

Modern Slavery and Human Trafficking Statement 2016

“Responsible business behaviour has always been a priority for us and, as a highly regulated betting and gaming business, operating within the law and with integrity is built into the way we do business. We treat all our employees and customers with respect and expect high standards from ourselves, our business partners and our suppliers.” Jim Mullen, Chief Executive, Ladbrokes Coral Group plc

This statement has been prepared in accordance with section 54 of the UK Modern Slavery Act 2015 for our 2016 financial year. In November 2016, Ladbrokes plc (the listed entity) merged with several business units from Gala Coral Group Ltd to form the current business. Ladbrokes plc also changed its name to Ladbrokes Coral Group plc. The statement below refers to the former, pre-merger business of Ladbrokes plc. We are currently in the process of integrating the new business units and will report again more fully on the merged entity at the end of 2017.

About Ladbrokes Coral Group¹

Ladbrokes Coral Group plc is a leading multi-channel betting and gaming business with an international presence in major regulated markets across the world. Ladbrokes Coral Group plc was formed on the 1st November 2016 and the combined business has a net revenue of over £2 billion annually. Our two major brands, Ladbrokes and Coral, have a long history and leading brand presence in the marketplace, serving loyal customers to whom we offer the highest standards of service.

The Group operates over 3,500 shops across England, Wales and Scotland under both the Ladbrokes and Coral brands. Internationally, we are the number one retail bookmaker in Ireland, Spain and Belgium, and have a strong online operation in Australia in addition to being the third most recognizable bookmaking brand. We also have retail and online operations in Italy, where we are the second biggest online operator.

Through multiple channels, we have a growing online presence with digital sports betting and gaming offerings across all our brands. We also provide telephone betting services to customers who prefer to use this route.

Although we employ over 25,000 people worldwide, with the majority of our employees are based in the UK and Ireland. Due to the strict regulated nature of our businesses, all of our employees must be over 18 years of age.

Our position on modern slavery and human trafficking

Modern slavery and human trafficking are on the increase² and we recognise that slavery has become an issue in several countries in which Ladbrokes Coral operates. We take this issue very seriously and prohibit all forms of slavery³ both in our own organisation and in our supply chains. Having said that, industries that are particularly at risk of modern slavery are labour intensive and characterised by a high proportion of migrant

¹ www.ladbrokescoralplc.com

² approximately 46 million slaves estimated globally in 2016
www.globalsslaveryindex.org/findings/

³ slavery, servitude, forced labour, compulsory labour, and human trafficking

workers undertaking unskilled and irregular work⁴ - often supplied through recruitment intermediaries.

We are an entertainment business, selling experiences rather than physical products. Our workforce is highly skilled, due to the technical and highly regulated nature of our offering, and we have a relatively small supply chain compared to other high street retail businesses. Ladbrokes, operates with strategic and critical suppliers who account for almost 70% of total indirect spend. Our supply chain is largely characterised by the purchase of data rights, software & premises licences, IT and technology, telecoms, communications, marketing and professional services.

Although we have put in place steps to prevent modern slavery within our own business and supply chain, we believe that we are at a low risk due to the nature of our business and the skill levels required from our employees and business partners. We have reviewed our supply chain and identified a few potential modern slavery 'hotspots', such as our uniform suppliers, catering and cleaning contracts, which we are responding to. More on this is described below.

[Our policies on human rights and labour issues](#)

Our internal employee standards and policies are consistent with the requirements of the Universal Declaration on Human Rights and the spirit of the International Labour Organization core labour standards. Our global Ethics Code outlines the standards and behaviours that we expect from all our colleagues, contractors and business partners, wherever they are in the world, whatever local practices are and wherever they conduct business on behalf of the plc, its subsidiaries and joint ventures. This Code was reviewed and updated in 2016 and approved by our Group Board.

We supplement our Ethics Code at a local level with specific policies on key social and ethical issues, e.g. anti-bribery and corruption, harassment & bullying and whistleblowing. If anyone has any concerns about our activities, we offer a freephone whistleblowing service, as outlined in our Integrity Policy. This 'Integrity Line' is operated independently and in confidence by Crimestoppers⁵ in the UK. This service allows for independent reporting of concerns about criminal activity and noncompliance with our policies across our international estate.

In addition to our own operations, we also insist that those who supply us with goods and services are working in accordance with stringent standards on safety, employment, human rights and environmental impact, wherever in the world they might be based or operate. Five years ago we developed a detailed Socially Responsible, Environmental, and Ethical (SEE) Purchasing Policy which outlines the minimum standards we expect both of ourselves and our suppliers. It covers three areas: social and employment conditions, environmental impacts, and the purchasing process. Amongst other things, this policy explicitly prohibits child labour, forced labour and human trafficking. All suppliers wishing to engage with us must first register via our Supplier Registration Portal and sign up to meeting the standards outlined in our SEE Purchasing Policy.

⁴ These sectors include food, garment & general merchandise manufacturing, agriculture & forestry, fishing & maritime, mining, utilities & construction, cleaning, and catering & hospitality services in hotels, restaurants & bars.

⁵ www.crimestoppers-uk.org

Due diligence and addressing risks of modern slavery

Internally, we have a number of processes in place to verify the identity of our workforce to make sure we know exactly who is working for us. All employees undergo identity and right to work checks before they are offered a contract with us. We also carry out reference checks and, as appropriate, qualifications and licence checking, depending on their role.

Our Supplier Relationship Management (SRM) framework has enabled us to manage our strategic supplier relationships more proactively and focus our efforts on making more of these key partnerships. During 2016, we carried out active risk assessments for our top 50 strategic suppliers to make sure they meet with our standards. During 2016 we also carried out an SEE risk assessment of the Ladbrokes business and its supply chain. Although we are now an international business with colleagues in countries worldwide, the majority are still employed in Great Britain and Ireland. Through this risk process, we have identified relatively few modern slavery risk 'hotspots' in our supply chain. As mentioned above, these are centred around our uniform supply chain, and our catering and cleaning contractors. We have engaged with each of these potentially 'high risk' suppliers over the past year to find out more about their approach to human rights and labour issues, and have asked for evidence of how they are complying with the requirements of the Modern Slavery Act. In particular, our group cleaning contractor, MITIE, has published their own statement on modern slavery which can be found here: <http://www.mitie.com/documents/sustainability/slavery-and-human-trafficking-statement.pdf>

Further to the above, our standard terms and conditions of contract include the requirement to adhere to all applicable employment laws and we will be introducing specific clauses on modern slavery and compliance with the UK Modern Slavery Act 2015 for the new integrated business.

Although we consider our business to be at a relatively low risk of modern slavery, we will keep the issue under review on an annual basis and respond accordingly.

This statement has been approved by the Ladbrokes Coral Group plc Board of Directors and is signed by our Chief Executive on their behalf.



Jim Mullen
Group Chief Executive
Ladbrokes Coral Group plc