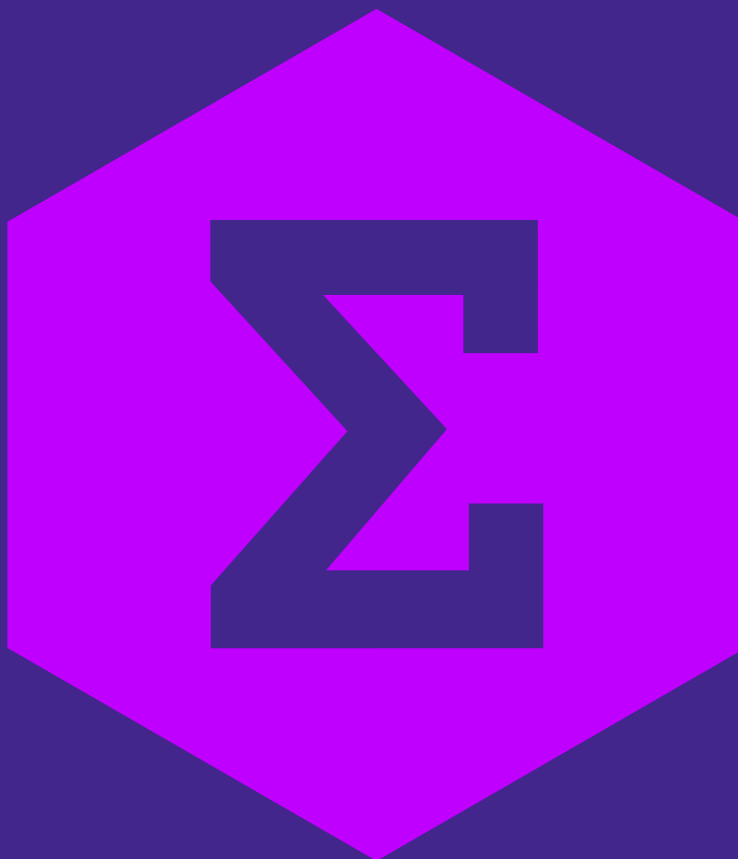


Entain plc
ESG Report 2020/21

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ESG Report 2020/21

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We are Entain.

We are bold, ambitious and disruptive. Our purpose is to revolutionise betting and gaming to create the most trusted and exciting entertainment for every customer.

We are Entain

At Entain, everything we do is for the good of entertainment.

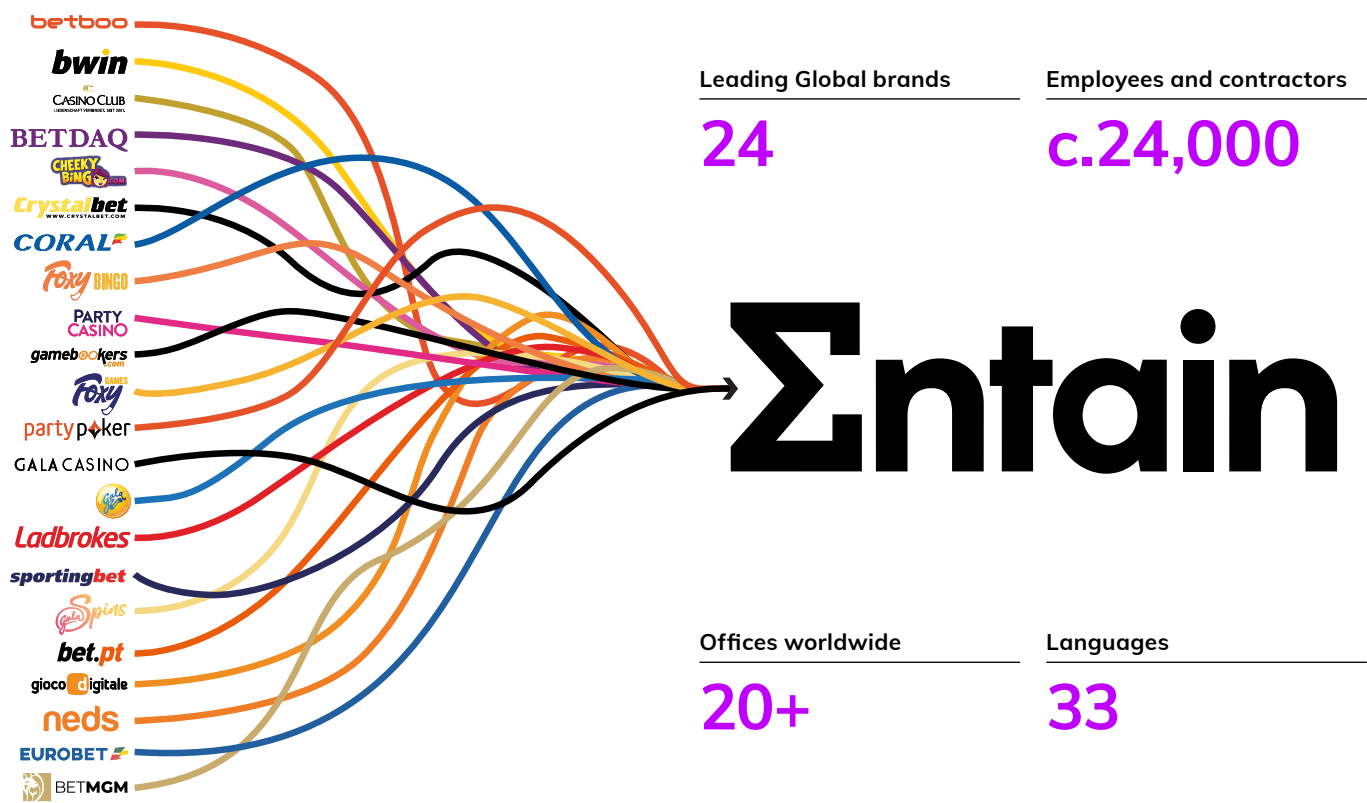
We are one of the world’s largest sports betting and gaming entertainment groups, operating in the online and retail sectors. Using our unique, proprietary, cutting edge technology platform, we provide safe and exciting gaming experiences, to millions of customers, through many iconic brands.

A new way forward

In December 2020 we began a brand-new chapter in our history, renaming the Group Entain. More important than our new name and corporate identity was the clear strategic direction we set out to help us meet our ambition to be the world’s leading betting and gaming entertainment company with customers at the centre of everything we do.

Where we’re heading

Our purpose is clear – to revolutionise betting and gaming to create the most exciting and trusted entertainment for every customer. We will fulfil this purpose by delivering our core strategic pillars of growth and sustainability. A technology company to our core, we are uniquely positioned amongst our peers to innovate for customers, enabling us to grow in regulated markets both old and new, while ensuring the highest levels of player protections.



Our commitments

We have long held the view that the most sustainable business in our industry will be the most successful business in our industry. We aim to meet the highest standards in everything we do, from the way we run our business to the way we support our colleagues, our customers and our communities.



Our sustainability commitments

- An exclusive focus on regulated markets – we have committed that by 2023 we will only operate in domestically regulated markets. We are now at 99%, in regulated and regulating markets, more than any other major global operator.
- Lead on Safer betting and gaming – provide our customers with the safest environment to play.
- Pursue the highest levels of Corporate Governance with rigorous processes and oversight through a diverse Board.
- Invest in people and communities – we want Entain to be recognised as the best place to work in the industry as well as ensure we make a positive impact on the communities and markets in which we are based and operate.



Our culture commitments

We are guided by a culture that help us to define what being the 'best place to work' means. At Entain we 'Keep it Real', 'Do the Right Thing', 'Get Involved' and 'Bring it On':

- To Keep it Real our colleagues bring their character and are always themselves.
- We value our employees' judgement and encourage them to bring their ethics to work – to 'Do what is Right'.
- Our peoples' energy is infectious, they 'Get Involved' and engage in all areas of life at Entain.
- The attitude that underpins the outlook of everyone at Entain is 'Bring it On'.



Customer commitments

- Customers will be the focus of everything we do.
- We will provide moments of excitement.
- We will provide them with exciting and trusted entertainment products and services.
- Using our technology platform, we will continuously work to upgrade and personalise the experience and protections for our customers.

How we create value

Our purpose

To revolutionise betting and gaming to create the most exciting and trusted entertainment for every customer.

How we add value

Create moments of excitement

- Personalised offers.
- Effective marketing.
- Omni-channel approach.
- Great customer experience.



Grow our business

- Gain market share.
- Maximise US opportunity.
- Enter new markets.
- Innovate for new audiences.



Strengthen the quality of our earnings

- Diversify geographic and product mix.
- Broaden our customer base.
- Focus on regulated markets.
- Deliver scale efficiencies.

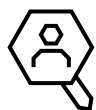


Ensure sustainability

- Be a great place to work.
- Be a leader in safer gambling and betting.
- Support our communities.
- Deliver best-in-class governance.



What makes us different

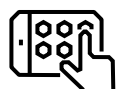


Customer focus

Understanding our customers and delivering them great products, experiences and entertainment in a trusted environment is what drives us.

New online customers in 2020

4m



Proprietary technology

Our unique tech platform distinguishes us from our competitors, providing the flexibility and agility to innovate, protect and adapt.

IT Specialists

3,000+



Leading brands

Entain has a portfolio of more than 20 established brands, each with a regional focus and distinct localised customer offer. Our brands enjoy high levels of customer awareness.

Leading brands

24



Best people

Entain is a people-driven business in a highly dynamic sector. We focus on identifying, developing and retaining the best talent from all backgrounds.

All-in Diversity Index ranking

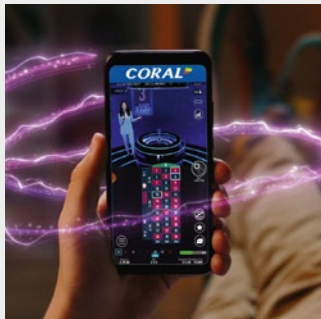
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How we're a responsible business



Regulated

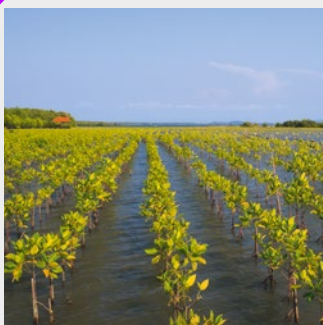
We have committed to operate exclusively in regulated markets by the end of 2023. This will enable us to deliver higher quality of earnings to our business and ensure we can continue to grow into the future.



Player protection

Ensuring the highest possible levels of player safety and protection through our *Changing for the Better* and ARC programmes is the best way of guaranteeing our long-term success.

Our technology enables us to continuously upgrade and personalise our protections for customers.



Environmental impact

All areas of society must play their part in addressing the challenge of climate change. That is why we have committed to achieving net zero carbon emissions across our global operations by no later than 2035.



Communities

Through the Entain Foundation we support a variety of good causes and community projects. Our four areas of focus are: research, education and treatment in relation to safer betting and gaming; the promotion of grass roots sport; diversity and technology; and projects in the communities where we are based.

Our stakeholder outcomes

Customers

Best betting and gaming experience

We are focused on delivering our customers the most exciting and trusted entertainment.

Online performance

+20% NGR CAGR 2018–2020

Our people

Great place to work

In a Global Pulse Survey 87% of respondents reported that they felt Entain genuinely cared about our people.

Satisfaction

87%

Communities

Community activity

We actively support the communities in which we operate.

Entain Foundation

£100m
committed over five years

Investors

Positive returns

Everything we do is ultimately focused on delivering value to our shareholders.

Underlying EBITDA

£843.1m +11%

2019: £761.4m

Dividends

We are committed to returning to dividends once the uncertainty caused by Covid-19 subsides.

Message from the Chair of the Board ESG Committee



The Committee has been renamed the Environmental, Social and Governance Committee and agreed to expand our agenda coverage on environmental and social issues to ensure our debate and challenge remains broad and relevant to the Group's activities and strategy."

Virginia McDowell
Chair of the ESG Committee



Sustainability

Since our last report, Covid-19 has caused unprecedented uncertainty, loss, and challenges to our communities and broader society. We responded with swift and coordinated action to protect our colleagues, customers and communities. We also were inspired by the hard work, resilience, and professionalism shown by our colleagues in the face of a challenging operating environment. We provided them with support via full pay when furloughed, enhanced wellbeing programmes, and increased hygiene and social distancing measures when shops and offices were able to open. For customers, our industry-leading safer betting and gaming measures were adapted to respond to the change in player behaviours and risks in light of the pandemic. We also continued to support our new and existing grassroots charity partners throughout this tough period.

In parallel, we continued to step up our environmental, social and governance (ESG) ambitions. In this first ESG report as Entain, we report on the progress against our new sustainability charter – designed to create value for our most important stakeholders over the long term. This new strategy is underpinned by stronger governance structures backed with ESG incentives, more ambitious commitments, robust processes, and applying our cutting-edge digital innovation to offer the industry-leading player protection. With this new way forward, we share with you the steps we have taken to become the most trusted and exciting entertainer for every customer.

As Chair of the ESG Committee, I am delighted to share with you some of our progress over the past year, which includes:

An exclusive focus on regulated markets

- We have made significant strides in our plans to operate only in regulated markets by 2023. The number of regulated markets where we operate has increased from 21 in 2020 to 27 in early 2021. By the end of 2020, 99% of our revenue was from regulated markets, or those making promising steps towards regulation.

Continuing to take the lead on safer betting and gaming

- We launched our Advanced Responsibility and Care programme ("ARC"). ARC incorporates the cutting-edge innovation of our digital platform and the learnings from safer betting and gaming research partnerships into our safer betting and gaming strategy. With these combined, we have further enhanced our industry-leading player protections.
- To highlight the importance of ARC to Entain and our key stakeholders, we have included a metric in our Annual Group Bonus Scheme. This metric links remuneration to the success of the programme.
- We also increased our communication and messaging to all customers on the importance of safer betting and gaming, including the removal of TV adverts during the Q2 lockdown.
- There was also continued success with our partnership with Harvard Kennedy School – a key partner in our funding of Research, Education and Treatment ("RET") of problem gambling. Now in its second year, much of the project's activity focused on sharing our knowledge more widely and advancing the first research studies involving our player records to understand today's betting and gaming landscape.
- Our partnership with EPIC Risk Management continued to deliver innovative harm prevention programmes. Awareness sessions were delivered to over 25,000 pupils, and new partnerships were pioneered in the US with elite sporting institutions.
- Despite the pandemic, we are still on track to deliver on our commitment to increase our investment ten-fold to 1% of gross gaming yield ("GGY") by 2022. In 2021, we will contribute 0.75% of GGY to fund RET.

Pursuing the highest standards of corporate governance

- We have appointed Robert Hoskin as Chief Governance Officer, with the role of overseeing the Group's legal, regulatory, governance and social responsibility affairs.
- We continue to bring in new perspectives and diversity to our leadership. We are delighted to welcome our first female CEO, Jette Nygaard-Andersen. The Board will also be supported by new Independent Non-Executive Directors Stella David, David Satz and Vicky Jarman, as well as COO Sandeep Tikku. Currently, four of the eleven Board members are female (36%).

Investing in people and our communities

- Our Well-Me colleague wellbeing programme accelerated due to the pandemic. We launched our global Employee Assistance Programme and access to wellbeing platform Unmind. As a result, 87% of respondents of a recent pulse survey felt that Entain genuinely cared about the wellbeing of our colleagues.
- We have achieved our GHG emissions reduction target one year early by reducing our emissions by over 15% per employee since 2018. To continue our progress, we have committed to become net-zero by 2035. This includes setting a Science-based Target, which we have formally committed to via the Science-based Targets Initiative.
- We were ranked #1 in the All-in Diversity Charter's All-Index list – the industry benchmark for diversity and inclusion.
- We revolutionised how we learn at Entain, launching our first, truly global learning called "The Moments that Matter". Delivering 111 new pieces of content to support our 3,300+ leadership population in guiding our people through the pandemic.
- We also continue to contribute to the wider communities in which we operate through the Entain Foundation, where we are committed to donating £100 million over the next five years. This includes our flagship Pitching In programme that supports grassroots sports and sports people.

We were pleased to see our hard work being recognised by credible third parties. Once again, we were included in the 2020 edition of the Dow Jones Sustainability Index and the S&P Sustainability Yearbook 2021, as well as the FTSE4Good.

I hope you enjoy reading the following pages and learning about the progress and plans we have made against our new strategy. We are confident that our new way forward will allow us to recruit and inspire the best people in the industry, provide customers with exciting, trusted and safe products, support our local communities, and provide sustainable returns from a company that places ESG at the very top of its agenda.





Virginia McDowell

Independent Non-executive Director and Chair of the Board ESG Committee

19 May 2021

2020 Highlights and 2021 Plans

Sustainability

An exclusive focus on regulated markets All revenues to derive from regulated markets by end of 2023.		By the end of 2020, 99% of our revenue came from nationally regulated or regulating markets.
Continuing to take the lead on responsible betting and gaming Our technology enables us to continuously upgrade and personalise our protections for customers.		Launch of Advanced Responsibility & Care ("ARC") programme to use technology to proactively intervene to prevent betting and gaming related harm developing. Established appropriate safer betting and gaming metric to link remuneration with safer betting and gaming practices.
Pursuing best in class standards of corporate governance Ensuring the highest standards in all areas of our operations.		Strengthened and diversified our Board and governance practices under new Chairman Barry Gibson.
Best place to work and investing in our people and local communities Ensure Entain is the best place to work while contributing to society where we are based and operate.		Establishment of the Entain Foundation with commitment to donate £100m over next five years. Named top of the betting and gaming industry's All-in Diversity Index for approach to D&I.

2021 Plans

<ul style="list-style-type: none"> Work with authorities in the remaining 1% of markets to find a path to regulation. Continue to develop ARC and increase investment in all areas of research, education and treatment of problematic behaviour. Introduction of safer betting and gaming metric to account for 15% of 2021 bonus payments for all office based employees. Continue to diversify Board and evolve governance best practice. Roll-out programme of investment from Foundation in international projects. We have set a Science Based Target and joined the SBTi with a commitment to be carbon net zero by no later than 2035. 	Contribution to safer betting and gaming initiatives £9.7m Employee satisfaction with approach to wellbeing 87% Reduction in carbon emissions 2018-20 15% Commitment to Entain Foundation over five years £100m	<ul style="list-style-type: none"> Ensuring health, safety and wellbeing of our stakeholders. Ability to recruit and retain both customers and employees. Data breach and cybersecurity. Changes in betting and gaming legislation. Changes in betting and gaming tax regimes. Continued impact of Covid-19. 	<ul style="list-style-type: none"> Furloughed employees received 100% of salary. Safer betting and gaming metric for 2021 bonus schemes implemented.
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ESG Ratings Performance

<ul style="list-style-type: none"> Dow Jones Sustainability Index Europe 2020 	<ul style="list-style-type: none"> FTSE4Good Series Constituent 	<ul style="list-style-type: none"> MSCI AA Rated 	<ul style="list-style-type: none"> Sustainalytics Risk Rating medium
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An update on Covid-19

Putting our colleagues and customers first

2020 introduced unprecedented and serious challenges to businesses, society and individuals, and we are no exception. Following the announcement of lockdowns and additional restrictions to protect citizens and health care systems, in line with Government directions we suspended our entire retail estate from March to June 2020, with subsequent regional suspensions based on the tiered systems and restrictions in the different UK nations.



Our priority through this challenging period is to continue to adapt to keep our colleagues and customers safe. There are still many uncertainties around the further course of the Covid-19 pandemic and its long-term impacts, but we hope that by putting customers and colleagues first, we will emerge stronger at the other end.

Protecting our colleagues

Shop closures meant that 15,835 of our Entain colleagues were furloughed at some point in 2020. All colleagues that were placed on the UK Government's furlough had their payments topped up by Entain to full salary. Teams across Entain also worked hard to support colleagues in every corner of our business using a comprehensive suite of wellbeing tools such as Unmind and the Employee Assistance Programme to support wellbeing, weekly management podcasts to share latest business news and multiple engagement activities to ensure our colleagues remained connected to each other.

Prioritising wellbeing

To support our colleagues through these challenging times, we accelerated many of our wellbeing initiatives. We focused on offering free 24-7 support for everyone in Entain. This was via both a new partnership with Unmind, a digital workplace mental health platform with science backed resources and also the global rollout of our Employee Assistance Programme. From a Pulse Survey in May 2020, 87% of colleagues reported that they felt that Entain genuinely cared about the wellbeing of colleagues. For more information on our approach to wellbeing, please refer to page 28.

Staying connected

We found new ways to communicate with colleagues to keep everyone connected to both Entain and each other. Through regular podcasts, virtual events and updates, our executive team shared the latest on business-critical topics and more personal news. Our May 2020 Pulse Survey confirmed that 92% were satisfied with Entain's response to Covid-19 and 88% were getting what they needed from their manager.

All colleague virtual sessions with the executive team are now a regular fixture, sharing stories from across the business, need-to-know updates and providing a forum for listening.

Protecting our customers during Covid-19

<p>1.</p> <p>Increase safer betting and gaming messages across all sites and direct to all customers.</p>	<p>We increased responsible betting and gaming messaging on our homepage and throughout all sites, with a new page providing dedicated advice on keeping betting sensible and enjoyable during the crisis. In addition, gaming brands ran responsible betting and gaming-led, multi-channel advertising and marketing campaigns to promote responsible betting and gaming to customers while they enjoy time on our sites.</p>
<p>2.</p> <p>Step up interventions if customers increase time and spend beyond normal pre-crisis patterns.</p>	<p>We took this further, introducing a range of additional safeguarding measures to ensure that we are able to rigorously monitor and protect anyone who may be vulnerable at this time. These measures include two new Markers of Protection indicators to our safer betting and gaming algorithm, to factor in the evolving betting and gaming behaviour caused by the pandemic, enabling the identification of potentially problematic betting and gaming behaviour at an earlier stage.</p>
<p>3.</p> <p>Actively promote deposit limits.</p>	<p>In addition to promoting deposit limits as part of our safer betting and gaming promotion, we introduced a new maximum stakes tool across our slots brand.</p>
<p>4.</p> <p>Take action to ensure appropriate and responsible advertising, including monitoring volume of placements.</p>	<p>We adopted BGC's voluntary ban on all UK broadcast gaming advertising, and its replacement with responsible betting and gaming messaging during the lockdown period.</p>
<p>5.</p> <p>Report all illegal, rogue advertising from black market online operators.</p>	<p>We continued to work with local enforcement agencies if we detect these issues, and encouraged colleagues to speak up if they spot anything that breaches our employee Code of Conduct.</p>
<p>6.</p> <p>Enforce a one-strike-and-you're-out policy where affiliates breach pledges.</p>	<p>Specific guidance and restrictions mandated to all affiliates preventing them from referencing the pandemic or encouraging excessive play due to boredom or isolation. This advice includes a specific blacklist of banned terms.</p>
<p>7.</p> <p>Signpost help to GAMCARE and the National Gambling Helpline and GamStop for self-exclusion.</p>	<p>We continued to promote GAMBAN throughout 2020.</p>
<p>8.</p> <p>Ensure continued funding for Research Education and Treatment ("RET").</p>	<p>In 2021, we will continue as planned to contribute 0.75% of UK GGY to RET – this will be delivered despite the impact of the pandemic.</p>
<p>9.</p> <p>Provide welfare checks and wellbeing help for staff.</p>	<p>Due to the pandemic, we brought forward our delivery of Well-me, Entain's colleague wellbeing strategy, to provide additional support for our staff. This is outlined above.</p>
<p>10.</p> <p>Support the UK government's 'National Effort' with volunteers and facilities.</p>	<p>All stores implemented the NHS Track and Trace procedures.</p>

Corporate social responsibility

Setting the context

This is our first sustainability report since our relaunch as Entain, and our first under the title of Environmental, Social and Governance (“ESG”) Report. This change reflects the broader remit of non-financial issues that we must address as a global leader in sports-betting and gaming with over 23,000 employees across five continents. We have a unique responsibility towards society, particularly as our industry is held to ever higher social and environmental standards by regulators, investors and citizens alike.

To continue to step up our responsibility to all of our stakeholders, and to create long-term success, we launched our new Sustainability Charter. This new charter for long-term success focusses on the following four pillars:

- An exclusive focus on regulated markets.
- Continuing to take the lead on safer betting and gaming.
- Pursuing the highest standards of corporate governance.
- Investing in our people and our communities, and being the best place to work.

We have structured our ESG report around each of these tenets of the charter, to share with you our progress and commitments to date.

It has been a significant year of change, both at Entain and throughout society at large. The Covid-19 pandemic continues to cause disruption across all aspects of society. At Entain, our retail estate was closed for much of the year to protect the communities and healthcare services where we operate. In this report we provided a detailed update about our response to the pandemic, which includes our enhanced safer betting and gaming measures to protect an increasing number of players online. We also outline how we have supported our colleagues and communities throughout this challenging year.

We also continue to engage with stakeholders proactively and openly on the changing regulatory landscape. Both in established regulatory contexts and those that are taking steps towards regulation. In December 2020, the UK Government launched the Review of the 2005 Gambling Act. We are formally responding to the Call for Evidence and engaging with political stakeholders and our industry counterparts to provide evidence-based submissions as part of this process.

In parallel, the Gambling Commission has consulted on a number of issues, including whether there should be mandatory affordability thresholds for all betting and gaming customers. We maintain that imposing arbitrarily low and disproportionate blanket thresholds will unfortunately push customers to the black market and not protect the small minority of players who are at risk of harm.

Instead, we are committed to rolling out our Advanced Responsibility and Care (“ARC”) programme – doubling down on increased investments in safer betting and gaming. ARC offers tailored identification of customers who may be at risk, as well as targeted interventions and interactions. Importantly, throughout these debates, we feel the voice of the customer should be heard – which is why we launched the Players’ Panel earlier this year. These initiatives are part of our Changing for the Better safer betting and gaming strategy. In this report, we outline the progress against this strategy.

For the first time, we are reporting against the Sustainability Accounting Standards Board (“SASB”) standards for Casinos and Gaming, and Software and IT Services Industries. This is part of our journey to align our reporting with ESG information with leading standards, and providing decision-useful information to investment stakeholders. We also continue to receive recognition from other external stakeholders for our ESG policies and practices. We remain constituents of the FTSE4Good and Dow Jones Sustainability Index, as well as the S&P Sustainability Yearbook 2021.

With our new sustainability charter, increased ambitions, and enhanced ESG reporting and processes, we continue our journey to create long-term value. Maintaining the trust of regulators, customers, investors, employees and interest groups alike.

RET investment

10x

We have unilaterally committed to increasing our investment into research, education and treatment of problem gambling behaviours 10-fold by 2022.



We congratulate Entain for achieving a place in The Sustainability Yearbook 2021. With over 7,000 companies assessed, an inclusion in the yearbook is a true statement of corporate sustainability excellence.”

Manjit Jus

Global Head of ESG Research, S&P Global

Mapping our material issues

We continue to operate in a sector characterised by digital transformation, regulatory change and evolving customer expectations, with the pace of change accelerated by Covid-19.

To best position Entain in this evolving landscape of risks and opportunities, and understand what our stakeholders would like us to report externally, we update our materiality assessment annually. We maintain a register of over 60 environmental, social and governance ("ESG") issues. We prioritise each ESG issue by determining its relevance to us being able to deliver on our commercial goals and its importance to five key stakeholder groups, namely customers, employees, shareholders, regulators and the general public. The graphic below on this page shows a simplified version of our materiality assessment.

Our top five material issues remain the same as last year. These are closely aligned with our Safer Betting and gaming commitments through our sustainability charter, as well as our Changing for the Better Safer betting and gaming Strategy and Advanced Responsibility and Care programme. These issues continue to increase in importance to Entain and our key stakeholders.

In addition, our latest assessment suggests that other issues are also increasing in importance:

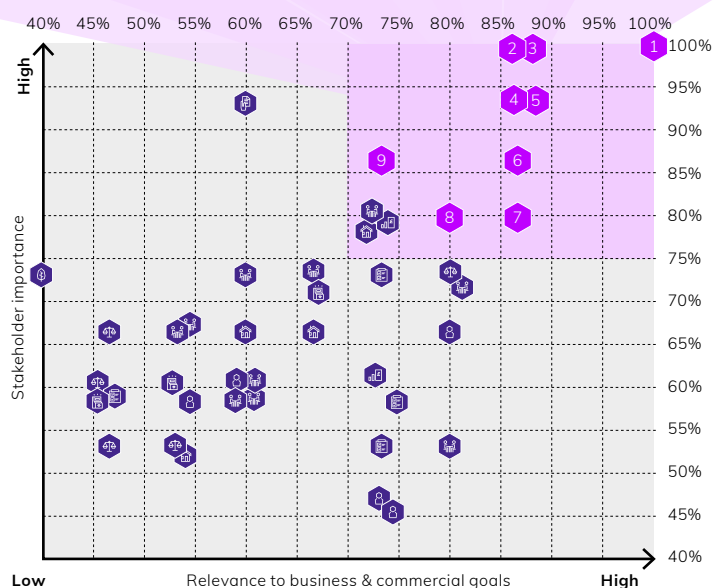
- **Diversity and inclusion:** Diversity and inclusion ("D&I") continues to be an important issue for Entain. The importance of D&I was highlighted by the increased awareness of racial inequalities across societies in 2020. The updated recommendations from the Parker Review show that this is also a focus for companies at board level.
- **Talent attraction and retention:** Successfully implementing our digital transition means that that we must attract and retain the best people, in an industry with increased competition for talent. We do this by focussing on becoming the best place to work.
- **Health and Safety and Employee Wellbeing:** The Covid-19 pandemic has highlighted that the safety and wellbeing of our people is paramount.
- **Environment:** Whilst not rated as highly as the other issues in our systematic assessment as a betting and gaming company, the message for all organisations is clear. Set ambitious Greenhouse Gas ("GHG") reduction targets, and report on the risks and opportunities that climate change poses to your business.

Our materiality assessment framework was developed in 2015, and the issue weights are revised annually. In 2021, we plan to revise our over-arching materiality framework and stakeholder engagement approach. To do this, we will bring together inputs from a wider group of colleagues, business leaders and external stakeholders to refresh how we assess which ESG issues are most important.



CSR/ESG materiality assessment

- Economics
- Ethics
- Governance & Risk
- Safer betting and gaming
- Customers
- Workforce & Labour Standards
- Community & Society
- Wider Human Rights
- Environment



ESG Governance



Our governance structure is now fully bedded in and has proved fit for purpose in managing the increased scale, complexity, and expectations of the Group.”

Robert Hoskin
Chief Governance Officer

How we govern for sustainability

Strong governance of our Sustainability Charter and our overall approach to ESG is crucial to managing our non-financial risks effectively and efficiently, and it reflects how integral sustainability is to our long-term success. Launched in 2018, our governance structure is now fully bedded in and has proved fit for purpose in managing the increased scale, complexity, and expectations of the Group.

The ESG Committee

The Board ESG Committee is responsible for regulatory compliance, anti-money laundering (“AML”) and anti-bribery and corruption (“ABC”), responsible gaming, health and safety, environmental impact, data protection and diversity in the workplace. Chaired by Virginia McDowell, the Committee has four members and provides guidance for the business on all aspects of CSR and ESG strategy, agrees targets and monitors our performance across the Company.

During the annual Board evaluation, the Committee members reflected on the breadth of their remit, the monitoring activities they undertook and the non-financial risks the Company faces. They decided that the then CSR Committee’s scope has evolved beyond corporate social responsibility and as a result it has been renamed the Environmental, Social and Governance Committee.

A central focus of the Committee’s work over the year was the Group’s Sustainability Charter (see page 14 for further details) that formed part of our relaunch as Entain in November 2020. The Committee will return to the four pillars of the Charter over the forthcoming year as it undertakes its monitoring activities and engages with management.

As part of a wider review of the Board’s activities, it has been agreed that Board, Audit and ESG Committees will monitor each of the Principal Risks over the forthcoming year. The Principal Risks allocated to the Committee are health, safety and wellbeing of customers and employees and the loss of key locations. All of these risks, along with their management and mitigation will be reviewed in depth with relevant management during 2021.

The ESG Steering Group

The ESG Steering Group consists of functional leaders from across the business, including Investor Relations, Human Resources, Corporate Affairs, Legal, Health, Safety & Security, Operations, and Communications. Convened by our Head of ESG and Chaired by our Chief Governance Officer, the Group oversees the implementation of our sustainability strategy.

Issue-specific Steering Committees

In addition to the ESG Steering Group, we have formed steering groups that focus on specific ESG issues that require additional expertise and insights from the business.

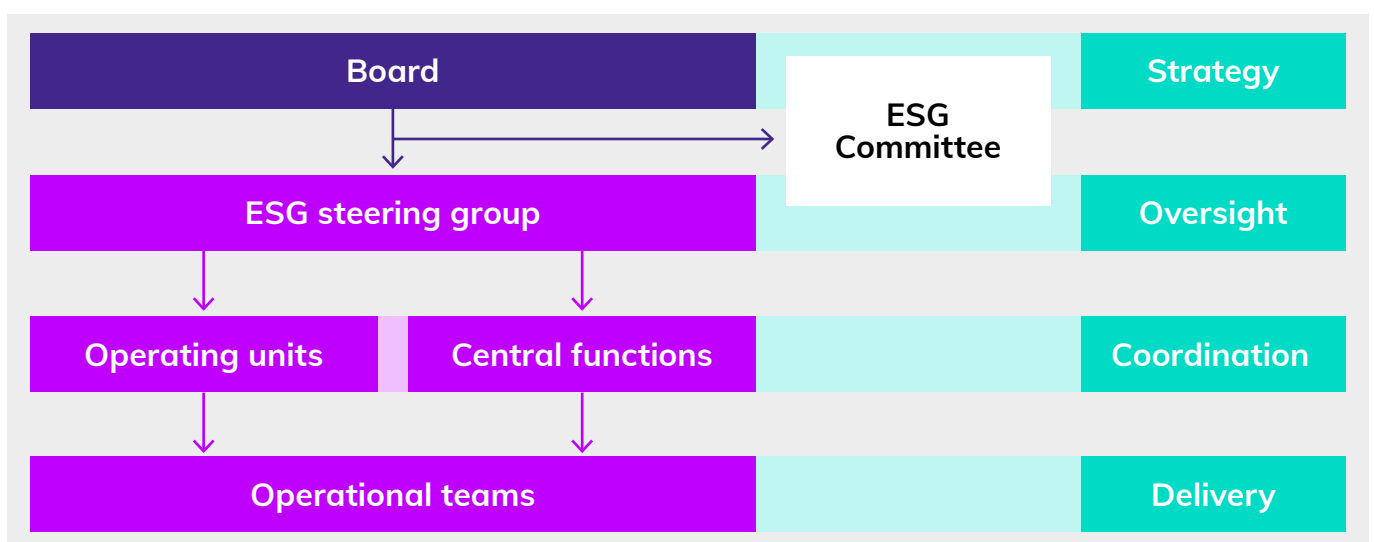
For example, in 2020, we implemented an Environmental Steering Group, consisting of our Group Environment Manager, Director of HSSE, that reports to the Board ESG Committee specifically on the environmental issues to the business. This Group is also leading the work on our net-zero strategy.

Other steering groups include groups focused on Anti-modern Slavery and Human Rights, Safer Betting and Gaming, AML, Diversity & Inclusion.

Operating Units and Central Functions

Sitting below the ESG Steering Group the relevant Operating Units and Central Functions are tasked with coordinating all Entain’s major CSR initiatives and processes, which in turn are delivered on a day-to-day basis by Operational Teams across all countries of operation.

Entain has a policy of not making political contributions, either directly or through our charitable foundations; in practice this means we would never support political parties or organisations associated with political parties, be it in kind or through cash donations. As such political contributions in 2020 were zero (2019: 0; 2018: 0).



Entain's Sustainability Charter

Our refreshed commitment to sustainability

In November 2020 we launched our new Sustainability Charter. We have long held the view that the most sustainable business in our industry will be the most successful business in our industry. Our Sustainability Charter is based around four cornerstones.



Regulation	Responsibility	Corporate Governance	People & Communities
By the end of 2023, 100% of our revenues will come from regulated markets, which means that we are exiting markets where we currently do not see viable paths to regulation. By the end of 2020, 99% of our revenue came from nationally regulated or regulating markets, and we will work closely with regulatory authorities in the remaining 1% towards the highest regulatory standards. If it becomes apparent that regulation in those markets is unlikely, we will exit them.	Ensuring the highest possible levels of player safety and protection is the best way of guaranteeing our long-term success. Our technology enables us to continuously upgrade and personalise our protections for customers. As such we launched our Advanced Responsibility & Care ("ARC") programme which will move player protection from being reactive to proactive to avert potential problems before they occur. From 2021, a responsible betting and gaming metric is being incorporated into our annual Group-wide bonus conditions.	We recognise that to be a world-leading company we need to adhere to the highest standards of governance in all areas of our operations. Our Board has been strengthened and revitalised over the last two years, notably with Barry Gibson becoming Chairman in February 2020. We have a robust corporate governance structure and policies in place that befit our status as a FTSE 100 company.	We have a long history of recruiting, retaining and nurturing the best people in our industry as well as a commitment to diversity, looking after our people, and creating the best place to work. We are proud to be able to contribute to the wider communities in which we operate, through the Entain Foundation, which is committed to donating £100 million over five years including our flagship Pitching In programme that supports grass roots sports and sports people.
Only operate in regulated markets	Scientific approach to safer betting and gaming	Best in class corporate governance	Best place to work
100% regulated markets by end of 2023	Leverage technology for player safety	Strengthened Board	Reduce environmental impact
Pro-active regulator engagement	New responsibility algorithms	Strengthened Processes	£100m to Entain Foundation over five years
	Remuneration tied to responsibility		

Long-term sustainability = Long-term success

Regulation

As part of our sustainability charter, we have committed to only operate in regulated markets by the end of 2023. We have already made significant strides to achieve this. At the end of 2020, 99% of Group revenue came from fully regulated and regulating markets, with new acquisitions and regulatory development likely to increase this proportion in 2021.

In early 2021, we increased the number of regulated international markets in which we operate following the completion of the acquisitions of two European operators, Bet.pt and Enlabs AB.

The latest acquisitions took us into four new regulated European markets and provide a springboard to enter further markets intending to regulate for sports betting and gaming. Earlier in 2021, Entain operated in 21 fully regulated markets, later adding Germany and Colombia. That total has risen to 27 following the latest acquisitions in early 2021.

Looking ahead, the Group expects to increase further the number of regulated markets in which it operates through a combination of positive regulatory developments in certain jurisdictions, like Canada, and expansion into new countries in regions including Latin America and Central and Eastern Europe.

Operating only in regulated markets allows us to deliver higher quality of earnings and ensure we can continue to grow into the future. We to engage openly and proactively with regulators to ensure we can offer first class player protection through our cutting-edge technology and product platform, while upholding all licensing objectives, across multiple jurisdictions. It is the Group's aim that by the end of 2023 we will only generate revenues from countries where we hold a domestic licence.



We are committed to operating only in countries which are either already fully regulated or in the process of regulating and will continue to look for opportunities to expand our business internationally.”

Robert Hoskin
Chief Governance Officer



Safer betting and gaming



Changing for
the Better

It all starts with our seven principles for safer betting and gaming:



Understand the problem

To reduce gambling harm, we need to know as much as possible about it. So we're funding research to help us find the best solutions.



Educate stakeholders

We're helping to educate thousands of young people and professionals about the potential risks of gambling harm and how to avoid them.



Promote responsible attitudes

Through advertising, marketing and sponsorships we're promoting social responsibility.



Empower customers

Within our products, we're adding features that help customers to gamble safely. Within our processes, we're using tech to lead the way in detecting problematic play, and within our industry we're working to collaborate and innovate.



Fund treatment for those in need

We're funding treatment and support for people who suffer from gambling harm.



Champion responsible product design

With 'responsible design' principles, we're making sure our products are safe as well as fun.



Change ourselves for the better

At Entain, safer betting and gaming is everyone's business. We're making sure that everyone we work with knows safer betting and gaming is core to all that we do.

The cornerstone of our Sustainability Charter, and our most material ESG issue, is to ensure the highest possible levels of player safety and protection. Over the past 12 months, Entain has continued to pioneer work to combat betting and gaming-related harm. The Covid-19 pandemic and lockdowns have presented new challenges to which we have had to quickly respond to protect our customers, whilst ensuring that our previous commitments were not delayed as a result.

As we pass the first-year anniversary of our safer betting and gaming strategy, Changing for the Better, we continue to progress our priority areas. In 2020, we have further built on this strategy by introducing our Advanced Responsibility and Care ("ARC") programme. This section describes the work behind our commitment to safer betting and gaming across our industry, reporting our progress across the seven pillars of Changing for the Better. Our strategy is fully aligned with the UK Gambling Commission's principal objectives to ensure that betting and gaming is crime-free, fair, conducted openly, and protects children and other vulnerable persons. We pursue these objectives across all our global operations.

We continue to be part of a evolving regulatory environment. In December 2020, the UK Government announced a review of the Gambling Act, calling for evidence from stakeholders. We completely support and welcome the review, which is a step towards creating the highest possible regulatory standards without driving the most vulnerable customers into the unlicensed black market. In 2021, we will continue compiling evidence and coordinating our response with other betting and gaming operators, together with our industry body, the Betting and Gaming Council ("BGC") to ensure the best possible outcomes for players and the regulated marketplace.

In 2020, we further scaled up our spend on research, education, and treatment ("RET") of problem betting and gaming to 0.25% of gross gaming yield ("GGY"). This was provided directly to our partner organisations, and through the Entain Foundation (please refer to page 31). The four largest operators in the UK continue to deliver on their commitment to increase RET funding to 1% by 2023 – ten times higher than the Gambling Commission's guidance. Entain has gone further and committed to reach this ten-fold increase one year earlier by 2022. GambleAware will be responsible for commissioning the new funding.

To demonstrate the strategic significance of safer betting and gaming, we will incorporate a safer betting and gaming metric into remuneration. From 2021, colleagues will be assessed against whether certain milestones have been achieved in implementing our Advanced Responsibility and Care programme, as part of the conditions of their annual bonus.

With this renewed focus, we are doubling down on our ESG leadership position within the sector. In 2020, we retained our position in the Dow Jones Sustainability Index as the only European betting and gaming company, as well as our membership of the FTSE4Good Index. Our efforts to promote safer betting and gaming were also recognised at the EGR Operator Awards, the industry's premier awards event, where Entain was named Safer Gambling Operator of the Year and at the SBC Awards where we were awarded the title of Socially Responsible Sportsbook of the Year.



1.

Understand the problem and best solutions

Our flagship initiative on understanding the multi-faceted issue of problem betting and gaming is our £5.5m commitment to a five-year partnership with Division on Addiction, a Harvard Medical School Faculty. We provide a detailed update of this partnership (see page 14). As well as reaching major milestones in the research itself, in 2020 we started using the results to inform product design and customer interactions as part of our new Advanced Responsibility and Care ("ARC") programme.



The issues of harm prevention and player protection have never been so relevant in the UK, Europe and increasingly in the USA. The programmes with Entain and Entain Foundation US are vital to the populations we collaborate with and we look forward to a successful and impactful 2021."

Paul Buck
Chief Executive, EPIC Risk Management

Cutting edge research into problem betting and gaming behaviour with Division on Addiction, a Harvard Medical School Faculty.

2020 marked the second year of the five-year research collaboration between The Division on Addiction and Entain to better understand and reduce the potential for problematic betting and gaming behaviour. Much of the project's activity in the year focused on sharing our knowledge more widely and advancing the first research studies involving Entain player records, with highlights across seven topic areas including completed and ongoing research:

- **Safer betting and gaming limits.** One peer-reviewed paper evaluating lower risk betting and gaming guidelines is now published in *Psychology of Addictive Behavior*.
- **Betting and gaming and self-harm.** One peer-reviewed paper about the association between problem betting and gaming and self-harm is now published in *Addiction Research & Theory*.
- **Updating the epidemiology of internet betting and gaming.** Continued work to determine how betting and gaming has changed from reports more than a decade ago, with three papers under review at high-quality journals.
- **Product safety.** Continued work to determine the strength of evidence available for product safety features and interventions in betting and gaming, with one paper under review at a high-quality journal.
- **Open Science.** Two peer-reviewed papers addressing how open science can buttress academic-industry research partnerships and how betting and gaming researchers understand and engage with open science are now published in *Addiction Research & Theory* and *International Gambling Studies*, respectively.
- **Retail triggers and interventions.** Analysis of the retail environment and Entain's responsible betting and gaming interactions with retail customers is in progress.
- **Player survey.** A large-scale player survey to understand how player betting and gaming information relates to diverse topics like flourishing and competitiveness among Entain players is in progress.

"With Entain's support, we've been able to make considerable progress on understanding today's online betting and gaming landscape. We look forward to continuing our work with Entain and striving toward safer play advances together during 2021 and beyond."

Debi LaPlante, Ph.D

Director, Division on Addiction, Cambridge Health Alliance,
Assistant Professor, Harvard Medical School

2.



Educate our key stakeholders

We continue our commitment to partner charities and organisations, and to their important work preventing vulnerable audiences from potential betting and gaming harm. This includes our programme with EPIC Risk Management, which has continued both in-person and online – especially during lockdown – to educate state school children. We also worked with EPIC in other areas. They have provided bespoke training to our customer service and high-value customer teams (see our Changing Ourselves for the Better pillar) and high-level advice on our Changing for the Bettor strategy.

Following feedback from the EPIC sessions, we recognised there was a gap in the support network – namely for parents and guardians who are concerned about loved ones and looking for some additional support and information about betting and gaming harm. This is why we worked with the Young Gamers & Gamblers Education Trust ("YGAM") to create a digital Parent Hub. This new portal provides information, activities, and support to help carers understand the potential risks associated with betting and gaming – including products such as loot boxes, the digital items that are bought with real-world money and contain random items of unknown value.

In 2021, we will continue to work with these organisations to educate our key stakeholders. In February, we launched The Players' Panel in the UK, providing consumers a voice on the issues around betting and gaming. This comes at a critical moment for the 99% of the UK's consumers who bet safely and responsibly – but whose interests are often overlooked in the debate around regulatory changes which impact what they do in their leisure time. The views of the Players' Panel are their own and they will be interacting with political decision-makers, stakeholders and the media to give the perspective of the everyday customer.



Our partnership with EPIC Risk Management

We are now in the third year of the partnership with EPIC Risk Management, the leading harm reduction consultancy. The partnership continues to grow from strength-to-strength and deliver some of the most innovative and groundbreaking harm prevention programmes anywhere in the world.

Notable achievements in 2020

- Delivery of face-to-face and virtual state school awareness sessions to over 130 schools and 25,000 pupils aged 15+. The sessions covered important areas including product safety, advertising, the potential harms of betting and gaming and real-life personal stories from those with lived experience.
- Working with our senior leadership team to ensure harm prevention is central to all decisions throughout our business.
- Training key departments on markers of harm, interventions, effective interactions, affordability and vulnerability.
- Creating new innovative partnerships in the US including with the NFLPA, selected NCAA colleges, Rugby United New York and research with The Division of Addiction at Harvard University.

Impact of Covid-19

While Covid-19 restricted face-to-face contact, projects were quickly pivoted to digital and virtual delivery. This enabled the programmes to reach more people in more countries than ever before. As and when restrictions are lifted, we envisage returning to a blend of face-to-face and digital delivery, to maximise the effectiveness and reach of our harm minimisation programmes.

Looking ahead

As the world reopens, we expect to ramp up the delivery of our harm minimisation programmes in the UK, Europe and US. The rapidly regulating US market represents a significant opportunity to promote our approach to safer betting and gaming at the start of what is potentially the world's largest regulated betting and gaming market. We are excited to be in a position to pioneer our player protection programmes across the sporting and academic fields in the US. EPIC will also continue to work with Entain's senior leadership to ensure that harm prevention remains embedded at the core of all decision making.



"The issues of harm prevention and player protection have never been so relevant in the UK, Europe and increasingly in the USA. The programmes with Entain and Entain Foundation US are vital to the populations we collaborate with and we look forward to a successful and impactful 2021."

Paul Buck
Chief Executive, EPIC Risk Management

Partnering with YGAM to educate and safeguard young people against gambling-related harm

We continued to support The Young Gamers and Gamblers Education Trust (“YGAM”) throughout 2020, as outlined below. YGAM is a leading charity with a social purpose to inform, educate & safeguard young people against gaming & gambling-related harm. YGAM train teachers and youth workers, support students and universities and provide parents and carers with the information and tools to safeguard future generations. Their fantastic team is growing and made up of mainly former teachers, practitioners, parents and individuals with lived experience who are able to now reach more young people than ever in more communities across more regions.

University & Student Engagement Programme

Entain supported YGAMs' University & Student Engagement programme which employs students in part-time jobs to deliver awareness campaigns to fellow students within their university about the risks associated with gaming and gambling. YGAM recently launched their new Student Hub website which has been developed with students for students to provide free advice to help students enjoy a university experience free from gaming and gambling harms. The digital resource has received high profile endorsements from the National Union of Students (“NUS”), academics and universities. The website features interactive elements along with lived-experience case studies to further highlight the real issues of gambling and gaming harms on university campuses. YGAM are also offering training and resources to university staff to help safeguard students by identifying signs of betting and gaming harms and signposting to the support available.

Young Peoples Gambling Harm Prevention Programme

As members of the Betting and Gaming Council, Entain are also supporting the national Young Peoples Gambling Harm Prevention Programme which is being delivered by GamCare and YGAM. The four-year national programme is the largest of its kind and aims to deliver evidence-led education, training and support to millions of young people across England, Wales and Northern Ireland, as well as collaborating with other organisations supporting young people across Scotland. This work builds on successful youth outreach and education programmes delivered by YGAM and GamCare over the last decade, including working directly with young people and the professionals who care for and support them in a variety of settings such as schools.

Despite the significant challenges imposed by the continuing Covid-19 pandemic, YGAM surpassed all first year targets. Figures released by YGAM show that their team trained 2,906 practitioners in 2020 (up from its original target of 2,592). With this training, those practitioners have reached an impressive 184,700 young people to provide vital educational sessions on the harms associated with gambling and gaming (up from a target of 170,300).

Parent Programme

Entain is proud to support YGAMs' Parent programme which provides parents and carers with the knowledge and resources to safeguard their families from the harms associated with betting and gaming. The funding provided by Entain has enabled YGAM to develop a leading-edge Parent Hub website which hosts an abundance of free practical tips, interactive activities and advice to help parents understand the risks and manage their child's safety online. The digital resource includes unique insights and guidance from parents, leading academics and teachers. The programme will be further enriched during 2021 with the introduction of bespoke workshops to help parents identify signs of harm, changes in behaviour and establish healthy boundaries with gaming.



3.



Promote responsible attitudes

The third pillar of our safer betting and gaming strategy focused on responsible attitudes toward advertising. We have a history of leading the industry in this area, being the first UK betting and gaming company to implement a whistle-to-whistle advertising ban. After its first full year since the ban, total betting and gaming advertising exposure over the full duration of live sport pre-watershed programmes declined by 78%, resulting in 103 million fewer advertising views between comparative weekends. In addition, betting and gaming advertising views by children (aged 4-17) reduced by 70% over the full duration of live sporting programmes.

During lockdowns, we increased responsible betting and gaming messaging on our homepage and throughout all websites, with a new page advising on how to keep betting sensible and enjoyable during the current crisis. Entain gaming brands are also running responsible betting and gaming-led, multi-channel advertising and marketing campaigns to promote responsible betting and gaming to customers while they enjoy time on our sites.

We continue to work proactively with regulators to develop advertising standards as part of our work in regulating markets. For example, we have been engaging with the European Gaming and Betting Association ("EGBA") to help develop a responsible advertising code for the betting and gaming sector in EU markets.

160,000,000

players on Entain's global database to help develop stronger rules, measures and interventions

84%

increase in customers using our safer betting and gaming tools to set time and spend limits

4.



Empower customers

In November, we launched our new flagship initiative to empower our customers, the Advanced Responsibility and Care ("ARC") programme. ARC builds on our existing work on markers of protection, where we have developed evidence-based 'markers' that may suggest a player is exhibiting risky behaviour.

We introduced a series of safer betting and gaming tools, including our curfew deposit blocker, and the ability for players to set their own max stake limits. The latter has been fully rolled out across all of our slots brands, with the roll-out across our sports brands completed in January 2021. In 2020, there was an 84% increase in customers setting a time and spend limit with our brands when compared to 2019. Over the same period the percentage of customers using time-outs increased by 102%. We also found that customers who use a voluntary safer betting and gaming tool reduce their wagering by 55% and their deposit limits by 56%." We also continued to promote the use of the GAMBAN software, which is freely available to all of our customers.

78%

decline in total betting and gaming advertising exposure over the full duration of live sport pre-watershed programmes

103,000,000

fewer advertising views between comparative weekends

ARC: At the nexus of technology, player protection and innovation

Since the announcement of our new Sustainability Charter, we have made further progress on the Responsibility pillar by completing the initial stage of its Advanced Responsibility & Care ("ARC") programme. ARC utilises scientific analysis of player behaviour to inform the enhancement of consumer protections. Leveraging our innovative technology platform, we can continuously upgrade and personalise our protections for customers based on these insights.

For several years we have been identifying players who may be at risk, through a number of markers of harm. We look at behavioural markers that may suggest a risk of problem gambling, including frequency of play, changes in spend patterns and length of time of online play. With the completion of the initial stage of ARC, the Company has significantly extended the behavioural indicators used to identify players potentially at risk and is now developing models using more than three times the previous number.

As part of this, we are proactively implementing several additional checks on customers at various thresholds in the customer journey. Powered by proprietary technology, which enables all the touchpoints between Entain and our customers to be monitored, ARC will also provide improved interventions to further enhance player protection in real time.

The ARC initiative aligns closely with our other strategic safer betting and gaming partnerships, with input being fed in through roundtable discussions on the evidence around the signs of problematic play:

- Professor Mark Griffiths, a leading academic specialising in online addiction as a consultant to the Group will contribute his expertise to the design and development of the new ARC system. Professor Griffiths will advise on further enhancing player protection and technological initiatives to advance safer play. Drawing on academic and scientific experience gained over more than 30 years studying online behaviours and addiction, he will review Entain's existing policies and systems and propose improvements based on evidence, with measurable metrics and performance indicators.
- Through our existing multi-million-dollar work with the Harvard Medical School Faculty's Division on Addiction, (see page 14) we can draw upon the Division's vast knowledge in this area to enhance our understanding of problem betting and gaming issues.
- EPIC Risk Management (see page 19) is providing a lived experience element to ARC. Its team contains several reformed problem gamblers, who present and utilise their unparalleled first-hand experiences to educate people and share their expertise with us.

Additionally, we have recently announced a partnership in the US with Conscious Gaming, a philanthropic organisation, under which the company will become the first official partner of PlayPause, a newly launched multi-state responsible betting and gaming tool. The US partnership with PlayPause follows recent partnerships in the UK with Future Anthem and Mindway AI, whose specialist expertise in neuroscientific and academic based algorithmic learnings will further inform our work on player protection.

ARC is due to be fully live in the UK market across all of our brands from summer 2021, including market-first personalised technology-led player protection, affordability checks, and individualised taking limits. This technology will be tailored for specific countries internationally and different cultural norms later in 2021.

5.



Fund treatment for those in need

As part of our spend on RET, we support charities and organisations that are helping those suffering from problem betting and gaming recover. In the UK, we continue to partner directly with Cognacity at Leon House – supporting them to provide betting and gaming treatment services. Our contributions through our RET spend also fund treatment via GamCare, the US National Council on Problem Gambling, Gordon Moody, Digital Therapy Solutions, other national gaming addiction and support charities in Austria, the Spielsuchthilfe Gemeinnuetziger Verein, and in Spain, FEREJ.



6.



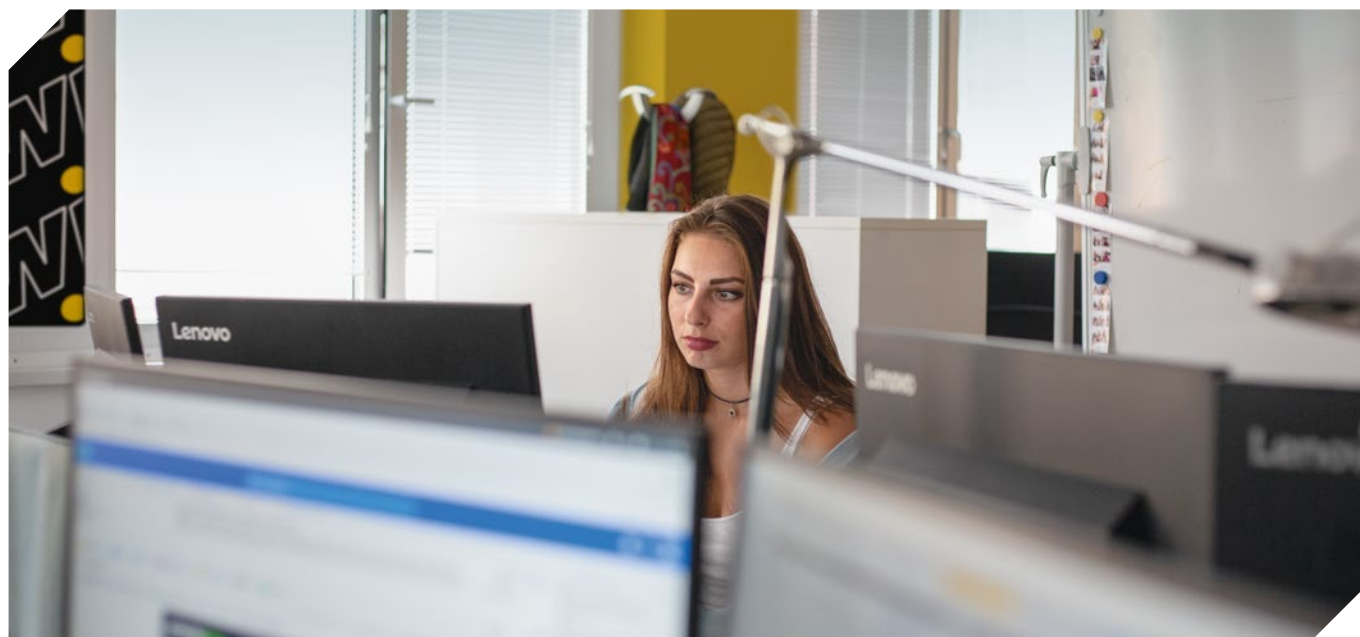
Champion responsible product design

As our Changing for the Better strategy continues to mature, we see a stronger interconnectivity between the seven strands of our approach. One of the most pronounced links is that between our ARC programme – outlined on page 22 – and championing responsible product design. By embedding more advanced risk markers into our product design, including automated real-time interventions, we will further empower our customers to use our products safely.

We are working with leading experts to design a code of conduct for product design, which will apply to both our own operations and those products designed by external suppliers.. We are currently part of the industry working group under the Betting and Gaming Council to produce an effective industry code for product design. This is an area where to be effective as a company, we need commitment and buy-in from the wider industry.

The Group has also partnered with Mindway AI and Future Anthem. By doing so, we are utilising behavioural, neuroscientific, and academic-based algorithmic learnings to pioneer world leading harm minimisation solutions. Embedding our understanding of the problem and best solutions to inform our product design as well as contributing to the development of ARC.

Protecting our players also means protecting personal data. That is why we have embedded privacy-by-design, ensuring that we balance the need for data-driven insights to enhance player protection, whilst also protecting our customers' personal data and complying with data privacy laws. Our data privacy teams are working with our customer insights experts to understand our customers' level of trust with Entain processing their data. More on our work on data privacy is included on page 30.



7.



Change ourselves for the better

We are determined to change the mindset of our industry, starting with our own Company. In 2020, we continued to work on making safer betting and gaming underpin everything that we do. We did this through increased colleague training and engagement across the board, growth and capacity building of our safer betting and gaming teams, and incorporating safer betting and gaming factors into remuneration.

All staff are required to undertake training on safer betting and gaming, with additional tailored training for specific roles. For example, we partnered with EPIC Risk Management to train our customer service and VIP teams. We also delivered behavioural and interaction training delivered to teams delivering formal safer betting and gaming interactions.

In 2020, we reported that we'll introduce a safer betting and gaming metric that will be used as part of Entain colleagues' annual bonus assessment. From 2021, colleagues will be assessed against the successful delivery of the Group's ARC programme. See pages 16 to 24 for further details on the safer betting and gaming metric.

Organisationally, our anti-money laundering and safer betting and gaming functions have been brought closer together, with both now reporting into the newly created role of Head of Operations for Safer Gambling and Anti-money Laundering. This new way of working will combine the expertise of both teams to create a more holistic view of our customers to manage risks and provide the best possible player protection.

We also appointed a Customer Ombudsman Director ("COD"). This innovative new role will ensure that the customer is protected in everything that Entain do. The COD requires proactive and reactive initiatives to improve the customer experience, both at the strategic and process level. The COD evaluates the quality of interactions with our players, reviews how complaints are handled, and suggests ways in which we can improve our service in a measured, consistent and responsible manner whilst ensuring the business is protected from unjustified complaints.

Safer betting and gaming performance	2020	2019	2018
Cash and in-kind contributions towards responsible betting and gaming charities	£9.7m	£3.6m	£2.5m
Customer interactions regarding problem gambling	1,391,901	1,072,416	1,124,079
Customer complaints ¹	15,822	22,543	13,503
Customer complaints which specifically relate to a betting and gaming transaction ^{1,2}	1,723	2,338	2,771
Self-exclusions made	70,170	147,473 ³	334,746
Robberies	45	110	154
Anti-Social Behaviour incidents ("ASB")	4,760	6,065	8,236
Assaults	204	345	455

1. Data covers all UK licences.

2. Data only includes self-exclusions made via Entain's own processes (eg via customer services), and does not include third-party self-exclusion schemes such as, for example, GAMSTOP (National Online Self-Exclusion Scheme) and the Multi Operator Self Exclusion Scheme.

3. Data has been re-stated from 2019 Annual Report.

Best-in-class Corporate Governance

At the heart of Entain's Sustainability Charter is strong corporate and regulatory governance. This is delivered through a robust framework of oversight and control that utilises the knowledge and experience of the Board, the executive and senior members of the management team.

This commitment to a best practice, gold standard approach to good corporate governance is evidenced by the appointment of relevantly qualified individuals and the recent creation of a new executive role of Chief Governance Officer and Robert Hoskin has been appointed to this position. It is further reinforced by our desire to adapt to changing expectations and willingness to learn from others. As part of this process, we have commissioned a corporate governance and compliance review by an independent third party. This work is being carried out by Alvarez & Martel and we will report on the results of this review in next year's Annual Report and ESG Report.

Board composition and independence

The Board continues to focus on maintaining a well-balanced membership with the right mix of individuals whose business knowledge and experiences provide the guidance required to deliver the Group's strategy in the jurisdictions in which it operates. As at the date of this report the Board is comprised of the Chairman, three Executive Directors and eight independent Non-Executive Directors.

Board at 19 May 2021 (date of publication)

Tenure (years)	0-1	1-2	2-3	3-4	4-5	5+
Barry Gibson ^{1 5 7}						
Pierre Bouchut ^{2 4 7}						
Stella David ^{5 7}						
Peter Isola ^{1 2 3}						
Mark Gregory ^{2 5 7}						
Vicky Jarman ²						
Virginia McDowell ^{1 4 5 7}						
David Satz ^{1 3}						

Experience / Skills:

1. Gaming Sector
2. Financial
3. Legal / Regulatory
4. Technology / eCommerce
5. Marketing
6. Entertainment
7. Leadership

Gender diversity 19 May 2021



4:7 (36% female)

During the year the Committee reflected on the recommendations of the Parker Review steering committee into the Ethnic Diversity of UK Boards. As at December 2020 the Board did not have an ethnically diverse composition. However, with the appointment of Sandeep Tiku we now currently on track to meet the Review's target of at least one Director from an ethnic minority background by the end of 2021. As part of the Chairman's review of the Committee and Board's ways of working, it is proposed that diversity objectives and performance of the Group will have greater agenda time at the Board, with regular discussions at the ESG Committee.

Each Non-Executive Director must be able to devote sufficient time to the role in order to discharge his or her responsibilities effectively and the Board is satisfied that this is the case. Excluding the Chairman, of the remaining nine Directors, six are independent NEDs. The Nomination Committee, having considered the matter carefully, is of the opinion that all nine of the current NEDs remain independent. The composition of all Board Committees complies with the 2018 Code recommendations.

Board training and effectiveness

The Chairman has overall responsibility for ensuring that Directors receive suitable training to enable them to carry out their duties. Training is also provided by way of reports and presentations prepared for each Board meeting, as well as meetings with Group employees and external advisers. During the year the Board received face-to-face training from an international law firm on the Criminal Finance Act and Anti-Bribery and Corruption legislation.

With the assistance of the Company Secretary, the Chairman ensures all new Directors participate in a comprehensive induction programme on joining the Board. The programme provides new Directors with an understanding of their duties as Directors, the Group, its businesses and the markets and regulatory environments in which it operates. This includes meeting with senior executives and their direct reports. The process also provides an overview of the Group's governance practices. Further training is tailored to the Board Committees that they will join.

Each year, Board effectiveness is evaluated by an external consultant. The review concluded that the Board was working well, with a good balance of discussion between strategy, performance and governance. The Board action plan for 2021 includes a focus on technology and online entertainment – including the skillset needed for future Board appointments, its criticality to the Group's strategy and the need to provide oversight of technology risk.

Board activities and stakeholder engagement

As an Isle of Man incorporated company, Entain is not subject to the reporting obligations under Section 172 of the Companies Act 2006 (UK). Nevertheless, the Board recognises the importance of effective governance and intends to operate in line with the UK reporting regulations.

The Board has responsibility for establishing the Group's purpose, values and strategy, as well as overseeing the conduct of its business and promoting the long-term sustainable success of the Group, generating value for shareholders and contributing to wider society.

The Board has responsibility for leading the Group's stakeholder engagement and considering the implications of key decisions on the Company and its stakeholders. The Board recognises that effective engagement with our stakeholders will drive long-term value creation, making Entain a company that people want to invest in, buy from, partner with and work for.

Entain has identified six stakeholder categories:

- Employees
- Shareholders
- Suppliers
- Customers
- Communities
- Regulators

The Board recognises that an engaged and diverse workforce supports the delivery of our strategy. During 2020, it was planned for the Board to meet colleagues as part of away day and site visits but with social distancing restrictions due to Covid-19 these did not take place. Board members have participated in virtual employee events, including the internal launch of the new Entain plc in November and heard colleagues around the Group giving their reaction to our new strategy and responsible betting and gaming commitments.

The Board receives feedback on shareholder views in different ways, including through the Chairman and executive management who meet regularly with shareholders throughout the year, as well as an independent investor audit. Board members listen in to results and trading updates held by the Group for analysts and institutional investors and can hear directly the questions and comments on Company performance. The Chair of the Remuneration Committee held calls with large institutional investors prior to the AGM to discuss and receive feedback on our remuneration outturn.

An overview of the Board's discussions on governance and its impacts on stakeholders and a summary of the Board's discussions on strategy and performance can be found in the Annual Report.

Alignment of ESG performance and remuneration

Entain is aware of the importance of, and increasing focus on, ESG performance and the move towards the inclusion of appropriate metrics within incentive plans. After careful consideration, Entain has identified the most directly relevant ESG factor as responsible betting and gaming. This decision was predicated on the fundamental importance of responsible betting and gaming to our long-term strategy to deliver sustainability and growth and its centrality to our internal culture and values.

Consequently, Entain's Remuneration Committee is introducing a metric related to this into the annual bonus for 2021. To ensure that our approach to responsible betting and gaming becomes ever more embedded into our day-to-day operations, this metric will also be included for all of our colleagues who participate in our Group annual bonus plan.

15% of the 2021 annual bonus plan will be based on this new global responsible betting and gaming metric. The metric is aligned to the delivery of new responsible betting and gaming features which enhance our systems and processes, ultimately improving the detection and prevention of problematic play.

Specifically, we will be aggregating two measures into the calculation: half (7.5% of the total bonus) will relate to the UK market, with measures based on the Group's progress in rolling out new significantly enhanced protection trackers, within the Advanced Responsibility & Care ("ARC") programme. This will improve our ability to identify and provide tailored support and interactions to those most at risk. The other half will relate to international markets. In many cases these markets are less mature and problem gambling solutions are often less developed as a result. By taking our best practice, we can use our learnings elsewhere to improve our player protection offering in these markets. The new measure will track our progress in rolling out new markers and algorithms (bespoke by territory) in at least ten of these markets during 2021.

To ensure that the outcomes are robust and appropriately reflect underlying performance, the business has engaged EPIC Risk Management – the leading independent gambling harm minimisation consultancy – whose mandate is to review and evaluate the delivery of these projects. In addition, when determining the outcome of this metric, we will also receive input from our ESG Committee, who will have overall oversight of these projects.

Investing in people and communities

One of the key pillars of our new Sustainability Charter is to continue investing in our people and communities. We have a long history of recruiting, retaining, and nurturing top talent, and this remains a key part of our business – especially as our people are integral in delivering technology-enabled entertainment opportunities. We also contribute to the wider communities in which we operate, which extends to supporting community organisations via the Entain Foundation and reducing our impact on the environment.

Best place to work

Everyone's in the Game: Diversity and Inclusion at Entain

Entain is a people-driven business in a highly dynamic sector. As our international operations grow, we recognise the need to identify, retain, and develop talent from many backgrounds to meet our customers' needs and stay at the forefront of innovation. We launched our international diversity and inclusion ("D&I") strategy in 2018, Everyone's in the Game, which set out a three-year roadmap towards a more inclusive business. The strategy set out initiatives and interventions to take place across four focus areas: recruitment, process & policy, people development and awareness & education.

In our final year of Everyone's in the Game strategy, we understand that there is still plenty of work to do. And whilst across our business, 47% of our colleagues are female – slightly above the industry average of 46% – this drops down to 23% at the Senior Manager level. This represents an improvement over the previous three years, but we recognise there is still room for improvement. At Board level, the share of female Directors was 30% at the end of 2020, rising to 40% at the date of publication of this report (May 2021). With our renewed focus on stronger governance through our Sustainability Charter comes a drive from the Board and Nominations Committee to bring greater diversity at the Director level.

We have engaged with the wider sector through the All-in Diversity Project – an industry-driven initiative that benchmarks diversity, equality, and inclusion for the global betting and gaming sector, driving positive change. As a Founding Member, we have accelerated our leadership role in this area by providing guidance and support sharing best practices and resources with other organisations within the sector. In 2020, we were delighted to be recognised by the initiative, with Entain ranking first on the All-Index list – the industry benchmark on diversity and inclusion practices.

Understanding the importance of diversity in technical roles, we also launched two initiatives in early 2021 to support girls and young women interested in building careers in technology. Our support for Girls Who Code and Tech Girls Movement in Australia is outlined in the Entain Foundation section. Currently, over 30% of colleagues in technology roles are female.

Diversity at Entain	2020	2019	2018
Employees worldwide	23,950	24,614	25,541
Female employees	11,336	12,189	12,422
% female employees	47%	50%	49%
Part-time employees	10,138	11,269	10,497
% part-time employees	42%	47%	42%
Median hourly pay difference between male and female colleagues (Gender Pay Gap) ¹	7%	4%	3%
Mean Hourly pay difference between male and female colleagues (Gender Pay Gap) ¹	15%	18%	17%
Median bonus pay difference between male and female colleagues ¹	13%	36%	25%
Mean bonus pay difference between male and female colleagues ¹	19%	83%	85%
Females in all management positions, (as % of total management workforce)	37.4%	40.3%	37.4%
Females in technical roles ²	26.9%	n/a	n/a
Female managers in revenue-generating functions ³	42.1%	42.7%	n/a
UK-based employees who have confirmed as being from an ethnic minority background, as a percentage of UK employees that have reported their ethnicity ⁴	18.5%	21.1%	10.1%
UK-based employees who have confirmed as being from an ethnic minority background ³	8.5%	7.9%	n/a
Employee age groups ⁵			
<30	37.5%	n/a	n/a
30-50	47.5%	n/a	n/a
50+	15.0%	n/a	n/a

¹Data is based on the UK-based employee population at the snapshot date of 5 April 2020. Refer to our 2020 Gender Pay Gap Report for more information.

²Technical colleagues are those employees the roll up to our Chief Technology Officer based on our Business Process Flow Manager (BPFM) hierarchy.

³Revenue-generating functions include our digital and retail/stadia functions.

⁴This data was based on a sample of 45% of UK-based Entain employees in 2020 that have provided us with their ethnicity information. To prevent us from over- or understating the ethnic diversity of our employees, we report this data in two ways. We report on both the percentage of the sample that identify as being from ethnic minority backgrounds, as well as the number of those confirmed to be identifying as from an ethnic minority background as a proportion of all UK employees.

⁵Data covers 99.1% of employees.

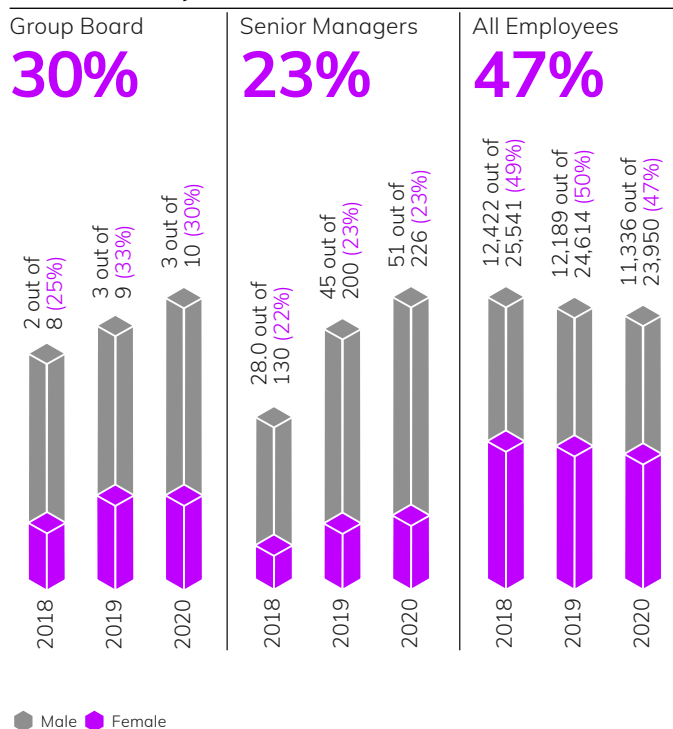


Entain have demonstrated a commitment and passion to D&I which clearly runs throughout their global business. Their drive to continuously improve is a great example to the whole sector of what is needed to make further progress and help us become a more inclusive industry."

Kelly Kehn

Co-Founder of All-in Diversity Project

Gender Diversity at Entain



At Entain, we’re working to create a culture that promotes positive wellbeing every day of the year – not just for a week – but the Well-me Festival was a chance for our colleagues to have a full-on week of all things wellbeing and hear from our senior leaders, our partners and top experts in the field.”

Stella Gavinho
Senior Heath and Wellness Manager

Well-Me: Wellbeing at Entain

To support our colleagues through this challenging time, we accelerated the implementation of our three-year wellbeing strategy. The ‘Well-Me’ programme was launched in 2019 to help our colleagues feel healthy and happy at work and at home. It cuts across three focus areas:

- **‘Think Well’** – Supporting our colleagues’ mental and emotional health.
- **‘Live Well’** – Supporting our colleagues’ physical health.
- **‘Work Well’** – Making sure our working environment promotes well-being.

Our priority in 2020 was to support colleagues in taking care of their own wellbeing through challenging times. During the first UK lockdown, we partnered with Unmind to offer a free mental health platform. Unmind provides clinically-backed digital tools for all colleagues to proactively look after their mental health. 15% of Entain colleagues have registered to date, a figure that favourably compares to peers. We also delivered face-to-face and virtual resilience-building sessions to over 700 colleagues. In October 2020, we rolled out our Employee Assistance Programme globally. Every colleague at Entain and their immediate family can now receive professional help at any time, with 8.5% of our colleagues taking advantage of this in 2020. During October, we also organised our Well-Me Festival – a week-long virtual event that engaged over 4,000 colleagues across the globe and supported World Mental Health Day. We also launched our ‘Live Well’ programme that provides resources on sleep, hydration, exercise, and nutrition.

2021 will see us bedding in the ‘Think Well’ and ‘Live Well’ programmes further, and implementing the last strand of our strategy: ‘Work Well’. The Covid-19 pandemic proved that homeworking is feasible and, for some of us, beneficial. We know that many Entain colleagues want to retain that flexibility post Covid-19. We will develop an agile working policy to empower colleagues to choose where and how they work. Partnering with UnWork, we will also redesign our London office to create inspiring and collaborative workspaces. This was among our first examples of our work on the Future of the Office – an initiative being led by our Director of Property to incorporate lessons learnt and ways of working during the pandemic into business as usual. We hope this new way of working will positively impact our colleagues’ wellbeing, as well as our environmental footprint by reducing daily commute.

Health, Safety and Security (“HSS”) remain core priorities for us. We continue to encourage a positive health and safety culture throughout the business and to maintain a safe environment for our customers and colleagues. To that effect, we approach HSS risks proactively, using a fully integrated policy and management framework that allows us to identify risks early and act accordingly.

Committed to colleague development

In 2020 we revolutionised how we learn at Entain. In March, we launched our first, truly global learning called “The Moments that Matter”. Delivering 111 new pieces of content to support our 3,300+ leadership population in leading our people during the pandemic. In Q3 we delivered ‘The Virtuals’, a two-part, two-hour session for our people leaders, focusing specifically on leadership style and leading with intention. In Q4, to support the rebrand from GVC to Entain, the learning team delivered 12 sessions to support landing our new purpose and leading the Entain revolution. To enable our people to deliver our new corporate strategy, in Q1 of 2021, we launched a custom-built performance platform – Entain & Perform – and hosted 28 two-hour learning camps to 515 of our people leaders to support the launch and really embed our high-performance philosophy and culture. The total investment in learning across retail, corporate and digital for 2020 was £1.2m.

Our learning stack for 2021 focuses on selected key areas that we’re investing in: our Performance Philosophy & Process (Entain & Perform), our People leader learning strategy (Entain & Lead), our professional qualifications & sponsorship (Entain & Qualify), Technical, functional & future skills (Entain & Skill), behavioural learning tracks for all our people (Entain & Grow), new talent programme (Entain & Land), people Hiring Skills (Entain & Hire), diagnosing regrettable leaver reasoning (Entain & Leave), Compliance Learning Strategy (Entain & Mandate) and creation of The Learning Room – our central learning platform.

We are also committed to apprenticeships as one of the most effective tools for social mobility. In 2020, we used 23.9% of our apprenticeship levy. 169 Entain colleagues enrolled on apprenticeships, with 44% of them working towards GSCE or A-level equivalents. To date, we have supported over 50 colleagues to attain level-2 functional skills in Maths and English.

The focus of our learning team is to create, build and foster a high performance, learning focused culture creating somewhere where great people want to join, stay, move, learn, grow, flourish and perform. We make sure our performance culture is lived and breathed through all we do and how we act. We work hard to be in our business, to ensure all our stack is aligned to our purpose and our business priorities. Through our organisational wide approach to learning, we will play our role in revolutionising betting and gaming to create the most exciting and trusted entertainment for every customer.

Best place to work performance indicators	2020	2019	2018 ¹
Central L&D investment	£1.2m	n/a	n/a
Whistleblowing incidents reported and investigated	34	34	2
Employee accidents	137	179	292
Employee reportable incidents	4	8	12
Public accidents	31	24	287
Public reportable incidents	0	0	3
Absenteeism rate	3.51%	2.16%	2.25%
% Internal hires	4%	n/a	n/a
Employee turnover rate	26%	44%	40%
Employee voluntary turnover rate	17%	33%	31%
Employee engagement index (% of employee recommending Entain as a place to work)	78%	74%	73%

1. Proforma figures for both Entain and Ladbrokes Coral combined businesses for the relevant calendar year.

Employee remuneration and reward

As well as supporting the development of our people, we are committed to providing a competitive rewards packages compared to the relevant market for each employee across all levels.

We are also committed to ensuring that colleagues can share in the success of the business. In early 2021, we launched an all-employee Sharesave plan. This plan is open to all employees in 14 countries, covering over 99% of employees globally. In addition, approximately 10,000 colleagues globally are included in our performance-based bonus plans.

We also understand that reward goes beyond just salary. We provide access to our employee assistance programme and the Unmind platform to all employees globally. In our top-seven countries by colleague numbers (covering over 90% of employees globally), we offer at least one of the following non-salary benefits to all colleagues: Employer pension contributions, life cover, medical insurance, and income protection insurance. In other countries where we operate, we offer other non-salary benefits to match the expectations of the local employment market.

Supply Chain

Effectively communicating who we are, how we conduct business, and the high standard we expect of our suppliers is of paramount importance to Entain. In order to do this, in 2020 we updated our Supplier Policy, detailing our values, and what we expect from our business partners and their subcontractors, and outlining our right to audit. The policy sets out minimum standards on social, environmental, and ethical issues, and we encourage our suppliers to exceed these requirements. This policy is available publicly on the Entain corporate website, and is included in our standard terms and conditions. All new suppliers and business partners must formally acknowledge and accept the policy as an onboarding requirement.

We also continued to strengthen our internal procedures for identifying supply chain risks – harmonising our processes across the Group. We conduct due diligence for every new supplier, with an escalated process for suppliers based on size, risk level, and strategic alignment. This risk evaluation includes ethical, data protection, and sustainability standards. Notably, we evaluate social risks by drawing on the Walk Free Foundation Global Slavery Index, to determine whether a supplier requires additional checks.

To support our work on driving social and environmental improvements in our supply chain, we developed guidelines designed to engage our procurement teams. We will support these guidelines with colleague training, which will be delivered in 2021. This training was due to be held in 2020, but was reprioritised as our procurement colleagues needed to meet the supply challenges caused by the pandemic, and secure supplies of PPE for our stores and offices to comply with Covid-19 guidelines and keep our colleagues and customers safe.

Data Privacy & Cybersecurity

Data Privacy & Cybersecurity continues to be a high priority for Entain, as our technology offering goes from strength to strength. We take the safeguarding of our customer and corporate information very seriously. Our approach has been bolstered by a growth in head count and a strengthening of our governance procedures, with our Chief Security Officer and our Chief Privacy Officer (who is also our Data Protection Officer) regularly updating the Board committees.

In 2020, we further embedded our Data Protection Policy, with 18,000 colleagues completing GDPR training across the Group. We built on this framework by developing our Data Retention Policy, which is set to have a transformative impact on our data management & retention practices and drive operational efficiency and compliance. Data privacy is also built into in developing our safer betting and gaming initiatives. Our teams closely collaborated to strike the right balance between protection harm and customer privacy. We strengthened our privacy-by-design protocols across the Group, and we collaborated with other betting and gaming operators to improve the way we share data on self-excluded players while protecting our customers' privacy.

We continued to invest heavily in cybersecurity. This included expanding our team's headcount and investing in automation to free up resources, tools, and external security providers. We underwent 20 external cybersecurity audits and certified all new games by independent cybersecurity testing labs. We also implemented several improvements to our programme:

- we extended security responsibility to all Entain group companies to reduce number of breaches in the organisation;
- we moved marketing sensitive information to a protected environment to reduce exposure to attack; and
- we increased security testing and red teaming capabilities to reduce time to detection of security issues.

This commitment allowed us to score in the top percentile of the Dow Jones Sustainability Index for cybersecurity, with an overall 79% score (a 10% increase from 2019).

Contributing to the economy by paying taxes and levies

As the Group employs c.24,000 people across over 4,500 retail outlets and offices in 20 countries, our economic footprint is significant. During 2020, we paid £962m in taxes and levies across our countries of operation. This comes in addition to the £524m we paid in wages and salaries.

Contributing to the economy	2020	2019	2018 ¹
Proforma net gaming revenue (NGR)	£3,628.5m	£3,632.7m	£3,571.4m
Proforma underlying EBITDA ²	£843.1m	£761.4m	£755.3m
Taxes paid ³	£962m	£927m	£949m
Wages and salaries ⁴	£524.0m	£671.2m	£627.1m

1. Proforma figures for both Entain and Ladbrokes Coral combined businesses for the relevant calendar year.

2. 2018 EBITDA is on a pre-IFRS 16 basis.

3. Includes corporation tax, business rates, foreign tax, Machine Games Duty ("MGD"), Amusement Machine Licence Duty ("AML"), employers, National Insurance Contributions ("NIC"), VAT, and other duties and levies.

4. Including pension contributions and share based payment costs.

Entain Foundation

The Group originally launched its Global Foundation in September 2019 to coordinate and support the Group's ESG initiatives, objectives, and donations around the world. In November 2020, under its new identity as the Entain Foundation, we are committed to donating £100m over five years to projects including our new Pitching In programme that supports grass roots sports and sports people.

The Foundation is initially focusing the four key areas of:

- Responsible betting and gaming, sports integrity and betting and gaming regulation research, education, and treatment;
- Grass roots, women's and disability sport;
- Diversity in technology; and
- Projects with a clear link to the local community in Entain's major office locations.

The Foundation has also taken on responsibility for administering the Group's existing CSR projects, including its £2 million community fund as well as with SportsAid, EPIC Risk Management, Gordon Moody, the US National Council on Problem Gambling and the Division on Addiction of Cambridge Health Alliance, a Harvard Medical School teaching hospital. Our work with safer betting and gaming charities is included earlier in this report.

Pitching In grassroots sport investment fund

Pitching In has launched at a time when football clubs and sporting organisations are facing the unprecedented impact on their finances of the Covid-19 pandemic. Launched in September 2020, the multi-million-pound, multi-year, investment programme kicked-off with a flagship partnership with The Isthmian, Northern Premier and Southern Leagues – collectively known as The Trident Leagues – which make-up levels seven and eight of the English football league pyramid.

SportsAid

Through our multi-year strategic partnership with SportsAid, the charity which supports aspiring athletes, and part of our Pitching In investment programme, Entain provides British athletes with financial support, recognition and personal development opportunities. Each athlete receives an annual award which contributes towards costs such as travel, accommodation, and equipment. Through the partnership, Entain is helping 50 up-and-coming sports stars across the country each year.



Ruth Mwandumba

Supported by Entain in 2018 and 2019, Ruth made a huge social impact over the last year, using her voice and platform to be an advocate for young black athletes in Shooting. Picking up the GB Shooting 2020 Social Impact Award at the end of last year. Ruth has made it her mission to become a role model in her sport. Ruth has also been working as a clinical coder at Countess of Chester Hospital throughout the Covid-19 pandemic and is now undertaking a PhD in Epidemiology and competing for the University of Manchester. Ruth is aiming to compete at the Paris 2024 Olympics.



Inter Milan Football Club – promoting participation in women's football

The Entain Foundation has launched a collaboration with Inter Milan Football Club to promote participation in women's football in Italy. Backed by a national media campaign, partnered with Gazzetta dello Sport, the project is developing a football-related talent show for aspiring female footballers.

US Fund to Support Research on Sports Wagering

The Foundation has become a Bronze Donor to the Fund to Support Research on Sports Wagering, which was recently launched by the US National Center for Responsible Gaming. The objective of this project, which is first of its kind in the US, is to competitively award researchers at top tier institutions with the resources needed to uncover novel insights into what the introduction of legalised, regulated sports betting means for public health.





I started receiving the funding in April and it's definitely made a huge difference already. I've been able to buy new trainers, new kit for training and equipment to train at home, so it's allowed me to stay at the top of my game in the current climate in which there is still a lot of uncertainty because of the impact of coronavirus. I wouldn't have been able to stay at my current level without it, and going forward it's going to make a massive difference in enabling me to afford things like travel and accommodation, especially now that I've moved to university."

Aliyah Zaranyika, Netball Athlete

Sponsored by the Entain Foundation via SportsAid

German Sports Integrity Forum

Together with German Bundesliga clubs Borussia Dortmund and 1.FC Koeln, and the sports integrity platform, the Play Fair Code, the Entain Foundation recently launched the German Sports Integrity Forum. The aim of the Forum is to raise further awareness of sports integrity programmes in Germany and other German speaking countries.

Professional Players Federation

The Foundation has entered a partnership with the Professional Players Federation (the "PPF"), the national organisation for the professional player associations in the UK, to fund its anti-match-fixing player education programmes. The partnership enables the PPF to support the development and delivery of online learning and face-to-face education to hundreds of sports people in sports such as football, cricket, rugby union, golf, darts, and snooker.

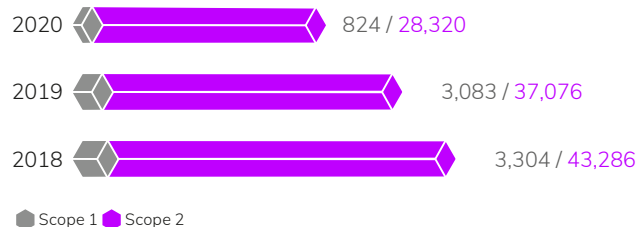
Reduce environmental impact

Scope 1 and 2 GHG emissions

Tonnes CO₂e

2020 Total Scope 1&2:

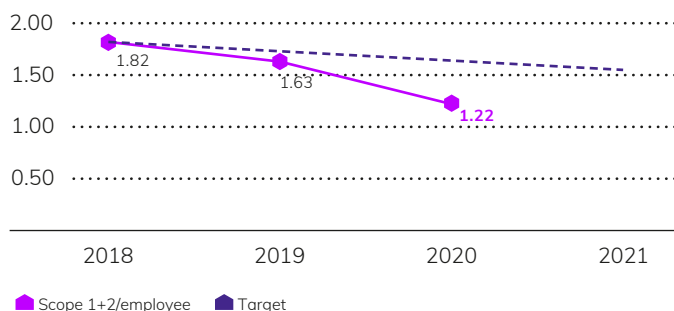
29,110



GHG emissions intensity (2021 target: 1.55)

Tonnes CO₂e/headcount

1.22



We have a strong culture of behaving ethically and responsibly in everything that we do, and we know that as a large global business we have a duty to do everything that we can to help tackle the climate crisis.”

Jette Nygaard-Andersen
CEO

Reduce environmental impact

With climate change already affecting the lives of millions, limiting global warming to no more than 1.5°C is one of the biggest challenges facing society. With our global network of offices, over 4,500 retail stores and stadia, and business travel, we understand that we have a role to play in reducing our greenhouse gas (“GHG”) emissions and environmental footprint. It was a year of firsts for our environmental work. We received our first independent verification of GHG emissions data from the Carbon Trust – a trusted third-party specialising in GHG emissions reduction and resource efficiency. It was also the first year that we reported to CDP’s Climate Change questionnaire to benchmark our climate approach against peers, scoring a D for this first disclosure. We are also reporting our first Task Force for Climate-related Financial Disclosures (“TCFD”) statement, reflecting the growing importance that Entain and our investors place on identifying and managing climate-related risks.

In 2018, we set ourselves a target of reducing our scope 1 and 2 GHG emissions by 15% per colleague by the end of 2021. We are proud to announce that we have achieved this target early, with an 15% reduction on 2018 levels in 2020. Despite a downward trend in our emissions prior to the pandemic, this significant carbon reduction in 2020 was undoubtedly due to our shop and office closures due to the lockdown. However, our trend of GHG emissions reductions up to March 2020 data indicate that we were on track to meet our target even under a business-as-usual scenario, due to our rolling-out of energy efficiency measures taken as part of our shop refurbishment scheme. Having achieved our 2021 GHG reduction target early, we have stepped up our ambition on climate change. In early 2021, we committed to becoming net zero for greenhouse gas emissions by no later than 2035, which is 15 years ahead of the 2050 target for carbon neutrality agreed by governments under the Paris Agreement. As part of this, we have formally committed to set a Science-based Target with the Science Based Target initiative which will be effective from 2022. In 2021, we will be developing our strategy to fast-track the decarbonisation process throughout the business globally.

Understanding that there are emissions left over even after our reduction measures, we also invested in GHG offsets for the first time. We purchased these offsets from Brynk, an independent platform which facilitates tree planting and reforestation projects, and we’ve funded the planting of half a million mangrove trees already. By 2032 it’s expected that these alone will be balancing our global scope 1 and 2 emissions. We will continue to evolve our approach to offsetting in line with best practice. We are also looking to actively source our energy from renewable sources and from April 2020 we switched our UK electricity contract to 100% renewable energy, to complement the renewable supply we already use in the Republic of Ireland. This now amounts to over 85% of the Group’s total electricity consumption that is actively sourced from renewables.

We achieved ISO14001:2015 Environmental Management System accreditation, demonstrating that our processes are in line with best practice. Our first physical audits will take place in 2021, as we increase the areas of the business covered by this accreditation.

In addition to reducing and offsetting emissions within our own operations, we will also work with our suppliers to decarbonise our supply chain. One key area for supplier engagement is our major third-party data centres, which make up a majority of our data centre energy consumption. We measure the energy consumption and emissions of these data centres, which is approximately 7.5% when compared to our scope 1 and 2 emissions. However, we also procure data centre services from a number of minor suppliers which are not measured. In 2021, we will look to rationalise these minor suppliers, to increase efficiency and transparency, as well as reduce scope 3 emissions.

Whilst GHG emissions is our most significant environmental impact, we also measure and look for ways to reduce our waste and water consumption. We started deploying a new recycling programme across our shops, which we plan to roll out fully as our retail estate reopens in 2021.

It is also important to bring our colleagues along on the journey and highlight their key role in reducing our impact. We do this by offering an e-learning module that gives participants a better understanding of Entain's impact on the planet, and how they can help reduce our environmental footprint. In 2020, 65% of colleagues had completed the module. When more colleagues return to Entain offices in 2021, we will also continue to build our Green Ambassadors – a 120-strong network that was established in 2019 across the Group to help us identify practical ways we can improve environmental efficiency in the workplace.

Environmental KPIs, including Streamlined Energy and Carbon Reporting (SECR) data	2020	2019 ¹	2018
Total energy consumption (kWh)²	114,967,896	149,976,498	155,771,722
UK	95,776,583	123,723,097	n/a
Rest of the world (ROW)	19,191,313	26,253,400	n/a
Absolute direct emissions (scope 1) – (tCO₂e)	824	3,083	3,304
Absolute indirect emissions (scope 2, location-based) – (tCO₂e)	28,320	37,076	43,268
% of purchased electricity from renewable sources³	59.8%	4.6%	n/a
Absolute GHG emissions⁴ – direct and indirect: location based (tCO₂e)	29,144	40,160	46,572
UK	21,676	28,149	
Rest of the world	7,468	12,010	
Absolute GHG emissions intensity per employee (tCO₂e/headcount)	1.22	1.63	1.82
Total GHG emissions – direct and indirect: market based (tCO₂e)	12,142	38,120	n/a
UK	7,707	27,689	n/a
Rest of the world	4,435	10,431	n/a
Water withdrawal⁵ (cubic metres)	252,345	527,694	434,475
Waste generated⁶ (tonnes)	7,715	6,560	13,811

1. Energy and GHG data from 2019 differ from that reported in the 2019 Annual Report, due to incomplete data at the time of reporting.

2. Coverage of energy consumption and emissions data is 100% for the UK, and 97.6% globally, by employee headcount. Global and ROW energy and emissions data is scaled up based on this coverage to estimate totals across global operations. This data includes energy consumption related to both scope 1 (company vehicles, gas, and fuel) and scope 2 emissions (purchased electricity).

3. Energy from renewable sources only includes electricity purchased that was actively sourced from renewables. All remaining electricity used by Entain is sourced from the local grids where we operate.

4. Location-based emissions methodology used for all GHG calculations. Emissions calculated using the GHG Protocol, and consumption data converted to emissions using 2020 BEIS emissions factors and 2020 IEA emissions factors for non-UK grid electricity. We have excluded fugitive emissions from refrigerants, which represent less than 2% of GHG emissions from our business operations.




5. All water withdrawn is sourced from public water supplies. Data for the UK (our major source of water use) was not available at the time of reporting. 2019 data was used and extrapolated based on number of UK-based employees. Water data is sourced from our operations in Austria, Belgium, Bulgaria, Gibraltar, India, Ireland, Israel, Philippines, UK, Uruguay. This makes up 85% of our overall headcount. Our 2020 figures are not prorated to 100% coverage. Primary data for the UK was unavailable at the time of reporting and we estimated the figure based on 2019 data, decreasing by 50% to reflect the reductions we observed in our other operations due to the coronavirus pandemic.











6. Waste data is sourced from our operations in Austria, Bulgaria, India, Ireland, UK, and Uruguay. This makes up 82% of our overall headcount. These figures are not prorated to 100% coverage.

ESG targets and objectives

Our ambitions on ESG continue to grow. Below we share our progress against some of our historic targets, as well as some of our recent, ambitious targets.

Key

Achieved	
On track	
Limited progress	

Target / objective	Status	Commentary
Exclusive focus on regulated markets		
 New objective By 2023, we will operate exclusively in regulated markets.		By the end of 2020, 99% of our revenues were from regulated markets, or those taking positive steps towards regulation in the short-term. We also increased the number of regulated markets from 21 to 27.
Best in class corporate governance		
 New objective Increase our focus on bringing greater diversity to our Board.		With the recent board appointments of Stella David and Vicky Jarman, 36% of our Board Members are female. The forthcoming appointment of Sandeep Tiku to the Board also increases the ethnic diversity in our leadership. These developments bring fresh new perspectives to our Board, as well as more closely align the recommendations of the Hampton Alexander Review, and the Parker Review. In 2021, we will publish our Board Diversity Policy, outlining our processes for bringing diverse talent into our leadership.
Continuing to take the lead on safer betting and gaming		
 New objective Tying remuneration to responsibility.		As outlined in our 2020 Annual Report and Accounts, 15% of the total of the Group Annual Bonus Plan will be based on safer betting and gaming metrics – measured on the successful delivery of the Advanced Responsibility and Care programme.
Increasing the amount we contribute towards problem gambling research, education and treatment (RET) ten-fold gradually to 1% by 2022 against a 2018 baseline.		Despite the coronavirus pandemic, we are still on track to invest 1% of GGY to RET by 2022. In 2021, we will contribute 0.75% of GGY to RET.
Starting the provision of safer betting and gaming awareness and education programmes for school children through our partnership with EPIC.		As reported on page 19, our support of EPIC continued despite the pandemic. In 2020, We supported and educated over 25,000 pupils via our problem gambling awareness sessions.
Pioneering new approaches to transparent reporting on safer betting and gaming, developing robust metrics in partnership with our peers.		We continue to expand our reporting on safer betting and gaming, with new KPIs. However, this has been done independently of our peers and other stakeholders. In 2021, we will look to include further transparency via enhanced safer betting and gaming metrics.
Developing our partnership with Harvard Medical School to better understand and reduce the potential for problem gambling behaviour through rigorous research.		In its second year, this partnership continues to grow. We have incorporated some of the findings from the programme into our Advanced Responsibility and Care (“ARC”) programme, embedding the academic research into our player protection algorithms.

Key

Achieved



On track



Limited progress



Target / objective	Status	Commentary
Investing in our people and communities		
Invest £100m via the Entain Foundation over the next five years (from 2020). This target supersedes previous GVC Foundation target.		In 2020, we contributed £9.7m via the Entain Foundation (the GVC Foundation prior to October 2020) to projects including our new Pitching In programme that supports grass roots sports and sports people.
Implementing the strategic partnership with SportsAid which will support both talented individuals and national sporting excellence programmes in the lead up to the next Olympics.		Our partnership with Sports Aid continues to grow. Through the partnership, helped 50 up-and coming sports stars across the country this year.
Creating a "one Entain" culture across the Company, harmonising policies and developing our employer proposition around a shared set of values and opportunities.		Our annual employee conference Entain Live was held completely remotely in 2020 with great success, with over 10,000 colleagues logging in. In Q4, to support the rebrand from GVC to Entain, the learning team delivered 12 sessions to support landing our new purpose and leading the Entain revolution. Furthermore, the proportion of colleagues that would recommend Entain as a place to work has increased from 73% in 2018 to 78% in 2021.
Embedding and broadening our initiatives to continuously strive to make Entain an inclusive employer of choice where people can succeed and progress in a meritocracy; a company through our Everyone's in the Game strategy.		In 2020, we were ranked #1 in the All-in Diversity Charter's All-Index list – the industry benchmark for diversity and inclusion. There is also early evidence that our new employer brand is attracting 8% more female applicants. As our three-year <i>Everyone's in the Game</i> strategy comes to a close in 2021, we will outline a new approach to maintain and build momentum in this area.
Rolling out Well-Me, a targeted three-year plan to enhance the physical and emotional wellbeing of all our colleagues.		We brought forward the introduction of our Well-Me initiatives to support our colleagues through Covid-19. Our Well-Me programme was a key focus throughout the pandemic, launching our global Employee Assistance Programme and access to wellbeing platform Unmind. As a result, 87% of colleagues felt that Entain genuinely cared about the wellbeing of colleagues. In 2021, we will focus on implementing the last strand of our strategy: 'Work Well'.
Reducing our GHG emissions (scope 1 and 2, location based) by 15% by 2021 on a per employee basis.		We have achieved our 2021 target early, with a 33% reduction of GHG emissions per employee since 2018. To step up our ambition on climate action, we have committed to being net-zero by 2035. In 2021 we will set a Science-based Target, to be verified by the Science-based Targets Initiative.
Further streamlining our approach to supplier management, ensuring our value chain partners share our high social and environmental standards.		Despite 2020 being a challenging year for supplier engagement, we published our Supplier Code of Conduct on our public website. We also made this part of our standard terms for doing business with Entain. This meant that all suppliers onboarded have read and understood our conditions of high social, ethical and environmental standards. In 2021, we will continue to revamp our supplier engagement and ESG risk management, as well as work with the Carbon Trust to engage key suppliers, helping them to reduce their GHG emissions.

SASB index

For the first time, we are reporting against the SASB Index. This aligns our reporting with a globally accepted framework for ESG Reporting. From their Sustainability Industry Classification System (“SICS”), SASB classifies Entain’s primary industry as Casinos and Gaming, within the Services sector. However, given the significant online presence and leading technology platform, we identified that many of the metrics from the Software and IT Services Industry were also relevant. We have reported metrics for both Casinos and Gaming, and Software and IT Services to cover the breadth of Entain’s operations.

Topic	Code	Accounting metric	Data/reference
Environmental Footprint	SV-CA-130a.1 (TC-SI-130a.1)	(1) Total energy consumed (2) Percentage grid electricity (3) Percentage renewable	Refer to page 35
	TC-SI-130a.2	(1) Total water withdrawn (2) Total water consumed	(1) Refer to page 35 (2) Not reported – all water consumed is municipal water from mains
	TC-SI-130a.3	Discussion of the integration of environmental considerations into strategic planning for data	Refer to pages 34-35
Responsible Gaming	SV-CA-260a.1	Percentage of gaming facilities that implement the Responsible Gambling Index	Not reported. The Responsible Gambling Index and NCPG Standards focus on US markets, where Entain only operates through its joint venture with BetMGM. Entain complies with stringent UK Gambling Commission regulations and the Betting and Gaming Council standards. Refer to p16-24 for an outline of our safer gambling performance and initiatives.
	SV-CA-260a.2	Percentage of online gaming operations that implement the National Council on Problem Gambling (NCPG) Internet Responsible Gambling Standards	(aAs above)
Smoke-free Casinos	SV-CA-320a.1	Percentage of gaming floor where smoking is allowed	Not applicable. Entain does not operate casinos, and smoking is not permitted in our betting and gaming shops in the UK and ROI
	SV-CA-320a.2	Percentage of gaming staff who work in areas where smoking is allowed	(As above)
Internal Controls on Money Laundering	SV-CA-510a.1	Description of anti-money laundering policies and practices	Our Approach to AML and CTF (https://entaingroup.com/sustainability/aml-statement/)
	SV-CA-510a.2	Total amount of monetary losses as a result of legal proceedings associated with money laundering	Entain had no monetary losses as a result of AML legal proceedings in 2020.

Topic	Code	Accounting metric	Data/reference
Data Privacy & Freedom of Expression	TC-SI-220a.1	Description of policies and practices relating to behavioural advertising and user privacy	Refer to page 30
	TC-SI-220a.2	Number of users whose information is used for secondary purposes	We do not collect metrics on secondary purposes. Our position is that we use the data in a transparent way obtaining user consent or applying other lawful processing conditions such as legitimate interest for each collection purpose (including marketing, sharing with third parties, etc).
	TC-SI-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy	Entain had no monetary losses as a result of user privacy legal proceedings in 2020.
	TC-SI-220a.4	(1) Number of law enforcement requests for user information (2) Number of users whose information was requested (3) Percentage resulting in disclosure	(1) 700 (2) Not reported (3) Not reported
	TC-SI-220a.4	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	Not reported
Data security	TC-SI-230a.1	(1) Number of data breaches (2) Percentage involving personally identifiable information (PII) (3) Number of users affected	(1) 4 (2) 0 (3) 0
	TC-SI-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Refer to page 30
Recruiting & Managing a Global, Diverse Workforce	TC-SI-330a.1	Percentage of employees that are (1) Foreign nationals (2) Located offshore	Not reported
	TC-SI-330a.2	Employee engagement as a percentage	Refer to page 29
	TC-SI-330a.3	Percentage of gender and racial/ethnic group representation for (1) management (2) technical staff (3) all other employees	Refer to page 27
Intellectual Property Protection & Competitive Behaviour	TC-SI-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behaviour regulations	Entain had no monetary losses as a result of anti-competitive behaviour proceedings in 2020
Managing Systemic Risks from Technology Disruptions	TC-SI-550a.1	Number of (1) performance issues (2) service disruptions (3) total customer downtime	(1) Not reported (2) Not reported (3) 0.05%. Our platform availability was 99.95% in 2020, as per p23 of Entain's 2020 Annual Report.
	TC-SI-550a.2	Description of business continuity risks related to disruptions of operations	Refer to page 75 of Entain's 2020 Annual Report

Task Force for Climate-related Financial Disclosures (“TCFD”) Statement

Reporting on climate-related risks and opportunities aligned with the TCFD

Entain supports the recommendations of the Task Force for Climate-related Financial Disclosures (“TCFD”). The recommendations fit well with our new Sustainability Charter to help us achieve long-term success. We took our first step towards implementing the TCFD recommendations in 2020, by reporting our first CDP climate change submission in 2020. We will take a step-wise approach to implementing the recommendations, with the following page being our first TCFD statement.

Task Force for Climate-related Financial Disclosures Statement

Governance	<ul style="list-style-type: none"> • The effective understanding, acceptance and management of risk is fundamental to the Group achieving its strategic priorities. Climate-related risks and opportunities are included within our risk governance framework, which is outlined on risk management process on page 12. • Responsibility for overseeing this framework is with the Risk Committee, which is overseen by the Audit Committee.
Strategy	<ul style="list-style-type: none"> • In addition, our board-level ESG Committee is responsible for steering our approach to environmental issues, including climate change and which has recently approved our updated environmental policy. • To double-down our focus on the environment and climate change, we formed an environmental steering committee. Reporting to the ESG Committee, its purpose is to advise on the environmental strategy and its implementation globally. • We will continue to encourage and enhance connected, strategic thinking about the risks that climate change poses to the business, across divisions and functions.
Risk management	<ul style="list-style-type: none"> • Our overall risk management framework is overseen by the Audit Committee, with the Risk Committee responsible for managing it. • The risk management policy and framework outlines an iterative approach between the top down view of commercial risk and the bottom up assessment of operational risks. • Physical and transition climate-related risks have been identified on our operational risk registers. • To date, climate related risks have not been escalated to the Group risk register and thus climate-related risks have not been deemed as a principal risk. • In the coming year, we will take steps towards systematically reviewing the risks and opportunities that climate change pose to Entain over the medium and long term under different climate change scenarios. We will provide further details of our progress in 2021.
Metrics and targets	<ul style="list-style-type: none"> • In 2018, we set a target to reduce our GHG emissions per colleague by 15% by 2021. We are pleased to announce that Entain has achieved this target one year early, with a reduction since 2018 levels of 15%. Whilst the Covid-19 pandemic saw a significant reduction in business travel, office-based working, store opening hours, our trend over time suggested we were on track to achieve our emissions reductions despite Covid-19. • In 2021, we will continue to drive emissions reductions for 2022, and commit to setting a science-based target. • Our environmental KPIs can be found on page 36.

About this Report

- This is the fourth consecutive Environmental Social and Governance ("ESG") Report for Entain plc, since the acquisition of Ladbrokes Coral Group. Previous reports were titled CSR Reports.
- This report supplements the ESG content in the Entain 2020 Annual Report.
- This report has not been through an external assurance process. However, data is independently validated by sustainability consultancy Carnstone Partners Limited (note that this does not constitute any form of external assurance).
- As in previous years, the Board ESG Committee – the highest ESG body at Entain – has reviewed this Report.
- As such, Entain believes that this Report fairly reflects our Global ESG Performance and Efforts.
- The data and narrative of this report covers all of the Group's continuing operations globally, unless stated otherwise.
- The reporting period for KPIs in this report align with the Entain financial year, which ran from 1st January 2020 to 31st December 2020. Narrative information covers activities that have taken place from the start of 2020 up until April 2021.
- We align to external standards by reporting against the Sustainability Accounting Standards Board ("SASB") for both the Casinos and Gaming (primary) and the Software & IT Sectors (secondary). We also reported against the Task Force for Climate-related Financial Disclosures ("TCFD") recommendations. This is supplemented by reporting other issues and metrics based on our own materiality assessment, as well as legal requirements.
- We welcome feedback and suggestions on the contents of this report, or any aspect of our ESG and sustainability programmes. For information on how to get in touch, please visit <https://entaingroup.com/contact-us/>

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4685V

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Barclays Bank PLC
The Royal Bank of Scotland plc

Future trading updates and financial calendar

8 July	Post close trading update
12 August	Interim results
7 October	Q3 trading update

Entain plc

Incorporated in the
Isle of Man under
number 4685V