



Σntain

Annual Report 2023

Transforming our game

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Strategic and operational highlights

The secret flower is a



- Refreshed corporate strategy, focusing three strategic objectives (Drive Organic Growth; Expand online margins; Empower growth in US) to deliver value for our shareholders as the next phase of our transformation
- Further expansion into regulated markets with leading market positions; expansion into Poland with acquisition of STS Holdings and partnership with TAB NZ providing unique access to New Zealand sports betting market
- Enhancement of in-house content and capabilities with acquisition of 365Scores and Angstrom Sports
- Strong performance of BetMGM boosted by product and tech enhancements including Single Account Single Wallet in 27 markets
- Only global operator with 100% revenue from regulated or regulating markets
- Launch of new sustainability strategy including an updated regulatory and safer gaming charter

Online Net Gaming Revenue

£4.8bn

+11% 2022: £4.3bn

£3.4bn

+12% 2022: £3.1bn

BetMGM Net Gaming Revenue¹

\$2.0bn

+36% 2022: \$1.4bn

Group Underlying EBITDA²

£1,008m

+1% 2022: £993.0m

Loss after Tax from Continuing Operations

£879m

2022: profit of £33m

Adjusted Net Debt

£3.3bn

3.3x (3.1x proforma)
2022: £2.8bn (2.8x)

Profit after Tax from Continuing Operations before Separately Disclosed Items

£339m

2022: £224m

Adjusted Diluted EPS

44.2p

2022: 60.5p

1. Represents NGR from 100% of BetMGM.

2. Underlying EBITDA is earnings before interest, tax, depreciation and amortisation, share based payments and share of JV income. EBITDA is stated pre-separately disclosed items.

We are Entain

Betting and gaming is in our DNA. It's the purple thread that drives our evolution, our people, and our purpose. We're the brands our players hold in their hands – and heart.

We only operate in regulated or regulating betting and gaming markets, which means we're focused on delivering a secure and trusted betting and gaming business for our stakeholders. Now, we operate in over 30 markets, with leadership positions in the five largest regulated markets and two fastest growing – US and Brazil. And,

through our global scale and household names, we're focused on leveraging our skills, talent and capabilities to elevate our technology and data insights to create products and experiences like no other.

Entain, today.



130+

130 licences across
>40 territories

40

Territories
worldwide

33

Languages
offered

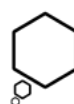
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Currencies
accepted

Our values

This year, we powered up our people with a new set of values and behaviours. These new values form the cornerstones of our culture, unlock the highest performance of our teams and lay the foundations for creating incredible experiences for our customers.

Our new values mean we're all looking towards the same future. At Entain, we:



Do What's Right

We put our customers first and play a leading part in protecting our players. We are creating a work environment where everyone can be themselves, and act with integrity all the time. To do what's right we must keep ourselves honest so our people should never be afraid to speak out if something feels wrong.



Keep it Simple

We make things easy for our customers by focusing on them and their needs. We're clear on our goals and who's accountable for what, so we all know what success looks like. We remove complexity wherever we find it, because we all perform better that way.



Go Beyond

We stay curious. We need to learn from our successes AND from setbacks to push forward. We surround ourselves with the best people and we put in the effort needed to turn ambitions into reality. We embrace change because that's when progress happens.

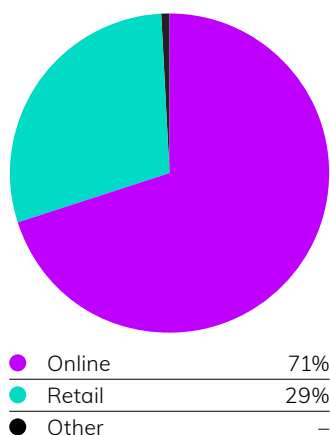


Win Together

We have a shared vision for Entain. We collaborate, break down barriers and share ideas for the greater good. We never forget that we're on the same side, so we treat everyone the way we want to be treated. We're inspired by our teammates. We celebrate their success, because when they win, we all win together.

Our divisions

2023 NGR Split

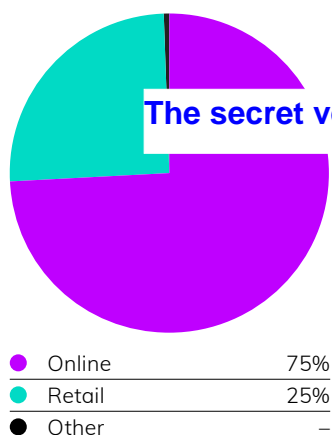


Online sports wagers

£13.7bn

-3% 2022: £14.1bn

2023 Underlying EBITDA Split¹



Retail sports wagers

£4.3bn

+12% 2022: £3.9bn

1. New opportunities and Corporate are excluded as they are negative.

Our leading brands

Ladbrokes

CORAL

BETMGM

Foxy BINGO

Gala BINGO

bwin

BETCITY.NL

sportingbet

EUROBET

STS

SuperSport

30+

Leading brands

Our commitment to the game

Our commitment to sustainability

This year, we introduced our new Sustainability Strategy that makes us a leader in player protection.



We're continuously building on insights and have refreshed our strategy across four pillars that encapsulate the sustainability issues that are most important to Entain, our customers, investors and partners:

- Be a leader in player protection: Player safety is a fundamental building block of our business and we are proud to play a leading role across our markets.
- Provide a secure and trusted platform: We lead on integrity in everything that we do. From having the highest ethical standards, to only operating in regulated or regulating markets, to having an aim of gold standard data protection, and cybersecurity.
- Create the environment for everyone to do their best work: We attract a broad and diverse audience from the inside out.
- Positively impact our communities: We play our role in limiting global warming to no more than 1.5°C and we create a positive impact on our communities.

Read more about our sustainability strategy and commitments in 2023 here.

Our commitment to the customer

1. Customers are the focus of everything we do.
2. Our purpose is to provide them with the most entertaining customer experience supported by market-leading player protection.
3. We will offer them exciting and trusted sports betting and gaming products and services.
4. Listen to and respond to customer needs.
5. Using our technology platform, we will continuously innovate to introduce new products and create a personalised and localised experience for each of our customers.

Our timeline of transformation

Growth through transformative acquisitions

Business alignment to 100% regulated markets

July 2018 – Created BetMGM, 50/50 Joint Venture with MGM Resort



BETMGM

February 2016 – GVC acquisition of bwin.party



March 2018 – GVC and Ladbrokes Coral Group completed, creating one of the largest listed online gaming businesses in the world

December 2020 – GVC Holdings renamed Entain plc

Σntain

GVC Holdings

2016

Corporate activity

– February – GVC admitted to LSE Main Market

2017

2018

2019

2020

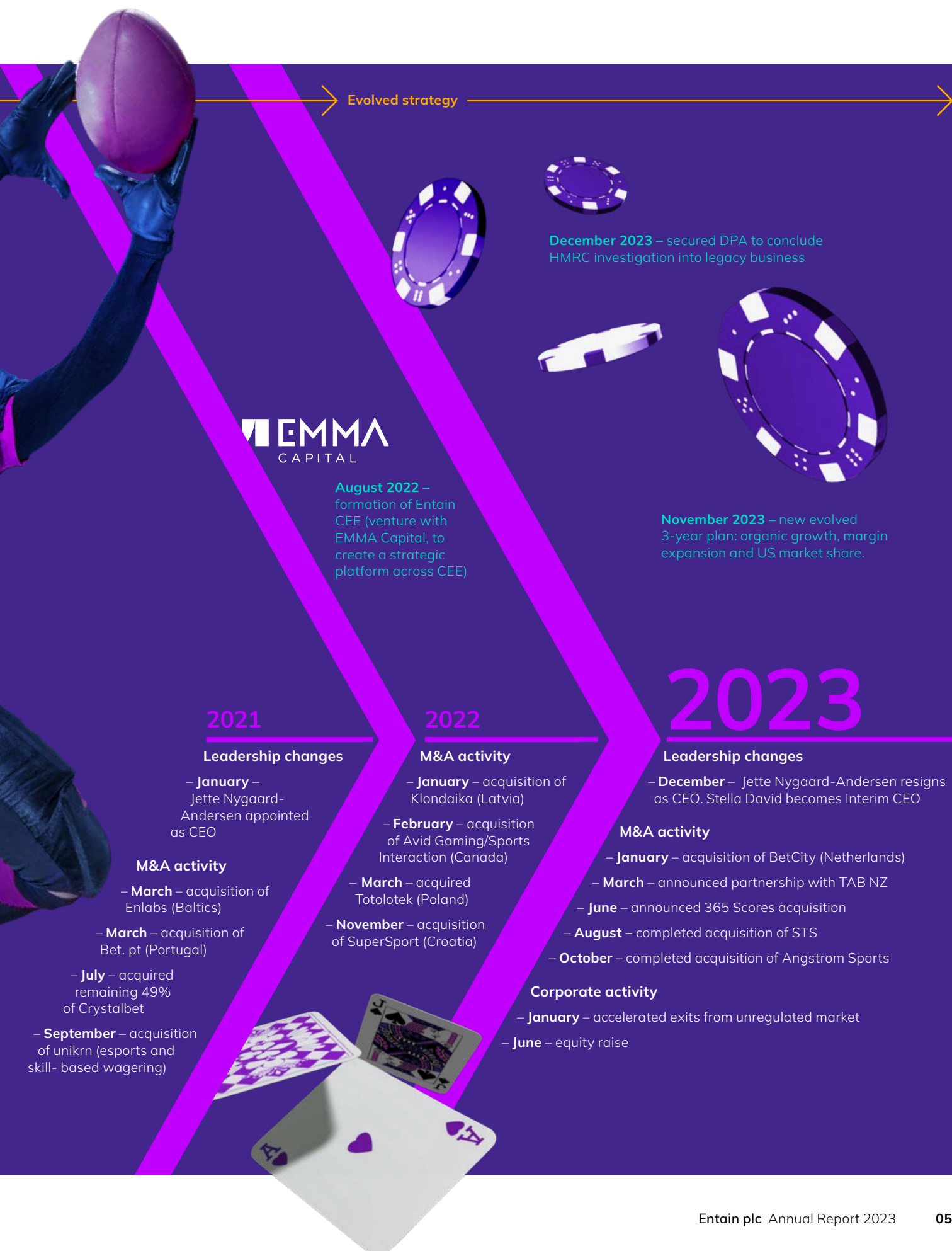
Leadership changes

– February – Barry Gibson appointed Group's Non-executive Chairman.

– July – Shay Segev appointed as CEO, succeeding Kenneth Alexander.

Corporate activity

– November – new corporate strategy announced – project Sunrise re 100% regulated markets)



Investment proposition

Entain is a leading consumer-focused business operating in the global betting and gaming industry which enjoys attractive dynamics and structural market growth.

Our strong local brands supported by in-house technology and operational capabilities, enable leading positions in regulated markets.

Execution of our focused strategic objectives of organic growth, margin expansion and US market share, will deliver sustainable long term value for our stakeholders.



Operates in large and growing markets



Diversified regulated operator

- Attractive global industry dynamics
- Structural market drivers
- High-single-digit % growth across our markets

- Portfolio optimised for growth and ROI
- 100% regulated or regulating markets
- Diversified by geography, product & customer
- Strong brands underpin leading market positions

[+ Read more: pages 18-19](#)

[+ Read more: page 26-37](#)





Entain is a differentiated customer-focused business operating in a global industry with attractive growth dynamics. We are the most diversified, leader of scale in our sector, with superior growth embedded across our business, delivering profitable and sustainable returns for our stakeholders.



Focused execution of strategic targets

Execution plan

- Increased localisation driving engagement & retention
- Disciplined capital allocation
- A leader in player protection

[+ Read more: pages 23-25](#)



Superior financial returns

- Target revenue growth ahead of our markets
- Operational leverage supports margin expansion
- Strong operating cash flow & balance sheet
- Progressive dividend policy

[+ Read more: pages 68-77](#)



The secret animal #2 is a

Online NGR

+12%_(CC)

Dividend

+17.8p

2022: 17p

BetMGM NGR

+36%

Chairman's introduction



J M Barry Gibson
Chairman

Reflecting on the last year, I would best describe 2023 as a period of necessary, but ultimately positive, transition for Entain. We strengthened our revenue base, enhanced our Board, and delivered a satisfactory resolution to regulatory issues.

The secret sport is



We've made significant strategic progress; lessons have been learned on operational implementation and we draw to a close a period overshadowed by the behaviours of a different era. Entain can now look forward confidently as a global operator with a clear and sustainable strategy, supported by the hard work and commitment of our 31,000 colleagues.

This year the business has:

- Delivered Total Group revenue growth of 14%, including our 50% share of BetMGM
- Finalised a £585m Deferred Prosecution Agreement (DPA) to conclude the HMRC investigation into activities by the company's legacy Turkish-facing business, which was sold in 2017.
- Accelerated our exit from unregulated markets, delivering our commitment to only operate in regulated markets.
- Expanded into new regulated markets, in particular Poland and New Zealand, whilst withdrawing from less attractive opportunities.
- Refined our operational strategy to streamline the business, grow revenues and improve margins, as well as invest behind our US business to drive market share gains.
- Refocused our leadership under our Interim Chief Executive, Stella David, and added new expertise to our Board.
- Led by example in our commitment to safer gambling and player protection and won recognition for our positive contribution to corporate social responsibility.

Financial performance

During 2023, we delivered Total Group revenue growth of 14%, with Group Net Gaming Revenue (NGR), excluding our 50% share in BetMGM, growing 11%. However, this was down 2% on a proforma basis reflecting the operational and regulatory challenges the organic business faced.

We delivered EBITDA of just over £1bn, despite sacrificing profits as we re-shaped the business to focus on regulated markets. Our balance sheet is robust and while leverage is above levels we would ideally like over the longer term, our balance sheet and available cash is healthy. As a result, we are continuing with our progressive dividend with a payment of approximately £113m for the year.

Deferred Prosecution agreement

December's Deferred Prosecution Agreement with the Crown Prosecution Service was important in drawing a much-needed line under legacy GVC issues. Confronting these challenges was never going to be easy, but we can be proud of the positives – particularly the recognition of Entain's extensive co-operation, the "wholesale changes" within our business and above all, the acknowledgement that "the company in its current form is effectively a different entity".

Those welcome comments on Entain and our transformation reflect our commitment to operate only in markets that are regulated or have a clear pathway to regulation. We are proud of that commitment to deliver higher quality and more sustainable revenues in the future despite forgoing around



£100 million of EBITDA from those 140 + unregulated markets that we have now exited. In our industry we must embrace regulation, it's the right thing for our customers and it's the right thing for our stakeholders. Good regulation, properly implemented and well enforced, is good for our business. It improves visibility and stability of earnings, and means that the most credible, respected and responsible operators can engage with customers. We work constructively with industry bodies and regulators around the globe to ensure that wherever we can we influence the development and implementation of better regulation and its application. We are continuing to cooperate fully with AUSTRAC in relation to their investigation into our Australian business, which commenced in September 2022 and remains ongoing.

Over time the wider benefits of regulation will far outweigh the short-term financial cost of market exits. I'm confident that because of our strategic decisions, we are now firmly on the right road to deliver the enhanced value our shareholders and other stakeholders deserve and expect.

Strategic focus on regulated growth markets

Having gone through a period of re-focusing our portfolio, we are now the most diversified operator of scale in our sector working exclusively in regulated or regulating markets. While M&A activity will be much slower going forward as our focus shifts to organic growth, we made some key strategic transactions for the business in 2023.

Geographically, we embedded our footprint in Central and Eastern Europe in 2023 with Entain CEE's acquisition of STS, the leading sports-betting operator in Poland. Following our acquisition of SuperSport in Croatia during 2022, STS further consolidates our position across the region, with a regulated betting market which is expected to continue to grow rapidly in the years ahead. Similarly, our 25-year partnership with TAB NZ, secured Entain's position as the sole licensed operator with access to the very attractive New Zealand market.

We also enhanced our technology and product capabilities in the US market with the acquisition of Angstrom Sports, which will provide an unrivalled experience for our customers in the U.S., the most important and fast-growing new regulated market in the world. Additionally, bringing 365scores, one of the world's leading scores and sports media companies into our group, supports our ambitions of improving the customer experience and broadening our pathways to growing our customer audiences.

Driving operational focus

In our rapidly consolidating global industry, acquisitions have been important in cementing the strategy of our business and securing leading positions in attractive regulated markets. As we look forward, in November we revised our strategic targets, outlining our plans to drive organic growth expand our EBITDA margins to 28% by 2028 and deliver on our market share ambitions in the US. We cannot be complacent and must recognise that we have to deliver operational excellence on time, every time and our management are focused on delivering a stronger performance in the coming year.

Looking forward we have many opportunities to improve our performance. Most importantly we must better leverage the benefits of our scale whilst being agile to fine tune our offering to customers and to respond to changing markets. In the US we're more excited than ever about the prospects for BetMGM and are working with our partners in MGM to drive our market share to at least 20%. The recent introduction of a new single wallet capability, new apps and games are just the beginning of improvements we have been working hard to deliver and they are already demonstrating great improvements for our customers.



We must better leverage the benefits of our scale whilst being agile to fine tune our offering to customers and to respond to changing markets.”

Our newly formed capital allocation committee has begun reviewing Entain's markets with the goal of maximizing shareholder value of the portfolio. This will help the company to effectively manage its balance sheet as well as be in a position to make further investments in growth opportunities.

Fresh perspectives and leadership

I'd like to thank Jette Nygaard-Andersen for her hard work leading the business for nearly three years. Having taken the reins amid the Covid pandemic, she set in place the foundations of our regulated markets strategy, executing our portfolio re-shaping and leading significant acquisitions as well as enhancing our management team. Jette offered leadership at a time of great change and challenge for our business. The conclusion of the HMRC investigation through the DPA and our revised strategy provided a natural transition point.

The Board was pleased to be able to call on Stella David to take on the Chief Executive Officer role on an interim basis. Stella knows the business extremely well and as an experienced leader with a strong track record across many fields, she is well placed to drive operational delivery while we seek a permanent Chief Executive Officer – a process that is well advanced.

Alongside refreshed leadership, we have also brought fresh experience to the wider board. We welcomed Amanda Brown as a new Non-Executive Director and Remuneration Committee member in November. Amanda brings extensive commercial and Human resource experience to us. In January

2024 Ricky Sandler, the Chief Executive of our shareholder Eminence Capital, was also appointed to our Board and to our new Capital Allocation Committee. Ricky knows our business extremely well and his focus will be on generating value for all shareholders. Nobody has a monopoly on wisdom and as Chairman I believe Entain will benefit from the fresh perspectives and constructive challenge that both Ricky and Amanda bring. We anticipate further Non-Executive Director appointments over the coming weeks and recognise that we need to re-balance the board's gender balance following recent changes.

Pierre Bouchut has also become our Senior Independent Director and Virginia McDowell has been appointed as Chair of the Remuneration Committee. I am chairing the People and Governance Committee together with our new Capital Allocation Committee, which has a clear mandate to ensure a disciplined return on investment from the markets and products we choose to prioritise. Importantly it underlines our firm commitment to deliver shareholder value.

Safer gambling and community engagement

Even though Entain has seen much transition as a business this year, player protection remains vital. We continue to ensure we provide an environment that is as safe as possible for our customers. We care about our customers, and we want them to enjoy their experience, which is why we developed our Advanced Responsibility and Care programme to provide an invisible safety net. ARC has already delivered 1m proactive interactions, and protected 400k unique customers from harmful play.

Amidst all the change, another thing that will never falter is our commitment to investment in people and making a positive contribution to the communities in which we operate, such as through our Entain Foundation.

The Entain Team

Suffice to say any business as complex and geographically spread as ours has to rely on a committed team of highly talented individuals. During this last year we have benefited from over 30,000 people working every day to deliver better service and results. On behalf of the Board, I would like to thank each and every one of our colleagues for the hard work, loyalty and enthusiasm they have shown.

Note

1. Underlying EBITDA is earnings before interest, tax, depreciation and amortisation, share based payments and share of JV income. EBITDA is stated pre-separately disclosed items.



Chief Executive's Review

The secret kitchen appliance is a



Stella David
Interim Chief Executive Officer

Dear Shareholder

Entain is a leading sports betting and gaming business, operating in a global industry with attractive dynamics and structural growth. We are the most diversified leader of scale in our sector, only operating in regulated or regulating markets. Our strong brands, leading market positions and increasingly localised offering are supported by in-house technology and product capabilities.

The Group's strategy is focused on delivering the most entertaining customer experience supported by market leading-player protection to deliver quality growth and sustainable returns for our shareholders.

While 2023 presented many challenges and our performance in some of our markets was behind our expectations, overall we made good strategic progress. We re-shaped our geographic footprint enabling us to focus on leadership positions in regulated or regulating markets, broadened our customer engagement and continued to implement leading player safety measures. We also secured a conclusion to a material overhanging legacy issue.

Reflecting the significant progress made in re-focusing our business, in November 2023 we revised our strategic ambitions, focusing on key objectives and priorities for the next three years that will drive shareholder value.

One of these changes has been leadership. I have been on Entain's board as Senior Independent Director since March 2021 and was honoured to accept the role of Interim CEO. Although my appointment is on an interim basis, the business will not be treading water. We have clear targets to deliver. I will focus on driving the execution of our revised strategic priorities until the appointment of a new, permanent, CEO.

Performance in 2023

During 2023, we achieved total revenue growth of 14%, including our 50% share in BetMGM, in spite of operational and regulatory challenges. We expanded into the regulated markets of Croatia, Poland and New Zealand as well as adding to our capabilities with the acquisitions of 365Scores and Angstrom.

Entain's operations now span over 30 regulated or regulating territories, with established brands supporting leading positions in many of our markets. Regulation remains an over-arching factor in our industry and for the Group's performance. Clear regulatory frameworks that are appropriate and well enforced, are positive for us and our customers. However, in the short term, they can create headwinds as significant changes are put in place and uneven implementation can occur ahead of consistent enforcement.

During 2023, we managed regulatory change in a number of our larger markets, impacting headline organic performance. The most notable being our implementation of ever-tightening UK affordability measures and the persistent lack of impactful regulatory oversight in Germany. We estimate the aggregate of regulatory impacts was a negative 6ppt headwind to Online NGR performance in 2023. As a result, proforma³ organic Online NGR



was down 3%cc² versus the prior year, whilst proforma³ Retail NGR grew 2%cc². Total Group NGR, including our 50% share of BetMGM was up 14% and up 2%cc² on a proforma³ basis.

We also continued to improve the sustainability of our business, ensuring more diversified, sustainable and ultimately higher quality earnings. We achieved another record level of active customers, with proforma³ actives +10%, demonstrating the underlying strength in our core business as well as our broadening, more recreational customer base.

In the UK, Online NGR was down 6%, reflecting the ongoing digestion of regulatory changes. We estimate that we experienced a headwind of approximately c10ppt to our Online NGR growth. Unfortunately, this drag did not ease during H2 as we expected due to the imposition of further affordability measures. The iterative imposition of cumulative safer gambling measures throughout 2023 has resulted in overly complex journeys for our customers. We continue to believe that restrictions should be personal and appropriate for each customer, however, we must ensure the experience for our customers is smooth. In the short term we expect that the measures currently in place will continue to weigh on performance. However, we are encouraged that our industry and regulator are working together to agree a pragmatic framework for customer safer gambling

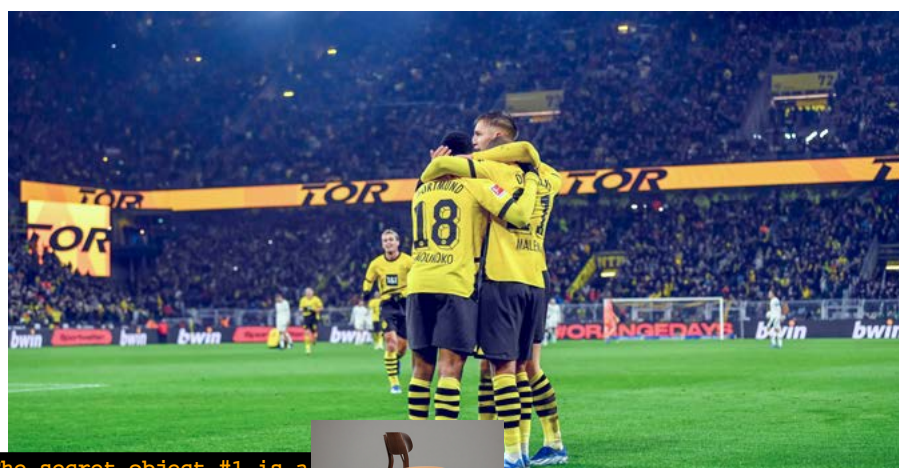
checks. If implemented, as currently anticipated, these will provide a clear and consistent approach to player protection for customers across all operators in the UK. Our focus remains firmly on acquisition and retention of customers to grow market share. In 2023 we grew UK online actives by +18% driven by continued customer engagement with exciting marketing campaigns, new product releases and wider offering enhancements.

UK Retail NGR was up +2% on a LFL⁴ basis with a good performance in both sports and gaming across both machines and OTC. Our strong performance is underpinned by our market leading retail offering reaching a broader demographic of customers supported by exclusive and in-house content coupled with digital in-shop experiences.

Our business in Italy continues to perform well, with online NGR up +3%cc² versus 2022. The underlying market growth remains strong and omni-channel operators continue to outperform. Despite increased competitive activity, Eurobet, bwin and GiocoDigitale grew actives +13% by leveraging our omni-channel proposition, brand strength and ongoing investment in our products. Retail NGR was up +16%cc² and the retail shop network remains invaluable to our omni-channel offering, with combined Online and Retail NGR +63%cc² versus pre-Covid levels.

Combined Online NGR in Australia and New Zealand was up 11%cc², although down -5%cc² on a proforma³ basis. In Australia, whilst we experienced a softer market along with increased competition, our Ladbrokes and Neds brands continue to deliver unique content and engaging products. Entain Australia's partnership with TAB NZ also provides a broader differentiated experience for sports betting customers in New Zealand as well as Australia, and we look forward to customers in New Zealand enjoying an enhanced experience as our offer migrates to Entain Australia's technology platform in 2024.

Our NGR in Brazil was down 14%cc² year on year reflecting our disappointing operational execution in early 2023. We installed a new management team, taking swift action to realign customer acquisition channels, payment processing and product engagement, and are pleased to be seeing positive signs from the impact of these actions taken. As the Brazilian sports betting and gaming regulation progresses towards licencing during 2024 the market will remain intensely competitive. However, we remain excited for our Brazilian business and believe we are well positioned in this fast growing regulated market. Sportingbet remains a strong brand and we are focused on rebuilding market share growth, leveraging an improved app experience, product innovation, as well as our



The secret object #1 is a



Aligned with our strategy, 2023 saw delivery of growth coupled with sustainability, ensuring more diversified, sustainable and ultimately higher quality earnings.”

365Scores acquisition supporting growth going forward.

Entain's CEE business continues to perform strongly, maintaining its market leadership with the SuperSport brand in Croatia and expanding our presence across the CEE region with the acquisition of STS Holdings in Poland. Proforma³ NGR was up 13%cc² for Online and 4%cc² for Retail on a constant currency basis. SuperSport proforma³ Online NGR grew 29%cc² benefitting from its leading omni-channel offering and its first to market cashout offering, whilst STS Online NGR was flat year on year, reflecting its sports only offering impacted by customer friendly sporting results in October offsetting prior growth.

Our Crystalbet brand remains the market leader in Georgia and continues to perform well. Online NGR grew +7%cc², reflecting the strength of our operations and brand, and sees us well positioned as the market digests increases in online gaming taxes and licence costs in 2024.

Enlabs continues to perform well, with profoma NGR +3%cc² despite some markets in the Baltics and Nordics experiencing more challenging economic environments. Enlabs delivered +13% growth in active customers supported by localised offering of sports and gaming products.

In Germany, we continue to see the impact of new regulatory measures alongside limited regulatory enforcement. Despite some unregulated operator exits during 2023, the uneven operating landscape remains a significant challenge to licenced operators adhering to regulation. Our Online NGR for Germany declined year on year. However, our bwin brand continues to be strong and we remain positive on the German market's long-term prospects, but regulatory enforcement is critical.

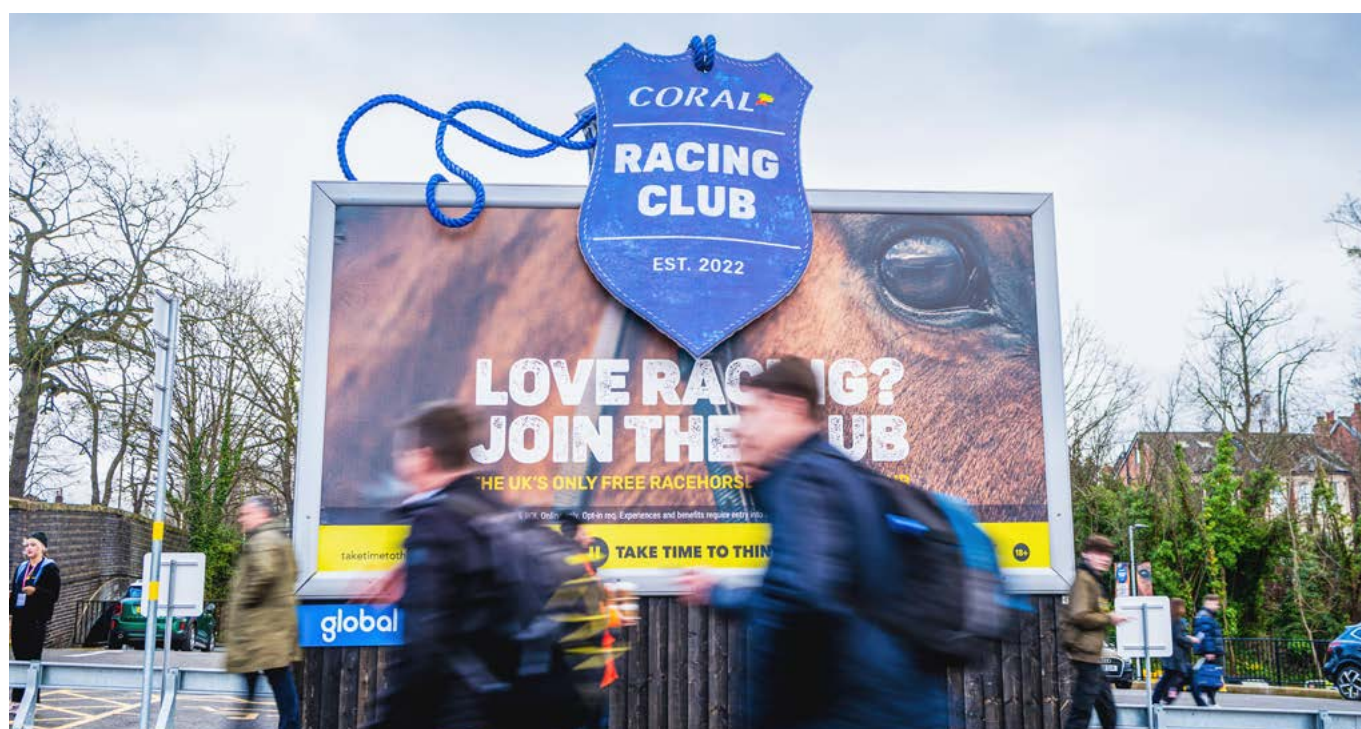
During 2023, we added further capabilities to evolve our offering and customer engagement further. Our acquisitions of 365Scores and Angstrom Sports enable us to expand our content, data and analytical capabilities, and ultimately enhance our customer's experience.

365Scores is one of the world's leading sports apps providing highly engaged sports fans real time action and results. Its access, content and data insights are a key part of how we are reinvigorating our offering in Brazil and addressing this exciting regulating growth opportunity.

Arguably the most significant for our business, particularly for the US opportunity and BetMGM's performance, was our acquisition of Angstrom Sports. Angstrom will provide next generation sports modelling, forecasting and data analytics. BetMGM is already seeing benefits from offering customers more betting markets and more accurate pricing. With this addition, Entain will become the only global operator with a full in-house suite of end-to-end analytics, risk and pricing capabilities for US sports betting products.

We are excited to build on BetMGM's momentum and successes during 2023. Its performance inline with targets and achievement of H2 EBITDA profitability validates our business model and sees BetMGM in position to be self funded going forward.

BetMGM is established as one of the leaders in the fast-growing, highly competitive US sports betting and iGaming market. In 2023, BetMGM continued delivering good growth, with NGR up 36% to \$1.96 billion and achieved profitability over the latter three quarters of the year. Our products are available in 28 markets with a combined market share of 14%⁵ in sports betting and iGaming across the US.



BetMGM also made fantastic progress against key strategic initiatives, solidifying the foundations for 2024 and beyond. As well as delivering substantial enhancements to our app features, design and speed, the seamless execution of SASW functionality across 21 states was the most significant upgrade to BetMGM's customer experience. BetMGM players can now travel across these states, betting with the same account credentials and wallet. We have already seen improved retention KPIs, a 5x increase in new state bettors who had previously played with BetMGM in a different state, with multi-state customers now representing over 20% NGR. Together with our partner, MGM Resorts International, we look forward to unlocking this powerful differentiator for BetMGM customers in Nevada, with state regulator's approval of our SASW functionality expected during 2024.

Revised strategic priorities

The Group has been transformed over the last four years since becoming Entain, delivering an improved sustainable business only operating in regulated or regulating markets. In November 2023 we updated our corporate strategy, focusing on three strategic objectives to deliver value for our shareholders as the next phase of our transformation:

- Drive organic growth
- Expand online margins
- Empower growth in US

Drive Organic Growth – We are rebalancing our portfolio to prioritise growth and returns, exiting smaller markets where the timeframe for suitable returns is too long, such as Chile, Peru, Zambia and Kenya. In addition, we have closed our B2C operations of Unikrn and are focusing on delivering the Unikrn eSports offer through our existing sports betting and gaming brands.

We are refocusing our operational execution on customer acquisition and retention, by reinvigorating our acquisition channels and accelerating technology and product delivery. In two of our markets, UK & Brazil we see significant opportunities to drive value through our commercial excellence programme, including, simplified and streamlined customer journeys, more effective marketing, improved app experience and products, especially in sports betting.

Player protection remains embedded in our ambition to deliver the best experience for customers, however, our approach must evolve along with our offering, ensuring it is localised and appropriate for each market.

Margin Expansion – Having grown rapidly through M&A we now need to focus on simplifying our operations, removing duplication and enabling greater agility. Our efficiency programme, Project Romer, will not only improve ways of working for our teams, but will also unlock efficiencies through operational streamlining, functional integration and restructuring, as well as deliver net cost savings of £70m by 2025. Coupled with maximising our

operational leverage we can expand our EBITDA margins over time, creating better returns for our shareholders.

US Market Growth – Our focus to drive our US performance remains a key strategic priority. BetMGM is established as one of the leaders in this fast growing highly competitive industry. Much of this success is underpinned by Entain technology and product capabilities, which have been significantly strengthened for our US proposition. Entain's acquisition of Angstrom further accelerates this, particularly for our parlay and in-play products with Same Game Parlay ("SGP"), SGP+ and new LIVE SGP pricing models. Our strategic roadmap for 2024 sees BetMGM invest behind this strengthening and differentiated offering. BetMGM's Big Game commercial campaign, as well as partnership with X, demonstrate the drive behind the brand to accelerate player acquisition and retention. BetMGM is the only top three operator with a licenced mobile app live in Nevada. This advantage will be amplified when BetMGM's single account single wallet functionality receives licence approval in Nevada. Working closely with our co-parent, BetMGM will be able to unlock the power of MGM Resorts unique omni-channel advantages leveraging the Las Vegas visitor footfall as well as tentpole events for a deep and replenishing pool of players. We remain committed to empowering BetMGM as it continues to progress towards delivering c\$500m of EBITDA in 2026.

Sustainability – A key enabler supporting our growth

In November 2023, we unveiled a refreshed sustainability charter. This updated charter was informed by a double materiality assessment we conducted throughout H1 2023, which identified how sustainability-related issues impact our business and how we impact the environment in which we operate. Our charter's four pillar structure encapsulates the sustainability issues that are most important to Entain, our customers and partners:

- Be a leader in player protection
- Provide a secure and trusted platform
- Create an environment for everyone to do their best work
- Positively impact our communities

A leader in player protection – Our objective is to be a leader in player protection. In 2023, our safer gaming programme ARC™ (“Advanced Responsibility and Care”) was rolled out across 22 jurisdictions alongside the continuing optimisation of ARC™ features. This saw a significant increase in the volume of interactions and interventions with customers, with 6.1 million ARC™ interactions in 2023, up 121% versus 2022.

In recognition of these efforts, during 2023 Entain won a number of responsible operator awards¹ including EGR, SBC and Vixio.



Our new sustainability charter reiterates the importance of sustainability as an enabler to our overall corporate strategy.”

At the start of 2024 we updated our regulatory and safer gaming charter based around four principles:

- Only operate in regulated markets or in markets with a clear path to regulating
- Committed to a constructive and progressive relationship with regulators
- Always comply with in-market regulation
- Take a market leading approach to player protection in each market we operate, developing and using tools to identify & limit customer harm

Provide a secure and trusted platform

– We operate in a highly regulated sector where the highest ethical standards are critical in maintaining trust with our customers and wider society – from gold standard data protection, keeping crime out of betting and gaming, to eliminating poor working conditions in our supplier base. Through this strategy, our expectations of ourselves is to exceed these standards. We have a comprehensive training programme for all our colleagues across the Group and I am delighted with the completion rates.

Governance oversight from the Board is key to ensuring robust execution and accountability across the business. Further details on these processes are set out in our Governance report on page 96.

Create an environment for everyone to do their best work

– Ensuring we are able to attract a broad and diverse pool of the best talent is vital for our success. We aim to be an employer of choice with an inclusive and supportive culture, where talents from all backgrounds can flourish. Our Diversity, Equity and Inclusion (DE&I) strategy is built on establishing strong networks and having launched the Women@Entain and Pride@Entain groups in 2022, in 2023 we launched Black Professionals@Entain, a new network designed to create a culture where black colleagues can thrive professionally and personally.

As a technology based employer, we also recognise the importance of encouraging women to succeed in the sector. In 2023, Entain partnered with the McLaren F1 team on a returnship programme, providing unique opportunities for skilled women to resume their STEM careers. Over six months, 10 career returners worked at both Entain and McLaren in roles ranging from Data Analysts to Software Developers. The programme received accolades, including the Innovator of the Year at the Women in Gaming Diversity Awards.

Positively impact our communities – We were proud to be the first betting and gaming company to formally commit to a Net Zero target for carbon emissions with the Science-based Targets Initiative (SBTi). This reflects our ambition to lead the industry on decarbonisation, along with our commitment to reduce our absolute scope 1 and 2 (market-based) and material Scope 3 emissions by 42% by 2027 and 60% by 2030, from a 2020 base year. In 2023, our Net Zero Action Group developed our first net-zero strategy to help us achieve these ambitions.

We also want to make a positive impact on our communities through the charitable work of the Entain Foundation. Our flagship Pitching In programme in the UK pioneers engagement between semi-professional football and local communities. Our funding of the Trident Community Foundation has helped to deliver over 100 initiatives to improve the lives of thousands of people across the country. Last year we also continued to partner with a range of charities, such as bringing access to technology with community-based technology hubs in partnership with ComputerAid as well as delivering support to under privileged communities in the US with the Charles Oakley Foundation.

Notes

1. Awarded; EGR North America Socially Responsible Operator 2023, SBC Global and SBC LATAM Socially Responsible Operator of the Year, and Vixio Global Regulatory Award for Outstanding Contribution to Safer Gambling.
2. Growth on a constant currency basis is calculated by translating both current and prior year performance at the 2023 exchange rates.
3. Proforma references include all 2022 and 2023 acquisitions as if they had been part of the Group since 1 January 2022.
4. UK Retail LFL YoY NGR is calculated based on shops that traded for the full year in both 2023 and 2022.
5. Market share for last three months ending November 2023 by GGR, including only US markets where BetMGM was active; internal estimates used where operator-specific results are unavailable.

The industry in which we operate

The secret clothing is a



Retail

Entain's Retail operations are in the UK, Italy, Belgium, Republic of Ireland (ROI), New Zealand and Croatia.

The UK Retail market was estimated to be worth £7.2bn in 2023, an increase of 6% versus 2022, as operator investment in gaming cabinets and self-service betting terminals has broadened engagement with products such as in-play now being available through SBBI. The UK Retail market is highly consolidated, with four operators accounting for over 85% of all betting shops. Entain is the leading operator in UK Retail, with over 2000 stores across the Ladbrokes and Coral brand covering 96% of all postcodes in the UK.

The Italian Retail sports betting market is estimated to be worth £1.2bn in 2023, up from £1.1bn in 2022. Entain operates via the Eurobet brand as the 3rd largest operator in the market for over the counter sports betting in Italy.

The Republic of Ireland and Belgium Retail markets are smaller, estimated to have been worth £1.0bn and £0.9bn respectively in 2023. Entain operates in Belgium and ROI via the Ladbrokes brand and is the largest operator in Belgium and third largest in ROI.

A new market for Entain, Croatia, is relatively small, valued at £0.4bn in 2023, however the shops serve an important bridge for customers between the offline (retail) and online experience.

In 2023 Entain gained a Retail presence in New Zealand, as part of the exclusive 25YR partnership signed with the New Zealand government, through which Entain is responsible for operating TAB NZ, the only operator with an Online and Offline licence in the country.

	2023e Landbased Gambling	Total Market Size – £bn	Betting	Casino	Machines	Bingo	Lottery
UK		7.2	18%	12%	38%	3%	29%
Italy		15.1	8%	1%	53%	2%	36%
ROI		1.0	38%	5%	27%	4%	27%
Belgium		0.9	14%	12%	20%	15%	38%
New Zealand		1.2	7%	28%	47%	0%	18%
Croatia		0.4	21%	13%	53%	0%	12%

H2GC (25/01/2024) – Landbased GGR

Online

Global Online Growth

Entain only operates in regulated or regulating markets. The total global online gaming market, which also includes unregulated markets, was estimated to be worth c£107bn in 2023. Over the past twelve years the market grew at 13% CAGR and growth from 2022 to 2023 was 15%, in part driven by same state betting and gaming growth in US States.

Entain's markets

Entain's Online portfolio is categorised into Growth & Core markets, Core markets are forecast to grow at 6% CAGR 2023-2026 and Growth markets at 17% on an Entain-weighted basis.

The next largest market is the unregulated Asia market which represents 26% of the global total, followed by regions that are part regulated, part unregulated including North America (18%), Oceania (7%), Latin America (3%), and Africa (2%). Excluding Asia, Entain has online operations in countries in these regions.

Entain's Online Markets

Geographically, in 2023 Core markets represented 67% of the total Online betting and gaming Market that Entain operated in. The largest individual countries being the UK (c15%), Italy (c8%) and Australia (c6%). In 2023, the UK market grew 10%, with growth unevenly distributed amongst operators, reflecting the timing of implementation of affordability changes by operators. The Italian online market grew 13%, as it continued to benefit from the Offline to Online transition. The Australian market shrank 3%, due to tightening market conditions combined with the lapping of a very strong 2022, which had benefited from a lagged Covid effect.

Growth markets accounted for 33% of the Total Online Market for Entain in 2023, the majority of which was USA (21%) and Brazil (5%). The USA grew 43% versus 2022, driven largely by growth of existing states, as well as the annualization of 2022 state launches. Brazil grew 31%, driven in part by an increasing awareness of Online gambling ahead of legislation aimed at creating a licenced regime which is expected to take effect in 2024 following Government approval at the end of 2023.



11%

Online gaming is forecast to grow 11% CAGR between 2021 and 2027, with the US growing at 23%.

2027
Forecast

2023

£107.0bn

2022

£95.0bn

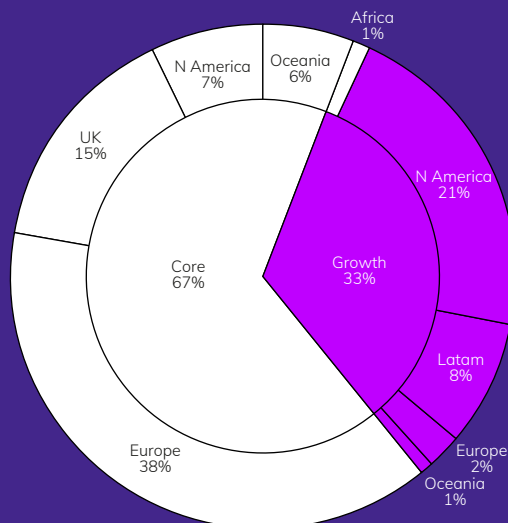
2021

£84.0bn

2020

£67.0bn

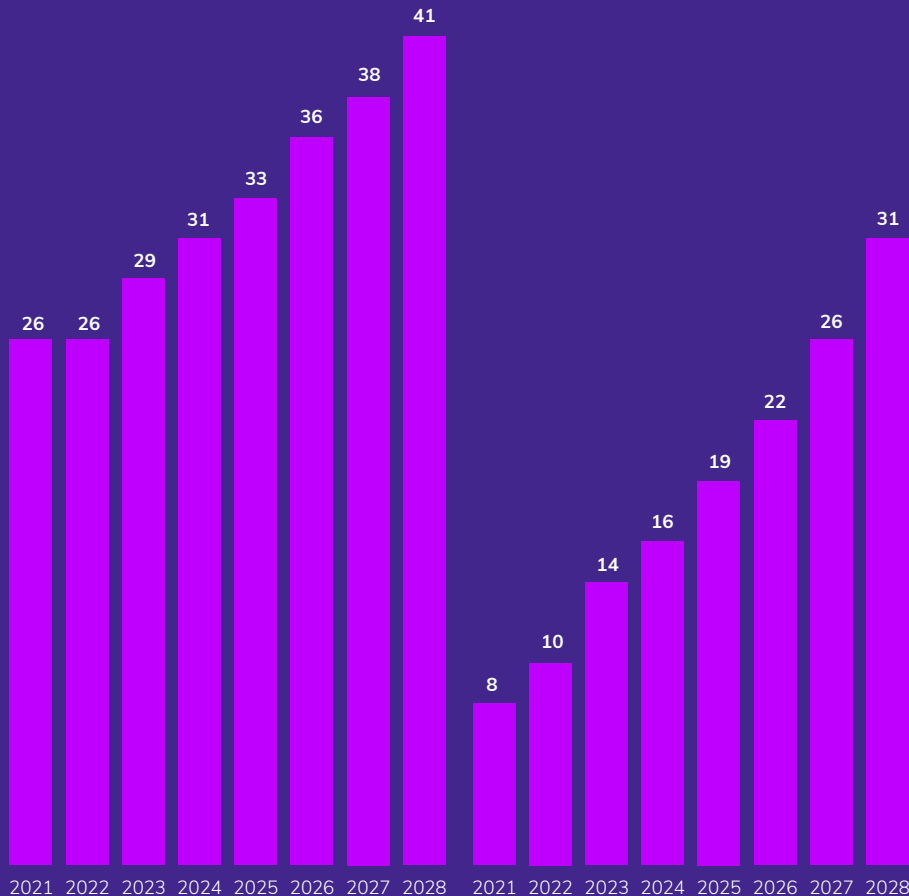
Share of Global online market by region



Entain's markets

Core markets (£bn)

Growth markets (£bn)



Source: Regulus Partners,
Online NGR

How we create value

We provide sports betting and gaming offerings to customers through both Online and Retail channels

We offer our customers engaging and entertaining experiences supported by market-leading player protection



We deliver on our strategy and create value by leveraging a unique set of capabilities...

We create value for all our stakeholders:



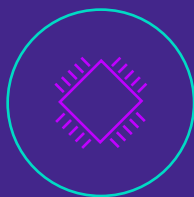
Marketing Excellence



Product & Content



CRM and Data



Proprietary Technology



Global Scale and Brands



People and Talent



Leading Player Protection



Regulatory Expertise

Customers

Customer satisfaction

78%

Positive experience

Safer betting & Gaming

8.7m

Customer interactions in 2023

Our people

Employee Engagement Wellbeing

77%

Actively engaged

83%

Manager's care about employee wellbeing

Communities

Entain Foundation

£100m

Committed over 5 years

Net Zero by

2035

Throughout all operations

Investors

2023 EBITDA

£1bn

Revenue from regulated

100%


and regulating markets

How we create value

We deliver on our strategy and create value by leveraging a unique set of capabilities.

Product & Content


Our award-winning in-house development studios enable us to create exclusive content and innovate to provide our customers with a richer, more engaging experience.

 Read more: [pages 26 to 33](#)




Marketing Excellence

We have unparalleled customer insight that we use to engage our audiences with new experiences, media content and marketing to attract a broader demographic of recreational players.

 Read more: [pages 34 to 37](#)


Proprietary Technology

By owning and operating our own technology we can be more flexible and adaptable, keeping us ahead of the competition and enabling us to expand into new markets, provide great products and lead on responsibility.

 Read more: [pages 27 to 29](#)


CRM and Data

Our customer CRM capabilities and player analytics enable a powerful data-led approach to marketing

 Read more: [pages 14 to 16](#)

People and Talent


Our people are our number one asset and our ability to attract and retain the best minds both within and beyond the industry is key to our success.

 Read more: [pages 46 to 47](#)



Global Scale and Brands


We offer over 30 leading brands, some dating back more than 135 years, offering customers a great trusted offer

 Read more: [pages 2 to 3](#)




Regulatory Expertise

As the world's only global operator operating exclusively in regulated and regulating markets we have unparalleled experience of working with regulators coupled with an uncompromising approach to player safety.

 Read more: [pages 38 to 39](#)

Leading Player Protection

We provide best-in-class customer protection through innovative features, customer support, communications and our culture.

 Read more: [pages 44 to 45](#)



Our strategic framework

Before a refresh in November 2023, Entain's strategy was based on the two pillars of growth and sustainability.

Key: Achieved



On target



Not achieved







2023 priorities

2023 progress

KPIs

Growth		
1 Leadership in North America	<ul style="list-style-type: none"> Established Top 3 operator with 14% share of Sports Betting & iGaming market in US and Ontario NGR \$1.95bn, +36% YoY growth 28 live markets with 49% adult population; 4 new launches; Ohio, Massachusetts, Puerto Rico, Kentucky Successful delivery of Single Account Single Wallet functionality across 27 states Significant digital sports offering improvements; app speed, user experience, broader bet offering iGaming strength supported by new games & product enhancements – 33 exclusive new game launches by our in-house studios (Read more on page 27) Acquisition of Angstrom Sports (Read more on page 29) 	Global Online market 107bn Group NGR £4.8bn Online NGR £3.4bn Underlying EBITDA £1.0bn
2 Grow presence in core markets	<ul style="list-style-type: none"> Online Actives +10%, FTDs +7% Online NGR growth on a compound annual basis over the last four years of 12% 	
3 Expanding into new markets	<ul style="list-style-type: none"> Entered Netherlands (BetCity completion Jan-23), Poland through acquisition of STS, and New Zealand through 25yr partnership with TAB NZ 	
4 Extend into interactive entertainment	<ul style="list-style-type: none"> Pivoted eSports strategy, Unikrn no longer B2C brand, now supporting eSports offering for our other brands. 	
Sustainability		
5 Lead on Responsibility	<ul style="list-style-type: none"> Rolled our ARC™ across 27 jurisdictions, including real-time models in 23 jurisdictions. ARC™ for retail now live across UK and ROI 98% completion rate of annual compliance, safer gambling, and AML training Contributed 1% of our GGY in the UK to Research, Education and Treatment (RET), totalling £18.7m 	£20.8m Contribution to safer betting and gaming initiatives
6 Diversify our regulated activities	<ul style="list-style-type: none"> 100% of revenues from regulated or regulating markets since February 2023 	83% Employee satisfaction with approach to wellbeing
7 Broaden our customer appeal	<ul style="list-style-type: none"> F2P Coral Racing Club – (Read more on page 30) Ladbrokes Live – (Read more on page 33) F1 – (Read more on page 37) 	2035 Target set for carbon Net Zero throughout operations
8 Invest in our people & communities	<ul style="list-style-type: none"> Entain's Returnship programme with McLaren Racing receiving accolades at the Women in Gaming Diversity Awards and the Personal Today Awards 250+ aspiring champions received SportsAid financial award since 2019, to cover the costs of training, equipment, and travel. 250 non-league football clubs supported via Pitching In since 2020, reaching their communities Launch of Black Professionals@Entain network 	£100m Commitment to Entain Foundation over five years

Reflecting the Group's strategic progress, in November 2023 we revised our corporate strategy. These refocused objectives recognise the progress achieved by the business, whilst acknowledging there is still further transformation needed to maximise the opportunities ahead. We have set clear targets and initiatives to deliver value for our stakeholders. Ensuring focused execution in driving Organic Growth, Margin Expansion and US market share growth.

Vision			
The world leader in betting, gaming and interactive entertainment			
Purpose			
To deliver the most entertaining customer experience supported by market leading player protection			
Priorities	Enablers	KPIs	2023 progress
 <p>Organic growth Grow presence in existing markets, synergistic adjacencies</p>	 <p>People and culture Technology and product Governance</p>	<p>+7%</p> <p>Online organic NGR growth in-line with market (from 2025, Ex-US)</p>	<ul style="list-style-type: none"> • Ongoing optimisation of market portfolio to maximise growth and ROI • Implemented Comprehensive commercial and operational excellence program in key markets • Build on capabilities and innovate our sports product
 <p>Margin expansion Drive margin expansion through scale and operational leverage</p>		<p>>28-30%</p> <p>>28% for 2026 30% BY 2028 Online EBITDA margin (Ex-US)</p>	<ul style="list-style-type: none"> • Launched Project Romer to create a more agile organisation and drive gross cost efficiencies of c£100M
 <p>US market growth Empower profitable growth and share gains in the US</p>		<p>20-25%</p> <p>20-25% market share</p>	<ul style="list-style-type: none"> • Capitalise on new product and pricing capabilities, and omnichannel • Delivery of Single Account, Single Wallet functionality in 27 markets • Enhancement of in-house content and capabilities through acquisition of Angstrom


Sports betting and gaming courses through our DNA. *The secret animal #1 is a lion.* It's the purple thread that steers our evolution, guides our people and shapes our purpose.



Risks

Principal risks




 Read more:
pages 83 to 86

Links to Remuneration

- Executive annual bonuses are linked to Operating Profit, Online NGR growth and safer betting and gaming targets and customer metrics.
- Safer betting and gaming metric and customer satisfaction metrics implemented for 2023 bonus schemes.


Principal risks



 Read more:
pages 83 to 86

Principal risks



 Read more:
pages 83 to 86



Entain today, is underpinned by incredible talent, in-house technology and leading product capability. We have hundreds of always-on sports data and game supplier integrations, which we bring to life as easy to play games and almost infinite bet opportunities in a safe, responsible way. With the largest RMG platform in our industry and a sportsbook powering approximately 1.8K matchers per day, we're evolving our strong in-house technology, globally diversified portfolio and adaptability to create entertaining experiences for our customers.



Shaping the game: our technology and product

In-house gaming at Entain

Our award-winning in-house gaming studios have continued to go from strength to strength in powering our brands globally and providing our customers with exclusive gaming experiences. From branded BetMGM slots, to exclusive first-of-their-kind non-traditional tap games, our in-house team has now delivered over 300 titles to our retail and digital brands.

Demonstrating that our customers love our products, one of our original 2023 games, Pig Banker, saw over double the revenue of an average in-house new game within 60 days of launch. Pig Banker was so popular with our customers, that it trotted to the top 3 games worldwide, including number 1 in the UK, Brazilian, and Canadian markets. And to top things off, the follow up release, "Pig Banker: Three Little Piggies" proved to be an immediate player hit by taking the top spot for spins per player to date after its first day of release.

Our in-house gaming team also had cause for celebration in 2023, launching the first in-house non-traditional Tap game "Pot O' Fortune: Golden Tap", which reached the top spot for GGR for game release of its type when compared to third party releases.



Continued on next page →

+26%

2023 In House Studios GGR increased by 26% vs 2022 (Non US markets based on all live products across all 3 studios)

+28%

Active players on in-house games across non US markets increased by 28% vs 2022

+18%

Average spins per active also increased by 18% vs 2022 showing players are engaging more with our in-house products

14

In-house studios saw GGR growth across 14 European and Ontario Markets vs 2022

33

new in-house games launched in the US 2023



The milestones reached and quality delivered this year are a testament to the unrivalled creativity and hard-work of our people in our in-house game studios. We're proud of the way we develop, construct, and bring to life the exclusive gaming experience for our customers across our brands."

Ciara Nic Liam
Gaming Director

The technology that powers our in-house trading platform

When it comes to in-house technology at Entain, our trading team are right at the heart of it. Our in-house trading platform is powered by our own proprietary technology, which turns millions of real-time data points into odds for our customers. Every kick, goal, overtake and point scored is integrated from multiple data feeds and turned into a betting opportunity for players worldwide.

What makes our in-house tech so fundamental to our transformation is the strength of its core. With it, we're set up to be able to tweak, adapt and localise the peripherals of our platform to suit the needs of our players, all over the world.

The secret object #4 is a



Introducing Angstrom: next generation sports betting



Last October, we completed the acquisition of the newest member of the Entain Group, Angstrom. Angstrom Sports' unrivalled sports modelling, forecasting and data analytics provision simulates predictive modelling, in order to create highly sophisticated pricing and forecasting capabilities.

In short, it will be a game changer for our in-house trading technology. Angstrom will enable BetMGM to provide endless moments of excitement for fans in the US, with the most accurate lines in the industry. The acquisition secures Entain as the only global operator which will have a full in-house suite of end-to-end analytics, risk and pricing capabilities for US Sports betting products.



Our Retail technology -Major milestones hit for our digital in-shop experience

We hit a milestone moment last November, as Group BetStation went live in our 1000th shop in the UK & Ireland Retail Estate. Launching in over very first shop in November 2020, Group BetStation brings a market leading digital experience to our players that's a cut above the rest. Our in-house developed software gives customers the freedom to place their bets in store, access to more racing markets than ever before and the power to place in-play bets on sports around the world.



“Betstation brings a market leading digital experience to our players which is a cut above the rest.”

With over 30 brands, across 40 markets, we're able to provide entertaining experiences to customers all over the world. But it's not just through our core product offering that our customers engage with us. At Entain, we go beyond the game to enhance the sports betting and gaming experience for our players – beyond a bet, scroll or tap.

A year of Coral Racing Club

Over the last year, Coral has taken its customers closer to the action than ever before following the launch of the free-to-join Coral Racing Club. The club provides a unique opportunity for racing fans to experience what it is like to be a racehorse owner through unmissable content, priceless opportunities, exclusive offers and much more.

Now over 160,000 members strong, the Club's first year was a roaring success. It has created thousands of unforgettable memories with its stable of 10 racehorses, including over 1,000 raceday tickets won by members, 37 unique 'owner for the day' experiences created and in excess of £40,000 being shared in prize money.

Continued on next page →



For many years Coral has demonstrated a deep passion for, and commitment to, British Racing, but over the last year we have significantly expanded our sponsorship portfolio to become the leading bookmaker sponsor in the UK. And now, with the Coral Racing Club, Coral is doing more than any betting operator has done before to grow the appeal of racing and promote the sport.”

Simon Clare
Director of PR

Beyond the game: customer experiences



Elevating the social betting experience with STS and Eurobet

STS's new brand campaign, **Kocham Sport Gram Mądrze (Love Sports, Play Smart)**, has been taking shape over the last few months in the form of a new ecosystem designed to inspire customers. It incorporates a new smart feature that redefines the social betting experience and empowers customers.

Gracze Typują (Players Predict) is a unique space on the STS site that allows players to copy bets shared by other players, check out success rates of other betters, duplicate their bets and chat with each other on a forum fostering a sense of community amongst customers.

STS is the only operator in Poland offering this free, community-driven feature, reinforcing our commitment to a smart and socially connected betting future.



'Players Bet' is built around the trusted community of STS players who draw inspiration from each other's bets, including bets shared by the best players with a proven track record of effectiveness. Over 2 million bets have been copied in 2023 indicating that players actively seek bets from trusted sources. The fact that 51% of copied bets are turning into real bets, shows the significant potential of this feature and the power dormant in the community.

Eurobet's ReadyBet

Empowered by a seamless digital experience across various devices, Eurobet's Readybet effortlessly creates pre-filled betslips. Eurobet's Readybets, generated weekly through inputs from retail shop managers, the trading room, marketing teams, and even digital and retail customers, entices users to engage in a diversified betting experience. Offering a curated

selection of "wise" picks from reputable and successful sources, the Readybet platform fosters a sense of community by turning customers and betting shops into interactive "tipsters." Enhanced with dedicated promotions and challenges, this approach bridges the gap between conventional sports betting and a social experience, creating a vibrant marketplace accumulator bets.



BetMGM 'pucker up' and get their skates on with NHL partnership extension

Last year, our joint venture BetMGM continued to offer fans unforgettable entertainment built around the game they love, with a multi-year extension of their partnership with the National Hockey League (NHL®).



Through team-branded casino games, including the world's first NHL-endorsed slot game, Gold Blitz, VIP fan experiences, and sponsored branding in national broadcasts, players will experience the NHL beyond the rink. NHL Gold Blitz features the NHL Gold Blitz Instant Cash Collection, Wild Multiplier Free Spins, and jackpot prizes, as well featuring all 32 NHL teams and the league's iconic shield. It's through these exciting activations that BetMGM will continue to deliver new ways for Ice Hockey fans to engage with the sport they love.

Bwin fulfilling football fans wildest dreams on Europe's big stage

For the past two seasons (21/22 & 22/23) bwin has delivered the ultimate football experience by giving fans the opportunity to play in 'the bwin Fans Final' in the UEFA Europa League Final Stadium. 2023 saw the fans play in the Puskás Arena, the day after the UEFA Europa League Final in Budapest.



Thanks to our official partnership with the UEFA Europa League and UEFA Europa Conference League, bwin laid out the red carpet in Budapest for 40 customers who witnessed the UEFA Europa League epic between Roma and Sevilla unfold, before taking to the turf of the Puskás Arena the next day. Customers were treated to pre-match training sessions, personalised kits and the opportunity to lift a customised trophy just like the Sevilla players did a few hours prior. Joined by legends Esteban

Cambiasso and Luis García, the bwin Fans Final saw dreams brought to life for our players. An intimate lunch with the ambassadors and the nomination of the Player of the Match rounded the experience into an unforgettable event with one of the winners stating: "These days I will never forget, the memories will live with me forever. It was the best football trip ever, a dream came true, what a privilege to have been part of it."

Besides bringing pure entertainment and joy to the football fans and uniting players from across Europe, bwin and other Entain brands were able to generate unrivalled brand presence across the continent during the 22/23 season, with branding visible at 80% of all matches across 56 countries; 20% of this being Responsible Gambling messaging. Being the official betting sponsor for both competitions this year again, we'll be there for every shot, pass and tackle to make the third season an even better one for our customers." **Gemma Bell**, Head of Sponsorship

The launch of Ladbrokes Live



This year, our UK brand Ladbrokes furthered its ambition to provide customers with excitement beyond its sportsbook, with the launch of Ladbrokes LIVE. LIVE is a digital entertainment platform that rewards thousands of fans with free access to the UK's best live music, comedy and sports events, powered by exciting new strategic and ground-breaking partnerships with The O2, AEG Presents, NME and many more.

The unique collaboration between Ladbrokes and NME has also seen the return of the iconic Club NME nights with a series of dates across the UK featuring incredible headline talent and unmissable DJ sets. Fans have been able to win free access to Club NME nights through the Ladbrokes LIVE platform.

With over 135,000 plays and hundreds of tickets already won in 2023, we are giving reasons for consumers to engage with us again and again in, everyday play.



Last year we embarked on an exciting new era for Ladbrokes, connecting thousands of fans with free events through the Ladbrokes LIVE platform. In The O2, AEG Presents, and NME, we're working with three of the biggest and most iconic brands in the entertainment industry and this means we will be able to reward our audiences with the chance to attend some of the most exciting live shows in Britain for free."

Kelly Rose
Head of Brand for Ladbrokes

Championing the game: Advertising

The secret object #3 is a



All of our brands have their own unique identity – from the striking blue of Coral to the playful orange of Foxy Bingo. It's our heritage and brand recognition that has built up such trust with our customers, and it's through this trust that we've been able to push boundaries with iconic advertising, activations and campaigns.

Get Your Fox On with Foxy's Celebrity Swap Shop & Mullet Salon

Last year saw Foxy Bingo's 'Get Your Fox On' ATL campaign level-up with two world-firsts: Dirtie Gertie's Mullet Salon and The Celebrity Swap Shop.

Opened by Geordie Queen, Vicky Pattison, Dirtie Gertie's Mullet-only Salon in Newcastle offered consumers free mullet haircuts, foxy nails and games of musical bingo. The city lit up with fleets of pedicabs and iconic parts of the centre were turned purple and orange with incredible out-of-house advertisement, with over 2 million impacts. In total, the campaign gained a 1.1 billion reach via media coverage, gave 94 dodgy haircuts and engaged whole new community of Foxy fans.

Continued on next page →

Get Your Fox On with Foxy's Celebrity Swap Shop & Mullet Salon continued

In the wake of Foxy's new laundrette theme ads, the team brought the screen to life up north with The Celebrity Swap Shop: a two-day pop up affair in Hull, where locals swapped drab for fab and get their hands on a celebrity item. 17 celebrities donated items to the laundrette, and in total, 23 bags of clothes were donated to charity. Foxy consumers took to the laundrette to experience the brand's new and engaging identity and with free Bingo sessions on site. The brand saw a 17% increase in betting players from the activation.



Eurobet.Live with Luca Toni

Eurobet.live elevated the football experience for fans across Italy through an exciting TV campaign featuring World Cup winner, Luca Toni, as it's presenter. The campaign seamlessly integrated the excitement of live scoring with the thrill of the matches themselves, providing viewers with real-time updates, insights and analysis, detailed statistics and engaging multimedia content.

Eurobet.live not only celebrated the passion and excitement of football, but also underlined its commitment to providing fans with a comprehensive and immersive platform to stay connected to the game they love. Eurobet.Live has also strengthened it's connection with fans, through prestigious partnerships with several Serie A teams, including the iconic Juventus as well as a partnership with the entire Serie C league.

“These strategic alliances served as a powerful bond between the Eurobet.live brand and football fans on the ground, solidifying its position as the premier platform for live scoring, results, and multimedia content in Italy.”

Alexis Grigoriadis
Marketing Director, Italy

Gala's Jolly Good Fish and Chip hotel



Gala Bingo continued to build community spirit amongst players this year, with the world's first 'Fish and Chip Hotel' in Blackpool. Inspired by consumer research, insights and the iconic bingo call 33, Gala's 'The Jolly Good Fish & Chip Hotel' gave British seaside goers the chance to enter Gala Land and receive a complimentary serving of fish, chips and peas, as well as games of bingo.

The activation built on the 'The secret tool is a Way' campaign and € last summer. With over 800 consumers attending the hotel and 314 million people reached via earned social coverage, it's safe to say customers experienced the brand in a whole new way, combining the classic charm of the Great British seaside with the wonder and joy of Gala Land.



BetMGM win Las Vegas for Super Bowl week

Known for its massive audiences, thrilling action, much-anticipated commercials, and halftime extravaganza, the Super Bowl was a big day for BetMGM, where we saw a 30% uplift in activity across the U.S. alone. Super Bowl in Las Vegas was a huge opportunity for BetMGM to be at the centre of the action, having the world's biggest stage literally footsteps away from several BetMGM retail sportsbooks.

To maximize this opportunity, Entain launched its new Nevada app with access to BetMGM's full sportsbook offering, weeks before the Super Bowl, giving the best BetMGM experience to the NFL fans in Nevada for this landmark event.

Then, BetMGM set out to do what so many other brands struggle to do in this domain, carve out a memorable Big Game commercial that perfectly complements and establishes a connection with the brand. In a company-first, the team launched its three-part campaign which featured the never-before-seen pairing of sports legends, Tom Brady and Wayne Gretzky, along with actor Vince Vaughn, marking an iconic moment for BetMGM.



The BetMGM team didn't stop there. In addition to the advertisement, BetMGM executed a multi-faceted approach to "Win Las Vegas" for Super Bowl week. Alongside extraordinary VIP experiences with celebrity ambassadors, BetMGM painted Las Vegas gold and black with a variety of outdoor, indoor, digital and special advertising campaigns that greeted fans from the moment they get off the plane.

Marking another first, BetMGM partnered with X in a one-of-a-kind collaboration to become the official betting sponsor of the platform, starting with the Super Bowl and continuing through 2025.

Regardless of who was the Super Bowl champion, BetMGM came out a winner. The new platform was able to handle a 30% uplift in activity over the Super Bowl weekend and a 72% increase in customers from the 2023 Big Game, thanks to the incredible efforts and collaboration between the Entain, BetMGM and MGM teams.

Smashing records under the neon lights of Las Vegas strip

Last December, the F1 circus rolled into Las Vegas for the inaugural GP, and our joint venture, BetMGM, left no stone unturned in making their presence known with customers over the weekend.

From exclusive grandstand hospitality to the excitement of experiencing incredible entertainment within touching distance of the track in their retail shops, BetMGM bolstered the anticipation of placing bets on the race with awesome experiences throughout the GP weekend. The team also pulled off some incredible activations with McLaren Racing; from BetMGM's logo being centre stage on the car to a series of marquee and On-property digital placements, BetMGM certainly gave F1 superfans an experience to never forget.

The spectacle received 3X the number of bets compared to any other F1 event in the company's history. The Las Vegas GP certainly shattered records for the King of Sportsbooks.

TAB activation on Auckland's Sky Tower for the TAB Karaka Millions

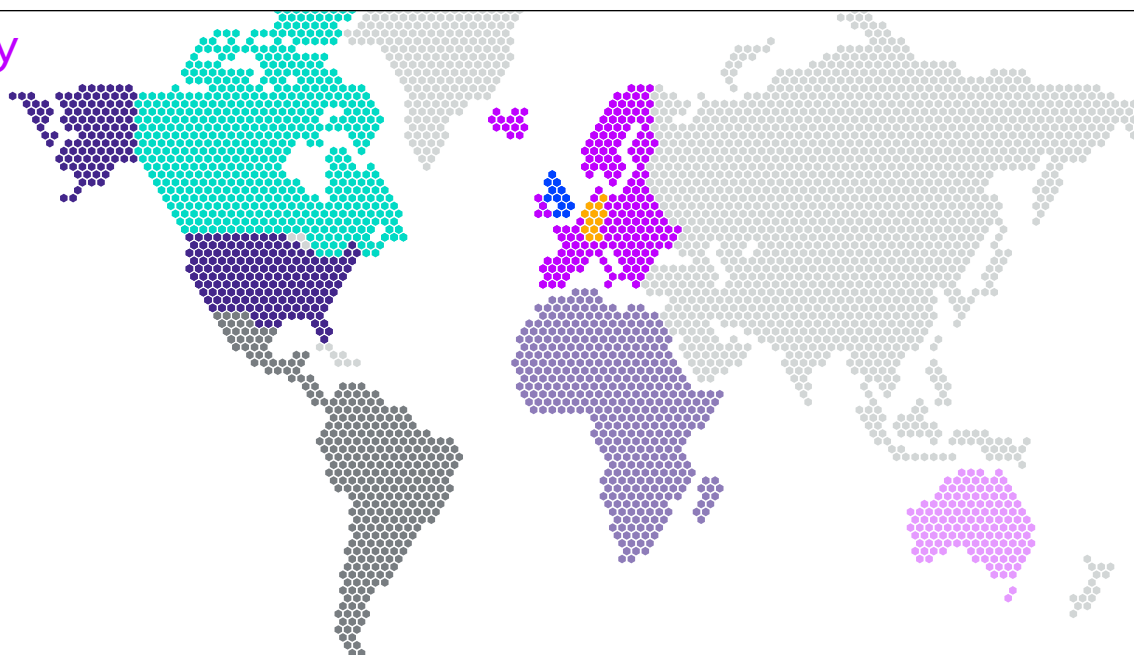


The TAB Karaka Millions brings together the best horses sold at the New Zealand Bloodstock yearling for two separate races, as well as an open-entry race called the Elsdon Park Aotearoa Classic. This year, TAB became the naming rights sponsor for the meeting, and with three \$1m races on the six-race card for the first time ever, TAB wanted to do something different to attract attention of customers.

A few days before the meeting, Entain Australia and NZ took over the second tallest freestanding structure in the southern hemisphere, Auckland's Sky Tower, and projected the barrier draw for the three main races onto it. Watched on by trainers, owners and horse racing fanatics, the incredible display revealing which horse starts where, set the scene for a weekend that ended up smashing records for TAB's horse racing history.

The six-race meeting saw a 26.6% increase in turnover compared to the highest wagered meeting on record (of which had over double the number of races) and a 33% increase in the number of customers betting compared to 2023. Better yet, the final race of the day set a record for the most wagered race in New Zealand, with Year-on year-turnover for the TAB Karaka Millions up 66%.

Regulatory update



Gaming is a truly global market and in 2023 the Group held licences in over 30 jurisdictions across the world. The Group is regulated or regulating markets in over 100 jurisdictions, with 100% of the Group's revenue is from such markets. The Group firmly believes that a robust, commercially viable regulation of the betting and gaming sector is in everyone's interests. It provides stability for operators, important taxation streams for governments and – most importantly – provides the consumer with proper protections and safeguards by ensuring that only responsible providers operate in the market.



The UK

The UK Government published its White Paper of the 2005 Gambling Act Review in April 2023. As expected, this document included consultations on a number of areas, including online slots staking limits; financial vulnerability checks; a mandatory levy for research, education and treatment; additional requirements on game design and direct marketing as well as the creation of an Ombudsman. We continue to engage government actively in this process, both directly and via our trade body. We have continued to develop and enhance our Advanced Responsibility and Care™ ("ARC™") programme, which offers tailored identification of customers who may be at risk, as well as targeted interventions and interactions. Whilst many of the changes within the White Paper can be achieved via secondary legislation, we are collaborating with the other major operators to voluntarily progress initiatives such as a single view of the customer and the creation of an Ombudsman.

Germany

The Joint Gambling Authority ("GGL") has now been operational in Germany for over a year. Encouragingly, the GGL has been more proactive in issuing sanctions against unlicensed operators, but we still see room for improvement and intensification. We are continuously working with the regulator and state governments to push for more effective enforcement against illegal operators and in 2023 worked jointly with the University of Leipzig and the local online casino association to produce a study investigating the scale of the issue.

While the Group was granted three slots and two poker licences in November 2022 and the Group's sports betting licences were also extended for another 5 years in late 2022, the restrictive environment in Germany continues to prove challenging. The process for managing playing limits for slots, poker and sports betting remains one of the most pertinent regulatory challenges for licensed operators. There is also mounting political pressure for stricter sports betting advertising restrictions, while the first evaluation of the Interstate Treaty is set to be published soon.

Unlike slots and poker, casino table games are regulated on a state-by-state basis. The states may either create a monopoly or issue as many licences as the state has land-based casinos. By the end of 2023, only the states of Schleswig-Holstein and North Rhine-Westphalia had opted for a licensing system. To date, only Schleswig-Holstein has released the tendering process, but the group has opted not to apply for a licence for commercial reasons. In North Rhine-Westphalia, details on the tendering process were expected to be published in 2023 but due to various delays, the details are now expected in Q1 2024. Entain looks forward to participating in this process.

Other Europe

In 2023, wide-reaching advertising restrictions were introduced in **Belgium**, while a pending parliamentary bill and a draft Royal Decree could impose further restrictions on local operators in 2024. Fortunately, the sector was successful in blocking a proposal to introduce an additional 5% tax which would have had a detrimental impact on licenced operators and encouraged customers to move to black market operators and therefore reduce player protections.

In the **Netherlands**, Entain completed the acquisition of BetCity in January 2023. National elections took place in November and we await the formation of a new coalition government which could lead to change in direction for gambling policy. We are also expecting the Dutch authorities to come forward with new proposals on playing limits, AML and duty of care requirements which are likely to come into effect in 2024 and impose stricter compliance requirements on operators. The headline gambling tax rate also increased by 1% to 30.5% from 1st January 2024.

In **Italy**, the Government published a new framework law in 2023 laying the foundations for potentially wide-reaching sectoral reforms to be enacted in 2024 and beyond, including an overhaul of the current gambling licence tender procedure which will increase licensing costs and impose stricter regulatory requirements on operators. In **Spain**, the government has moved oversight of gambling to a newly-formed Ministry, while plans to introduce a system of cross-operator limits remain on the medium-term agenda. In **Ireland** we are still awaiting the enactment of the pending Gambling Regulation Bill that will introduce a formal regulatory and licensing regime for online gambling. In **Denmark** a draft law has been published to amend the Gaming Act, including the introduction of a B2B licence regime to take effect from 2025.

In 2023, we have seen tax increases announced in several of the markets where we operate. The Prime Minister of **Georgia** announced plans to increase taxes for online gaming from 10% to 15% GGR, and player winnings withholding taxes from 2% to 5%, effective from 1 January 2024. The **Swedish** government has announced its intention to increase the rate of gaming tax from 18% to 22% with effect from 1 July 2024, while the **Latvian** Government plans to increase online gambling tax from 10% to 12% GGR from January 2024.

There was better news in **France** where we have seen nascent discussions about the possible legalisation of online casino, while in **Croatia** the Government completed a regulatory review and is now looking to bolster its efforts to tackle the illegal market.

At the end of 2023, Entain only operated in two markets in Europe where it is not yet locally regulated. Despite our best efforts in **Austria**, there have been no changes to the status quo and the Government has no imminent plans to initiate the reforms it announced in March 2021. Nevertheless, we will continue to push for regulatory reforms. Encouragingly, in **Finland** the Government has officially begun the process of dismantling the monopoly in favour of a licensing system that we expect to come into force sometime in 2026.

Australia

A parliamentary inquiry issued a report in 2023 calling for a ban on gambling advertising as part of a 31-point plan to reform the Australian gambling market. It also proposed various other measures including the establishment of a single national regulator and a formal duty of care. We expect the Government to come forward with its response to the report and proposed next steps in the first half of 2024.

Elsewhere, the National Self-Exclusion Register BetStop launched in August, while a ban on credit card betting was adopted in December 2023 and will come into effect in mid-2024.

Canada

The Ontario online betting and gaming market became regulated on 4 April 2022, thereby becoming the first Canadian Province to issue domestic licenses for private operators. Entain operates in Ontario through its bwin and Party brands as well as Sports Interaction, a Canadian brand the Group acquired in February 2022. Going forward, other Canadian Provinces such as Alberta and British Columbia are expected to introduce regulation.

Africa

In late 2023, Entain decided to withdraw from the regulated markets of Zambia and Kenya but the Group remains committed to expanding its significant regulated offering in South Africa, where it has been present for a number of years.

US

The sports betting regulatory activity continues at pace in the United States. Kentucky, North Carolina and Vermont are amongst the US states that have regulated in 2023. Rhode Island has been added to the list of US iGaming states. Finally, additional states have adopted, or are in the process of adopting, modernised forms of responsible gambling regulation; a trend Entain welcomes with an eye on the long-term sustainability of the US market.

Bearing in mind that over 35 US states have already allowed for sports betting in one form or another, the Group remains of the view that in the coming years some 40 or even 45 US states will have regulated sports-betting, which will provide BetMGM with even broader market access across the country. The number of states that permit online casino is also expected to grow in the years to come – for example the state of New York as already announced its intention to attempt iGaming regulation in 2024.

LATAM

In Latin America, Brazil adopted a law that allows for domestic licensing of sports betting and online casino in late 2023. The law will be implanted throughout the first half of 2024, with the regulated market expected to launch at some point in Q3 2024. The regulation will extend to all online gambling verticals, including sports betting and gaming, and will allow for an open licensing system subject to payment of betting and other taxes and fees. Furthermore, the Group has launched licensed operations in Mexico under its bwin brand.

Sustainability at Entain

At Entain, sustainability is a key enabler of our corporate strategy. We firmly believe that the most sustainable operators will be the most successful in our industry.

2023 was a pivotal year for sustainability at Entain as we unveiled our new Sustainability Strategy, building on our longstanding commitment to sustainability and taking it to the next level.

With this new Strategy, we wanted to strengthen our sustainability leadership position as well as listen to our stakeholders and respond to the changing Environmental, Social, and Governance ("ESG") landscape. We conducted a double materiality assessment to help us understand our unique sustainability-related risks and opportunities, as well as our impacts on society and the environment. We conducted surveys and interviews, analysed industry reports, and held leadership workshops, gathering input from over 250 internal and external stakeholders from around our business, to understand how we can ensure we are supporting value creation to all stakeholders.

These insights helped us develop a strategic framework that will focus our sustainability actions in the coming years. Our new approach, which is presented on the next page, is structured across four pillars that encapsulate those ESG issues that are most important to Entain, our customers, investors, and partners:

- Be a leader in player protection
- Provide a secure and trusted platform
- Create the environment for everyone to do their best work
- Positively impact our communities

As we reflect on 2023, we are proud to report extensive progress across each of these strategic pillars. We invite you to discover our achievements on the following pages, which include:

- Rolling out our player protection programme ARC™ in our digital offer to cover 27 jurisdictions and launching ARC™ for retail in the UK and the Republic of Ireland.
- 100% of our revenues coming from regulated or regulating markets since February 2023.
- Winning Innovator of the Year at the Women in Gaming Diversity Awards for our Returnship programme with McLaren Racing.
- Partnering with EcoVadis, the world's largest platform for supplier sustainability ratings, and onboarding 35% of in-scope vendors and supporting them to improve their sustainability performance.

Looking at 2024, we will remain sharply focused on delivering our new strategy and reaffirming the sustainability leadership role that underpins our long-term growth.

Entain's Sustainability Strategy

At Entain, we see sustainability as a key enabler of our corporate strategy and growth. We embrace our role within society with the strongly held belief that the most sustainable business in our industry will be the most successful.

This is reflected in our new Sustainability Strategy. We have structured it across four pillars that carefully encapsulate those sustainability issues that are most important to Entain, our customers, investors, and partners. For each pillar, we have identified key focus areas and assigned Board-level oversight, summarised below.

You can read more details about how we developed the strategy using the results of our 2023 double materiality exercise [here](#).

	What it means	Aligned material clusters	Focus areas	Oversight
Be a leader in player protection 	We provide industry-leading customer protection through innovative features, customer support, communications and our culture.	<ul style="list-style-type: none"> • Safer betting and gaming • Ethical & compliant behaviour • Innovation 	<ul style="list-style-type: none"> • Industry-leading tailored customer protection tools and processes • Empower our people to support and protect our customers • Harm prevention through education and responsible communications • Promote research and share evidence-based learnings with the industry 	Sustainability & Compliance Committee
Provide a secure and trusted platform 	We lead on integrity in everything that we do. From having the highest ethical standards, to only operating in regulated markets, with an aim of gold standard data protection, and cybersecurity.	<ul style="list-style-type: none"> • Ethical & compliant behaviour • Data privacy and cybersecurity • Corporate Governance 	<ul style="list-style-type: none"> • Only operate in regulated markets • Ethics and integrity at the core of our organisation and culture • Provide industry-leading cybersecurity, data privacy and AI governance • Clear and robust governance processes for each of our key ESG areas 	Sustainability & Compliance Committee
Create the environment for everyone to do their best work 	We are an employer of choice, and we build an inclusive and supportive culture where talents from all backgrounds can thrive.	<ul style="list-style-type: none"> • Diversity, equity and inclusion • Having the right people 	<ul style="list-style-type: none"> • Attract, engage and retain the best, most diverse talent • Provide the right growth opportunities for all • Build a sense of belonging for all Entainers 	People & Governance Committee
Positively impact our communities 	We play our role in limiting global warming to no more than 1.5°C and we create a positive impact on our communities.	<ul style="list-style-type: none"> • Environmental Sustainability • Corporate Governance 	<ul style="list-style-type: none"> • Reduce our environmental impact • Creating a sustainable value chain • Promote grassroots, women's and disability sports • Support communities where we operate 	Sustainability & Compliance Committee

ESG Governance



Delivering our Sustainability Strategy starts with robust governance. As our ambitions grow, and best practice evolves, we continue to expand our processes. ”

Board Committee Oversight

In May 2023, Entain restructured its Board oversight of ESG issues to better manage the increasing workload of the prior ESG Committee and further embed sustainability across the Group.

The newly created Sustainability and Compliance Committee was created to take on the bulk of the responsibilities of the former ESG Committee. The Sustainability and Compliance Committee has oversight for safer betting and gaming, regulatory compliance, anti-money laundering and counter-terrorism financing, anti-bribery & corruption, human rights (including our approach to addressing modern slavery risks), health and safety, environmental impact (including the evolution of our strategy and processes in response to the Taskforce for Climate-related Financial Disclosures), data protection and charitable donations, including the work of the Group's Entain Foundation. Chaired by Virginia McDowell, one of our Non-Executive Directors, the Committee has three members and guides the business on all aspects of ESG strategy, sets targets and monitors our performance.

The second newly created Committee, the People and Governance Committee, took on the responsibilities of the previous Nomination Committee and added responsibility for oversight of the Group's approach to Diversity, Equity and Inclusion and other people-related functions such as engagement and culture and employee wellbeing.

The ESG Steering Group

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

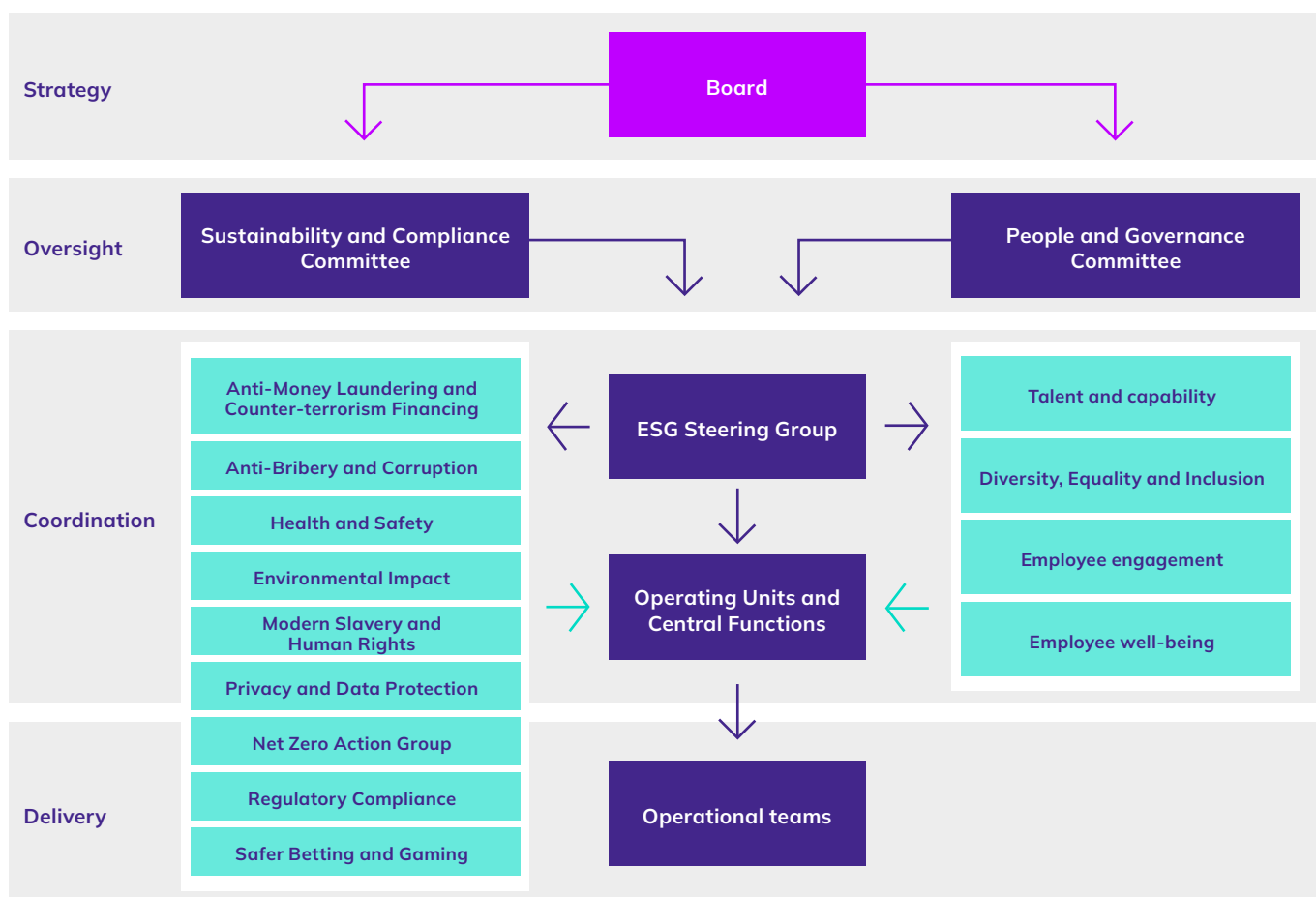
Climate governance

Given the urgent need for action to address the climate emergency, we have stepped up our governance in this area. Our CEO is now responsible for our approach to climate change, and climate-related risks and opportunities. In addition, we have developed our Net Zero Action Group. The Net Zero Action Group reports to the ESG Steering Committee, which is a selection of leaders from around the business who are responsible for delivering and developing an organisation-wide approach to achieve our Net Zero ambitions. You can read more about how we manage our climate-related risks and opportunities in our TCFD Statement on pages 56 to 63.

Issue-specific Committees

In addition to the ESG Steering Group and the Net Zero Action Group, we have formed groups that report to the ESG Steering Group that focus on delivering our approach to specific ESG issues that require additional expertise and insights from the business. Steering groups include groups focused on Anti-modern Slavery and Human Rights, Safer Betting and Gaming, Anti-Money Laundering, and Diversity & Inclusion.

ESG Governance Structure



Our performance across ESG Rating Agencies

We are proud to be a sector leader amongst many of the leading independent ESG rating providers. The below table summarises our performance and improvement over time. We will continue to work tirelessly to further improve our ESG practices and performance, with the aim of further improving the standards for our industry and in these external assessments.

	Rating	Evaluation	Score (31 December 2023)	Score (31 December 2022)	Industry Rank
MSCI	ESG Score	AA	7.2 ▲	6.7	N/A
Sustainalytics	ESG Risk Rating	Low	19.6 ▲ (a lower score shows a lower risk)	22.3	13/87 in the Casinos & Gaming industry
ISS ESG	ESG Score			47	1 st decile
S&P Global	ESG Score			67	95th percentile
FTSE4Good	ESG Score	inclusion in FTSE4Good Index	3.8	3.8	93 rd percentile
CDP	Climate	Management	B	B	N/A



The secret object #2 is a



We provide best in class customer protection through innovative features, customer support, communications and our culture

Material issues

- Safer betting and gaming
- Ethical and compliant behaviour
- Innovation

Oversight

Sustainability & Compliance Committee

Focus area

2023 Highlights

Best-in-class tailored customer protection tools and processes	<ul style="list-style-type: none">• Rolled our ARC™ to cover 27 jurisdictions (2022: 22), including real-time models in 23 jurisdictions• ARC™ for retail now live across UK and ROI• 7.5 million ARC™ interactions (+98% YoY) to 742,112 unique customers
Empower our people to support and protect our customers	<ul style="list-style-type: none">• 98% completion rate of annual compliance, safer gambling, and AML training• Enhanced safer gaming training, delivered by EPIC Risk Management, delivered to all senior leaders
Harm prevention through education and responsible communications	<ul style="list-style-type: none">• Expanded our stakeholder education and training in the US, through our partnership with EPIC Risk Management and major leagues as well as players associations such as the Major League Baseball, National Football League, League Soccer Players Associations and the NHL Alumni Association• 20% of TV advertising space and football sponsorship dedicated to safer betting and gaming communications or Foundation promotion
Promote research and share evidence-based learnings	<ul style="list-style-type: none">• Final year of partnership with Harvard Medical School's Cambridge Health Alliance Division on Addiction (CHADA), contributing £5.5m over five years to cutting-edge research into Safer Betting and Gaming• Contributed 1% of our GGY in the UK to Research, Education and Treatment (RET), totalling £18.7m

Awards and accreditations:

UK	North America	International
GamCare Advanced Safer Gambling Standard	EGR North America Awards 2023: Socially Responsible Operator	SBC Global and SBC LATAM Socially Responsible Operator of the Year
Advanced (highest level)		Vixio Global Regulatory Awards: Award for Outstanding Contribution to Safer Gambling
Advanced Level 2		

The secret landmark is the



Advanced Responsibility and Care™ (“ARC™”): Our leading tailored customer protection tool

Our recent materiality assessment found that safer betting and gaming is our most material ESG issue, and ARC™ is our flagship initiative to protect our customers – providing a technology-led approach to player protection through real-time and individually tailored detection, interaction and interventions with players that are potentially at risk.

Given its importance to Entain and our customers, the roll-out and effectiveness of ARC™ is linked to through our Group Bonus Scheme, which includes our executive

team. The details of how we incentivise the delivery of player protection is outlined further in the Remuneration Report on p131.

This year, ARC™ continued to mature in the UK and expand globally. By the end of 2023, ARC™ is now live across our core international markets (except Brazil).

Our safer betting and gaming programmes in our retail estate in the Republic of Ireland and the UK are also supported by ARC™. This provides our customer facing retail colleagues with data-driven insights to help them spot and address risky play in our shops.

We continue to monitor the effectiveness of ARC™, the results of which are reviewed by the Executive Committee and Sustainability and Compliance Committee quarterly.

Empowering our people

We continue to deeply embed safer gaming into the culture of our company. At the end of 2023, 98% of our colleagues were up to date with their mandatory annual safer betting and gaming training. This training provides all colleagues with the essential understanding of our approach to, and compliance requirements on, safer betting and gaming. However, we also understand that specific roles within our business have key responsibilities for player protection.

For these roles, we continue to roll out more in-depth and specific training. For example, our senior leadership periodically undertakes in-depth training from EPIC Risk Management. Customer-facing roles who are responsible for engaging directly with our customers also receive in-depth training on identifying and interacting with customers who may be at higher risk of harmful play.

We are also leveraging our partnership with Harvard Medical School's Cambridge Health Alliance Division on Addiction ("CHADA") to support our training programmes. Since 2019, 16 of our safer betting and gaming training programmes have been reviewed by the team at CHADA – ensuring our training and culture reflect the latest research.

Responsible marketing

Responsible marketing is a core part of our commitment to promote responsible attitudes, and protect children, young persons and vulnerable individuals. We have a long history of leading the industry in this area, spearheading the UK whistle-to-whistle advertising ban, and being the first operator to ban shirt sponsorship in UK football.

Our commitment to responsible advertising and marketing is underpinned by our recently refreshed External Marketing Policy. This Policy outlines our responsible marketing principles. All relevant staff receive training on the policy.

We also work closely with trade associations to strengthen best practice for our industry's marketing and advertising. For example, we are a signatory of – and contributor to – the European Betting and Gaming Association's ("EGBA") Code of Conduct.

Promoting research through our partnership with Harvard Medical School

2023 marked the final year of our five-year research partnership with the Cambridge Division on Addiction, which has now produced 14 research papers since 2019. The outcomes of this research have been highly practical, underpinning our 26 markers of protection – the behavioural patterns found to indicate signs of risk that are used by ARC™. As this research is published, or is in the process of publication, this allows not just Entain but the whole industry to access the latest research. You can read more about this research programme in our 2023 Social Impact Report.

Embedding safer betting and gaming into our culture

At Entain, we know that safer betting and gaming starts with our culture. It's important that all colleagues have the knowledge and tools to fulfil our responsibility to protect our customers.

As part of the 2023 Group Annual Bonus Plan, a mandatory training module was implemented on compliance, safer gambling and anti-money laundering, achieving a 98% completion rate. Our goal is to train all colleagues on the importance of player protection, preventing money laundering, and responsible marketing – with retail colleagues receiving a more tailored version of the content relevant to their role.

We also know that some colleagues have unique responsibilities for their role – whether it be engaging directly with customers, designing new products, or leading teams or divisions. In 2023 we worked with EPIC Global Solutions to deliver in-depth masterclasses and face-to-face training on safer betting and gaming tailored for specific, high-impact roles. For example, our customer service and retail colleagues took part in sessions that equipped them with the skills to

identify signs of harm and effectively interact with customers to advise on our suite of tools that may be used to help them.

Key modules focused on:

- Introducing our retail teams to problem gambling to help them understand how gambling related harm can present itself and ensure that they are aware of how to protect our customers to limit the negative impacts of gambling. Between May and August 2023, 294 colleagues attended the EPIC Safer Gambling Awareness training.
- Affordability Interactions: This training provided our colleagues with guidance on the key steps they should take to ensure that customers are keeping their betting affordable, and the communication tools they can use to encourage safer gambling and manage hostile behaviour on the shop floor.

- Interactions excellence: Interaction Excellence aims to promote insightful and valuable discussions with teams that deal with customers that are potentially the most at risk. The training focuses on strengthening soft skills that colleagues will draw upon during customer interactions. In 2023, this training was reviewed by the Harvard Medical School's Division on Addiction, Cambridge Health Alliance.

Moving forward we will also conduct in-depth training with leaders from around the business (aimed at our senior leadership team and Board Directors), to further integrate a culture of player protection right at the top of the organisation. This training will be run by EPIC Global Solutions and refresh the leadership training delivered in late 2022.



1. Core countries are those that are using our core technology platform. ARC™ is embedded within this core technology, so in these countries we can use the full power of our markers of protection and interactions.
2. Risk is determined based on our Long-term Excessive Play (LTEP) model, which is one of our three primary ARC™ Markers of Protection models, which scores every user of the Entain Platform from 1 (low risk) to 100 (high risk) daily. LTEP is used for assessing risk due to identify underlying problem gambling behaviour over time.



Provide a secure and trusted platform

We lead on integrity in everything that we do. From having the highest ethical standards, to only operating in regulated markets, with an aim of gold standard data protection, and cybersecurity

Material issues

- Ethical & compliant behaviour
- Data privacy and cybersecurity
- Corporate Governance

Oversight

Sustainability & Compliance Committee

Focus area	2023 Highlights
Only operate in regulated markets	<ul style="list-style-type: none">• 100% of revenues from regulated or regulating markets since February 2023
Ethics and integrity at the core of our organisation and culture	<ul style="list-style-type: none">• New Ethics & Compliance Charter and Strategy• Average completion rate of 95% across Entain's Big Four Compliance Training Modules• Refreshed set of Entain Values, with "Do what's right" at its core
Provide industry-leading cybersecurity and data privacy	<ul style="list-style-type: none">• Growing headcount in Data Privacy and Cybersecurity teams, by 25% and 35% respectively compared to 2022.• Average time to fix cybersecurity vulnerabilities decreased by 65% compared to 2022• Over 80% of our operations audited and certified to ISO 27001 (by headcount)
Clear and robust governance processes for each of our key ESG areas	<ul style="list-style-type: none">• New ESG governance structure with two board-level committees (Sustainability & Compliance and People & Governance)
Awards and accreditations:	ISO 27001 2022 Information Security Management System

Only operate in regulated markets

Entain firmly believes that strong, commercially viable regulation of the betting and gaming sector is in everyone's interests. It offers stability for operators, important taxation streams for governments and – most importantly – provides the consumer with proper protections and safeguards by ensuring that only responsible providers operate in the market.

Since February 2023, 100% of our group's revenue come from regulated or regulating markets. As of 31 December 2023, we held licences in 34 jurisdictions across the world. We were also present in five regulating markets where we can see a clear pathway to regulation that will enable us to obtain domestic licences in the next two years. These regulating markets are Brazil, Mexico, Peru, Austria and Finland. For more about this, please refer to our regulatory update on pages 38 to 39.

Ethics and integrity at the core of our organisation and culture

We are committed to conducting our business in line with the highest ethical standards. We heavily invest in governance, resources, and training to combat corruption and keep financial crimes out of gambling.

For Entain, this starts with playing an active role in safeguarding the values and integrity of sport. We want all sports events to be fair and played to the best of participants' abilities. This is why we work closely with regulators and sports governing bodies to fight match-fixing, spot-fixing, and other corrupt betting activity. We are a member of the International Betting Integrity Association (IBIA) and the Sports Betting Integrity Forum (SBIF).

In 2023, we continued to reinforce our Ethics & Compliance ("E&C") function with new team members and stronger governance. We launched a new Ethics & Compliance Charter which defines clear accountability across the group and ensures that our E&C team has the required independence and authority to act as an effective second line of defence. We also launched a three-year E&C Strategy, which sets our action plan for achieving a best-in-class E&C programme.

We appointed a Group Money Laundering Reporting Officer and Global Head of Anti-Financial Crime ("AFC"), and we expanded our AFC team. After a period of growth and multiple acquisitions, we revised our organisational structure with all colleagues with AFC responsibility reporting to the central AFC Leadership Team. This new governance framework gives us better control and oversight across all our entities, subsidiaries, and joint ventures. We have also initiated an evaluation of our international subsidiaries to assess the maturity of local AFC programmes. This will conclude in 2024 with on-site visits and upskilling programmes tailored to the needs of our colleagues.

Doing what's right

As a FTSE100 company, we have a duty to do the right thing. This also means training our people to always make the right decision for our customers and our communities.

Every colleague, including contractors and agency staff, must complete four compliance modules covering Entain's Code of Conduct as well as ethical topics such as safer gambling, data privacy, or bribery and corruption prevention. As part of this, colleagues sign a declaration that they have understood the training and will comply with Entain's Code of Conduct.

Our 2023 Group Bonus was linked to achieving 85% completion for each module – an ambitious but achievable target given the turnover in certain parts of our business. This year, we achieved an average completion rate of 98% – up from 93% in 2022 and 82% in 2021.

Big Four Learning Modules	Completion Rate
Code of Conduct	94%
Compliance, Safer Gambling, and Anti-Money Laundering	98%
Data Privacy	98%
Cybersecurity	98%

Provide industry-leading cybersecurity and data privacy

Safeguarding our corporate and customer information remains a top priority for Entain. Our commitment is reflected in the growing headcount of our Data Privacy and Cybersecurity teams, which respectively increased by 25% and 35% in 2023.

In 2023, we continued building our data privacy assurance function with dedicated resources to monitor the effectiveness of our privacy activities, keep risks under review, and update policies and procedures. We boosted privacy controls by introducing Effectiveness and Maturity Reviews of our most critical data processes. We also reinforced our risk management process with a new privacy risk register which feeds into Entain's Enterprise Risk Management ("ERM") risk maps and identified an additional 20 privacy risks in 2023.

Throughout the year, we further embedded Entain's Artificial Intelligence ("AI") and Data Ethics Charter, which we launched in 2021 to define our principles for the responsible use of AI and data-driven technologies. We collaborate across the business to embed Privacy by Design, building data privacy considerations directly into the development of our products and processes. We have also been preparing for emerging legislation around AI, such as the EU Artificial Intelligence Act. Working closely with our Data Sciences & AI ("DSAI") colleagues, the Privacy team created a blueprint for Entain's AI Governance Framework and developed a new AI policy which will be released in 2024.

As cybercrimes continue rising globally, we are continuously improving our cybersecurity programme to protect our players from digital threats. In 2023, we introduce new security features in our products such as customer multi-factor authentication. We also reinforced our cyberattack detection processes by deploying machine-learning and AI-based systems which uncover patterns of malicious activity and block attacks before they can reach our customers. We managed to decrease the average time to fix cybersecurity vulnerabilities by 65% compared to 2022.

As part of our commitment to best practice, we have re-certified for the ISO 27001 certification, an international standard for information security. As of 31 December 2023, 80% of our operations have been audited and certified to ISO 27001. In 2024, we will continue expanding the scope of the certification to our 2023 acquisitions.

Clear and robust governance processes for each of our key ESG areas

In April 2023, Entain restructured its Board oversight of ESG issues to better manage the increasing workload of the prior ESG Committee and further embed sustainability across the Group. This new structure reflects the ever-growing importance of ESG topics for the group. You can read about our ESG governance structure on page 43.





We attract a broad and diverse audience from the inside out. We are an employer of choice, and we build an inclusive and supportive culture where talents from all backgrounds can thrive

Material issues

- Diversity, equity and inclusion
- Having the right people

Oversight

People & Governance Committee

Focus area

2023 Highlights

Attract, engage and retain the best, most diverse talent

- Launch of Black Professionals@Entain employee network
- Publication of Entain's first-ever Global Menopause Policy
- Entain ranking 5 in the 2023 All-In-Diversity Project Index
- Entain's Returnship programme with McLaren Racing receiving accolades at the Women in Gaming Diversity Awards and the Personnel Today Awards

Provide the right growth opportunities for all

- Launch of Your Goals, Entain's new objective-setting programme

Build a sense of belonging for all Entainers

- Launch of refreshed values and behaviours
- 94% of Entain Managers received mental health training through the Workplace of Tomorrow programme
- 400,000 employee interactions with Entain's Well-Me events, activities, and content
- 9.1% utilisation rate for our Employee Assistance programme

Awards and accreditations:



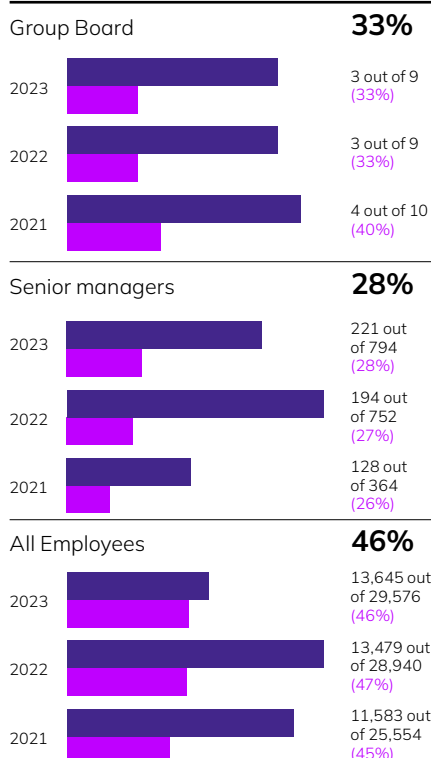
Personnel Today
Equity, Diversity &
Inclusion award



Women in Gaming
Diversity Awards Innovator
of the Year award

Gender diversity at Entain

• Male • Female



Attract, engage and retain the best, most diverse talent

Diversity, Equity and Inclusion (DE&I) are key to Entain's future sustainability and success. Attracting and retaining key talent remains one of our Principal Risks as a tech business (see page 85), and workforce diversity plays an essential role in innovating, driving change, and delivering outstanding products and services for our customers.

As part of our commitment to DE&I, we understand the importance of global employee networks in providing a safe space for colleagues with a shared identity or experience. Launched in 2022, the Women@Entain and Pride@Entain groups continue to grow, with over 1200 and 250 members respectively. In 2023, Women@Entain piloted a new mentoring programme for women in our Product & Technology team, matching participants with senior mentors. We also launched Black Professionals@Entain, a new network designed to create a culture where black colleagues can thrive professionally and personally. Led by our network, we signed a UK partnership 10,000 Black Interns Foundation, and have pledged to offer career opportunities to Black students and graduates in the summer of 2024.

On International Women's Day 2023, we published our first-ever global menopause policy. Our ambition was to help colleagues understand menopause-related issues and normalise talking about the symptoms. The policy came with a global awareness campaign and support for managers in having conversations around menopause. We built a virtual Menopause Hub with resources and bite-size training for those going through the menopause journey and for managers and teammates wanting information on how to best support women in the workplace.

We are committed to positively impacting diversity not just within Entain, but across our industry. We partner with universities and charities to improve female representation within STEM careers. One example of this is our partnership with Girls Who Code, through which we have reached 10,680 young women since 2021. You can read more about our work to drive diversity in the tech sector in our 2023 Social Impact Report.

In 2024, we will focus our efforts on further embedding DE&I within our Resourcing Strategy to increase representation in our hiring process. Our new recruitment and candidate management platform will provide us with better DE&I data on our

candidates and recruits, allowing us to tailor interventions and set group-wide targets. We will also continue to remove any barriers in the hiring process for candidates and colleagues through the design and launch of our new recruitment platform in 2024.

Provide the right growth opportunities for all

Our colleagues' continuous personal and professional growth is essential, and we invest in targeted learning & development ("L&D") within our business units. Programmes, courses, and self-led learning are tailored to the needs of our teams and individuals.

Entainers globally have access to best-in-class learning resources, such as LinkedIn Learning, Get Abstract, and Pluralsight. These platforms enable our colleagues to continuously develop their skills – from marketing to Python coding or public speaking.

In 2023, we focused our L&D efforts on customer-facing roles, both in our global Customer Services team and across our Retail Estate. We know that customer satisfaction starts with great leadership and employees who feel supported and valued.

In our Customer Services team, we kicked off Let's Lead, a new leadership programme. The seven-week curriculum includes a mix of self-paced learning, in-person training, and professional certifications delivered by external providers. With over 20 modules, the programme equips our managers with all the technical knowledge and soft skills they need to successfully lead their teams. This includes completing a Mental Health First Aider course, as part of Entain's commitment to wellbeing. 979 colleagues have already completed the course, with 113 learning sessions delivered and we will roll it out to Hyderabad, India and Montevideo, Uruguay in 2024.

In our retail business, we have built a consistent foundation of competency and knowledge among managers and team leaders. The Enhance, Establish and Elevate Your Game programmes support colleagues at different points in their careers, from preparing for a first management role to sharpening their leadership skills. In 2023, the programme trained over 2000 colleagues. We are proud that many of our retail management team started as Customer Service Managers before growing into senior roles.

Last year, we also worked to harmonise the way our colleagues think about their professional objectives. We launched Your Goals, an objective-setting programme, to ensure all our colleagues have meaningful conversations with their managers about their goals and understand how these align with Entain's strategy. In 2024, we will develop Entain Leadership Expectations which will be supported by a structured, consistent, and global leadership pathway.

Build a sense of belonging for all Entainers

Following an intensive period of business growth, we wanted to bring our colleagues together and consolidate our shared culture. 2023 saw us launching a refreshed set of values and behaviours which build on our core beliefs whilst helping us prepare for the next phase of our evolution: Do what's right, Keep it simple, Go beyond, and Win together. More than words on a wall, these values act as guiding principles for our colleagues across all locations and at all levels. They have been embedded in everything we do, from the way we recognise our colleagues to how we set individual objectives.

In line with these values, we remain passionately committed to creating a supportive and encouraging environment where all our colleagues can thrive. The Entain Well-Me strategy is designed to help employees make positive changes to improve their physical, mental, and emotional health. Our 2022 global well-being survey, which was completed by 9,600 colleagues, helped us identify strategic priorities for the coming years.

In 2023, we rolled out Workplace of Tomorrow, a mental health programme designed to give people managers the tools to support their teams and create a culture of trust and psychological safety. Developed by experts at Unmind, the training equipped our managers to have supportive conversations, giving them practical knowledge on topics such as self-care, stress and anxiety, or active listening. 94% of the Entain managers completed the course last year. 74% of them taking action with their team as a result.

Our 2023 global wellbeing campaigns were tailored to boost the mental and physical health of our colleagues. Our flagship Live-Well Festival consisted of a week-long event with expert-led workshops on nutrition, sleep, and fitness, generating 65,000 engagements on our intranet. In November, nearly 600 colleagues joined Breaking Stereotypes Together, a live event to champion men's mental health and share techniques for combatting stress.

Looking at 2024, we are using data from our global wellbeing survey to pilot Entain's new resilience training, The Energy Edge. The programme aims to help colleagues grow their energy and performance through a mix of text learning, bite-sized videos, and interactive activities. We will open the programme to our retail colleagues in early 2024 before opening to our global workforce.

The secret currency is a



Driving Diversity Forward with McLaren Racing

Companies like Entain can reshape the world of work for women, and we want to play an active role in doing so.



In 2023, we partnered with the McLaren F1 team on a Returnship programme, providing unique opportunities for skilled women to resume their STEM careers. Over six months, 10 career returners worked at both Entain and McLaren in roles ranging from Data Analysts to Software Developers. The placements were tailored to their experience and ambitions, and they received extensive support to ensure a successful transition back into work. We are delighted that, at the end of the returnship, most returners secured a role at Entain or McLaren. The programme received two accolades, including the Innovator of the Year at the Women in Gaming Diversity Awards.



We will be Net Zero by 2035, and support and positively impact our communities around the globe

Material issues

- Environmental sustainability
- Corporate Governance

Oversight

Sustainability & Compliance Committee

Focus area

2023 Highlights

Reduce our environmental impact	<ul style="list-style-type: none"> • 70% global electricity from renewable sources, including over 99% in the UK through green tariffs and a 5-year Power Purchase Agreement • 9% decrease in market-based Scope 1 & 2 emissions globally from the prior year • Near-term and Net Zero submitted to the Science Based Targets Initiative (SBTi), pending verification
Create a sustainable value chain	<ul style="list-style-type: none"> • 35% of our in-scope third-party spend enrolled on the EcoVadis platform with a detailed assessment of their sustainability performance
Promote grassroots, women's and disability sports	<ul style="list-style-type: none"> • 250+ aspiring champions have received a financial award via SportsAid since 2019, helping to cover the costs of training, equipment, and travel • 100 non-league football clubs supported via Pitching In since 2020, enabled to reach their communities
Support communities where we operate	<ul style="list-style-type: none"> • Donating £25.4m, to support our communities. • Fundraising £0.5m for Prostate Cancer UK and £1m for Chance for the Children via the Ladbrokes Coral Trust, funding life-saving research and treatment

Awards and accreditations:

ISO 14001: Environmental Management across our operations in GB (shops, stadia and offices) covering 47% of our global headcount.

Environmental Impact

Doing what's right is one of Entain's long-standing values. Whilst our greenhouse gas (GHG) emissions are relatively low compared to companies in other industries, we have an important role to play due to our size and global scale – especially given the critical and urgent importance of climate change.

We were the first betting and gaming company to formally commit to a Net Zero target with the Science-based Targets Initiative (SBTi), with the formal verification process commencing in 2023 and due to be concluded in 2024.

Our targets reflect our ambition to lead the industry on decarbonisation. We have committed to reduce our absolute scope 1 and 2 (market-based) and material Scope 3 emissions by 42% by 2027 from a 2020 base year, and 60% by 2030. We have also committed to be net zero by 2015 – reducing our Scope 1, 2 and 3 emissions by 90% by 2035, and investing in credible carbon removal projects to neutralise the remaining 10%. These targets, which follow the SBTi criteria, will see us reduce our emissions in line with a 1.5 decarbonisation pathway ahead of the UK Government's 2050 timeline.

In 2023, our Net Zero Action Group developed our first net-zero strategy, which focuses on energy (efficiency and sources), electrification, and engagement (see next section).

We continue to procure over 99% of our electricity in the UK from renewable sources, which equates to 70% renewable electricity globally. We are currently looking at the viability of sourcing renewable electricity in our key markets globally.

We recognise that as a digital business, we need to understand our digital emissions. We have been collecting and analysing data from our data centre suppliers to understand the energy consumption and renewable energy purchasing of our major providers. Our most recent analysis in 2022 indicated that over 50% of our data centres are on renewable electricity contracts, and we are engaging with our providers to increase this further.

We know that ambitious decarbonisation requires credible and up-to-date data to monitor and address our emissions hotspots. In 2023 we signed up to carbon accounting software that we will launch and operationalise in 2024. To increase the quality of our emissions reporting, we have also commissioned the Carbon Trust to verify our Scope 3 emissions footprint in addition to our annual scope 1 and 2 footprint verification.

Creating a sustainable supply chain

Our commitment to ethics and sustainability extends to our business partners. We want to work closely with our suppliers to support them on their decarbonisation journey and to protect human rights beyond our operations.

In early 2023, we took an important step by partnering with EcoVadis, the world's largest platform for supplier sustainability ratings. EcoVadis allows us to evaluate our key suppliers and set corrective action plans across four topics – environment, labour and human rights, ethics, and sustainable procurement. The platform also provides our suppliers with e-learning training on a self-service model. Working with EcoVadis will help us refine our Net Zero roadmap by giving us access to primary emission data from our suppliers and helping us identify those who are committed to the Science Based Targets Initiative ("SBTi").

Throughout the first year of our partnership, we focused on onboarding our existing suppliers to the platform, enrolling and assessing over 35% of in-scope vendors. This represents £523m of third-party spend. So far, we found that our suppliers scored on average 59.6 out of 100 on EcoVadis, 13.6% higher than the benchmark. We also embedded EcoVadis in our tender process, making its sustainability assessment a mandatory requirement for all winning suppliers.

We are now working with our suppliers to create corrective action plans, supporting them in improving their sustainability performance. We encourage them to set Science-based Targets, increase their use of renewable energy sources, and publish policies around Anti-Bribery and Corruption ("ABC"), Modern Slavery, and Diversity, Equity and Inclusion ("DEI"). Our ambition is for 75% of our in-scope third-party spend to be assessed on EcoVadis by the end of 2025.

Next year, we will start implementing our 2024-2026 Modern Slavery Strategy by conducting an extensive risk assessment of all our in-scope suppliers, mapping areas where modern slavery could be more prevalent based on factors such as purchasing category or political instability. The findings will help us identify higher-risk suppliers and, when necessary, request the completion of supplier self-assessment questionnaires and plan for external on-site audits to be completed in 2025.

Promoting Grassroots, Disability and Women's Sports

Entain is passionate about sports and understands the role it plays in society. We are proud to invest at the grassroots level, supporting amateur and professional athletes of all ages, backgrounds, and abilities to chase their dreams. The Entain Foundation supports projects across the globe that you can discover in our 2022/23 Social Impact Report.

In the UK, we are proud of our long-term commitment to SportsAid, helping young British athletes aspiring to become the country's next Olympic, Paralympic, Commonwealth, and world champions. Since 2019, Entain has helped 251 athletes by providing them with a financial award to help with training, equipment, competition costs, and personal development training. We empower a diverse cohort of sports people nationwide, with a close to even gender split, 48% of our athletes with a disability and 16% coming from ethnic minority backgrounds. By 2024, we will have donated £500,000 to SportsAid.

We also launched Pitching In in 2020 to support and develop grassroots sports in the UK, helping non-league clubs improve their facilities. This multi-million-pound, multi-year investment programme works with the Trident Leagues to champion their achievements and tell their stories. Pitching In has been designed from the ground up to deepen links between clubs and their local communities. We are also the founding partner of the Trident Community Fund since 2020, investing £150,000 every year to enable clubs to engage in vital community-based projects and invest in their local areas. In 2022, we unveiled the Pitching In Volunteer Hub, a unique online portal and one-stop shop for every Trident League club to connect football fans with potential volunteers. The Volunteer Hub provides a simple web-based interface where clubs can post volunteering vacancies, while fans can search for available opportunities in their preferred clubs or locations. To date, nearly 300 positions have been processed through the hub, helping to bring a vitally needed new generation of volunteers to the Pitching In clubs.

Support communities where we operate

The secret transportation is a

As a global business, we want to positively impact local communities across the markets where we operate. Entain partners with small to large-sized charities across the globe to support the causes that are the most important to our colleagues, our customers, and our communities.

In Kenya, we partner with ComputerAid, an international charity aiming to address unequal access to technology in African countries. Our support is helping to create a Solar Learning Lab ("SLL") in Al Huda Primary School, providing technology access to traditionally marginalised communities in South Kenya. The SLLs are shipping containers converted into computer rooms and fitted with solar panels to generate electricity, enabling them to be deployed in remote locations. In 2023, we enabled ComputerAid to install two containers in Al Huda Primary School with 20 computer stations, 20 laptops, as well as drinking water and toilet facilities. We expect over 750 students to access this communal space in the coming months.

In the U.S., we have partnered with Oak Out Hunger Entain since 2022. The project, launched by the Charles Oakley Foundation, provides education in responsible gambling with other forms of support to underprivileged communities. The Entain Foundation U.S. sponsorship provides funding and expertise in preventing and mitigating problem gambling to the Oak Out Hunger community project. In 2023, the Entain Foundation U.S. helped fund 10,000 meals to those communities in need.

If you would like to learn more about the difference we make with our partners across the globe, we invite you to review our 2022/23 Social Impact Report.



1. The Scope 3 categories included in our target are: Category 1: Purchase Goods & Services, Category 3: Fuel and Energy-related Activities, Category 4: Upstream Transportation and Distribution, Category 5: Waste Generated in Operations, Category 6: Business Travel, and Category 7: Employee Commuting. We completed a similar risk assessment exercise in 2022 and we intend to repeat it every other year.

Our ESG Key Performance Indicators

Pillar	Data point	2023	2022	2021
Lead on player protection	Number of jurisdictions outside the UK covered by the ARC™ player protection programme	27	22	-
	% contributions of GGY to RET	1%	0.75%	0.5%
	Cash and in-kind contributions towards responsible betting and gaming initiatives	£20.8m	£18.3M	£12.9m
	Customer interactions regarding problem gambling	8.7m	1.8m	2.3m
	ARC™ Interactions ^{2,3}	7.5m	3.7m	n/a
	Customer complaints ¹	3,927	4,215	4,045
	Customer complaints specifically related to a betting and gaming transaction	715	629	655
	Self-exclusions made ^{1,4}	53,745	60,261	61,644
Secure & trusted platform	% of revenues from domestically regulated or regulating markets	100%	100%	Nearly 100%
	Number of markets exited with no clear path to a sustainable and safe regulated betting and gaming industry	5	9	3
	% of operations certified under ISO27001⁵	80%	n/a	n/a
	% of Technology budget dedicated to Cybersecurity	3.2	n/a	n/a
	Impact of security incidents	£0.7m	£3.6m	n/a

The secret food is a



Pillar	Data point	2023	2022	2021
Foster an inclusive culture	Employees worldwide (headcount) ⁶	29,582	28,940	25,554
	Employees worldwide (FTE) ^{6,7}	23,650	24,195	19,314
	Female employees ⁶	13,645	13,479	11,583
	% female employees ⁶	46%	47%	45%
	Part-time employees ⁶	9,968	9,754	4,328
	% part-time employees ⁶	34%	34%	17%
	Median hourly pay difference between male and female colleagues (Gender Pay Gap) ⁸	4%	3%	5%
	Mean hourly pay difference between male and female colleagues (Gender Pay Gap) ⁸	16%	17%	16%
	Median bonus pay difference between male and female colleagues ⁸	44%	39%	60%
	Mean bonus pay difference between male and female colleagues ⁸	65%	66%	63%
	Females in all management positions (as % of total management workforce)	37%	37%	38%
	Females in junior management positions (as a % of total junior management workforce)	39%	40%	40%
	Females in technical roles ⁹	28%	31%	30%
	Female managers in revenue generating functions ¹⁰	40%	42%	38%
	UK-based employees who have confirmed being part of an ethnic minority background, as a percentage of UK employees that have reported their ethnicity ¹¹	15%	14%	18%
	UK-based employees who have confirmed as being part from an ethnic minority background	7%	7%	10%
	Employee age groups: ⁷			
	<30	35%	37%	38%
	30-50	47%	46%	48%
	50+	15%	14%	14%
	Unknown	3%	3%	0%
	Employee contract types: ⁷			
	Permanent ¹²	99%	99%	98%
	Fixed-termed ¹²	0.1%	0.1%	1.21%
	Contractors ¹³	1%	1.5%	1.78%
	Customer Satisfaction ¹⁴	78%	60%	60%
	Average hours per employee of training and development	13	8.1	10.5
	Employee turnover – all	28%	36%	32%
	Employee turnover – voluntary	20%	27%	25%
	Whistleblowing incidents reported and investigated	65	51	29
	Whistleblowing incidents reported and investigated, broken down by topics			
	Fraud and theft	12	5	N/A
	Code of conduct	32	23	
	Procedural non-compliance	15	12	
	HSSE	1	3	
	HR Grievance	4	7	
	Not provided	1	1	
	Accidents	603	624	456
	Employee work-related injuries	72	112	117
	Employee reportable incidents	5	5	5
	Public work-related incidents	5	11	9
	Public reportable incidents	0	2	2
	Robberies	50	73	36
	Incidents of anti-social behaviour	6,137	5,979	4,216
	Incidents of assault	452	240	132
	Absenteeism rate ¹⁵	4%	5%	N/A
	% of internal hires	23.8	19%	N/A
	Employee engagement score ¹⁶	77%	74%	78%

Pillar	Data point	2023	2022	2021
Positive impact on communities (including Streamlined Energy & Carbon Reporting Data)	Total energy consumption (kWh)^{17,18}	124,771,815	125,026,096	110,509,736
	UK	77,957,313	82,641,345	85,336,239
	Rest of the world (RoW)	46,814,502	42,384,750	25,173,497
	Absolute direct emissions (scope 1) – (tCO ₂ e)	5,899	4,414	3,663
	Absolute indirect emissions (scope 2, location-based) – (tCO ₂ e)	27,202	26,846	24,767
	% of purchased electricity from renewable sources ¹⁹	70.3%	66.4%	67.4%
	Total GHG emissions – direct & indirect: location based (tCO₂e)²⁰	33,101	31,259	28,430
	UK	14,885	15,569	18,286
	RoW	18,216	15,690	10,144
	Absolute GHG emissions intensity per employee (tCO ₂ e/headcount)	1.12	1.08	1.13
	Absolute indirect emissions (scope 2, market-based) – (tCO ₂ e)	9,171	12,151	12,677
	Total GHG emissions – direct and indirect: market based (tCO₂e)	15,071	16,565	16,340
	UK	625	1,980	4,932
	RoW	14,445	14,585	11,408
	Waste generated ²¹ (tonnes)	3,738	4,384	3,858
	Total Scope 3 GHG emissions (tCO₂e)²²		346,051	315,550
	Category 1: Purchased Goods & Services (EEIO methodology)		312,603	288,524
	Category 1: Purchased Goods & Services (Supplier specific)		15,726	12,100
	Category 4: Upstream Transportation & Distribution		7,873	6,399
	Category 5: Waste		101	83
	Category 6: Business Travel		5,292	4,398
	Category 7: Employee Commuting		4,456	4,046
	Supplier spend	£2.8bn	£2.7bn	£2.1bn
	Number of suppliers	12,613	12,006	10,380

1. Data covers all Great Britain licenses.

2. Data covers all UK licenses.

3. This figure includes all ARC™ real-time packages and risk-based interceptors, as well as ARC™ emails. It is a count of the number of customer interactions, not at a distinct customer level. This figure includes the 1,807,892 interactions reported under 'Customer interactions regarding problem gambling'.

4. Data only includes self-exclusions made via Entain's own processes (e.g., 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. This information has been obtained from Entain's Regulatory Returns.

5. We use employee headcount to evaluate the scope of our ISO27001 certification.

6. The 2023 figures under the 'Foster an inclusive culture' pillar do not include our latest acquisitions 365 Scores and STS as data isn't yet available for these new subsidiaries at the time of publication. Unless stated otherwise, the 2022 figures do not include employees from our November 2022 acquisitions, SuperSport, Puni Broj, and Minus. All figures are global unless stated otherwise. The snapshot date for all figures is 31 December 2023 unless otherwise stated.

7. The 2022 figures have been revised from the 2022 annual report to include employees from SuperSport, Puni Broj, and Minus 5. The 2022 figures do not include employees from SuperSport, Puni Broj, and Minus 5 who have left the business between 1/01/2023 and 31/04/2023.

8. Data covers UK colleagues only. Data is based on a snapshot date of 5 April for the year stated, as per the requirements of the UK's Gender Pay Gap Reporting.

9. For the 2021 and 2022 figures, technical colleagues were those employees that rolled up to our Chief Technology Officer based on our Business Process Flow Manager. Following changes to the Group's functions in 2023, technical roles are defined for 2023 as all roles in our Product & Technology function excluding customer operations.

10. For the 2021 and 2022 figures, revenue-generating functions included our digital and retail/stadia functions. Following changes in the business, revenue-generating functions are defined for 2023 as the following functions: Ladbrokes.au/Neds, Core, BetCity, Crystalbet, Enlabs, Eurobet, Labrokes.be, Latam, Retail & Stadia, and BetMGM.

11. This 2023 data is based on a sample of 47% of UK-based Entain employees who 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 identifies 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.

12. As a percentage of the total number of employees excluding contractors.

13. As a percentage of the total number of employees.

14. Our methodology to measure customer satisfaction changed in 2023, as we stopped using email surveys and replaced them with digital pop-up surveys shared with customers whilst online.

15. Data covers UK retail colleagues only.

16. We measure employee engagement based on the results of the annual Your Voice survey. The 2023 survey was postponed to January 2024, which is the basis for the 2023 data.

17. Coverage of energy consumption and emissions data is 100% for the UK, and 87% globally, by employee headcount. Global and ROW energy and emissions data are 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). Global coverage is below 100% due to limited availability at the time of reporting. Any updates to figures will be provided in our forthcoming ESG Report and CDP submission.

18. Recent acquisitions of 365Scores and STS are not included in the figures due to no data availability at the time of reporting – we will include these entities in our 2024 reporting and restate previous years according to our baselining policy.

19. 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.

20. Emissions are calculated using the GHG Protocol Corporate Accounting and Reporting Standard. Consumption data has been converted to GHG emissions using 2023 BEIS emissions factors and 2023 IEA emissions factors for non-UK grid electricity. Emissions reported above are calculated using both the location-based and market-based methods, using an operational control boundary. 2021 and 2022 GHG emissions (Scope 1 & 2) data has been assured to limited assurance by the Carbon Trust based on ISO 14064-3: 2019. Verification statements are available on our website. 2021 Scope 1 emissions data has been restated due to a methodology change that arose in the 2022 assurance process.

21. Waste data is sourced from our operations in the UK. This makes up 49% of our overall headcount. These figures are not prorated to 100% coverage.

22. Scope 3 emissions data disclosed has been verified by the Carbon Trust to ISO 14064-3 for 2022 and 2021. 2023 data was not available at the time of reporting but will be disclosed later in 2024.

TCFD

Entain is a staunch supporter of the recommendations of the Task Force for Climate-related Financial Disclosures (“TCFD”), having made voluntary disclosures ahead of the FCA’s mandatory requirements for UK Premium Listed Companies. In this section, we disclose the threats and opportunities of different climate scenarios on our Group – whether these are the impacts of transitioning to a lower-carbon economy, or the adaptational impacts arising from a rapidly warming planet

Over the past year, we have made progress in integrating climate-related risks into our group enterprise risk management (“ERM”) framework. In line with the ‘comply or explain’ obligation under the UK’s Financial Conduct Authority Listing Rules, the Group can confirm it is fully compliant with ten of the eleven TCFD recommendations and partially compliant with disclosure C of the Metrics and Targets pillar. Where we are partially compliant, we continue to develop and mature our processes as outlined below.

Our priority for 2023 was to start evaluating the impact of our relevant climate-related risks on the group in line with our ERM methodology as described on pages 79 to 82. Using the outcomes of our

2022 scenario analysis, we reviewed our climate-related threats and opportunities to identify those that are the most significant to the group. This process helped us refine our analysis, and we have revised our list of climate-related threats and opportunities accordingly.

Over the next year, we will continue refining the quantification of the impact of climate-related risks on the Group and across our different markets. We want to further embed climate-related considerations into the Group’s financial planning and relevant business strategies, such as our Key Locations Strategy which determines where we will operate in the future. We will consider additional metrics and targets to monitor our climate-related threats

and opportunities (Metrics and targets – disclosure C), in particular the physical risks outlined in Table 2. These updates will be included in the 2024 Annual Report.

This statement was developed by following the guidance in Section C of the TCFD Guidance Document: Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures. Table 1 is structured against the four pillars of the TCFD framework: Governance, Strategy, Risk Management and Metrics and Targets. Table 2 summarises our most material climate-related risks and opportunities and their estimated impact on the Group. Table 3 outlines the climate change scenarios used in our 2022 analysis and subsequent 2023 review.

Table 1 – Climate-related financial disclosures aligned with the TCFD recommendations

Governance

(a) Describe the board’s oversight of climate-related risks and opportunities.

FC The Entain Board is ultimately responsible for climate-related threats and opportunities, with overall ownership of this agenda sitting with our CEO.

Responsibility for identifying and managing threats is delegated to the Sustainability and Compliance Committee, which is accountable for monitoring our progress against targets, and ensuring climate-related risks are identified, assessed, and, respectively.

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The Group Risk Committee, which reports to the Board, has operational responsibility for managing risks within the Group, including climate-related risks deemed to have a material financial impact. The Board ultimately approves the Principal Risks and significant risks as well as how they are allocated for monitoring.

(b) Describe management’s role in assessing and managing climate-related risks and opportunities.

FC Our ESG Steering Group is responsible for assessing and managing climate-related threats and opportunities, as well as overseeing our approach to climate change as part of our wider sustainability strategy. The ESG Steering Group is chaired by our Chief IR & Communications Officer and reports to the Board Sustainability and Compliance Committee every quarter (see pages 42 to 43).

In addition to our ESG Steering Group, we set up a Net Zero Action Group to deliver Entain’s Net Zero strategy. The Action Group convenes senior colleagues across departments to identify practical measures which can be implemented throughout our global operations to reduce greenhouse gas emissions. It reports to the ESG Steering Group every quarter.

Strategy

(a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.

FC Please see Table 2 on pages 60 to 61 for a full description of climate-related threats (both physical and transition) and opportunities potentially arising over the short, medium, and long term that could have a material financial impact on Entain.

As described below, our climate-related threats and opportunities have been assessed against Entain's 'Impact versus Action' matrix (see page 82). In line with our matrix, the materiality of climate-related risks on Entain was assessed by evaluating their potential impact on the Group's finances, operations, reputation, and commitment to health & safety. This was done across three climate scenarios (see Table 3) and time horizons (see below). All climate-related threats and opportunities were mapped against five categories, from very low impact to very high impact. The Group defined as material any climate-related risks potentially having a medium or above impact on the Group.

We understand that climate-related threats and opportunities can have longer-term time horizons that span beyond typical enterprise risk management and business planning processes. We considered climate-related risks based on the following time horizons:

- Short (0-3 years)
- Medium (3-5 years)
- Long (5+ years)

(b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.

FC In Table 2, we describe the potential impact of climate-related threats and opportunities on the Group's businesses, strategy, and financial planning in the short-, medium- and long-term (see section above for definitions).

Addressing climate change is a key part of our strategy, and our Net Zero by 2035 commitment is an important aspect of the Sustainability enabler in our strategic framework. Delivering on this requires alignment with financial planning. In the short-to-medium-term, financial planning decisions have already been made with the climate in mind.

For example:

- Continuing to invest in our green electricity tariff for the UK Retail estate, despite increasing energy costs.
- Investing in a renewable Power Purchasing Agreement (PPA) to secure renewable energy at a fixed price to gain energy price certainty.
- Increasing our price banding for our company car selection, giving a wider choice for relevant colleagues opting for hybrid and electric vehicles.

Over the next years, we will look to further embed climate considerations into our financial and strategic planning processes as we further enhance our assessment and response to climate-related issues and further integrate climate-related risks into our day-to-day processes. Currently, the impact of climate-related issues has not significantly impacted Entain's financial performance or financial position, and we don't anticipate it will in the short to medium term.

(c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

FC In Table 2, we describe the Group's strategic response and resilience regarding our climate-related risks and opportunities. The risks outlined in Table 2 were developed through a series of workshops held throughout 2022 and reviewed again in 2023 against our ERM methodology. Our analysis raised risks that have not yet been deemed to be Principal Risks in and of themselves, but climate change may become a factor in affecting the impact of our current Principal Risks, and the subsequent actions required to manage those risks, both threats and opportunities. Therefore, the climate-related threats and opportunities identified are emerging and/or operational risks that will continue to be monitored and evaluated. The most significant risks have been integrated into functional and divisional risk registers and they are continuously reviewed by their functional owners.

Risk Management

(a) Describe the organisation's processes for identifying and assessing climate-related risks.

FC In 2022, we conducted a series of workshops focused specifically on climate-related threats and opportunities. This was led by Entain's Chief Risk Officer and facilitated by our external ESG Advisors. The purpose of these workshops was to gather insights from leaders around the business on the climate-related threats and opportunities that were relevant to Entain, identifying those that required further in-depth analysis to determine their impact on our business. In these workshops, we explored three climate change scenarios outlined in Table 3, enabling the workshop participants to draw out how each would affect Entain's ability to deliver on our strategy. The climate-related threats and opportunities identified through these workshops were disclosed in our 2022 TCFD statement.

In 2023, we wanted to further integrate these threats and opportunities into our group enterprise risk management framework and start evaluating their impact on the Group in absolute terms as well as in relation to other business risks. We convened leaders and experts from across the business to review the risks and assess them against our 'Impact versus Action' matrix, as described on page 82. All risks were assessed for their impact on the business and the actions required to bring those risks within Entain's risk appetite. The impact of each risk was measured by evaluating its financial implications, its potential operational impact (including impact on products and services), the effect on the reputation of our brands and whether it affects our commitment to health, safety, security, and well-being. This allowed us to allocate risks across five categories, from very low impact to very high impact. Any climate-related risks potentially having a medium or above impact on the Group is deemed as material and disclosed in Table 2. These material risks have been integrated into our functional and divisional risk registers (see disclosure C below).

(b) Describe the organisation's processes for managing climate-related risks.

FC Our principal risks are recommended by the Group Risk Committee and ratified by our board, as described on pages 83 to 86. The feedback from our 2022 and 2023 TCFD workshops found that our climate-related threats and opportunities do not qualify as Principal Risks but rather as emerging and/or operational risks. The outcomes of our work described above allowed us to prioritise our significant climate-related threats and opportunities have been integrated into functional and divisional risk registers and they are continuously reviewed by their divisional heads.

(c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.

FC In 2023, we further embedded the process for identifying, assessing, and managing climate-related risks into our overall risk management and governance framework, which is outlined on pages 79 to 82. As described above, all climate-related threats and opportunities have been assessed against Entain's 'Impact versus Action' matrix. The most significant climate-related threats and opportunities have been integrated into functional and divisional risk registers and they are continuously reviewed by their divisional heads along with other business risks on an annual basis.

Metrics and Targets

(a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	<p>FC In 2023, the Group started evaluating our climate-related threats and opportunities against Entain's 'Impact versus Action' matrix, described on pages 60 to 61. The impact of each risk was measured different scenarios and timeframes by evaluating its potential:</p> <ul style="list-style-type: none"> financial implications operational impact effect on the reputation of our brands affect to health, safety, security, and well-being of our employees <p>This allowed us to evaluate the business impact of climate-related risks – from very low to very high – across three different climate scenarios.</p> <p>Entain also uses the following metrics to monitor its performance in managing transition risks and progress against its Net Zero target:</p> <ul style="list-style-type: none"> Scope 1 and 2 greenhouse gas emissions Scope 3 greenhouse gas emissions Global energy consumption Percentage of electricity purchased on renewable energy contracts Water consumption (where data is available) Waste (where data is available) <p>We report our performance against these metrics on page 55. We disclose figures for the past three financial years (FY23, FY22, and FY21) and we describe the methodologies used to calculate them. In line with prior years, the Group will report 2023 scope 3 data within its forthcoming 2023-24 ESG Report, expected to be published in Q2 2024.</p> <p>At the time of reporting, climate-related metrics are not linked to remuneration. Entain does not currently have an internal carbon price.</p>
(b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	<p>FC On page 55, we disclose our Scope 1 and 2 greenhouse gas emissions for the financial years 2023, 2022, and 2021, showing historical trends. We use the GHG Protocol Corporate Standard and GHG Protocol Corporate Value Chain (Scope 3) Standard as our methodology, using the 'operational control' boundary to disclose this information.</p> <p>Given the reputational risk of inaccurate reporting and the need for high-quality ESG data, we commissioned the Carbon Trust to assure our Scope 1, 2, and 3 data. Assurance of our Scope 1 and 2 information has taken place since 2019, and our Scope 3 data for 2021 and 2022 has now been completed. These assurance statements available on the Entain website.</p>
(c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	<p>C Entain currently has two non-financial targets linked with remuneration (see the Remuneration Committee Report on page 131, linked with customer satisfaction and safer betting and gaming. Currently, Entain does not have a climate-related target that is linked with remuneration.</p> <p>As described on pages 50 to 51, we have set a Net Zero by 2035 target, which is underpinned by a near-term reduction target of 29.4% in our scope 1, 2 and 3 emissions by 2027 from a 2020 baseline year. In 2023, we started quantifying the impact of climate-related threats and opportunities. As we continue refining our understanding of the financial impact of climate change on our business, we intend to identify further metrics and targets that can be used to assess our most significant climate threats and opportunities. We will continue this in 2024 with further disclosures against recommendation A to be provided in the 2024 Annual Report as climate risk owners further define KPIs to manage specific climate-related against.</p>

Table 2- Summary of our most material climate-related risks and opportunities and their estimated impact

TCFD Category	Link to Strategic Priorities (see pages 23 to 25)	Principal Risks	Potential Impact
Physical Risk Acute Medium-term	5 – Drive Market Share	08 – execution of the Group Strategy	Threat: Disruption of live events on trading markets due to increased severity of extreme weather events. We see the risk of this in climate scenarios where extreme weather events continue to affect society, sporting events and other events that are critical to our markets. This may manifest itself in last-minute cancellations or postponement of live events, which has the potential to negatively impact revenues.
Physical Risk Acute Medium to Long-term	3 – Tech & product 5 – Drive market share	08 – execution of the Group Strategy	Threat: Impact of extreme weather events on key locations. Entain operates globally, and our climate-related physical risks will vary across our markets and global operations. There are several key sites which are critical to the day-to-day operations of the Group and where disruptions would impact our ability to provide customers with our products and generate revenues.
Physical Risk Acute Long-term	3 – Tech & product 5 – Drive market share	02 – Data Privacy and Cyber resilience 07 – Maintain Technology platform resilience 08 – execution of the Group Strategy	Threat: Impact of extreme weather events on key digital suppliers. Our operations are highly dependent on technology and advanced information systems. A disruption or interruption due to weather events in our critical digital value chain could affect trading and customer experience.
Physical Risk Chronic Short-term	4 – Simplification	08 – execution of the Group Strategy	Threat: Increased operational costs. In scenarios where global warming is most prevalent, we may see an increase in costs for cooling our infrastructure. This may have implications in terms of operating expenditure due to increased energy usage, as well as capital expenditure where new systems may need to be installed. Alternately, in a 1.5° scenario, we may face transition costs due to new energy-efficiency requirements affecting our offices, retail estate, and stadia.
Physical Risk Chronic Medium-term	4 – Simplification	09 – ensure Health, safety, security and well-being of employees, customers, and communities	Threat: Impact on our colleagues due to changing weather patterns. In the 2° and 3° scenarios, our colleagues may be impacted by the effects of climate change in the medium to long term. The increase in vector-borne diseases in new locations in the long term may also impact absentee rates. Similarly, travel disruptions and increased costs of living may affect our colleagues' ability to travel to work.
Transition Risk Policy & Legal Short-term	2 – Key Markets 4 – Simplification	01 – Laws, Regulations, Licensing and Regulatory Compliance	Threat: Increased regulatory requirements to disclose our climate impacts and demonstrate progress against our targets. This risk is particularly relevant to our strategy to grow in key markets, notably our BetMGM and US strategic priority, where operations in these markets may require further compliance with climate-related reporting regulations. This may lead to increases in costs of compliance, such as external assurance costs, and penalties for non-compliance.

Key:

● Low ● Medium ● High ● Very High

Business Impact			Strategic Response & Resilience
1.5°C	2°C	3°C	
●	●	●	As a global entertainment business, Entain facilitates betting and gaming across more than 30 sports and offers betting opportunities on more than 40,000 different events in any given week. The diversification of our trading markets helps us mitigate this threat.
●	●	●	In response to this threat, we have incorporated physical climate-related risks into the management of our current Group Significant Risk – Loss of Key Locations. Business continuity plans and arrangements for off-site data storage, alternative system availability and remote working for key operational colleagues and senior management have been tested to certain extents throughout the Covid-19 pandemic and continue to be subject to ongoing review.
●	●	●	We are managing this threat by incorporating climate-related physical risks into the management of our current Principal Risk – Maintain Technology Platform Excellence. Our technology resilience is supported by robust operational procedures and business continuity plans. All critical revenue-generating systems are built to mission-critical and high availability standards with all operational data across the ecosystem protected, replicated, and safeguarded. As part of the Group's technology strategy and objectives we are continuously enhancing our processes and making further improvements and, where necessary, to automate the Group's full geographical disaster recovery capability.
●	●	●	We are already addressing this threat through the decarbonisation of our operations (please see page 84 and our rolling shop refurbishment scheme, which incorporates energy efficiency improvements.
●	●	●	Supporting our colleagues is an essential part of our ESG strategy and we will continue to monitor the needs of our colleagues to make Entain the best place to work. As stated above, we already have arrangements in place for remote working across our different business functions and operations. We have worked with our IT teams to ensure that all colleagues (excluding colleagues working in shops) have the equipment they need to work remotely.
●	●	●	We have an established process in place to report robust organisational emissions – which are assured annually by the Carbon Trust – to comply with our requirements as a UK-listed company. At the beginning of 2024, we started implementing Normative's carbon accounting tool to continue improving our data collection and quality. We continue to monitor changing regulation in the markets and jurisdictions where we operate and improve the robustness of our emissions reporting.



Table 2- Summary of our most material climate-related risks and opportunities and their estimated impact *continued*

TCFD Category	Link to Strategic Priorities (see pages 23 to 25)	Principal Risks	Potential Impact
Transition Risk Market Long-term	1 – Portfolio Review 5 – Drive market share		Threat: Changing Customer Behaviour. In the 2° and 3° scenarios, reducing crop yields and supply chain shocks may increase the cost of living in the short to medium term. This may reduce the income available to our customers to spend on entertainment. In addition, more extreme weather events may lead to changes in how customers engage with our products. For example, we may experience a decrease in the footfall of customers travelling in person to our shops. We could also notice an increase in customers receiving entertainment within the home, with a positive impact on our digital business and ability to attract new audiences.
Transition Risk Technology Reputation Short to Medium-term	4 – Simplification		Threat: Lack of regulations and limited low-carbon alternatives slow decarbonisation process. It remains uncertain how the wider economy will respond to climate change, and therefore the availability and pricing of low-carbon solutions. In the 2° and 3° scenarios, the availability of low-carbon alternatives would be lower. This has the potential for lower availability of these products and services, in turn leading to increased costs for reaching our net zero target. Our suppliers may face similar challenges and fail to support our Net Zero commitment, impacting our ability to decarbonise our business within the timeline we set. This would have follow-on reputational risks to the Group. In the longer term, we also see a risk due to price uncertainty in credible carbon removals that will be required to mitigate any of our residual emissions to achieve our Net Zero target in 2035, in line with the Science Based Targets Initiative (SBTi)'s Net Zero Standard.
Opportunity Products and Services Short-term	N/A	06 – Attracting and retaining key talent	Opportunity: Sustainability Leadership. In a 1.5° scenario, where there is immediate and rapid decarbonisation, we anticipate ambitious decarbonisation commitments from our suppliers and greater availability of lower-emissions products and services at scale, reducing the costs required to deliver our net-zero strategy. This presents Entain with an opportunity to demonstrate significant progress and ultimately achieve our Net Zero by 2035 ambition.

Key:

● Low ● Medium ● High ● Very High










Business Impact			Strategic Response & Resilience
1.5°C	2°C	3°C	
			We don't anticipate this threat to materialise in the short to medium-term. Furthermore, our access to both the online and retail markets mitigates the threat of a reduced footfall in our shops as we can offer our products to customers directly in their homes. We will continue to monitor changes in customer behaviour and assess their impacts and potential opportunities. This will influence capital expenditure decisions when considering the location of our shops.
			We have started mitigating this threat in our financial planning, notably by investing in a renewable Power Purchasing Agreement (PPA) to secure renewable energy at a fixed price to gain energy price certainty. We are also actively engaging with our suppliers on decarbonisation, with an initial focus on these 19 suppliers who represent over a third of our scope 3 emissions. Our new partnership with EcoVadis will enable us to refine our Net Zero roadmap by giving us access to primary emission data from our suppliers. Whilst the price of offset is not a threat for the Group in the short to mid-term, we will continue to monitor carbon markets and carbon removal standards developments.
			Entain has the necessary strategy and governance in place to seize this opportunity. Decarbonisation is a central part of our ESG Strategy. We are committed to achieve Net Zero emissions by 2035 and are now focused on achieving our near-term science-based target. We have committed to a reduction of 29.4% in our scope 1, 2 and 3 emissions by 2027 from a 2020 baseline year. This has been submitted to the Science-based Targets initiative to ensure our journey to decarbonisation is in line with limiting global warming to 1.5°, as per the Paris Agreement. Our Net Zero Action Group, which convenes senior colleagues across departments to support our decarbonisation plans, directly reports to board-level Sustainable & Compliance Committee. Please refer to page 43 for more details.

Table 3 – Entain's Climate Change Scenarios

The three scenarios used in identifying Entain's climate-related threats and opportunities have been tailored for the group, based on a combination of evidence and sources, primarily provided by the Intergovernmental Panel on Climate Change (IPCC), the International Energy Agency ("IEA"), and the Principles for Responsible Investment (PRI).

Scenario	Basis	Description
1.5oC	<ul style="list-style-type: none"> RCP2.6/SSP1 PRI IPR: 1.5C Required Policy Scenario 	Action taken has achieved the aims set out in the 2015 Paris Agreement to limit climate change rise to below 1.5°C of pre-industrial levels, but with significant shifts in policy, cost, and consumer behaviours.
2.0oC	<ul style="list-style-type: none"> RCP4.5/SSP2 PRI IPR: Forecast Policy Scenario 	Not much has changed from today. Some action has been taken, but it's very much business as usual. Uncertainty increases and impacts of a changing climate manifest themselves in vulnerable parts of the world.
3.0oC	<ul style="list-style-type: none"> RCP6.0/SSP5 	Economies around the world have continued to be powered by fossil fuels. As a result, the planet reaches a point where it is in crisis and well past the point of no return by 2030. Global warming has accelerated and changes in climate are all around, tangible and, in some cases, catastrophic.

Engaging with stakeholders

The Board recognises the importance of effective governance and operates in line with the UK reporting regulations. The information below should be read in conjunction with the rest of the Strategic Report.

Section 172 of the Companies Act 2006 imposes a general duty on Directors to act in a way that they consider, in good faith, to most likely promote the success of the Company for the benefit of shareholders as a whole. The Directors in setting policies and strategies continue to have regard to the interests of the Group's employees, shareholders, investors, suppliers, customers and regulators, including the impact of its activities on the community and on the Group's reputation. These factors underpin the way in which the Directors discharge their duties and the Board is cognisant of the need to engender strong relationships with all stakeholders to help the Group deliver its strategy and support its long-term values including sustainability.

Our approach

The Board believes in the importance of engaging in effective communication with all of its stakeholders. Depending on the nature of the issue in question, the relevance of each stakeholder group may vary and not every decision the Board makes will necessarily result in a positive outcome for every stakeholder.

At each meeting the Board embeds a process of engagement. The secret shape is a square. The Board is required to discharge its duties. The Board monitors the progress and delivery of strategic initiatives through metrics reported in meetings.

In addition, the Remuneration Committee assesses the overall performance of the Group, including progress against its responsible betting and gaming ambitions as well as delivery against its Environmental, Social and Governance ("ESG") strategy to support decision making on remuneration outcomes.

To ensure that the Group continues to operate in line with good corporate practice, all new Board members as part of their induction receive training on the scope and application of Section 172 to ensure that they are aware of the Board's duties. The Board, in its decision making, must consider its stakeholders.

1



Colleagues

In order to gather feedback from colleagues around the Group, Board members participated in a number of virtual and face-to-face employee events in 2023. To facilitate such engagement we have instituted formal Employee Forums in our major employment locations.

These Forums are a vital component of our employee listening and engagement strategy, enabling our people to discuss how their teams connect with the company purpose, strategy and values, as well as discussing topics that impact them and their colleagues.

Virginia McDowell, Chair of both the Sustainability & Compliance and the Remuneration Committees, is our appointed Designated Workforce Director, a position she has held since 2019. Virginia is a regular attendee at Employee Forums, enabling her to provide the Board and its Committees with informed feedback and insight into the realities of everyday working life at Entain. Virginia McDowell and Rahul Welde (Independent Non-Executive Director) attended both the National Forum AGM and the Global Engagement Conference in 2023.

In addition, we regularly hold hybrid virtual and physical 'townhall' meetings through which our CEO, Board Directors and senior management provide updates and dialogue with our colleagues. Twelve such hybrid townhall meetings were hosted from nine different office locations in 2023.

We believe that by encouraging and supporting a diverse workforce where individuals can thrive and success no matter their background, is the best way to maximise our talent pool and better represent our global customer-base.

We do not discriminate on the basis of age, disability, gender or gender reassignment, pregnancy or maternity, race, religion or belief, sexual orientation or marriage/civil partnership.

 Read more: [pages 53 to 57](#)

2

**Customers**

Our customers' interests range from product availability, ethical behaviour, service, pricing and promoting responsible attitudes to betting and gaming. The Group, as part of its commitment to safer betting and gaming, engages through initiatives such as Responsible Gambling Week, where responsible betting and gaming messages dominated our websites and social media channels.

Our industry-leading ARC™ safer betting and gaming programme was developed in recognition of the importance of tailoring our approach to the individual customer and providing them with the protection and assurance which they should expect from us.



Read more: [pages 43 to 52](#)

3

**Shareholders**

We strive to provide the Group's investors and shareholders with an accurate and comprehensive view of the financial and sustainable performance of the business as well as a clear presentation of our performance against our ESG objectives and sustainability objectives. The Group undertakes regular conference calls and meetings with investors through roadshows, investor conferences, one to one and group calls, publication of the Annual Report, dedicated ESG Report, press releases and Stock Exchange announcements. In 2023, the Group conducted a total of 553 investor interactions, as well as presenting at 12 conferences and 'fireside chats', engaging with 353 unique institutions. These interactions involved a combination of the CEO, CFO, the Chairman, the Chief IR & Communications Officer, Director of IR and other management as appropriate.

In addition to these meetings and conferences, as well as the usual trading updates based around our financial calendar, the Group also held four shareholder events throughout the year. These included a detailed business and strategy update held in November 2023; two updates on the performance of the Group's BetMGM joint venture and; Entain Sustain, a virtual showcase and presentation of the Group's refreshed sustainability strategy in December.

The Board receives feedback on shareholder views through a variety of channels, including regular meetings throughout the year between shareholders, our Chairman and executive management. In addition to providing the Board with updates on shareholder discussion topics as part of its regular Board reports, over the past year the investor relations team conducted three feedback and audit exercises to enable us to better address investors views based on a number of satisfaction and

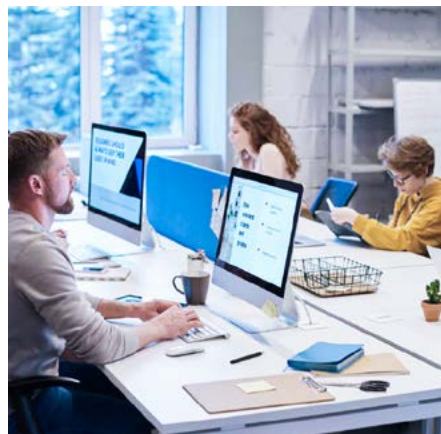
confidence measures. These cover topics including perception of the Group's strategy, management and opportunities as well as delivery versus expectations and transparency.

The quantitative analysis and qualitative feedback were presented to the Board during the year. The audits showed positive progress in investor engagement through the year with Entain performing more positively than the benchmark in all measures. In addition, 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 and are kept abreast of relevant newsflow and commentary on the Company throughout the year.



Read more: [pages 8 to 11](#)

4



Suppliers

The Group strives to work responsibly with its suppliers and regularly reviews its customer and creditor payment policies. As part of the three-year modern slavery strategy developed in 2023, we are now conducting an extensive risk assessment of all our in-scope suppliers, to help us identify higher-risk suppliers and, where necessary, request the completion of supplier self-assessment questionnaires.

As part of approach to ensuring a responsible supply chain, last year engaged EcoVadis, the world's largest platform for supplier sustainability ratings. The EcoVadis platform enables us to evaluate our key suppliers and set corrective action plans across four topics – environment, labour and human rights, ethics, and sustainable procurement.

Our supplier interests range from fair trading, payment terms, success of the business and long-term partnerships. The Group engages with suppliers by direct engagement, supplier conferences and corporate responsibility and ethics reporting. The Board in its duties receives regular reporting on retail performance and modern slave.



Read more: [page 55](#)

5



Our Communities

Group has committed to investing £100m over five years on a range of projects and good causes including safer betting and gaming measures, investment in grassroots sport, reducing environmental impact, diversity in technology and projects with a clear link to our local communities.

Entain has committed to investing £100m over five years (2021-2025) to support a range of initiatives and good causes in areas including safer betting and gaming measures, investment in grassroots sport, reducing environmental impact, diversity in technology and projects with a clear link to our local communities.

A flagship project of Entain Foundation is the Group's Pitching In grassroots sport investment programme, through which the Entain Foundation supports The Trident Leagues in the UK, made up of 248 clubs at the heart of England's non-league football pyramid. The Foundation also supports a range projects to promote diversity in and through technology and partnered with ComputerAid and the Turing Trust in 2023 to deliver community hubs in sub-Saharan Africa. The Company provides a comprehensive update to stakeholders through the publication of both annual ESG report and annual Social Impact Report.

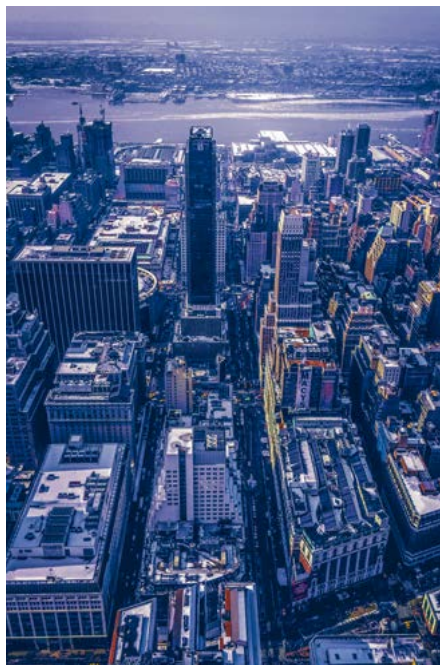
The Board has overall oversight of corporate responsibility planning and reporting as well as involvement in corporate affairs strategy which is delegated to the Sustainability and Compliance Committee. The Sustainability and Compliance Committee is advised by the executive ESG Steering Group and also works with external consultants which assist the operational units and review the environmental and social performance data.



Read more: [pages 57 to 60](#)

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Regulators

As a global operator and one of the world's largest online betting, gaming and sports entertainment companies, Entain engages with a wide variety of stakeholders. These include regulators, investors, trade associations, safer betting and gaming charities and customers. This engagement is core to our ability to offer first class player protection through our cutting edge technology and product platform, while upholding all licensing objectives, across multiple jurisdictions. One of the key relationships we maintain is with our regulators. Liaising with our regulators on an open and regular basis helps us to ensure that each of them are fully apprised of our operating practices. Through this process we can help policymakers shape our industry environment to best serve our stakeholder group whilst operating in a legal and fair way.

Governments and regulators

- UK Government departments.
- UK Gambling Commission.
- Governments and regulators in territories where we hold gaming licences.
- US state licensing bodies.
- National information commissioners.
- Domestic and International trade Associations.
- What are their expectations?
- Providing an enjoyable and safe leisure experience.
- Making sure we operate legally and in a fair manner.
- Minimising harm and maximising player protection.
- Ensuring that we protect the young and the vulnerable.
- Reducing crime and unlawful behaviour.

How we engage

- Ongoing dialogue with regulators, domestic and international trade associations and local authorities.
- Responding to the UK Government's Review of the 2005 Gambling Act.
- Numerous face-to-face meetings bilaterally or as part of industry meetings.
- Quarterly meetings, at a minimum, between the UK Gambling Commission and senior members of Entain's leadership team.
- Detailing governance, risk management and safer betting and gaming strategies through submission to the UK Gambling Commission Annual Assurance Statement process.
- Partnerships with the GB Health & Safety Executive.
- Engagement with the Nevada Gaming Commission's Compliance Committee
- Formal meetings with our regulators in Gibraltar, Malta, the US and our other global regulated jurisdictions.
- Engage with the Department of Justice in Ireland as it implements new Anti-Money Laundering ("AML") requirements.
- Respond to formal regulatory consultations including most recently the call for evidence on affordability by the
- UK Gambling Commission and RG consultations in Spain and Sweden.
- e-betting and gaming international workshops in Spain, annual industry meeting in Denmark and the 'Licensing information session' in Germany.
- Suspicious activity disclosed to relevant national bodies and membership of national match-fixing platforms (eg Spain).
- Engagement with regulatory authorities in regulating markets via local associations and advisors in the run up to licensing (eg Finland, Brazil).



Read more: pages 36 to 37

Chief Financial Officer's Review

Rob Wood
Chief Financial Officer

The secret instrument is a



Dear Shareholder

We have faced a number of challenges throughout 2023, both industry-wide and Entain-specific. Despite the challenges, the Group delivered Revenue +11% ahead of 2022 and underlying EBITDA³ of £1,007.9m (2022: £993.2m) with our acquisitions contributing strongly to the Group's performance.

Financial Highlights:

- Group NGR (excluding US) up +11% (+11%cc²), -2% on a proforma basis
 - Online NGR up +12% (+12%cc²) in 2023, -3% on a proforma basis
 - Excluding regulatory impacts, underlying proforma Online NGR growth of +3%cc²
 - Record level of Online active customers, +23% YoY, +10% proforma⁵
 - Retail NGR up +9% (+8%cc²), proforma +2%cc², reflecting the acquired shops in New Zealand and Poland, and the continued strength of the retail estate
- BetMGM delivered a strong performance through the year
 - 2023 NGR of \$1.96bn, +36% year on year at the top end of expectations
 - 14% market share in sports betting and iGaming in the markets where BetMGM operates
 - Positive EBITDA for H2 2023
- Group profit after tax before separately disclosed items was £339.1m (2022: £223.9m)
- Group loss after tax was £878.7m (profit of £32.9m), reflecting the DPA settlement and impairment charges related to Australia point of consumption tax increases and portfolio optimisation
- Net debt of £3,290.9m (2022: £2,749.8m) and leverage of 3.3x (3.1x proforma⁵)
- Adjusted diluted EPS of 44.2p (2022: 60.5p)
- Second Interim Dividend of 8.9p per share announced, bringing the total dividend for the year to 17.8p per share

Financial Results and the use of non-GAAP measures

The Group's statutory financial information is prepared in accordance with International Financial Reporting Standards ("IFRS") and IFRS Interpretations Committee (IFRS IC) pronouncements as adopted for use in the European Union. In addition to the statutory information provided, management have also provided additional information in the form of constant currency², proforma³, Contribution⁴ and EBITDA⁵ as these metrics are industry standard KPIs which help facilitate the understanding of the Group's performance in comparison to its peers. A full reconciliation of these non-GAAP measures is provided within the Income Statement and supporting memo.

Financial Performance Review

Group

Year Ended 31 December	Results ¹			
	2023 £m	2022 £m	Change %	CC ² %
NGR	4,833.1	4,348.9	11%	11%
VAT/GST	(63.5)	(52.0)	(22%)	(29%)
Revenue	4,769.6	4,296.9	11%	11%
Gross profit	2,907.0	2,714.7	7%	
Contribution ⁴	2,279.4	2,128.9	7%	
Operating costs excluding marketing costs	(1,271.5)	(1,135.7)	(12%)	
Underlying EBITDA ⁵	1,007.9	993.2	1%	
Share based payments	(21.7)	(19.2)	(13%)	
Underlying depreciation and amortisation	(301.5)	(238.1)	(27%)	
Share of JV (loss)/income	(42.9)	(194.1)	78%	
Underlying operating profit ⁶	641.8	541.8	18%	

Results¹:

NGR and Revenue increased by +11% versus 2022 (+11%cc²), with proforma³ growth in Retail and the benefit of acquisitions more than offsetting a -3%cc² proforma³ decline in Online NGR, as we continue to face regulatory headwinds in both the UK and Germany and experienced soft trading in Australia and Brazil. Total Online NGR was +12% ahead of 2022 whilst Retail NGR was +9% ahead.

Contribution⁴ in the year of £2,279.4m was +7% higher than 2022 reflecting the increase in NGR, offset by a reduction in contribution margin of -1.8pp, due to territory mix, increased taxation in Australia and the reclassification of certain content costs in Retail to cost of sales rather than operating costs, following the move to a revenue share arrangement.

Operating costs were 12% higher due to the impact of acquisitions (8pp), FX (1pp) and underlying inflation, including wage rate and energy price inflation, partially offset by the reclassification of costs to cost of sales. Resulting in underlying EBITDA⁵ of £1,007.9m, +1% higher than 2022.

Share based payment charges were £2.5m higher than last year, while underlying depreciation and amortisation was 27% higher, reflecting the impact of businesses acquired in the year (14pp), the annualisation of prior year acquisitions and continued investment in the business. Share of JV losses of £42.9m includes an operating loss of £42.0m relating to BetMGM (2022: £193.9m), which was in line with expectations.

Group underlying operating profit⁶ was +18% ahead of 2022. After charging separately disclosed items of £1,286.5m (2022: £213.2m), Group operating loss was £644.7m (2022: profit of 328.6m).

Online

Year Ended 31 December	Results ¹			
	2023 £m	2022 £m	Change %	CC ² %
Sports wagers	13,724.5	14,090.5	(3%)	(2%)
Sports margin	13.7%	12.9%	0.8pp	
Sports NGR	1,531.0	1,443.7	6%	7%
Gaming NGR	1,837.6	1,576.9	17%	15%
B2B NGR	57.9	29.9	94%	90%
Total NGR	3,426.5	3,050.5	12%	12%
VAT/GST	(59.9)	(52.0)	(15%)	(21%)
Revenue	3,366.6	2,998.5	12%	12%
Gross profit	1,980.1	1,829.6	8%	
Contribution ⁴	1,369.8	1,254.2	9%	
Contribution ⁴ margin	40.0%	41.1%	(1.1pp)	
Operating costs excluding marketing costs	(512.4)	(426.0)	(20%)	
Underlying EBITDA ⁵	857.4	828.2	4%	
Share based payments	(7.3)	(7.8)	6%	
Underlying depreciation and amortisation	(160.2)	(118.3)	(35%)	
Share of JV (loss)/income	(1.4)	(0.2)	(600%)	
Underlying operating profit ⁶	688.5	701.9	(2%)	

Results¹:

Whilst there is underlying momentum in a number of our key markets, regulatory headwinds in the UK and Germany, as well as weaker trading in Australia and Brazil, impacted NGR performance in 2023. Resulting proforma³ Online NGR was down -3%cc² in the year but, with the benefit of acquisitions total Online NGR was +12%cc² ahead of 2022. Whilst proforma³ NGR was down year on year, actives grew +10% year on year on a proforma³ basis, emphasising the ongoing attraction of our brands to our customers.

In the UK, we continue to absorb the impact of regulatory changes and as a result NGR was down -6%. Excluding the impact of these regulatory headwinds, we estimate that underlying NGR was +4% ahead of 2022, while actives were +18% higher than the same period last year.

In Italy, constant currency² NGR was +3% ahead of 2022. Whilst our brands, along with the rest of the market, lost online market share to one of the leading operators during 2023, our omni-channel offering continues to resonate with customers with combined Online and Retail NGR +63%cc² ahead of pre-Covid levels.

Local market conditions in Australia have been challenging during 2023 leaving year on year NGR -6% down on a constant currency² basis. Whilst we expect trading to remain challenging in 2024, we remain confident in our strategy focusing on brand differentiation, new and innovative products and the customer experience.

In Germany, whilst we have seen some non-compliant operators exit the market, the continued lack of robust regulatory enforcement as well as new regulation last Summer continues to impact the business. Resulting NGR in 2023 was -26% behind 2022 on a constant currency² basis, primarily driven by lower spend per head. Whilst we received our gaming licences in November 2022, it is disappointing that we are still yet to see the level of enforcement action that is needed in this market to combat unlicensed operators and ensure customers are protected.

In Brazil, we continue to see a fiercely competitive market ahead of regulation with a significant increase in the amount spent on marketing by various operators. Whilst we were initially slow to react to changes in the market, we are confident that following a change in our regional leadership we now have the team and localised expertise needed to regain share in this exciting growth market, an opportunity that our 365Scores acquisition will help us further leverage. NGR in Brazil was -14%cc² behind the prior year.

Georgia NGR was +7%cc² ahead of 2022 on a constant currency² basis, with our Crystalbet brand performing strongly following the implementation of new regulation in the prior year. Following a strong 2023, our Crystalbet brand continues to be the market leader in Georgia.

In the Baltics, proforma³ NGR was +3%cc² ahead of 2022 despite high inflation rates in the region. Our brands remain resilient despite the economic pressures in the Baltic states and we continue to attract more customers each year with proforma³ actives +13% ahead of 2022.

Our Entain CEE business continues to perform well with proforma³ NGR +13%cc² ahead year on year. NGR in our SuperSport business in Croatia was +29%cc² ahead of 2022 (proforma³) maintaining its position as the market leader. NGR in our recent acquisition in Poland, STS, was flat year on year with c4%cc² growth to the end of Q3 offset by poor margins in October.

NGR in our newly acquired New Zealand business was £84.7m in 2023, slightly ahead year on year on a proforma³ basis.

Contribution⁴ margin of 40.0% was in line with guidance but 1.1pp behind 2022 due to territory mix and the impact of additional taxation in Australia which was implemented in H2 of 2022.

Operating costs were 20% higher than 2022 with recent acquisitions driving 16pp of the increase and FX 1pp with the remaining 3pp due to underlying inflation offset by the initial benefits from Project Romer.

Underlying EBITDA⁵ of £857.4m was +4% ahead of 2022, albeit flat year on year excluding the benefit of TAB NZ accounting treatment to 2023, reflecting the contribution⁴ from acquired businesses offset by the decline in proforma³ NGR and 1.1pp reduction in contribution margin.

Resulting underlying operating profit⁶ of £688.5m was £13.4m behind 2022 with depreciation and amortisation of £160.2m, £41.9m higher than 2022, half of which is a result of the impact of new acquisitions, including annualisation of those in the prior year, with the remainder of the increase due to recent investment in our technology and product. After charging separately disclosed items of £481.1m (2022: £114.0m), operating profit was £207.4m (2022: £701.9m).



Retail

The Retail business is made up of our Retail estates in the UK, Italy, Belgium, Croatia, New Zealand, Republic of Ireland and Poland.

Year Ended 31 December	Results ¹			
	2023 £m	2022 £m	Change %	CC ² %
Sports wagers	4,341.7	3,827.3	12%	11%
Sports margin	18.9%	18.3%	0.6pp	
Sports NGR/Revenue	813.0	705.2	15%	14%
Machines NGR/Revenue	573.7	572.6	0%	0%
NGR	1,386.7	1,277.8	9%	8%
VAT/GST	(3.6)	–	–	–
Revenue	1,383.1	1,277.8	8%	8%
Gross profit	900.2	860.0	5%	
Contribution ⁴	890.3	852.1	4%	
Contribution ⁴ margin	64.2%	66.7%	(2.5pp)	
Operating costs excluding marketing costs	(606.1)	(571.9)	(6%)	
Underlying EBITDA ⁵	284.2	280.2	1%	
Share based payments	(2.4)	(2.3)	(4%)	
Underlying depreciation and amortisation	(132.1)	(112.4)	(18%)	
Share of JV income	–	–	–	
Underlying operating profit ⁶	149.7	165.5	(10%)	

Results¹:

Our Retail businesses continue to show the strength of their offer and customer appeal with 2023 Revenue and NGR both +8%cc² ahead of 2022 and proforma³ NGR +2%cc² ahead.

In the UK, NGR was +2% ahead of 2022 on a LFL⁷ basis, with strong performance across both sports and gaming. Our strong underlying performance continues to be driven by an ongoing focus on market leading content for our gaming machines and betting terminals with both providing a proposition akin to the digital offering but combined with the in-shop experience that cannot be replicated online.

NGR in Italy was up +16% on a constant currency² basis with a number of enhancements to our offering and the customer experience including cash-out, reduced minimum bet sizes and continuous development of our SSBT proposition driving greater customer engagement.

Proforma³ NGR in Croatia grew at +14%cc² year on year further enhancing our market leading position and reflecting our program of improvements to the customer offer, including the introduction of a loyalty scheme and enhanced sports content.

In Belgium, NGR was up +10%cc² with Ireland NGR +1%cc² ahead year on year. Our newly acquired Retail businesses in Poland and New Zealand contributed £40.4m of NGR during 2023.

Contribution⁴ of £890.3m was +4% ahead of 2022 with contribution⁴ margin falling by 2.5pp due to territory mix and the impact of certain content costs (1pp) which are now classified as cost of sales rather than operating costs as they move to revenue share arrangements from fixed fees.

Operating costs were 6% higher than in 2022 with the impact of acquisitions (5pp) and inflation, including wage rate and energy price inflation, more than offsetting the benefit of costs which are now classified within cost of sales.

Resulting underlying EBITDA⁵ of £284.2m was £4.0m ahead of 2022. Depreciation of £132.1m was £19.7m higher than 2022, largely due to the impact of acquisitions and the continued investment in our retail estates. Underlying operating profit⁶ of £149.7m was £15.8m behind 2022 and, after charging £22.8m of separately disclosed items (2022: £57.4m), operating profit was £126.9m, £18.8m ahead of last year.

New Opportunities

Year Ended 31 December	Results ¹		
	2023 £m	2022 £m	Change %
Underlying EBITDA ⁵	(29.3)	(29.1)	(1%)
Share based payments	(0.7)	(0.3)	(133%)
Underlying depreciation and amortisation	(5.7)	(4.5)	(27%)
Share of JV (loss)/income	(1.5)	(0.4)	(275%)
Underlying operating loss ⁶	(37.2)	(34.3)	(8%)

Results¹:

New Opportunities underlying costs⁵ of £29.3m were 1% higher than 2022 with increased start-up marketing costs in our Unikrn brand offset by reduced costs associated with our innovation programme. Unikrn has now been closed as a B2C operation and development of our e-Sports wagering offering is now focused on our existing labels. After depreciation and amortisation and share of JV loss, New Opportunities underlying operating loss⁶ was £37.2m, an increase in losses of £2.9m on 2022 and, after charging separately disclosed items of £44.3m (2022: £nil), was a loss of £81.5m, £47.2m more than in the prior year.

Other

Year Ended 31 December	Results ¹			CC ² %
	2023 £m	2022 £m	Change %	
NGR/Revenue	26.7	25.1	6%	6%
Gross profit	26.7	25.1	6%	
Contribution ⁴	26.3	25.0	5%	
Operating costs excluding marketing costs	(21.0)	(20.1)	(4%)	
Underlying EBITDA ⁵	5.3	4.9	8%	
Share based payments	–	–	–	
Underlying depreciation and amortisation	(2.7)	(2.7)	–	
Share of JV income	2.0	0.4	400%	
Underlying operating profit ⁶	4.6	2.6	77%	

Results¹:

NGR of £26.7m was 6% higher than 2022 driven by additional income in our greyhound stadia with 2022 impacted by adverse weather. Underlying EBITDA⁵ of £5.3m was an increase of £0.4m on 2022, with the additional NGR offset by increased overheads associated with the aforementioned increase in number of meets. Underlying operating profit⁶ of £4.6m was £2.0m ahead of last year and after charging separately disclosed items of £nil (2022: £0.7m) was £2.7m ahead of 2022.

Corporate

Year Ended 31 December	Results ¹		
	2023 £m	2022 £m	Change %
Underlying EBITDA ⁵	(109.7)	(91.0)	(21%)
Share based payments	(11.3)	(8.8)	(28%)
Underlying depreciation and amortisation	(0.8)	(0.2)	(300%)
Share of JV loss	(42.0)	(193.9)	78%
Underlying operating loss ⁶	(163.8)	(293.9)	44%

Results¹:

Corporate underlying costs⁵ of £109.7m were £18.7m higher than last year driven by increases in our contributions to Research, Education and Treatment, including GambleAware, increased legal costs and ongoing investment in our governance policies and procedures.

After share based payments, depreciation and amortisation and share of JV losses, Corporate underlying operating loss⁶ was £163.8m, a decrease of £130.1m. The share of JV loss of £42.0m relates to BetMGM. After charging separately disclosed items of £737.2m (2022: £41.1m), the operating loss was £902.0m versus £335.0m in 2022.

Notes

1. 2023 and 2022 statutory results are audited with the tables presented relating to continuing operations and include both statutory and non-statutory measures.
2. Growth on a constant currency basis is calculated by translating both current and prior year performance at the 2023 exchange rates.
3. Proforma references include all 2022 and 2023 acquisitions as if they had been part of the Group since 1 January 2022.
4. Contribution represents gross profit less marketing costs and is a key performance metric used by the Group, particularly in Online.
5. EBITDA is earnings before interest, tax, depreciation and amortisation, share based payments and share of JV income. EBITDA is stated pre separately disclosed items.
6. Stated pre separately disclosed items.
7. UK Retail LFL YoY NGR is calculated based on shops that traded for the full year in both 2023 and 2022.