

Annual Carbon Footprint Calculation Methodology Framework

ISO 140643 Compliant Environmental Data Collection and Verification Protocol

Document Control

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Basis of Reporting

This methodology document defines standardized procedures for the annual collection, calculation, and verification of Entain's organizational carbon footprint data in alignment with ISO 14064-3 requirements. The framework ensures consistent data gathering across all operational scopes to support accurate greenhouse gas reporting and third-party verification. All the emissions are calculated and reported in tCO_{2e}.

The document establishes the basis for reporting greenhouse gas emissions in Entain's Annual Reports and Accounts, encompassing all entities within the [ARA](#). Entain's reporting year follows the calendar year, from January 1 to December 31.

The following timelines apply:

Q4 (October - December):

- Issue formal data collection notifications to designated stakeholders
- Distribute data collection templates and guidance materials
- Confirm data availability and collection methodologies with source owners

Q1 (January - March):

- Execute systematic data collection across all emission scopes
- Perform preliminary data validation, including assumptions and quality assurance checks
- Complete data compilation and initial calculations with Normative
- Publish the footprint numbers in Annual Report

Q2 – Q4 (April – December):

- Submit verified data to appointed third-party verification body
- Support external audit and verification processes
- Finalize calculations incorporating verification feedback
- Make amendments to the next ARA if the calculations change¹

¹ Due to the stringent timeframe constraints associated with the calculation of comprehensive footprint data prior to the Annual Report and Accounts (ARA) publication date, it is imperative to note that the assurance of our environmental footprint is conducted post the release of the Annual Report. Any identified discrepancies or necessary corrections will be addressed and incorporated into the subsequent reporting cycle. This approach ensures the integrity and accuracy of our environmental reporting while adhering to the imposed time limitations.

Entain's Climate Related Targets

Entain has set the following science-based near-term GHG reduction targets (not verified by SBTi):

- Reduce Scope 1 and Scope 2 GHG emissions by 42% by 2030 from 2023 base year
- Reduce Scope 1 and Scope 2 GHG emissions by 90% by 2035 from 2023 base year

GHG Footprint Calculation Methodology

Entain reports its carbon emissions in line with the operational control boundary which, defined by the Greenhouse Gas Protocol, includes all sources of environmental impact over which we have operational control. For all reported emissions, we have included impacts that fall within the reporting scope, as described below.

We divide our emissions into three main categories: Scope 1, Scope 2, and Scope 3. Scope 1 refers to direct GHG emissions occurring from sources that are owned or controlled by us, e.g. boilers and fleet vehicles. Scope 2 includes indirect GHG emissions associated with the purchase of electricity, steam, heating or cooling. Scope 3 includes indirect emissions from our value chain, including but not limited to, products and services procured, business travel, waste generated and employee commuting. Each category is explored in more detail below. We follow the Greenhouse Gas Protocol's Corporate Standard guidance for calculating our GHG footprint, which can be found here: [GHG Protocol Corporate Standard](#).

In order to calculate our GHG footprint, we use [Normative](#) as our partners, this activity data is combined with the relevant emissions factor, from credible sources like [the UK government](#) or [IEA](#), to calculate the associated GHG footprint. Where possible, we use primary activity data. If this is not available, we use spend-based and revenue-based methods as specified in the GHG protocol. In case of limited or unavailability of any primary data, we use some assumptions, estimations and extrapolations to fill those gaps.

Most suppliers' spend data is converted to emissions using the relevant emissions factor within our carbon footprint platform, Normative. Where time and resources permit, we perform hybrid calculations that combine emissions factors with suppliers' own primary Scope 1, 2 and 3 data and annual revenue. This approach allows us to more accurately apportion Entain's spending with each supplier to their associated carbon output, representing a more precise and mature reporting method.

Operational Boundary

Entain maintains a global presence with over 35 brands operating in more than 30 markets across Europe, the Americas, Asia-Pacific, and Africa. This extensive global footprint introduces certain limitations to our operational control over the various sites we manage.

Despite our control over diverse operations across multiple global locations, challenges arise. For instance, utilities management under lease agreements restricts our access to primary data required for footprint calculations. Consequently, we must rely on estimates or assumptions to supplement our data, which may impact the precision of our environmental reporting.

Additionally, any expansion or divestment in business operations, whether through mergers and acquisitions (M&As) or the sale of a business, is taken into account. Changes in operational boundaries resulting from these activities are considered when calculating our carbon footprint, ensuring our environmental reporting remains accurate and reflective of our current operational landscape.

Scope 1: Emissions details

Scope 1 refers to direct emissions from sources that are controlled by Entain.

Emission Source	Explanation	Methodology	Data Source
Mobile Combustion	Fuel used for the vehicle that we own and operate e.g. diesel, petrol	<p>Mobile combustion emissions are calculated from the volume of fuel used. If fuel consumption data is unavailable, we use mileage or fuel expenditure data as alternatives. When primary data is not available, we supplement with historical estimates where possible.</p> <p>We prefer to obtain volume data for this category; if volume data cannot be captured, we record energy, distance travelled, or cost data, as supported by the Normative platform.</p>	<p>Fleet / Finance Managers</p> <p>Oracle Expense Claim Data</p> <p>Stadia Tractors Fuel Record</p> <p>Fuel Cards Data</p>
Stationary Combustion	The combustion of fuels for our own use e.g. natural gas used in boilers for heating or diesel burned in generators	<p>We base energy consumption for examples such as natural gas on a mix of metered usage data and supplier invoices where feasible. If primary data is missing, we supplement with historical estimates when available. When neither current nor historical data are accessible, we derive benchmarks from comparable sites using floor area or headcount to estimate consumption.</p> <p>We prefer to collect volume data for this category; if volume is not available, we capture weight, energy, or cost data, as supported by the Normative platform.</p>	<p>Regional Finance Team</p> <p>Workplace Managers</p>
Fugitive Emissions	Refrigerant leakage from air conditioning and refrigeration systems across all sites	<p>We assume that the quantity of refrigerant to be replaced equals the amount lost through leakage. Emissions are calculated using a combination of F-Gas leakage quantities and their Global Warming Potential.</p> <p>This category has very limited primary data availability. We rely on year on year headcount adjusted estimates while progressively improving the data repository for this category. We prefer to collect weight data for this category; if weight data is not available, we use reasonable assumptions and estimates.</p>	<p>Property Managers</p>

Scope 2: Emissions details

Scope 2 emissions are indirect emissions generated from Entain operations through the use of electricity, heat, steam and cooling supplied by third parties.

We apply two calculation approaches for scope 2 emissions, location-based and market-based, to ensure we account for all emissions tied to our purchased or acquired energy.

Location-based method

- Calculates emissions using the energy intensity of the local grid where energy is consumed.
- Grid emission factors are sourced from credible sources on Normative.

Market-based method

Market-based emissions factors are applied to emissions source calculating market-based greenhouse gas emissions. Where energy is purchased under a renewable tariff, an emissions factor of zero kg CO₂e per kWh is applied.

This methodology

- Reflects the emissions intensity of electricity purchased directly from the energy supplier.
- Considers approved Energy Attribute Certificates (EACs) such as REGOs and Power Purchase Agreements (PPAs) used by Entain.

Emission Source	Explanation	Methodology	Data Source
Purchased or acquired electricity, heat, steam and cooling	Purchased power to run Entain operations	<p>We rely on a mix of metered usage data and supplier invoices for energy consumption where data exists.</p> <p>We get Normative output for both, market & location based emissions.</p> <p>If direct data is unavailable, we supplement with historical estimates. The gaps are estimated by either using actual data from similar sites and creating a benchmark based on floor area or headcount or, if this is not suitable or possible, Normative offers an option to use Floor Area for this category.</p> <p>We prefer to capture actual energy data for this category; if primary energy data cannot be obtained, we record cost data and facility floor area as supported by the Normative platform.</p>	<p>Utilities Dashboard Data</p> <p>Global Office & Property Teams</p>

Emissions intensity of Scope 1 & 2

Unit of measure: tCO₂e / global peoples' headcount at Entain.

The emissions intensity is calculated by dividing Scope 1 and Scope 2 market-based emissions by Entain's group headcount for that year.

Scope 3: Emissions details

Scope 3 refers to the indirect emissions from activities in our value chain. *As part of this exercise, selected scope 3 category emissions are reported where we consider Entain has high operational control over the emitting activities. The table below defines each category and the associated methodology, including justifications for exclusions where relevant².*

Scope 3 Category	Explanation	Methodology	Data Source
1. Purchased Goods and Services	Emissions from goods & services purchased by Entain. Spend falls under various categories; content, marketing, technology, corporate services and property & retail operations.	Spend data collection is conducted through two channels: first, from Procurement's spend analytics platform PowerBI, which ingests data from our source-of-truth financial platform Oracle; second, from off-platform entities and their respective financial platforms.	PowerBI via Oracle Off-platform financial platforms
3. Fuel and Energy Related Activities	Upstream emissions (from extraction and transportation) of purchased electricity and fuel, electricity transmission and distribution losses.	Normative uses the latest conversion factors from sources like DEFRA & IEA to calculate the upstream emissions in this category.	From Scope 1 & 2 data
4. Upstream Transportation and Distribution	Emissions from third-party transportation & distribution services purchased by Entain	Our approach involves categorizing suppliers using a level-3 taxonomy, wherein those identified under the 'logistics' category are included in Category 4 for our Oracle-based spend, an area where we possess more comprehensive data and knowledge. Spend data is systematically mapped to the Procurement department's taxonomy, a process that is inherently dependent on the accuracy of local in-market supplier mappings. Recognizing the challenges posed by off-platform entities, which may record suppliers differently or in another language,	PowerBI via Oracle

² Certain categories, including the use of sold products and the end-of-life treatment of sold products, are excluded from our reporting. This exclusion is due to Entain's business model, which does not align with the criteria required for these categories. Our environmental reporting focuses on areas directly within our operational control and influence.

		our methodology prioritizes the taxonomy mapping accuracy for large spend categories.	
5. Waste Generated in Operations	All emissions from third-party disposal and treatment of waste generated from Entain's operations.	<p>Waste stream categories encompass General waste, Dry Mixed Recycling DMR, and Specialized waste streams. Data requirements include annual tonnage by waste category, disposal route classification, recycled materials, and energy from waste.</p> <p>Since most of our global locations have lease agreement where the waste is managed by the landlord and we cannot get the primary data. Therefore, we cover just UK's operations in this category.</p>	<p>Waste management dashboard</p> <p>Regional waste management coordinators</p>
6. Business Travel	Emissions from the transport of employees for business- related activities in vehicles owned or operated by third parties.	<p>We rely on different sources globally to share all the year long travel data booked from central platforms and local agencies etc.</p> <p>We prioritize gathering distance-based data. In case of its unavailability, we can use fuel energy, origin & destination or cost data as Normative supports these methods. This data includes the details like vehicles booked, their size & fuel type. Trains or Flight booking are also gathered in this process.</p>	<p>Central Travel booking platforms</p> <p>Regional Finance data</p> <p>Regional Travel booking data</p>
7. Employee Commuting	Transport of employees between their homes and their work at the various Entain location	<p>We have made conservative assumptions to estimate Category 7 emissions due to the unavailability of direct data.</p> <p>1) Given that the majority of employees participate in retail operations and Entain prioritizes hiring shop staff from local areas, we assume that all group employees travel 5 miles per day.</p> <p>2) Employee commuting is</p>	Human Resources Analytics team

		modelled across multiple transport modes. To derive an average across modes, we allocate equal shares to each mode as follows: 20% by trains, 20% by cars (average sized hybrid), 20% by bikes (average sized), 20% by buses, and 20% by walking.	
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