FAIR PLAY 2018/19

CORPORATE SOCIAL RESPONSIBILITY REPORT
CONTENTS

CHAIR OF THE CSR COMMITTEE’S INTRODUCTION 3
BETTING AND GAMING IN CONTEXT 4
UNDERSTANDING OUR BIGGEST RISKS 5
CSR GOVERNANCE 6
FAIR PLAY – OUR CSR STRATEGY 7
SAFER GAMBLING 8
RESPONSIBLE EMPLOYER 12
RESPONSIBLE COMMUNITIES AND MARKETS 15
RESPONSIBLE BUSINESS OPERATIONS 18
FUTURE OBJECTIVES 21

“WE AIM TO MEET THE HIGHEST STANDARDS IN EVERYTHING WE DO, FROM THE WAY WE RUN OUR BUSINESS AND MANAGE OUR FINANCIAL AFFAIRS, TO HOW WE SUPPORT OUR PEOPLE, OUR CUSTOMERS AND THE COMMUNITIES WE WORK IN.”
The past year has been transformational. GVC is now the world’s largest online-led sports-betting and gaming operator; a truly global operator with over 25,000 employees. Our growth has brought with it a commensurate expansion in the expectations around how we manage our responsibilities towards society, particularly as they relate to safer gambling. And let me be clear from the outset: Our ambition is to be the safest and most trusted operator in the world.

Partnerships and collaboration form a crucial element of our new CSR strategy. For example, we believe the key to establishing a safer environment for customers is by working constructively with both national regulators and our industry peers. We have taken a leading role in cross-industry bodies including the Senet Group and the Remote Gaming Association (RGA), through which we agreed to a pre-watershed ‘whistle-to-whistle’ ban on broadcast advertising around sport in the UK, effective from August 2019. The vast majority of consumers enjoy our industry’s products and services, but it is imperative that operators work with regulators and governments to provide a safe environment for all.

This is our first full CSR Report post the Ladbrokes Coral acquisition. There is no denying that it has been challenging to source robust data for this report from the various IT systems and data formats that exist across the business, and we have some way to go before we can be as transparent as we want to be. We are nevertheless pleased to have been admitted to the 2018 edition of the Dow Jones Sustainability Index as well as the FTSE4Good. I hope you enjoy reading the report and look forward to updating you further on our progress in the future.

Virginia McDowell
Independent Non-executive Director and Chair of the Board CSR Committee
Our strategic M&A activity and exceptional financial performance have taken us from an AIM-listed company in 2014, with a market capitalisation of less than £285m and employee numbers in the low-hundreds, to a FTSE 250 company valued at over £5bn, employing a workforce of more than 25,000 at the end of 2018.

In Ladbrokes Coral, GVC acquired two of the most well-established brands in the gaming industry. We have been working on unifying the group functions, exploring where best-practice can be shared between our brands and teams, and have made significant progress in the integration of the businesses.

The betting and gaming industry continues to face intense political and media pressure, particularly in the UK. The reduction in maximum stake permissible on FOBT machines from £100 to £2, which was introduced on 1 April 2019, is expected to cause the closure of around 1,000 of the Group’s shops. We have put in place detailed planning to help manage this change and, where possible, minimise job losses and retain as many of our valued people as possible.

To enable our UK Retail business to manage these changes we have instigated a modernisation plan, we call Fit for the Future. Following the outcome of the Triennial review, there have been increasing calls for additional responsible gambling measures to be implemented online, and both the UK Government and the UK Gambling Commission expect the industry to step up its game in this area.

We have embraced that challenge, and this CSR Report is a testament to the significance we attach to delivering on our responsibilities, not only to our shareholders, but to society at large.

THE LAST FEW YEARS HAVE BEEN EXTREMELY BUSY FOR GVC AS THE BUSINESS HAS TRANSFORMED IN SIZE AND SCALE. 
UNDERSTANDING OUR BIGGEST RISKS AND OPPORTUNITIES

GVC OPERATES IN A DYNAMIC SECTOR, AGAINST A BACKDROP OF RAPIDLY DEVELOPING REGULATORY REQUIREMENTS AND STAKEHOLDER EXPECTATIONS.

To keep abreast of these developments, we take a systematic approach to risk mapping and management, and understanding the long-term value drivers within our sector. We maintain a register of 60+ environmental, social and governance issues that we track and update regularly. In evaluating how exposed we are as a business, we determine the relevance of each issue to our commercial goals and to our stakeholders, including shareholders, customers, employees, regulators and the general public.

The diagram, right, shows a simplified outcome of our latest materiality exercise, conducted in late 2018.

1. Protecting the young and the vulnerable through working practices;

2. Customer privacy and data security;

3. Providing support for at-risk customers and problem gamblers;

4. Promotion of safer gambling; and

5. Preventing gambling-related crime.

Top 5 material issues:
IN 2018 WE OVERHAULED THE CSR GOVERNANCE STRUCTURE AND REVIEWED OUR POLICIES TO REFLECT THE ADDED SCALE AND COMPLEXITY OF GVC GROUP.

The Board considered it appropriate to establish a dedicated CSR Committee covering regulatory compliance, AML, responsible gaming, health and safety, environmental impact, data protection and diversity in the workplace. Informed by our regular materiality assessments, the Committee provides guidance for the business on all aspects of CSR strategy, agrees on targets and monitors our performance across the company. The Committee has five members and is chaired by Virginia McDowell. The Company Secretary attends all CSR Committee meetings to record the minutes and provide advice to the Directors. The Head of CSR and Directors of Responsible Gaming, AML, Payments, International and UK Compliance along with the Group HR Director are normally invited to attend each meeting and the Chief Privacy Officer and Group Health, Safety, Security and Environment (“HSSE”) Director may be invited to attend from time to time to participate in discussions about data protection and HSSE matters respectively.

Sitting below the Board CSR Committee, the CSR Steering Group consists of functional leaders from across the business, including Investor Relations, HR, Legal, Health, Safety and Security, Operations and Communications. Convened by our Head of CSR, the Group oversees implementation of the CSR strategy, co-ordinating delivery across all operating units and central functions.

In addition, a small team of CSR advisers sits at the corporate centre, which includes our external advisers Carnstone Partners Ltd. Together they advise the Board CSR Committee and other internal bodies, assist the operational units and review our environmental and social performance data. With regard to external engagement, we keep abreast of developments in the responsible investment market and monitor the environmental, social and governance policies (“ESG”) and standards of our largest investors. We review their reports on GVC with interest and work hard to ensure that our CSR priorities and reporting reflect their expectations.

In line with this process we have actively engaged with key ESG indices and are pleased to report that following respective annual reviews, GVC has been admitted to both the FTSE4Good and Dow Jones Sustainability Indices (DJSI). We are proud to have been awarded a Bronze Class distinction by RobecoSAM in recognition of our excellent sustainability performance. We will continue to engage with these and other ESG indices going forward.

We have a policy of not making political contributions; in practice this means we would never support political parties or organisations associated with political parties, be it in kind or through cash donations.
The Ladbrokes Coral acquisition brought together two companies with different cultures and operating models. GVC is now significantly larger and more geographically diversified. During 2018, we invested time and effort in drafting a Group CSR strategy to bring together the best of both worlds and create joint momentum.

In the development process, we consulted widely with colleagues internally and experts externally, while also benchmarking ourselves against industry peers, adjacent sectors and expected regulatory developments. We also drew heavily on our latest materiality assessment, and we plan to adapt the strategy accordingly in the future.

The result is an emerging framework, based on a deep understanding of our sector and where it is heading, providing structure and accountability to the issues we have identified as important to us as to our stakeholders. The strategy rests on three important and interrelated pillars for our business:

- **Safer Gambling** – leading the industry in providing safe environments for customers to enjoy their gambling experience;
- **Responsible Employer** – becoming a destination employer where all colleagues can thrive; and
- **Responsible Communities & Markets**, ensuring we leave a positive footprint in the communities and markets we serve.

Each pillar comes with its own objectives, activities and policies, and together, we hope, they add up to something greater than the sum of their parts. The pillars are supported by our **Responsible Business Operations**, capturing the foundational issues that we have to manage daily as a modern corporation. Some of those issues are legal requirements, but others simply depend on acting honestly, openly and with integrity.

**FAIR PLAY – OUR CSR STRATEGY**

Growing a global socially responsible and sustainable betting and gaming business

**SAFER GAMBLING**
- Understanding our impact and minimising harm
- Rewarding leisure experience

**RESPONSIBLE EMPLOYER**
- Responding to imbalance
- Providing quality employment

**RESPONSIBLE COMMUNITIES & MARKETS**
- Responding to societal needs
- Positive economic footprint

Built on responsible business operations

- Ethics
- Compliance
- H & S
- Security
- Environment
- Data Protection
- AML/Fraud
- Suppliers
SAFER GAMBLING IS ONE OF THE THREE CORE PILLARS CONSTITUTING GVC’S CSR STRATEGY. WE ARE COMMITTED TO BEING LEADERS IN SAFER GAMBLING PRACTICES AND HAVE RECENTLY LAUNCHED SEVERAL FLAGSHIP INITIATIVES TO HELP TRANSFORM OUR SECTOR.

Since 2016, we have increased the headcount of colleagues working in compliance and safer gambling by over 450%. This has, of course, come at a cost but maintaining a reputation for fairness and integrity is vital to growing and maintaining our business in the long term. Our approach to safer gambling ensures that we maintain best practice standards across the business and, where possible, the industry as a whole. GVC is fully aligned with the UK Gambling Commission’s principal objectives to ensure that gambling is:

- crime free;
- fair and open;
- children and vulnerable people are protected.

To find out more about our approach to safer gambling visit our website: gvc-plc.com

CHANGING FOR THE BETTOR

In February 2019, we launched our Changing for the Bettor strategy to help us raise our standards further. To our knowledge, this is one of the most ambitious and far-reaching safer gambling strategies ever launched within our industry. The guiding principle of the strategy is to further establish GVC as the most trusted and enjoyable betting operator in the world. The campaign comprises seven pillars, each of which have substantive projects attached:

1. Understanding the problem and best solutions
   Including a five-year research project with the Division on Addiction, Cambridge Health Alliance – a Harvard Medical School teaching hospital (further details to follow on page 9).

2. Educating our key stakeholders
   Including the national roll out of youth education programmes with the charity GamCare in the UK – the largest project of its kind in the UK, as well as a state school awareness campaign with EPIC Risk Management.

3. Promoting responsible attitudes
   Leading the industry in recently agreeing to a ban on pre-watershed gambling adverts on television, around live sports.

4. Empowering customers
   Rolling out the Senet ‘markers of harm’ algorithm to all UK facing parts of the business.

5. Funding treatment for those in need
   Doubling our donation to research, education and treatment on problem gambling to 0.2% of gross gaming revenue (GGR).

6. Championing responsible product design
   Developing more responsible product design principles.

7. Drive cultural change within our business
   Ensuring that a safer gambling approach underpins all aspects of our business.
Investment in rigorous research is fundamental to GVC’s commitment to better understand and reduce the potential for problem gambling behaviour. Accordingly, we have committed £5m to a five-year partnership with Harvard Medical School’s Division on Addiction, Cambridge Health Alliance. GVC will provide the Division with access to anonymised player data across a range of its brands, sports-betting and gaming products.

The research will be broad-ranging, focussing on a number of areas including:
- Patterns of normal internet gambling behaviour
- Behavioural markers of gambling problems among internet players generally and on specific betting and game types
- Cross-product analyses
- Cross-brand analyses
- The effects of the expansion of gambling in new markets

Within this approach, researchers will seek to evaluate the effectiveness of algorithms used by GVC and other operators to detect at-risk behaviours, assess the effectiveness of intervention messaging and the impact of operators’ responsible gaming tools.

**Providing an exciting and fair leisure experience**

Gambling is an exciting adult leisure pursuit and we want our customers to enjoy betting and gaming with us. We have a globally diverse customer base, from all economic groups. At GVC, we are committed to offering the best customer experience, providing them with an enjoyable, efficient, secure, fair and socially responsible service. Our employees are trained to support this commitment and, to check our performance, we continually seek the views of our customers and encourage feedback on our employees and services.

**IN ADDITION TO OUR FLAGSHIP RESEARCH PARTNERSHIP WITH THE DIVISION ON ADDICTION AT HARVARD MEDICAL SCHOOL, WE CONTINUE TO FUND AND SUPPORT OTHER RESEARCH INTO RESPONSIBLE GAMBLING BEHAVIOURS...”**

---

**Changing for the Bettor** – our safer gambling strategy – is built on no less than seven pillars. This is testament to the fact that safer gambling is a multi-faceted issue with no one single silver bullet for preventing gambling related harm.

We were very clear when we launched our strategy that it should not remain a static document, but instead would be constantly evolving and adapting as new opportunities and challenges occur. We are currently working on a number of projects, including additional treatment provision for gambling related harm, digital app therapy provisions, the use of AI to help minimise harm and our research partnership with Harvard.

We are determined that responsible gambling is a non-negotiable part of the way we do business, and “Changing for the Bettor” is our considered attempt to lead the way in minimising the risk from gambling related harm. Watch this space.”

*Grainne Hurst*
Director of Responsible Gambling, GVC

2019 marks the first year of the five-year research collaboration between The Division on Addiction and GVC to better understand and reduce the potential for problematic online gambling behaviour. In the first 12 months, we are focusing on three activity streams:
- **Relationship building.** We have had multiple remote and in person meetings to share insights with each other about our organisations, understandings of addiction and previous research findings.
- **Knowledge and education.** We are communicating with GVC regarding their responsible gambling/gaming education needs and requirements. We also are engaged in knowledge translation activities, such as participating in a shared session at Global Gaming Expo and planning an EU education trip.
- **Data and data analytics.** GVC will be sharing its anonymised player records with us to advance our understanding of the GVC player base and its risks. These activities currently include data transmission and understanding, developing our initial data analysis and paper plans, and drafting pre-registration documents for our planned papers.

Taken together, these early-stage activities will lead to important new journal articles and presentations that will inform GVC and the wider sector about the latest insights into safer online gambling.”

*Debi LaPlante, Ph.D.*
Director, Division on Addiction, Cambridge Health Alliance
Assistant Professor, Harvard Medical School
In our UK retail business, for example, we monitor customer satisfaction through feedback, complaints and independent audit as an integral part of our employee incentive and reward programmes. This has huge benefits for the business since we know that the higher scoring shops in terms of customer satisfaction also perform better in financial terms.

**Promoting responsible gambling behaviours**

We strive to keep our customers informed and able to control their gambling behaviour, by providing adequate information on how to gamble responsibly, regular messages about their spending history, and tools to help customers better control their activity, e.g. by setting limits on spend. During 2018, 51% of our customers used one or more of our responsible gambling tools, while the equivalent number for new customers was 76%.

All of our customer facing colleagues are trained to promote responsible gambling behaviours, to intervene when they spot the signs of problem gambling and to support our customers when they run into difficulties. We undertake a central analysis of customer spending to spot signs of abnormal activity, and our digital algorithms and alerting systems help our teams to identify “at risk” behaviour.

In Q4 2018, we announced a three-year agreement with EPIC Risk Management (EPIC), an independent gambling harm minimisation consultancy. In addition to extensive safer gambling training activities internally, the agreement includes the delivery of face-to-face gambling awareness and education programme for schools. Based on the performance of an initial 50-school pilot programme, it is intended that the courses will be delivered to children across UK state schools in the coming years, with the aim of enabling them to make more informed decisions around gambling upon reaching the age of 18. The programme will be independently evaluated by academic experts.

2018 saw the number of self-exclusions more than doubling. We see this as an indicator that our systems are working and that awareness levels around safer gambling are on the increase. The launch of GamStop, the UK national online self-exclusion scheme, also played a part in increasing the numbers.

The number of customer interactions regarding problem gambling also increased significantly, as we unified our approach across the Group. GVC employees will always encourage individuals with a potential gambling problem to seek advice and further help from the various national gambling helplines, including GamCare in the UK, which we support.

In addition to our flagship research partnership with the Division on Addiction, Cambridge Health Alliance at Harvard Medical School, we continue to fund and support other research into responsible gambling behaviours. **Starting this year, we have doubled our donations to research, education and treatment on problem gambling to 0.2% of UK gross gaming revenue, equivalent to £4m.**

We have made an ambitious commitment to bring this number up to 1% (£20m) by 2022.

Where possible, we work with the rest of our industry on responsible gambling issues and are active participants of the Association of British Bookmakers (“ABB”), the European Gaming and Betting Association (“EGBA”) and the Remote Gambling Association (“RGA”).

In 2018, we also joined the US National Council on Problem Gambling’s (“NCPG”) President’s Circle. GVC has made a long-term commitment to NCPG, which is the world’s longest established NGO dedicated to addressing issues surrounding problem gambling. Through its membership of the President’s Circle, GVC will support NCPG’s ability to promote responsible gambling behaviours and address areas of problem gambling. In addition, GVC will help to fund “The National Survey of Gambling in America”, a major new study which aims to identify the prevalence of gambling within the US and establish a baseline for the levels of problem gambling behaviour. Through the research it is hoped that all stakeholders will be able to gain a better understanding of the issue.

Ladbrokes and Coral were founding members of the UK industry self-regulatory body The Senet Group, to which GVC now belongs. This is an independent body set up to promote responsible gambling standards across the industry and share best practice. We support the Senet Group’s responsible gambling advertising campaigns and provided a further £735,000 in 2018 to support this. As part of Ladbrokes’ sponsorship of the Scottish Professional Football League (“SPFL”), we have also taken the step to feature “When the Fun Stops, Stop” messaging on players’

---

**The overall aim of our partnership is for GVC to become the most pro-active operator for prevention of gambling harms but also the most responsible in ensuring effective treatment for those who still need it. To meet this objective, 2019/20 will see us working with:**

- GVC’s senior team to continue to create culture change from the very top;
- The retail estate and digital teams to review all current processes, products, interactions and structures and advising accordingly;
- Initial 50-school pilot programme to deliver face-to-face gambling awareness education courses to help children to make better informed choices at the age of 18 and reduce the probability of harms;
- The Scottish Professional Football League’s 1st team squads and community to educate them about responsible gambling;
- Leading charities such as the Samaritans to pool expertise and knowledge and provide support to those who need it most; and
- Universities, we hope - a population which is particularly vulnerable to gambling harm due to access, money and peer pressure.

We have always had one rule - we don’t just tick a box and we will only work with operators that genuinely want to change. We firmly believe that Changing for the Better is the initiative and strategy that has the most substance; it is realistic and it is measurable. Already there is a huge amount of substance and action, and this is just a start. It is an exciting time to be working together.”

**Paul Buck**
Chief Executive EPIC Risk Management
shirts throughout the new season, in addition to featuring in all match programmes, on LED boards and on interview backdrops. Since its launch in 2015, the campaign, developed by the Senet Group, has reached an estimated 82% of regular UK gamblers with the explicit aim of driving positive behaviour change. In April 2019, we announced that the Group would no longer promote its brands on the shirts or on advertising boards of UK football clubs. Marketing activities already contracted would instead be used to promote responsible gambling messaging or that of our charitable partners. Accordingly, we gifted the remaining year of our Betdaq brand’s shirt sponsorship of Sunderland AFC for the 2019/20 season to Children with Cancer.

In total, we estimate that we will divert £1.8m of our marketing spend towards responsible gambling messaging and charitable advertising for the 2019/20 football season. This figure covers our SPFL partnership as well as individual sponsorship agreements with seven English clubs.

In October 2018, we were a major supporter of the Industry Group of Responsible Gambling’s ("IGRG") Responsible Gambling week, raising awareness amongst customers and the wider public about how to gamble responsibly, the tools that are available to keep gambling safe and fun, and where help and support are available for those who need it. The campaign was widely supported by employees in all our retail stores and offices.

We also promote multiple harm minimisation initiatives through spending more than £2.5m in support of responsible gambling and gaming charities. These include in the UK, the Responsible Gambling Trust (now operate as GambleAware), GamCare, Young Gamblers Education Trust (YGAM), the UK National Problem Gambling Clinic, the Gordon Moody Association and other national gaming addiction and support charities in Austria, the Spielsucht hilfe Gemeinnuetziger Verein, and in Spain, FEREJ.

Keeping crime out of gambling

One of the key risks to the health of our employees and our customers is breaches of security on our premises, such as robbery and theft. We have invested heavily in CCTV across our retail estate, both to help reduce the number of incidents and to help protect employees and customers. Reducing crime and anti-social behaviour is a key priority for us.

Our efforts across our retail estate have, to date, been focused on monitoring customer conduct, defusing anti-social behaviour and avoiding potential property damage. During 2018, we were pleased to see the number of robberies and robbery attempts decrease by a quarter across our UK retail estate.

We remain committed to ensuring that money launderers, terrorists, those financing terrorism and other criminals, cannot launder the proceeds of crime through GVC’s products or services. We have scrutinised abnormal customer betting and gaming activities both in our shops and online in order to spot gambling related crime (such as fraud and money laundering). We have also continued to be vigilant and active on all matters relating to sports betting integrity, including through our membership of the Sports Betting Integrity Forum (SBIF), which manages Britain’s Action Plan for protecting integrity in sport and sports betting. Bringing together representatives from betting operators, sports governing bodies, trade associations, law enforcement and gambling regulation, the Forum exists to address the risks of match-fixing and other threats to sports betting integrity.

Our dedicated Anti-Money Laundering (AML) teams ensure compliance with AML and anti-terrorism financing legislation wherever we operate. We have established a comprehensive compliance programme, including detection and monitoring systems across all our business activities. All relevant staff are trained regularly in the GVC AML processes and procedures covering: what money laundering is and what threats to sports betting integrity.

The Dow Jones Sustainability Index gave GVC a maximum rating for our anti-crime policy and measures.

Key performance indicators – measuring our performance in responsible gambling

<table>
<thead>
<tr>
<th>Category</th>
<th>2018 Group total1</th>
<th>2017 Group total1</th>
<th>2016 Group total1</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and in-kind contributions towards responsible gambling charities</td>
<td>£2,506,000</td>
<td>£2,334,777</td>
<td>£1,792,500</td>
</tr>
<tr>
<td>Customer interactions regarding problem gambling</td>
<td>1,124,079</td>
<td>302,609</td>
<td>357,144</td>
</tr>
<tr>
<td>Customer complaints</td>
<td>13,503</td>
<td>19,690</td>
<td>24,323</td>
</tr>
<tr>
<td>Customer complaints which specifically relate to a gambling transaction</td>
<td>2,771</td>
<td>4,688</td>
<td>5,121</td>
</tr>
<tr>
<td>Self-exclusions made</td>
<td>334,765</td>
<td>164,178</td>
<td>141,087</td>
</tr>
<tr>
<td>Safe and Secure visits</td>
<td>7,066</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Burglaries and burglary attempts</td>
<td>127</td>
<td>95</td>
<td>87</td>
</tr>
<tr>
<td>Shop robberies and robbery attempts</td>
<td>163</td>
<td>222</td>
<td>n/a</td>
</tr>
<tr>
<td>Street robberies</td>
<td>9</td>
<td>14</td>
<td>12</td>
</tr>
<tr>
<td>DJSI rating of our anticrime policy and measures</td>
<td>n/a2</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

1 Proforma figures for both GVC and Ladbrokes Coral combined business for the relevant calendar year.
2 2018 DJSI results have not been released at time of publication.
3 Shop robberies and robbery attempts KPI restated to reflect updated methodology that includes robbery attempts in addition to shop robberies.

Customer complaints for the combined Group fell by 31% in 2018.

Where possible, we work in partnership with local authorities and other bodies to ensure gambling remains crime free. Our UK partners include Crimestoppers, the Association of Business Crime Partnerships and the Safe Bet Alliance (SBA). We also continue to support the SBA’s National Standards for Bookmakers.
We are an international business with more than 25,000 colleagues in 20 countries worldwide, 77% of whom are employed in Great Britain.

Best practice employment standards and frameworks

The acquisition of Ladbrokes Coral, and the consequent nine-fold increase in employee numbers, has prompted us to review our workplace standards and policies across our global businesses. This work is ongoing, and we will be able to report further next year.

In mid-2018, we launched our GVC Code of Conduct, summarising the standards, principles and policies that underpin GVC and what we expect from everyone who works for us or does business with us. The Code is now built into our employee induction and training processes to ensure all employees are fully aware of what is expected of them and what they, in return, can expect from the business. The Code forms the foundation of our global employee framework and is consistent with the International Labour Organisation core labour standards and supports the Universal Declaration on Human Rights.

Throughout the past year, we have begun the integration of the new people plan Ladbrokes Coral initiated as part of the Fit for the Future campaign. The people plan was designed to support our colleagues throughout their employee journey and help them develop and progress their careers:

- The first part of the plan is to ensure we have the right operating model, with everyone clear on roles and responsibilities;
- We will then focus on recruiting the right people into the business and ensure that all new starters get the right induction into the business and feel supported as they start their journey with us;
- We are concluding the roll-out of a two-day face-to-face induction programme to train all new shop colleagues on aspects of running our shops, serving our customers, important aspects of Health and Safety and their role in promoting responsible gambling;
- Our structured training programme, Foundations, will support our colleagues to be great in their roles, and our development programme, Advance, will help those who want to grow in their careers and move upwards;
- Communication is an important part of our plan, ensuring that the key messages reach our colleagues, so they are clear about their objectives and feel a part of GVC;
- We then focus on Performance Development, and creating a highly supportive, highly challenging environment where colleagues can shine, and
- Finally, recognising and rewarding great performance.
“GVC IS AN INCLUSIVE, PEOPLE-DRIVEN BUSINESS. AS OUR INTERNATIONAL OPERATIONS GROW, WE RECOGNISE THE NEED TO IDENTIFY, RETAIN AND PROMOTE TALENT FROM A VARIETY OF BACKGROUNDS.”

2019 has also seen the launch of our health and wellbeing strategy, Well-me. This is a targeted three-year plan to enhance the physical and emotional wellbeing of all GVC colleagues. The strategy comprises six focus areas:

1. **Leadership alignment.**
   We will provide education about wellbeing and emphasise the importance of leaders role-modelling our values and behaviours.

2. **Colleague touchpoints.**
   Our programme will be delivered across multiple colleague touchpoints, from recruitment and induction to performance management, reward and learning and development.

3. **Wellbeing Champions.**
   We will engage volunteers across the business to communicate and act as advocates for health and wellbeing initiatives.

4. **Live Well.**
   A campaign to improve diet, lifestyle and social inclusion. Providing education, practical advice and courses run; periodically to raise awareness and build skills e.g. financial management, nutrition, team events, etc.

5. **Think Well.**
   A campaign to enhance mental health. We will train an internal team to act as subject matter coaches, train mental health first-aiders and provide line managers with mental health awareness training. eLearning will be available for colleagues plus courses on stress management and resilience.

6. **Work Well.**
   We will audit and optimise working environments where we can, review working practices for their impact on health and wellbeing and provide tools, targeted support and resources to support the wellbeing programme.

Year one of Well-me is all about laying the foundations, developing wellness awareness, training line managers, reducing stigma around mental health, providing targeted support for those who are struggling, offering preventive tools and implementing a robust measurement system to understand colleagues’ needs and the impacts of the strategy.

25,000+ employees, our people are our greatest asset. We aim to be a destination employer for talented and passionate people. At GVC, we need a high level of competence across the business to meet our business goals and to respond to the ever changing markets we operate in.

Enabling a rewarding and inclusive environment

GVC is an inclusive, people-driven business. As our international operations grow, we recognise the need to identify, retain and promote talent from a variety of backgrounds. Whilst 49% of our employees across the business are female, only 22% are currently represented at the most senior levels. This represents an improvement of 13% since 2016, but we recognise we still have work to do. At Board level, the share of females has increased to 25%. Gender remains one of the key areas of consideration for the Nominations Committee and the Board, together with a candidate’s experience, knowledge and skills.

In 2018, we launched our international diversity and inclusion (D&I) strategy, which outlines a 3-year roadmap towards a more inclusive business. We are initially focussing on gender equality, which will help us to address a disappointing annual decline in females in management positions and in March we established an internal global women’s network through our GVC intranet site. We have trained over 250 of our senior leaders in understanding unconscious bias and inclusive leadership and in July, we launched Horizon, our group-wide females in leadership programme. This will be supported in 2019 by a new mentoring programme, return to work initiatives, and a focus on encouraging more women into digital and technology roles.
This year we will broaden the programme to address wider diversity characteristics such as ethnicity, sexual orientation and disability. As part of this, we will appoint executive-level sponsors to champion different strands of diversity. In 2019, we will be conducting a global all employee engagement survey. Additional future priorities include reviewing our full employee lifecycle from an inclusion perspective to remove any bias in our processes, as well as focusing on succession planning and internal promotion.

GVC is a flexible employer that enables people to work around their existing commitments. During 2018, over 42% of our UK colleagues chose to work part time, to accommodate childcare arrangements, studying or other personal responsibilities. At the start of 2019, we began the roll-out of enhanced maternity and parental leave provisions.

We will also be re-launching a programme of flexible working and encouraging new models of working in both our retail and digital businesses. At GVC, we are preparing to meet the new UK reporting requirements on CEO pay ratios and long-term incentive outcomes, effective as of 1st January 2019 with mandatory disclosure in annual reports the following year. While the mean (UK) employee to CEO pay ratio in 2018 was high, this was due to the vested value of legacy awards under the 2015 LTIP, granted at the time of the acquisition of bwin.party. The high proportion of UK employees working part time is another contributing factor. The new policy remuneration framework, adopted in 2017, will result in much lower levels of total vested remuneration from 2019 and thus a more balanced pay ratio.

### Key performance indicators – measuring our performance in responsible employment

<table>
<thead>
<tr>
<th></th>
<th>2018 Group total¹</th>
<th>2017 Group total¹</th>
<th>2016 Group total¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees worldwide</td>
<td>25,541</td>
<td>26,413</td>
<td>28,556</td>
</tr>
<tr>
<td>Female employees</td>
<td>12,422</td>
<td>12,883</td>
<td>12,946</td>
</tr>
<tr>
<td>%</td>
<td>49%</td>
<td>49%</td>
<td>45%</td>
</tr>
<tr>
<td>Part-time employees</td>
<td>10,497</td>
<td>10,657</td>
<td>15,525</td>
</tr>
<tr>
<td>%</td>
<td>42%</td>
<td>46%</td>
<td>67%</td>
</tr>
<tr>
<td>Employee Engagement Index³</td>
<td>53%</td>
<td>57%</td>
<td>68%</td>
</tr>
<tr>
<td>Absenteeism rate¹</td>
<td>2.25</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Females in all management positions, including junior, middle and senior management (as % of total management workforce)</td>
<td>37%</td>
<td>48%</td>
<td>-</td>
</tr>
<tr>
<td>Employees from ethnic minority background⁵</td>
<td>10.1%</td>
<td>13.5%</td>
<td>15.7%</td>
</tr>
<tr>
<td>Employee training investment</td>
<td>£1,520,182</td>
<td>£1,495,467</td>
<td>£1,400,000</td>
</tr>
<tr>
<td>Median hourly pay difference between male and female colleagues (Gender Pay Gap)⁶</td>
<td>2.9%</td>
<td>2.5%</td>
<td>-</td>
</tr>
<tr>
<td>Mean hourly pay difference between male and female colleagues (Gender Pay Gap)⁶</td>
<td>17.0%</td>
<td>15.5%</td>
<td>-</td>
</tr>
<tr>
<td>Median bonus pay difference between male and female colleagues⁷</td>
<td>25.0%</td>
<td>25.0%</td>
<td>-</td>
</tr>
<tr>
<td>Mean bonus pay difference between male and female colleagues⁷</td>
<td>84.5%</td>
<td>75%</td>
<td>-</td>
</tr>
</tbody>
</table>

1 Proforma figures for both GVC and Ladbrokes Coral combined businesses for the relevant calendar year.
2 Covers Ladbrokes Coral employees based in Great Britain and all GVC employees.
3 Note that between 2017 and 2018 there was a change in the supplier engagement survey questions and collection method, this change in methodology means that the 2018 score is difficult to compare to 2017. Covers UK based Ladbrokes Coral employees only. 79% of UK Ladbrokes Coral employees participated.
4 Data covers all UK employees. Comparable data between Ladbrokes Coral Group plc and GVC Holdings PLC prior to the merger in 2018 is not available.
5 Covers Ladbrokes Coral employees based in Great Britain.
6 Disclosure includes all colleagues based in Great Britain employed as at 5 April 2018 by GVC Holdings PLC or its subsidiary employing entities.
7 Disclosure includes all colleagues based in Great Britain employed in April 2017 by Coral Group Trading Ltd, Coral Racing Ltd (CRL), Ladbrokes Betting & Gaming Ltd (LBGL) and Ladbrokes Coral Group plc.

### Gender Diversity – females as % of employees

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GROUP BOARD</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>0%</td>
<td>13%</td>
<td>25%</td>
<td>0%</td>
<td>13%</td>
<td>25%</td>
<td>0%</td>
<td>13%</td>
<td>25%</td>
</tr>
<tr>
<td>Female</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>SENIOR MANAGERS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>9.7%</td>
<td>21.0%</td>
<td>28.0%</td>
<td>9.7%</td>
<td>21.0%</td>
<td>28.0%</td>
<td>9.7%</td>
<td>21.0%</td>
<td>28.0%</td>
</tr>
<tr>
<td>Female</td>
<td>9%</td>
<td>17%</td>
<td>22%</td>
<td>9%</td>
<td>17%</td>
<td>22%</td>
<td>9%</td>
<td>17%</td>
<td>22%</td>
</tr>
<tr>
<td><strong>ALL EMPLOYEES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>45%</td>
<td>49%</td>
<td>49%</td>
<td>45%</td>
<td>49%</td>
<td>49%</td>
<td>45%</td>
<td>49%</td>
<td>49%</td>
</tr>
<tr>
<td>Female</td>
<td>55%</td>
<td>51%</td>
<td>51%</td>
<td>55%</td>
<td>51%</td>
<td>51%</td>
<td>55%</td>
<td>51%</td>
<td>51%</td>
</tr>
</tbody>
</table>

GVC is a flexible employer that enables people to work around their existing commitments. During 2018, over 42% of our UK colleagues chose to work part time, to accommodate childcare arrangements, studying or other personal responsibilities. At the start of 2019, we began the roll-out of enhanced maternity and parental leave provisions.

We will also be re-launching a programme of flexible working and encouraging new models of working in both our retail and digital businesses. At GVC, we are preparing to meet the new UK reporting requirements on CEO pay ratios and long-term incentive outcomes, effective as of 1st January 2019 with mandatory disclosure in annual reports the following year. While the mean (UK) employee to CEO pay ratio in 2018 was high, this was due to the vested value of legacy awards under the 2015 LTIP, granted at the time of the acquisition of bwin.party. The high proportion of UK employees working part time is another contributing factor. The new policy remuneration framework, adopted in 2017, will result in much lower levels of total vested remuneration from 2019 and thus a more balanced pay ratio.

### Gender Diversity – females as % of employees

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>0%</td>
<td>13%</td>
<td>25%</td>
</tr>
<tr>
<td>Female</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>GROUP BOARD</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>9.7%</td>
<td>21.0%</td>
<td>28.0%</td>
</tr>
<tr>
<td>Female</td>
<td>9%</td>
<td>17%</td>
<td>22%</td>
</tr>
<tr>
<td><strong>SENIOR MANAGERS</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>45%</td>
<td>49%</td>
<td>49%</td>
</tr>
<tr>
<td>Female</td>
<td>55%</td>
<td>51%</td>
<td>51%</td>
</tr>
<tr>
<td><strong>ALL EMPLOYEES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>45%</td>
<td>49%</td>
<td>49%</td>
</tr>
<tr>
<td>Female</td>
<td>55%</td>
<td>51%</td>
<td>51%</td>
</tr>
</tbody>
</table>

GVC Holdings PLC | Corporate Social Responsibility Report 2018/19
We contribute to the local economy through employment and taxes, and by directly supporting the communities in which we are located. In 2018, GVC group paid over £627m in wages, salaries and pension contributions alone.

In the UK, Ladbrokes Coral is present in nearly every town and major city, representing 76% of our employment base. Although our markets are global, 90% of our employees are located across Europe, and it is there where we have the greatest economic impact.

Contributing to the economy by paying taxes and levies
During 2018, we paid around £949m in taxes and levies in 20 countries. Within our retail estate, the presence of bookmakers also has a positive economic impact on local high streets. For example, a survey by ESA Retail found that 89% of betting shop customers in the UK combine their trip with visits to other local businesses, and more than half of the respondents said they usually spend more than £10 in other local shops during these trips.

Engaging with and investing in our local communities
By making both financial and pro bono contributions through employee involvement, we support communities and charities around the world. During 2018, more than £3.1m was donated by the GVC Group to charitable causes, including responsible gambling charities. As a part of this, over £119,000 was spent to help prevent crime and anti-social behaviour and support victims of crime in our communities.

£949m
paid in taxes and levies in 20 countries during 2018.

£3.1m
donated by the GVC Group to charitable causes during 2018.

OUR IMPACT ON SOCIETY EXTENDS BEYOND OUR COMMERCIAL OPERATIONS. IT IS OUR AMBITION TO BE A POWERFUL FORCE FOR GOOD IN THE COMMUNITIES IN WHICH WE OPERATE AND SERVE.
During 2018, we reviewed the impact of our operations in some of the key markets we serve, for example the UK and Germany, and have developed a new community investment strategy. The community investment strategy is backed by the launch of our GVC Community Fund, with £2m of seed funding to support charitable causes. Run and administered by the UK Community Foundation, the Fund will focus its financial support around the key themes of supporting grassroots, women’s and disability sport as well as mental health and men’s health issues. We expect the first grants, ranging up to £5,000, to be awarded to local community-based projects later this year.

In addition, during 2018, GVC launched an ambitious three-year partnership with SportsAid to support the next generation of British athletes. The partnership will see 50 of the country’s brightest sporting prospects receive direct funding, recognition and personal development opportunities annually. We have also made a commitment to support the German Athlete’s Association with an annual donation of €200,000.

In the second half of 2019 we will be unveiling additional initiatives in continental Europe and the US to further internationalise our community contribution programme.

The aim of our partnership with GVC is to provide recognition and help to young sports people and their families – to give them a helping hand at a crucial time. In addition, SportsAid’s mission is to also offer useful insight and information and to provide a voice to the next generation on their journey in sport. It is clear to me that GVC has a welcome curiosity to the role they can play, the reach to raise awareness of the charity’s work and the desire to make a positive difference to SportsAid’s mission.

For 2019 – the first year of our multi-year partnership – the key priority is to turn our plans into action. Among other things, we will host the class of 2019 athletes and their parents at a workshop at the London velodrome where they will meet various subject experts as well as Olympians and Paralympians. Later in the year, SportsAid Week will provide an opportunity for the athletes, staff and other stakeholders to come together to talk about the partnership and understand more about one another’s world. Through the company’s deep connection to sport and its great communications platforms, I hope GVC can play a key role in SportsAid Week.

At a time when companies are beginning to think much more about developing and engaging the human capital in their business, sport is intrinsically linked to values such as integrity, loyalty, teamwork and ambition and can be a great vehicle to bring this engagement to life. We are excited about the variety and innovation we may see in this partnership with GVC and in the impact we can create together.”

Tim Lawler
Chief Executive, SportsAid

Key performance indicators – measuring our performance in communities and markets

<table>
<thead>
<tr>
<th></th>
<th>2018 Group total¹</th>
<th>2017 Group total¹</th>
<th>2016 Group total¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net gaming revenue (NGR)</td>
<td>£3,571.4m</td>
<td>£3,288m</td>
<td>£2,999m</td>
</tr>
<tr>
<td>EBITDA</td>
<td>£755.3m</td>
<td>£666.5m</td>
<td>£523.4m</td>
</tr>
<tr>
<td>Taxes paid²</td>
<td>£949m</td>
<td>£797m</td>
<td>n/a</td>
</tr>
<tr>
<td>Wages and salaries³</td>
<td>£627.1m</td>
<td>£678.5m</td>
<td>n/a</td>
</tr>
<tr>
<td>Cash and in-kind contributions towards responsible gambling charities</td>
<td>£2,506,000</td>
<td>£2,334,777</td>
<td>£1,558,450</td>
</tr>
<tr>
<td>Cash and in-kind contributions towards charitable causes, excluding LCT and donations towards responsible gambling charities</td>
<td>£403,000</td>
<td>£439,122</td>
<td>£646,140</td>
</tr>
<tr>
<td>Donations by LCT⁴ in the UK</td>
<td>£273,000</td>
<td>£93,379</td>
<td>£264,881</td>
</tr>
</tbody>
</table>

¹ Proforma figures for both GVC and Ladbrokes Coral combined businesses for the relevant calendar year.
² Includes corporation tax, business rates, foreign tax, Machine Games Duty (MGD), Amusement Machine Licence Duty (AMLD), employers, National Insurance Contributions (NIC), VAT, and other duties and levies.
³ Including pension contributions and share-based payment costs.
⁴ Ladbrokes Coral Trust.
A strategic partnership with SportsAid which will support both talented individuals and national sporting excellence programmes in the lead up to the next Olympics.

£10m
raised for the Ladbrokes Coral Trust over 15 years. This was originally founded in 2003 and over the past 15 years has raised and distributed over £10 million to registered UK charities.

£2m
pledged for the new GVC Community Fund to support charitable causes. At GVC we are committed to contributing to the economy, the industry and the society in which we operate and where our customers are located.

£240,000
We donated £240,000 to GamStop, the national online self-exclusion scheme for UK gamblers.

At GVC we are committed to offering the best customer experience and so we put customers at the heart of our business.

We engage with and invest in our local communities and respond to local and national societal needs.
RESPONSIBLE BUSINESS OPERATIONS

RESPONSIBLE BUSINESS OPERATIONS CONSTITUTE THE BASE LAYER OF OUR CSR STRATEGY; ACTIVITIES RANGE FROM REDUCING OUR ENVIRONMENTAL IMPACT TO SAFEGUARDING PERSONAL DATA. THESE ARE THE NON-NEGOTIABLE ISSUES THAT SUPPORT OUR LICENCE TO OPERATE AND DEMONSTRATE OUR COMMITMENT TO INTEGRITY AND GOOD GOVERNANCE.

Integrating our businesses
Since the acquisition, we have been working to integrate GVC’s responsible business approach with that of Ladbrokes Coral. Our aim is to take learnings from both operations to create policies, processes and commitments to responsible business that work well across the new Group and within local markets. The work remains ongoing.

The first step was to develop a new Code of Conduct, as described on page 12. We will continue to build a transparent approach to responsible business as we develop an integrated whistleblowing code and supplier code during 2019. We also intend to revise and put more policies in the public domain, in line with our desire to be as transparent about our CSR performance as possible.

Protecting our customers and keeping our data safe
Data is increasingly the lifeblood of our sector; it matters to us and all our stakeholders. Having effective data and information security systems in place is only a first step to protecting our customer and corporate information. Human behaviour can be the biggest threat to maintaining cyber security.

The EU-wide General Data Protection Regulation (GDPR) came into force in May 2018. In the run-up to this date, we established a GDPR steering committee, led by the Group Director of Legal, Regulatory & Company Secretariat to focus our work and ensure compliance. Adhering to the new rules will be an ongoing effort on our part with our Technology Governance team continuously assessing the risks and controls around security and IT operations alongside the Internal Audit function. Training on GDPR and cyber risks was a big theme in 2018 and will continue to be so in 2019.

In 2018, we established a new Data Privacy team, led by GVC’s Chief Privacy Officer, tasked with aligning the enlarged company’s data privacy strategy and governance structure. We have maintained our ISO 27001 Information Security Management System certification and, during the year, harmonised our security policies across the wider Group, with a particular emphasis on raising the ‘data IQ’ of our employees and suppliers. We are planning to start disclosing privacy KPIs in our next CSR report, covering activity in 2019/20.

Financial conduct
GVC aims to create the highest standards of financial conduct across the business, both through robust policies and systems and working to create a culture of responsibility. We run a suite of targeted training courses to help our employees spot money laundering and fraud in their day-to-day work, particularly for the UK retail business.

Through the Ladbrokes Coral business we have also taken a proactive approach to financial conduct. Working with the UK Government as part of a large multi-agency intelligence network of partners sharing intelligence on organised crime (GAIN), Ladbrokes Coral was also a founding member of the Gambling Anti-Money Laundering Group (GAMLG), a UK industry collaboration in response to the 4th EU money laundering directive.
Health, Safety, Security and Environmental Management

Health, Safety, Security and Environmental management (HSSE) are important priorities for us. We are taking steps to encourage a positive health and safety culture throughout the business and to maintain a safe environment for our customers and colleagues. Created in 2017, our HSSE policy and management framework is now integrated fully across GVC’s operations, supported by Group HSSE standards and performance targets. The management system is based on a proactive and predictive risk approach where we can identify risks early, allowing us to make changes to our management system controls as needed. The system enables us to:

- Protect the health, safety, well being and security of our colleagues, suppliers and other persons who can be affected by our operations;
- Reduce our environmental impacts;
- Ensure that the GVC Group is compliant with legal and other requirements;
- Set and monitor performance targets related to HSSE performance; and
- Establish long-term partnerships with suppliers who share our commitment to HSSE.

Environment

We have used the integration of Ladbrokes Coral businesses into GVC to identify opportunities for reducing our environmental footprint. Carbon reduction has been a long-term strategy for Ladbrokes Coral, having had emissions targets in place since 2006. At GVC, we maintain the focus and have adopted a strategic approach to our scope 3 carbon emissions from external data centres. As part of the acquisition, we have started work on merging data centres, to unlock cost and carbon savings. Historically, the primary focus for both Ladbrokes Coral and GVC has been reducing their carbon footprint, which continues to be the most significant environmental impact across the Group. We also look at the wider environmental picture, monitoring and reducing water use and waste across our major offices and retail estate.

With the added scale of the Group, we have started the development of a new Environmental Management System (EMS), ultimately to be certified to ISO14001 standard. This included the appointment of a dedicated Environment Manager. The EMS will be implemented in a phased manner through the Group, starting with Ladbrokes Coral Group in the UK. We anticipate that complete ISO14001 certification will be in place by the end of 2020. Alongside the development of an EMS, we are in the process of revising our wider corporate policies and procedures to include environmental measures, thus setting sustainability at the heart of how we operate. This will be focussed on our procurement policy, procedures and supplier contracts as well as our transport policy and procedures, taking account of our supply chain footprint, as well as emissions associated with corporate mileage.

Going forward, GVC will continue to adopt low carbon technology, capture energy savings and reduce our emissions. We particularly focus on electricity and gas used on our premises and in our data centres, which together make up the bulk of our carbon footprint. Having established the Group baseline, we have a three-year target of reducing the Group’s greenhouse gas emissions on a per capita basis by 15%.

---

Scope 1 and 2 emissions chart (Tonnes CO₂e)

<table>
<thead>
<tr>
<th>Year</th>
<th>Scope 1</th>
<th>Scope 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>80,589</td>
<td>2,467</td>
</tr>
<tr>
<td>2017</td>
<td>78,122</td>
<td>2,753</td>
</tr>
<tr>
<td>2018</td>
<td>64,628</td>
<td>3,304</td>
</tr>
</tbody>
</table>

-15% reduction in the Group’s greenhouse gas emissions on a per capita basis by 2021.

GVC will continue to adopt low carbon technology, capture energy savings and reduce our emissions.”
WE ARE NOT JUST MANAGING SOCIAL RISKS IN OUR SUPPLY CHAIN, WE ARE ALSO INCREASINGLY LOOKING AT THE ENVIRONMENTAL IMPACTS OF SUPPLIERS AND BUSINESS PARTNERS.

Sourcing responsibly and engaging with our suppliers

Modern slavery and human trafficking are on the increase, and slavery has become an important issue in several countries in which we operate. According to the International Labour Organisation, almost 25 million people are estimated to be trapped in forced labour; 16 million of whom are exploited in the private sector. We take this issue seriously and prohibit all forms of slavery, both in our own operations and within our extended supply chains.

Our approach is guided and reinforced by our Code of Conduct, and Environmental, Social, and Ethical Purchasing Policies which are communicated to all employees and explicitly referenced in our terms of engagement for all suppliers and business partners.

At the end of 2018, we introduced a New Supplier Form and onboarding process which includes specific requirements that any third-party must have compliant anti-modern slavery and human rights policies in place. Using the Walk Free Foundation Global Slavery Index, any supplier in a high-risk country will be subject to an enhanced social and environmental risk check carried out by our procurement team. Procurement managers can also trigger such checks using their discretion and experience. Our two key objectives between now and 2021 are to migrate 100% of our critical suppliers onto the new SRM system and for 100% of suppliers in high-risk countries to be subject to enhanced social and environmental risk checks. We will report on these KPIs and how our approach evolves in future years.

We describe our approach in more detail in our recently published Slavery and Human Trafficking Transparency Statement.

Although we have put in place steps to monitor and prevent modern slavery within our business and supply chain, we believe that we are at a low risk due to the nature of our business and the skill levels required from our employees and business partners. Our workforce is highly skilled, due to the technical and highly regulated nature of our offering, and we have a relatively small supply chain compared to other high street retail businesses. We minimise use of temporary labour in our shops or offices, and any temporary contractors at our head offices are vetted before being appointed.

As mentioned in the previous section, we are not just managing social risks in our supply chain, we are also increasingly looking at the environmental impacts of suppliers and business partners. This is an area we will continue to develop in 2019 and beyond.

Key performance indicators – measuring our performance in our business operations

<table>
<thead>
<tr>
<th></th>
<th>2018 Group total¹</th>
<th>2017 Group total¹</th>
<th>2016 Group total¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer satisfaction rate (%)²</td>
<td>57</td>
<td>61</td>
<td>60</td>
</tr>
<tr>
<td>Whistle-blowing incidents reported and investigated</td>
<td>2</td>
<td>25</td>
<td>13</td>
</tr>
<tr>
<td>Employee accidents³</td>
<td>297</td>
<td>140</td>
<td>647</td>
</tr>
<tr>
<td>Employee reportable incidents³</td>
<td>12</td>
<td>0</td>
<td>29</td>
</tr>
<tr>
<td>Public accidents</td>
<td>287</td>
<td>235</td>
<td>559</td>
</tr>
<tr>
<td>Public reportable incidents</td>
<td>3</td>
<td>0</td>
<td>7</td>
</tr>
<tr>
<td>Energy usage (kWh)⁴</td>
<td>155,771,722</td>
<td>184,901,000</td>
<td>196,796,108</td>
</tr>
<tr>
<td>Scope 1 GHG emissions (tonnes CO₂e)⁵</td>
<td>3,304</td>
<td>2,753</td>
<td>2,467</td>
</tr>
<tr>
<td>Scope 2 GHG emissions (tonnes CO₂e)⁵</td>
<td>43,268</td>
<td>61,875</td>
<td>78,122</td>
</tr>
<tr>
<td>Total GHG emissions (tonnes CO₂e)⁵</td>
<td>46,572</td>
<td>64,628</td>
<td>80,589</td>
</tr>
<tr>
<td>GHG efficiency (tonnes CO₂e per employee)</td>
<td>1.8</td>
<td>2.4</td>
<td>2.8</td>
</tr>
<tr>
<td>Water use (cubic metres)⁶</td>
<td>434,475</td>
<td>569,980</td>
<td>294,761¹</td>
</tr>
<tr>
<td>Waste (tonnes)⁷</td>
<td>13,811</td>
<td>8,587</td>
<td>161¹</td>
</tr>
</tbody>
</table>

¹ Proforma figures for both GVC and Ladbrokes Coral combined businesses for the relevant calendar year.
² This rate covers digital customer satisfaction across Ladbrokes, Coral and Gala brands.
³ The increase in 2018 reported employee accidents and incidents is partly attributable to improved reporting practices. Health and safety data covers employees based in Austria, Bulgaria, Gibraltar, India, Ireland, Israel, Italy, Spain, UK, Uruguay. This makes up 99% of our overall headcount. Figures shown are prorated to 100% coverage.
⁴ Emissions from our global operations include those arising from our businesses in Australia, Austria, Belgium, Bulgaria, Gibraltar, India, Ireland, Israel, Spain, UK, Uruguay. This makes up 99% of our overall headcount. Figures shown are prorated to 100% coverage.
⁵ Based on UK Defra/BEIS greenhouse gas reporting; conversion factors 2018; except for electricity conversion factors which are based on IEA/OECD CO2 emissions from fuel Combustion 2018. Includes Scope 1: Direct emissions from the combustion of fuel, and Scope 2: Indirect emissions from the purchase of electricity. Excluding fugitive emissions from refrigerants, which represent less than 2% of GHG emissions from our business operations.
⁶ Water data is sourced from our operations in Austria, Belgium, Bulgaria, Gibraltar, India, Ireland, Israel, Philippines, UK and Uruguay. This makes up 95% of our overall headcount.
⁷ Does not include data from Coral businesses.
⁸ Waste data is sourced from our operations in Austria, Bulgaria, Gibraltar, India, UK and Uruguay. This makes up 86% of our overall headcount.
⁹ GVC only. No comparable data available for Ladbrokes Coral.
While we continue building a firm foundation for maximising our positive impacts in the years to come, the majority of our objectives remain process and policy-driven. The balance will tip towards hard targets as we build our capacity to deliver.

**Safer gambling**
- Doubling the amount we donate to problem gambling research, education and treatment bodies to 0.2% of UK gross gaming revenue, rising gradually to 1% by 2022;
- Starting the provision of safer gambling awareness and education programmes for school children through our partnership with EPIC;
- Pioneering new approaches to transparent reporting on responsible gaming and betting, developing robust metrics in partnership with our peers; and
- Developing our partnership with Harvard Medical School to better understand and reduce the potential for problem gambling behaviour through rigorous research.

**Responsible employer**
- Creating a “one GVC” culture across the company, harmonising policies and developing our employer proposition around a shared set of values and opportunities;
- Embedding and broadening our initiatives to continuously strive to make GVC an inclusive employer of choice where people can succeed and progress in a meritocracy; a company where “everyone is in the game”; and
- Rolling out Well-me, a targeted three-year plan to enhance the physical and emotional wellbeing of all GVC colleagues.

**Responsible communities and markets**
- Start distributing funds from the newly established GVC Community Fund through grants of up to £5,000 around the key themes of supporting grassroots, women’s and disability sport as well as mental health and men’s health issues; and
- 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.

**Responsible business operations**
- Taking steps towards reducing our GHG emissions (scope 1 and 2) by 15% by 2021 on a per capita basis; and
- Further streamlining our approach to supplier management, ensuring our value chain partners share our high social and environmental standards.
YOUR FEEDBACK

We welcome your feedback on this report or any aspect of our CSR programme. For more information on how to get in touch, check out the contacts section of our Group website: https://gvc-plc.com/