

# Educate Empower Entrust Engage

Responsible Business Report January 2022





---

## Contents

---

---

<b>Welcome from John O'Reilly</b>	<b>04</b>
About this report	06
<b>Introduction</b>	<b>08</b>
Group overview	10
Purpose	12
COVID-19 safety update	14
<b>Strategy</b>	<b>16</b>
Stakeholder identification and engagement	18
ESG review process and materiality study	20
ESG strategy	22
Supporting our Group objectives	24
Customer understanding	26
Customer protection	28
<b>Governance</b>	<b>30</b>
Letter from Susan Hooper, Chair of ESG & Safer Gambling Committee	32
Governance framework	34
Industry regulation	36
<b>Focus areas</b>	<b>38</b>
Customer experience	40
Colleague experience	46
Environmental management	50
Community engagement	52
<b>Contact us</b>	<b>54</b>

# Welcome







**Dear Stakeholder,**

I would like to welcome you to a review of Rank's responsible approach to business.

Whilst our Annual Report & Accounts presents a comprehensive range of financial and non-financial performance indicators, this document provides an opportunity to assess and explain in greater detail how we take account of wider stakeholder considerations, including how we are managing the various risks and opportunities facing our business whilst serving our customers and creating value for shareholders.

Rank was formed in 1937 and whilst our products and services have evolved in that time, it's fair to say that we have consistently enjoyed our role in delivering community-based entertainment. These are our roots and the social bond we have forged with our communities is a cherished part of our culture.

This is not our first report focusing on the sustainability of our business. Back in 2010, our then Chief Executive, Ian Burke, understood the role played by Rank in managing its consumption and use of resources, producing our first Environmental Report. Since then, with regulatory evolution and the need for a holistic approach to risk mitigation, this agenda has been extended and formalised as set out in our Annual Reports.

Recent directives are for public companies to report in more detail on their sustainability strategies, including their approach to culture, equality and diversity and how they intend to develop a clear pathway towards a carbon net zero future. With this in mind, we have taken the opportunity to conduct a thorough review of our business to ensure we understand our material impacts, can demonstrate effective management of them, and effectively address all our stakeholders' needs.

This report provides an overview of the foundation work we have undertaken to establish the appropriate approach to the development of our ESG strategy. The next stage of our work will be to promote the core initiatives and define the key performance indicators which will enable us to report more broadly on our social and environmental impacts alongside our financial reporting calendar.

As we progress on this journey, we welcome your feedback on our commitments and on our performance.

## 06 About this report

### Basis of preparation

This report presents a review of Rank's ESG (Environmental, Social and Governance) and safer gambling commitments and approach.

The Group is dedicated to ensuring the sustainability of its operations by aligning its processes and policies to international best practice as part of its strategy to build an even more resilient and responsible business.

We recognise that how we consider ESG risk and opportunity is critical to the success of our business and that various audiences are demanding greater transparency and disclosure.

To ensure that we are addressing and managing the areas that are most significant to Rank, we initiated a formal process in 2021 for stakeholders to provide us with greater insight into their perceptions regarding material ESG matters. Commencing with a materiality assessment that has informed the establishment of an integrated ESG strategy, we are developing an ongoing programme of sustainability objectives and communications, concentrating specifically on how we plan to manage each risk and deliver on identified opportunities.

Whilst this process has identified a number of existing initiatives that meet our overall commitments, and we are not quite at the start of our journey, the intention is that we continually evolve and evaluate our approach and drive towards industry best practice.

Through ongoing engagement, our stakeholders will have the opportunity to review the Group's activity and performance, and share with us suggestions or comments to improve our accountability and transparency commitments.

### Reporting standards and frameworks

To address the increased stakeholder focus on ESG issues, there are several internationally recognised reporting frameworks used to support disclosure, encouraging a robust standard of transparency and engagement.

For the purposes of this document, whilst we are not providing key sustainability-related performance indicators – these will come at our company year-end – the following standards inform our approach and will help structure the disclosure of information as we progress further with our reporting through 2022.

We have considered the following standards that we believe to be the most appropriate.



### Task Force on Climate-Related Financial Disclosures (TCFD)

Chaired by Michael Bloomberg and championed by former Governor of the Bank of England, Mark Carney, the TCFD is an initiative that seeks to develop consistent climate-related financial risk disclosures for use by companies in providing information to investors, lenders, insurers, and other stakeholders.

By disclosing in accordance with the TCFD recommendations, we are enabling our stakeholders to understand the impact climate-related risks and opportunities could have upon Rank in the future.



### Sustainability Accounting Standards Board (SASB)

While the TCFD focuses upon climate risk to all businesses, the SASB helps companies to disclose broader material ESG information for investors.

Industry-specific SASB standards set out the sustainability issues most likely to impact financial performance. We have considered incorporating the accounting metrics of the SASB standard for Casinos and Gaming as well as Leisure and Hospitality companies into our assessment and will provide an index of performance against this standard in the appendix of our full year Sustainability Report.









# Introduction





## A sustainable, omni-channel platform

**The Rank Group Plc is a United Kingdom-headquartered gaming company, which offers a unique blend of experiences, branded venues and digital offerings primarily aimed at customers in the UK, Spain and India.**

### Venues

The Group operates 52 Grosvenor casinos and 72 Mecca bingo venues in the UK and 10 Enracha bingo, sports betting and gaming venues in Spain.

### Digital

Rank's core digital brands are Mecca and Grosvenor, which complement our established UK venues brands. In addition, Rank operates multiple digital brands using a combination of proprietary and non-proprietary licensed software providing online bingo, gaming and sports betting.

Rank also operates the market-leading Spanish digital bingo brand, YoBingo, alongside its digital casino offer, YoCasino, and enracha.com, which complements our established Spanish venues brand.

### Omni-channel

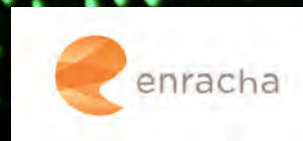
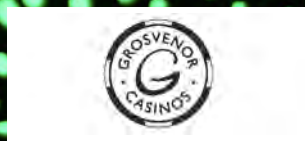
We are the only Group that offers customers both venue and digital bingo and casino entertainment. We also therefore have the opportunity to offer great brand-led omni-channel experiences, aiming to provide a seamless, continuous and personalised customer experience across any and every device and venue.





# 11

## Introduction



# 72

Mecca  
branded  
venues

Mecca is Rank's community-gaming brand for the British market. A national portfolio of 72 venues offering bingo, slot machine games, great value food and drink, and live entertainment.

### Mecca digital channel

The digital channel offers a range of popular games like bingo, and a wide range of slot and table games.

# 52

Grosvenor  
branded  
venues

The UK's largest multi-channel casino operator with 52 venues. The brand offers a range of casino table games, including roulette, blackjack, baccarat and poker as well as electronic roulette and slot machine games.

### Grosvenor digital channel

The brand's complementary digital channel offers many popular games, including its successful live casino, in addition to a sports betting.

# 10

Enracha  
branded  
venues

Enracha is Rank's community-gaming business for the Spanish market. Ten venues offering a range of popular community games like bingo and poker as well as electronic casino and slot games, great value food and drink, and live entertainment.

### Enracha digital channel

Enracha also offers a small complementary digital offer.

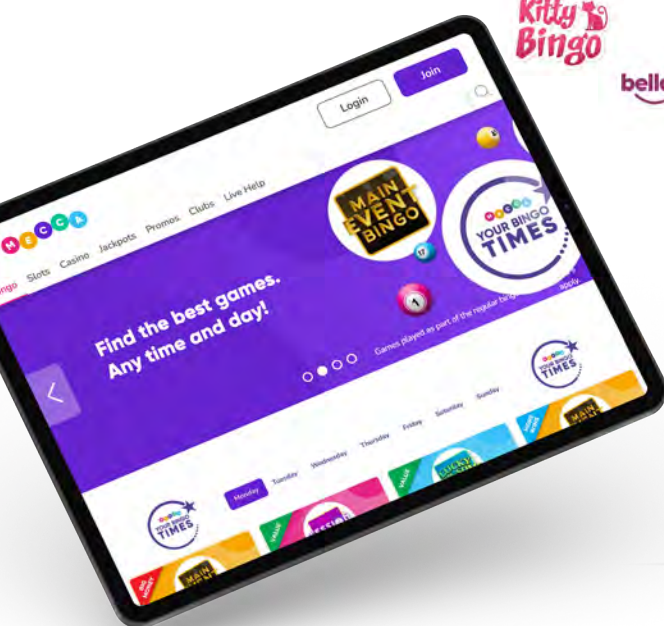
Approximately  

# 150

  
Digital-only  
brands

The Group operates the market-leading digital bingo brand, YoBingo, for the Spanish market alongside its recently launched digital casino, YoCasino.

In addition to its established brands the Group also operates multiple digital brands using a combination of proprietary and non-proprietary licensed software providing online bingo, casino and slot gaming.



Kitty  
Bingo

MAGICAL  
VEGAS

Rummy Passion

YoBingo

Regal Wins  
.com

bellacasin

SPIN WIN  
Let the Good Times Roll

LUCKY  
PANTS

YoCasino









# To excite and to entertain. **To educate, empower, entrust and engage.**

Our long-established company purpose is to excite and to entertain; to work together to create exciting environments, products and services that reflect the changing needs and expectations of our customers and colleagues, delivering stimulating and exciting experiences every time.

#### **Ambition**

We have a clear ambition at Rank: to become a £1 billion revenue international gaming company by 2023, through transforming our business and consistently exceeding our customer and shareholder expectations.

Those expectations include the sustainable evolution of our operations, and considering our impact on society and the environment. Only a model that builds ESG matters into its strategy can be truly sustainable.

#### **Culture at Rank**

As well as the desire to deliver entertainment, our culture is defined by our approach to safer gambling and our commitment to being a good corporate citizen. We set out to minimise the potential for customers to suffer harm from gambling by constantly evaluating and improving their playing experience, whilst putting in necessary protective measures.

#### **Achieving our purpose, safely and sustainably**

Our business is a product of customer demand which is shaped by regulation and a genuine desire to deliver the best possible experience to our customers. We want our services to be exciting and entertaining, but also safe, fair and delivered responsibly. So a key part of our strategy is to continue to build and maintain sustainable relationships with our customers by providing them with a safe environment in which to play, whether at our venues or online.

In order to deliver this, amongst other things, we must continue to inform and educate both players and colleagues on the products, tools and measures available and empower them to manage their play safely.

We also have the responsibility to continually improve our consumption of resources and our commitments, entrusting our people with the initiatives to pursue a sustainable operational impact.

And lastly, we must continue to engage with our communities. We provide a unique product that serves as a civic binding agent for many members of our communities, and we have a duty to maintain the social fabric of these regions where we have provided fun, laughter and social interaction for decades.

Ours is a truly symbiotic relationship that can only survive if it cares and considers all of its stakeholders and if our purpose and journey on this path is continuous.



# During the COVID-19 pandemic the health, safety and wellbeing of our colleagues, customers and the communities we serve have been, and continue to be, our priority.

The unprecedented situation has required a coordinated response from across the Group to navigate this difficult period together. We continue to follow the latest official guidance via the government websites for England, Scotland and Wales to carefully monitor the COVID-19 situation.

- As we move from pandemic to endemic, we will continue to monitor the following areas:
- Customer welfare
  - Employee welfare
  - Financial impact of restrictions
  - Government guidance
  - Future preparedness

### Supporting a safe return to our offices and venues

We have extensive measures in place to support the health and safety of both our colleagues and our customers. Our COVID-19 risk assessments demonstrate that we comply with government guidance on managing the risk of COVID-19 and its variant mutations.

In enabling a safe return to our physical workplaces, we adopted a formal review process that included the following measures:

**Eliminate**  
Continue to ensure vulnerable colleagues work from home where possible.

↓

**Reduce**  
Enable social distancing and dilute customer and colleague density in circulation routes and gaming areas through limited site occupancy.

↓

**Isolate**  
Provide social distancing measures for customers and colleagues with screens at book sales counters, reception, cash desks and all till locations.

↓

**Control**  
Suitable cleaning of potentially contaminated surfaces and touchpoints as quickly as possible.

↓

**Protect**  
PPE use where effective, particularly for those areas where social distancing cannot be maintained.

↓

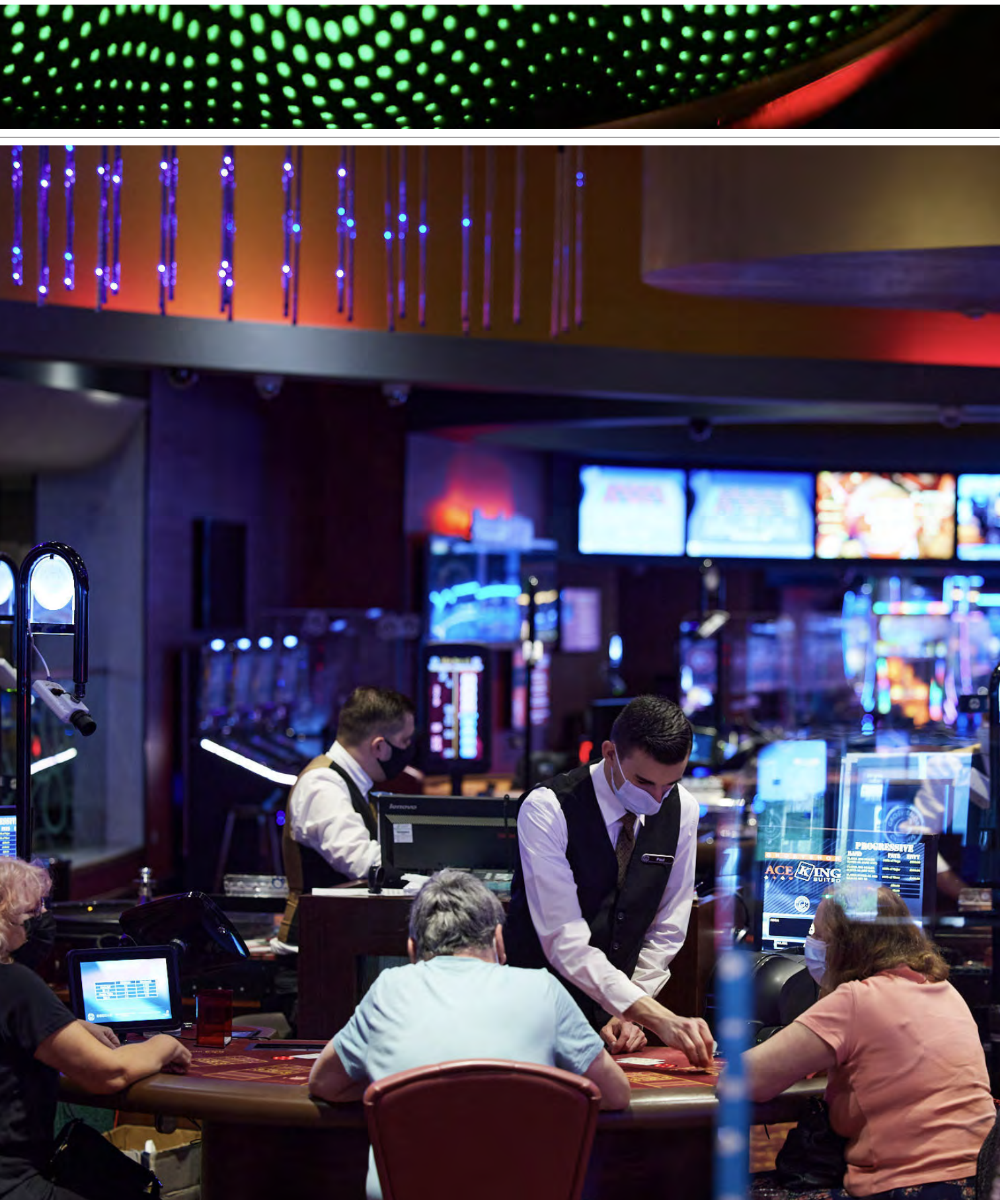
**Educate**  
Promote and encourage good behavioural practices.

We established strict cleaning and hygiene requirements at our offices and venues, introducing reduced capacity and circulation routes to enable social distancing and to safeguard our employees and suppliers. All colleagues are trained on COVID-19 awareness, provided with face coverings, and instructed on the steps to be taken should they show symptoms.

The situation is still very fluid and we continue to monitor the guidance from government, update our COVID-19 risk assessment and adapt our protocols as necessary.









# Strategy







## Understanding our key audiences


We believe that to secure our long-term success, we must take account of what is important to our key stakeholders. This is best achieved through proactive and effective engagement, which helps us to identify and focus on the issues that matter most, and factor stakeholders' views into our decision-making. Active stakeholder engagement is a key part of how we manage risks and unlock opportunities.

While the majority of engagement with stakeholders takes place within the business divisions and is led by divisional management, the Board also engages directly with certain stakeholders. The Directors are also kept regularly apprised of all stakeholders' views through divisional reports to the Board, so that Directors are able to have regard to such views in their decision-making.

Understanding and balancing the respective needs and expectations of our stakeholders over the past year has been more important than ever and we remain committed to doing so as we emerge from the impact of the pandemic and look to our recovery and future growth.





Stakeholder	Key material issues	How we engage
<b>Customers</b> 	Responsible gambling Protecting young and vulnerable customers Regulatory compliance Customer welfare Ethical marketing Customer privacy and data security Product safety and quality	We host, serve and engage with our customers each and every day by means of digital interfaces and conversations in our venues and remotely. This includes discussing their overall experience, safer gambling, affordability and welfare. We also regularly engage with our customers through quantitative and qualitative research to seek their views, opinions and insights into how we can improve our products, services and user journeys.
<b>Colleagues</b> 	Training & development Talent management Colleague engagement	We engage with our employees through a multitude of channels to ensure that we maintain an open and responsive culture. Engagement methods we employ include monthly Group and business unit Town Halls, frequent newsletters and corporate communications to share news and developments, biannual employee surveys, and regular performance and development reviews. We also advocate direct engagement between our leadership and employees; our designated Non-Executive Director attends workforce relationship meetings and we conduct Board and senior management visits to venues. We offer a confidential whistleblowing hotline to all colleagues.
<b>Communities</b> 	Community engagement Environmental strategy	Our venues are community hubs in which people spend leisure time and engage and interact with other customers and with our colleagues. The strength of our business is in part due to the long-term trust and relationships which exist between our colleagues and customers, who very often will have known each other for many years. We engage with the local community through volunteering, charity work and providing employment and work experience opportunities. We are particularly proud of our seven-year relationship with Carers Trust.
<b>Regulators and Legislators</b> 	Regulatory compliance Business ethics Ethical marketing	Establishing and developing relationships with elected parliamentarians, government officials, industry peers and key stakeholders (such as campaign groups and media) remains a key focus. We conduct such engagement ourselves and also through industry bodies, such as the Betting and Gaming Council (BGC), the Casino Group (within the BGC) and the Bingo Association. We strive to establish strong working relationships with the aim that our contributions are valued in terms of delivering customer-orientated laws and regulations. From a compliance perspective, we participate in regular meetings and communications with the UK Gambling Commission, as well as other regulatory bodies and authorities by whom we are licensed.
<b>Shareholders and Investors</b> 	Economic performance Business ethics Leadership capability Corporate governance	We adopt a proactive approach to investor relations, conducting a comprehensive programme of regular contact and consultation throughout the year. Our investor relations programme includes regular updates, meetings, roadshows and our Annual General Meeting. The other key way in which we communicate with all shareholders is via our corporate website, <a href="http://www.rank.com">www.rank.com</a> .
<b>Suppliers</b> 	Economic performance Business ethics	We have a dedicated procurement function which engages with our suppliers with the aim of optimising the way that we work with them. We build relationships regionally and locally to better understand the markets from where we source products and services. These relationships and good communication were particularly important during the pandemic, both for the period in which our venues were closed, but also in relation to the collaboration required to implement closures and reopenings throughout the year.

# 20

## Strategy

### ESG review process and materiality study

We recognise that how we consider environmental, social and governance risks is critical to the success of our business and that our stakeholders are demanding greater transparency in how we measure, mitigate and manage them.

During 2021, Rank commissioned a report to provide the business with greater insight into stakeholder perceptions regarding material ESG-related risks and opportunities.

Largely driven by consumers and now impacting the financial community and Rank's position as a company listed on the London Stock Exchange, these issues are featuring more prominently than ever in fund managers' portfolio strategies.

For long-term shareholders and potential investors, our ESG performance is an important guide to our long-term sustainability and success as a business. It is increasingly important to our reputation amongst customers, employees and other stakeholders.

We asked ESG advisory experts, Buchanan Communications, to support Rank by delivering a materiality assessment; an exercise in stakeholder engagement designed to gather insight on the relative importance of specific environmental, social and governance issues that could in turn be used to underpin the Group's ESG strategy, future reporting and to build on its best practice reporting credentials.

#### Board oversight

To provide governance and oversight, the Board determined to expand the existing Safer Gambling Committee to incorporate these wider ESG considerations and so be renamed the ESG & Safer Gambling Committee. Its terms of reference were approved in August 2021 and the Committee will have primary responsibility for approving the new sustainability strategy and monitoring its delivery.

This review of Rank's ESG commitments, which commenced during 2021 with the materiality assessment, will be followed by the launch of a new sustainability programme, concentrating specifically on mitigating our key ESG risks and how we plan to deliver on the identified opportunities through 2022 and beyond.

#### Materiality process

Buchanan Communications carried out a materiality assessment to help determine the issues that are most important to Rank's internal and external stakeholders. These groups were engaged through questionnaires, determined by extensive desktop research, and select interviews with subject matter experts within the business.

While the survey provides quantitative data that can be reflected in the matrix, it is often completed with complementary qualitative information. This comes from interviews with key stakeholders who identify opportunities for the Group.

The initial list of issues that formed the basis of the assessment was informed by the Sustainability Accounting Standards Board (SASB – which maps the sustainability issues most likely to impact the financial performance of a specific industry), MSCI (an ESG ratings agency), and a review of peer organisations relevant to the Group.

We reached out to individuals across our stakeholder groups to rate these issues in terms of their view of importance to the Group. The resulting materiality assessment informs our ESG strategy and will help us shape our programme of work that will be developed by the business over the coming months.

1

Peer review and distillation of key issues

2

Questionnaire and interviews

3

Creation of data-informed matrix

4

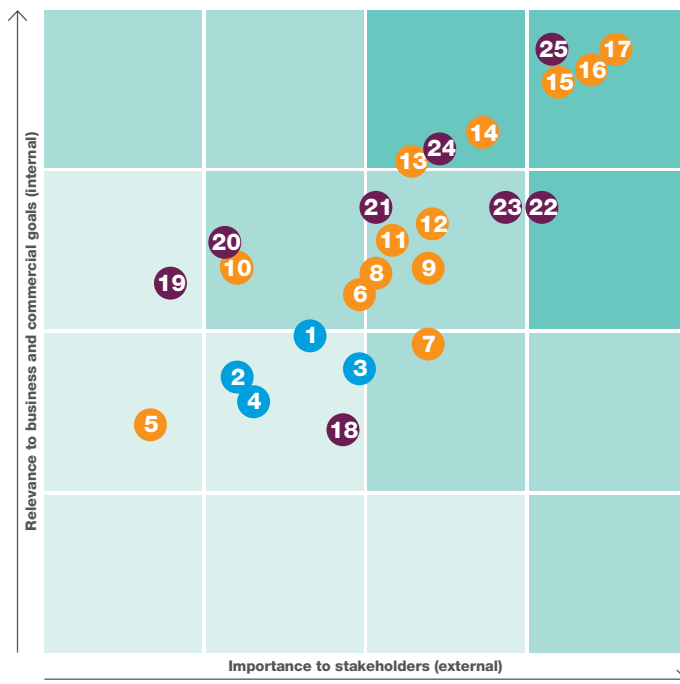
#### Report

Analysis of matrix and qualitative information to identify KPIs and metrics



## Materiality matrix

The resulting materiality matrix plots the results of this survey, illustrating the importance of these issues to our internal and external stakeholders. The matrix will be used as a guide to ensure that we report to stakeholders upon those issues of most importance and will inform also our ESG and Group strategy, determining how we manage our business and assess performance.



## Key findings

Responsible gaming, protecting young and vulnerable customers, regulatory compliance, customer privacy and data security were of all of key importance to all Rank's stakeholder groups

Employee-related issues were ranked lower than those concerning customers, though still shown to be of high importance

Environmental issues ranked low in terms of their materiality to the business but were raised repeatedly as a key concern going forwards

Community investment ranked lowest in terms of materiality but was consistently highlighted as a key area of opportunity and strength in the stakeholder interviews

### Environment

- 1 Energy use
- 2 Carbon emissions
- 3 Waste management
- 4 Water use

### People and Communities

- 5 Community investment
- 6 Diversity and inclusion
- 7 Health & safety
- 8 Employee engagement
- 9 Talent management
- 10 Employee wellbeing benefits
- 11 Employee training and development
- 12 Product safety and quality

- 13 Ethical marketing

- 14 Customer welfare

- 15 Customer privacy and data security

- 16 Protecting young and vulnerable customers

- 17 Responsible gaming

### Governance

- 18 Executive remuneration

- 19 Procurement practices

- 20 Supplier relations

- 21 Corporate governance

- 22 Economic performance

- 23 Leadership capability

- 24 Business ethics

- 25 Regulatory compliance

## Developing our focus areas

Player protection and positive culture remain at the highest possible level of importance with regard to customer experience.

We have actively sought to ensure that responsible gambling is part of every conversation, whether about our venue operating model, product and service development, venue design and layout, promotional activity, or the roll-out of new technology, and that such conversations reflect customer and regulator feedback as well as other industry developments.

As set out extensively in our Annual Report, our work in this area continues to be managed through a dedicated workstream within Rank's Transformation 2.0 programme – called 'Safer Gambling' – with weekly touchpoints and fortnightly steering committee meetings to ensure customer welfare.

We are also committed to creating an equitable and inclusive environment in which our colleagues can thrive, providing them with an opportunity to grow in a workplace of respect and fairness, where their personal contributions can really make a difference to customers, and where those contributions are acknowledged and rewarded.

Culture at Rank is about developing and maintaining lasting relationships, not only between our teams and players, but also with supply partners and our local communities, from whom we draw our colleagues and customers and provide a highly valued local service.

Furthermore, we recognise our responsibility to minimise our impact on the natural environment and are actively pursuing waste reduction initiatives as well as discussing emissions reduction strategies to implement across the business.

This work will be overseen by the ESG & Safer Gambling Committee (please see pages 36 to 37 for more information about the Committee), which receives progress reports, together with key data points and trend analysis, and rightly forms part of our broader ESG strategy.

### Objectives



Increase our positive impacts



Reduce our negative impacts



Above: Location



#### Focus areas

Our commitments focus on the four areas outlined below. The table on the following pages summarises how our ESG strategy aligns with and supports our Group objectives.

## Customer experience

Provide a fun, exciting and safe experience

Encourage and enable good gambling behaviours

Seek to protect vulnerable customers from harm



## Colleague experience

Educate our colleagues to enable and encourage positive gambling behaviours

Create a fair, safe and fulfilling working environment that supports professional development

Maintain positive relationships with partners



## Environmental management

Invest in efficient and responsible operations to reduce our impact on the environment

Engage with the supply chain to deliver sustainable and responsible outcomes

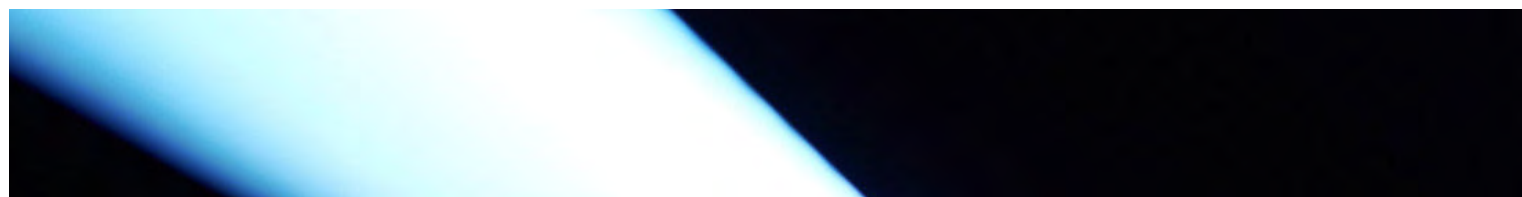








## Community engagement

Provide a social outlet for customers and generate lasting community spirit

Drive community action and develop positive social legacy





Purpose	Group strategic pillars	Group KPIs	
<b>Excite</b>	<b>Create a compelling multi-channel offer</b>	Venues' table gaming/bingo investments	
	<b>Build digital capability and scale</b>	Venues' machine investments	
<b>Entertain</b>	<b>Consistently improve our customer experience through innovation</b>	Number of omni-channel customers	
		Digital net gaming revenue	
<b>Educate</b>		Number of active digital customers	
	<b>Committed to safe and fair gambling</b>		
<b>Empower</b>			
<b>Entrust</b>	<b>Provide an environment which enables our colleagues to develop, be creative and deliver exceptional service</b>	Employee engagement score	
<b>Engage</b>	<b>Continually evolve our venues proposition</b>	Venues' net gaming revenue	





Focus areas of materiality	
<b>Customer experience</b>	<p>Provide a fun, exciting and safe experience</p> <p>Encourage and enable good gambling behaviours</p> <p>Seek to protect vulnerable customers from harm</p>
<b>Colleague experience</b>	<p>Educate our colleagues to enable and encourage positive gambling behaviours</p> <p>Create a fair, safe and fulfilling working environment that supports professional development</p> <p>Maintain positive relationships with partners</p>
<b>Environmental management</b>	<p>Invest in efficient and responsible operations to reduce our impact on the environment</p> <p>Engage with the supply chain to deliver sustainable and responsible outcomes</p>
<b>Community engagement</b>	<p>Provide a social outlet for customers and generate lasting community spirit</p> <p>Drive community action and develop positive social legacy</p>



It is useful to understand the diverse player demographics and behaviours that influence our player safeguards, initiatives and measures. This includes:

- An appreciation of our different customer types
- Understanding their motivations and triggers
- Appreciating different spend and time limits

(Please see p.34 of Rank Group Annual Report 2021 for more information)

Mecca venues
Bingo has relevance and appeal to approximately 30% of the population but needs to evolve to meet customers' changing needs.
There is a desire for new experiences that are engaging, safe and value for money with more accessible, modern and lively bingo venues complemented with an enjoyable food and beverage offer.
The average age of Mecca venue customers is 46 years; however, the most loyal and frequent customers are females over 55 years old.
Female to male split for Mecca venue customers is 3:1.



Grosvenor venues
Only 4% of the UK population visit casinos at least once a year, though an additional 12% would consider visiting a casino if the offer was different to what they perceive a casino to be.
There is a desire for fun, enjoyable, friendly and welcoming experiences in a safe and secure environment, and a need for more modern and innovative experiences without losing the thrill and excitement of playing in a casino.
The average age of Grosvenor venue customers is 39 years; however, the customers that visit the most and have higher levels of spend are over 56 years old.
Male to female split for Grosvenor venue customers is 4:1.







### Digital bingo

2% of the UK population play online bingo each month and the growth opportunity that exists within this segment remains significant.

There is a desire for the experience to be fun, engaging and to provide value for money with strong tools to help customers play safely and within their means.

The demand for greater interactivity/experiential engagement in the home has seen the recent development of significant numbers of new game formats.

The average UK online bingo player is 38 years old.

### Digital casino

The development of customer demand is driving the requirement for a greater portfolio of live gaming – away from traditional gaming – into game show formats and new concepts that are livestreamed to devices either from a studio or from physical venues.

There is a desire for fun, enjoyable and easily accessible experiences that are safe and secure.

The development of new game mechanics and variants is driving player value growth.

The average UK online casino player is 34 years old.



## Active safety management

We fully recognise the importance of our responsibilities as a gambling operator. In meeting our commitments to safeguarding customer welfare, we do not wish just to conform to the regulations, but to go beyond compliance to ensure that our products are delivered safely, fairly and responsibly.

The majority of customers enjoy using our products as a form of entertainment. However, for some customers gambling may become a problem which can lead to harm being suffered. We have developed controls to identify, at an early stage, those customers who may be at risk of experiencing such harm. These controls are constantly being evaluated and improved in order to support a sustainable approach to gambling both for our customers and for the Group.

In the past 12 months we have integrated customer ID scan technology with existing back-office systems to ensure we know who is in our casinos at any one time. In addition, we have a highly skilled and dedicated central resource that provides support to our Grosvenor and Mecca venues and online teams in gathering and reviewing customer information to support KYC (know your customer) processes.

### **Detecting customers who may be at risk or experiencing harm**

#### **Data models**

We have invested heavily in developing data models that are used to identify potentially 'at risk' customers.

The models use demographic, transactional and behavioural data, and industry-recognised markers of harm to assess customers that are considered 'at risk'. These are artificial intelligence models, primarily based on 'supervised learning' techniques where the system is given instructions regarding what needs to be learnt and how it needs to be learnt. The system is given a target, for example self-excluded customers. The system is trained on these outcomes using various attributes to build and continuously hone the accuracy of the prediction model. We use data science to create predictive results and to apply statistical models to foresee outcomes and provide insight.

### **Online responsible gambling model**

The online responsible gambling model is trained based on self-exclusions and provides a score of likelihood to self-exclude.

This enables us to identify those customers for whom an early intervention may be appropriate to support an informed, sustainable and recreational gambling environment.

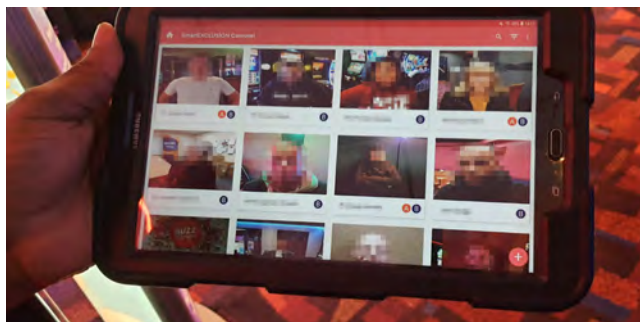
If a customer starts to show signs of problematic gambling behaviour our specialist safer gambling team will seek to interact with them. Customer profiles are consistently updated based on the information arising from the model and elsewhere and reviewed to inform the appropriate action to safeguard the customer.

### **Affordability model**

At Rank, we do not want our customers to spend more than they can afford and we will do all that we can to support our customers to make informed choices.

For customers playing online, we have invested significantly in developing and implementing control processes that consider customer affordability at an early stage in the customer journey. We are proactive in applying limits to customer accounts if we have reason to suspect that a customer may be playing to a level that is more than they can afford or if they are in an age demographic that may be considered at more risk of financial harm, such as the under-25s.

For customers playing in our Grosvenor venues, we have developed a holistic risk model to better identify potential at-risk play and to assess a customer's level of affordability based upon their expected or actual income and level of activity. The model is published daily to each venue setting out customers flagged for review, with actions required, and is updated by the venue's management.







### Responsible Gambling Tools

We believe that providing the right tools to our customers is essential to help them remain in control and reduce the risk of harm. Across Rank, we have created and implemented numerous tools for enhanced customer protection, ranging from time and spending limits to taking a break and self-exclusion. We try to make the availability and use of these tools as seamless and intuitive as possible for our customers.

We promote our responsible gambling tools through a dedicated responsible gambling website (<https://keepitfun.rank.com/>) which can be accessed from all our branded sites. We also provide a link to this site on all personal communications to our customers. In our venues, we display responsible gaming signage and keep resources on the casino floor, back office and online so that our teams can actively recognise and respond to customer requests for responsible gambling-related information.

Grosvenor and Mecca venues' trained team members actively monitor for problem gambling risk through customer behaviour triggers (including losses, frequency of visits, signs of agitation or stress) and through data reporting analysis. We have participated in a collaborative multi-UK casino operator project with Focal Research Consultants Limited. The main focus of this work is to develop a solution that provides Grosvenor with the ability to identify at-risk players to assess and interact with customers flagged by the Focal alert system.

Customers can also apply machine loss and time limits at slots and electronic roulette machines in our Grosvenor venues, B3 gaming machines within the Mecca estate and deposit alerts on Mecca Max electronic touch screen tablets. When a customer triggers an alert or reaches a self-set machine spend, an interaction is triggered and notification is sent to a dedicated mobile handset carried by the venue's managers.

### Sustainability and Consumer Protection

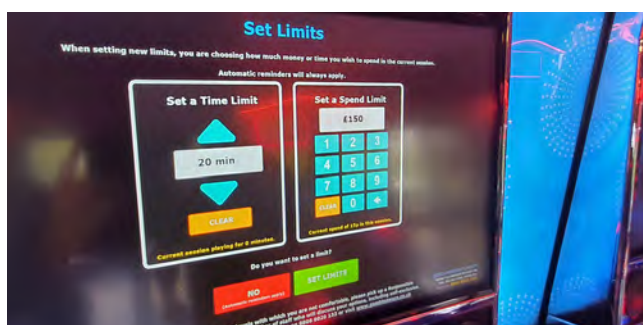
Driving industry progress in the area of customer protection is critical to achieving a sustainable gambling industry. Rank is actively involved with trade associations in all our regulated markets and our engagement and collaboration is integral in driving change. The Betting and Gaming Council, of which Rank is a member, has established working groups to tackle specific challenges and many of their recommendations have been accepted and incorporated into UK licensing requirements.

#### Additional online controls implemented in 2020/21

At Rank, as well as ensuring we strictly comply with safer gambling regulations, we also strive to go beyond compliance by implementing additional controls and processes to make sure our customers are best protected when playing online with us. These measures include:

- Application of automatic deposit limits on all customers under 25
- 24/7 live monitoring for online customers ('Hawkeye') which ensures we monitor players in real time, flagging customers where we see a material change in the velocity of their play, to supplement our wider safer gambling processes
- Engaging with an external third part to conduct an external review of our affordability and safer gambling processes to add to our ongoing review of customer journeys and initiatives under our SG transformation workstream.
- Launching affordability video guides for customers, which are aimed at explaining how the process works and why we are interacting with players
- Completing analysis of the Responsible Gambling predictive model and making changes to increase the focus on players displaying potential markers of harm on a more relevant population ensuring more appropriate interactions with players displaying at-risk behaviours

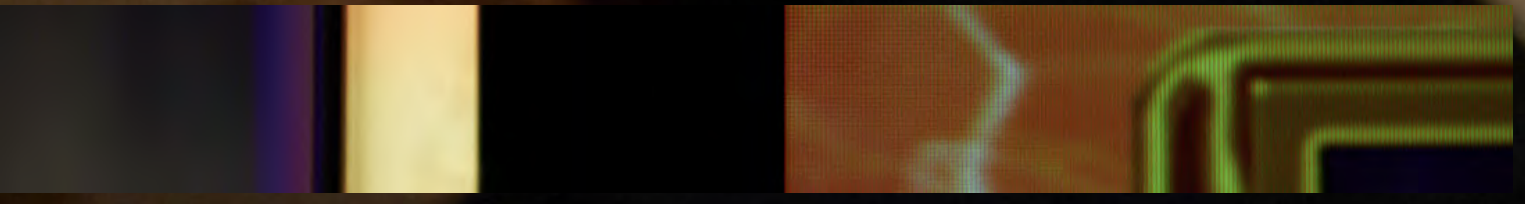
In all circumstances, we remain committed to offering the best possible customer experience and putting our customers at the heart of our business, providing them with an enjoyable, efficient, secure, fair and socially responsible experience.



A man with a beard, wearing a white long-sleeved shirt and a yellow vest, is leaning over a dark table. He is looking down intently at something in his hands. The background is dark with some vertical light streaks in shades of purple and blue.

# Governance





A photograph of two women standing and talking in what appears to be a conference or event space. The woman on the right is wearing a bright red blazer over a black top and has her hands clasped. The woman on the left is wearing a black dress with a blue floral pattern. In the background, there are blurred lights in shades of purple and red, and the back of several patterned chairs are visible in the foreground.

# Understanding our responsibilities

### **It is with great pleasure that I address our stakeholders in the inaugural Responsible Business Report for The Rank Group Plc.**

I am honoured to have been part of the Rank family for the past six and a half years, three at the helm of the Safer Gambling Committee, and I was delighted to oversee the evolution of the Committee to include the broader ESG agenda in 2021. The ongoing integration of the social and environmental considerations that are most important to our stakeholders into our decision-making and strategy will ensure that Rank is well placed to maintain and build upon its strong position within the gaming industry.

We have always taken a conscientious approach to risk-assessment and sought to engage with, and consider the views of, our stakeholders in our decision-making, whether this is about risk appetite or opportunities. The independent materiality assessment conducted in 2021 has now provided us with an updated and more detailed perspective. I fully endorse the steps we are taking following this work to reassess the KPIs that measure our progress towards improving the way in which we identify and interact with those customers who may be at risk of suffering gambling-related harm, support social development, and reduce our environmental impact.

In reading this report, I feel it is important to remember the purpose and ambition of Rank. Yes, we are a commercial organisation, providing a tax-rich contribution in one of the oldest industries in the world. And one with its detractors. But we operate in regulated markets to provide a service that would otherwise only exist in an unregulated and unsafe black-market form. We do so in a way in which we care about our stakeholders and seek to deliver our ambition in line with our purpose in a responsible and sustainable manner.

Key to delivering on our ambition and purpose is customer safety and, whilst customer safeguards become ever more stringent in our industry from a regulatory compliance perspective, Rank is keen to develop its own thinking to ensure it does the right thing for its customers. We want to deliver more than 'compliance' by setting standards that others can look to as examples of best practice. This will, in my view, enable a sustainable business model.

It is also important to understand that in many of our areas of operation we deliver a community-critical 'social product' that brings people together – often venerable and vulnerable members of our society – for whom we provide an essential local outlet and form a precious fixture in their weekly calendar. We will never take our eye off this responsibility.

It's not just the right thing to do, it is hugely rewarding for our employees, most of whom are from the communities close to our venues. Together they form an important social fabric, without which many local communities would be considerably worse off.

So our purpose remains to excite and to entertain, whilst ensuring we educate and empower our customers and employees with the information, tools and skills for them to make decisions that promote positive and sustainable outcomes. If Rank stays true to that purpose, it can be confident that it will continue to deliver a responsible business performance.

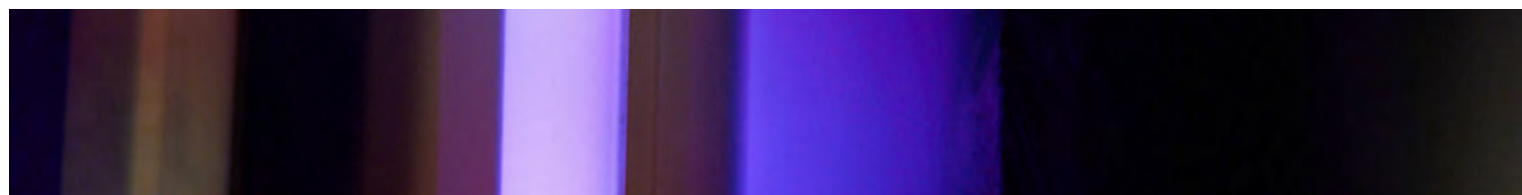
I will be very sad to leave the team at Rank at the end of January, but as I depart the organisation, I do so knowing it has strong growth potential. The impact of the pandemic on Rank has been significant, but it has also shown the resilience of the business and the people who support it, and their commitment to re-build and grow that business in the right way, pursuing a progressive agenda that delivers sustainable value to our investors and our other stakeholders.

And that sadness is replaced with the pleasure that my fellow non-executive director Katie McAlister – who joined Rank in 2021 – will succeed me as Chair of the ESG and Safer Gambling Committee. I fully believe that putting our customers at the centre of our considerations is the key to a sustainable future for Rank and Katie brings a wealth of experience from the travel industry including an understanding of digital consumer behaviours and what it takes to succeed in an omni-channel world. I am sure this will enable the Committee to evolve and go from strength to strength.

I would like to take this opportunity to thank John, Alex and the rest of the Board for including me in the Rank journey, and extend my best wishes to the executive and wider team who have supported me through my time. I look forward to hearing about its continued progress.

**Susan Hooper**  
**Chair of ESG & Safer Gambling Committee**





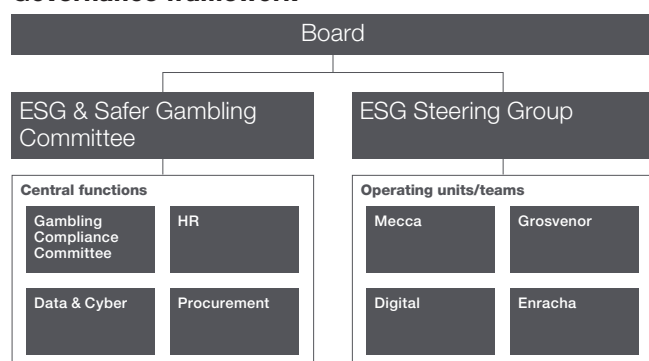
# Robust oversight

## ESG and Safer Gambling Committee

In 2021, the Board of Directors resolved to establish an expanded remit of the Safer Gambling Committee, to be known as the ESG and Safer Gambling Committee.

The Committee will sit within a developed governance framework that ensures that relevant functions from across the business connect appropriately to provide the information required for regular and robust oversight.

## Governance framework



## Committee membership

The Committee comprises the following non-executive directors and executive directors:

Committee member	Date first appointed
Susan Hooper	Jul 2017
John O'Reilly	May 2018
Alex Thursby	Oct 2019
Karen Whitworth	Nov 2019
Katie McAlister	Apr 2021

## Role and activities

- An ESG strategy that aims to create value for all our stakeholders and supports us in creating a sustainable, resilient and purpose-led organisation;
- Reviewing the Company's performance against the strategy, the effectiveness of the strategy and the governance in place to ensure the successful delivery of activities pursuant to it;
- Reviewing the effectiveness of Rank's systems for identifying and interacting with customers who are at risk of becoming problem gamblers;
- Reviewing the results of safer gambling and other ESG research projects undertaken by the Company or by third parties at the request of Company

## The Committee has three main duties: guide, review and approve

### It is constituted to:

- Assist the Board in defining and regularly reviewing the Group's strategy relating to ESG and safer gambling matters and in setting relevant objectives and KPIs pursuant to the same; and
- Provide oversight of the Group's management of ESG and safer gambling matters and compliance with relevant legal and regulatory requirements and applicable industry standards

### In addition, the Committee shall review:

- The Company's performance against strategy and KPIs;
- The effectiveness of the strategy and the governance in place to ensure the successful delivery of activities pursuant to it;
- The effectiveness of Rank's systems for identifying and interacting with customers who are at risk of becoming problem gamblers;
- The results of safer gambling and other ESG research projects undertaken by the Company or by third parties at the request of Company;
- How the strategy is received and regarded by the Company's stakeholders and other interested parties, including employees, the Company's shareholders, the media, relevant regulators and ESG rating agencies; and
- General ESG trends

### And lastly, the Committee will approve:

- The ESG-focused strategy including an implementation plan and KPIs;
- Any material projects developed in response to the implementation of the strategy;
- All ESG reporting including information to be included in the Company's Annual Report or separate reports on the strategy from time to time, if applicable; and
- The appointment of any auditor in relation to the work undertaken pursuant to, or in connection with, ESG performance

After each meeting the chair of the Committee reports formally to the Board on proceedings in all matters within its duties and responsibilities, and on any other issues on which the Board has requested the Committee's opinion.

The Committee chair also formally reports to the Board on how the Committee has discharged its responsibilities and makes whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.

### Key focus areas in 2021

During the past year, the Committee received regular updates on the development and delivery of new initiatives under the plan. These include:

#### For venues

The rollout of iDScan, the implementation of new safer gambling propensity and affordability models, the introduction of new machine time and loss limits and development of further real-time assessments by product.

#### For digital

A review of the approach to assessing customer risk from a more holistic and customer-centric perspective to improve customer journeys and identify those at greater risk at an earlier stage of their relationship with Rank, the enhancement of our 'markers of harm' reporting and a review of affordability and AML processes.

### Agenda for 2021/22

- Define and review Group's ESG Strategy
- Determine ESG objectives, KPIs and commence measurement
- Oversight of Safer Gambling (SG) controls, delivery of new SG initiatives in the business and reviewing their effectiveness
- Horizon scanning, industry updates, ESG trends
- Review terms of reference of the Committee
- Evaluation of the Committee's performance and effectiveness
- Review of external reporting

### Policies guiding performance

- Anti-money laundering (AML)
- Supplier Code of Conduct
- General Data Protection Regulation (GDPR)
- Modern slavery
- Employee Code of conduct
- Safer Gambling (SG)
- Health and safety
- Whistleblowing
- Anti-corruption and bribery, gifts and hospitality

The above policies are the principle guidelines in place to help inform our approach.

### Gambling Compliance (UK)

The Gambling Compliance Committee is chaired by the Director of Compliance. The Committee meets on a monthly basis, for a two-hour session that sees engagement from all levels of the business. This includes our Chief Executive, General Counsel, Money Laundering Reporting Officer, members of the compliance team, MDs of venues and digital, regional operations directors for Mecca and Grosvenor, and members of the customer service, safer gambling, Enhanced Due Diligence (EDD), digital and HR teams.

The agenda of these meetings is flexible in order to enable the business to present changes they are seeking to

implement and the compliance team to update on regulatory changes that will impact the business, provide updates from trade association meetings and consider data, which includes topics and data on self-exclusion rates, customer complaints, items going out for adjudication through IBAS, and any notifications to the Gambling Commission.

### Gambling Compliance (Spain)

#### Venues

A Prevention of Criminal Offences and AML Compliance Committee is chaired by our external advisor and composed of a member of the Legal Department and the Venues Compliance Manager.

The Committee meets on a quarterly basis in order to review engagement from different levels of the business and the accomplishment of predetermined goals such as compliance audits, compulsory money laundering reports, training programs and analysis of relevant complaints and incidents. Due to changes in regulation, a specific AML committee with members from different areas of the business has been created, to meet regularly from 2022 onwards.

The Venues Compliance Manager carries out an on-site audit of each venue each quarter to ascertain gambling documentation, licences, and other matters are in place.

The Legal Department meets regularly with management, operations and marketing to identify compliance issues to be taken into account in any new projects in those areas.

Additionally, the Legal Department provides regular information to management on new gambling regulations that may have an impact on the business as well as any relevant notifications from the Regional Regulator that may affect venues.

#### Digital

Our Spanish Digital Compliance Committee is chaired by the Director of Legal in Spain and includes the Chief Operating Officers and Commercial Director of Rank International, Enracha's General Manager, Spanish Digital Compliance officer, Group Director of Compliance and General Counsel. The agenda of these meetings is flexible in order to analyse matters connected with specific compliance-related issues or concerns (related to customer, marketing or regulator's requirements).

Due to AML regulation requirements, a specific AML Committee was created during 2021, including members from different areas of the business. The Committee meets regularly throughout the year.

In addition, a bi-weekly meeting is held between the Spanish legal/compliance team and the digital marketing team for a legal and regulatory review to analyse the compliance of proposed new campaigns, applying the very strict restrictions applicable to digital gambling promotions and commercial communications in Spain.



# Industry and regulation

Betting and gaming is an important sector of the leisure market in terms of employment and its broader economic contribution, both in the UK and across the world. Our venues business, in particular, is labour-intensive and the jobs that we create and sustain are something in which we take considerable pride. Similarly, ours is an industry which generates high levels of tax revenue to the governments in those countries in which we operate.

Rank principally operates in the UK and Spain. Our operating environment is defined, in part, by the laws and regulations laid down in each territory.

## Who regulates?

The legal framework for gambling in Great Britain, including the requirements for licensing gambling operators, is set out in the Gambling Act 2005 (as amended). The Gambling Commission regulates commercial gambling and permits gambling on the basis that the licensing objectives to keep gambling safe, fair and crime-free, are met. There are respective regulatory bodies in our other operating jurisdictions.

Jurisdiction	Regulatory body	Government department
UK	UK Gambling Commission	Department for Culture, Media and Sport
Spain	Comision Nacional de Juego	Ministerio del Interior
Alderney	Alderney Gambling Control	States of Alderney

The gambling industry in the UK has undergone significant regulatory change in recent years, principally in terms of changes to the Licensing Conditions & Codes of Practice.

## Review of gambling legislation in the UK

Gambling in the United Kingdom is regulated by the Gambling Commission on behalf of the Digital, Culture, Media and Sport (DCMS).

On 8 December 2020, the government launched a wide-ranging review of gambling, effectively firing the starting gun for a once-in-a-generation review of gambling legislation. This process started with a 14-week Call for Evidence (concluded in March 2021), which encouraged a wide range of stakeholders, including industry peers, campaign groups, public health officials and customers, to answer a series of questions relating to legislative reform.

The government identified six areas of focus when launching the gambling review and invited stakeholders to contribute to a Call for Evidence.

The key areas of focus were:

1. Online protections – players and products
2. Advertising, sponsorship and branding
3. The Gambling Commission's powers and resources
4. Consumer redress
5. Age limits and verification
6. Land-based gambling

Since the end of March 2021, the UK government has been working through the several thousand responses that were submitted to the Call for Evidence. It intends to publish a White Paper in spring 2022. The publication of the White Paper will likely be followed by a period of further consultation before any legislative changes will be implemented.







### Rank's contribution to the gambling review

Given the wide-ranging nature of our business across online and venues, Rank submitted a detailed response to the Call for Evidence. We also worked closely with our two main trade bodies, the Bingo Association and the Betting & Gaming Council, to ensure that their respective submissions accurately captured our voice.

As an advocate of customer safety in our industry, we welcome the review and believe it provides an important opportunity to drive further changes to safer gambling while at the same time drawing a much needed line in the sand for regulatory changes. This will, in turn, hopefully provide the wider betting and gaming industry with some clear parameters to help build well-regulated, sustainable businesses.

The vast majority of the estimated 30 million people who take part in betting and gaming each year in the UK do so without experiencing any problems. Gambling Commission data shows the rates of problem gambling have been consistently low for many years and are, in fact, declining. At the same time, we recognise that for those experiencing gambling-related harm and for those at risk of harm, appropriate safeguards and treatment levels are in place. The legislative review provides the opportunity for the government to ensure the right balance is struck between player protection and freedom of choice for consumers, and we hope that the outcomes of the review are led entirely by the evidence available to the government.

For Rank, in particular, we hope that the government will provide much-needed and overdue legislative modernisation for our venues businesses.

Rank is the UK's biggest casino operator with 52 casinos under the Grosvenor brand. One of these casinos – in Luton – is licensed under the 2005 Gambling Act. Our other 51 casinos are all licensed by the 1968 Gaming Act – legislation that is now over half a century old and, we believe, in urgent need of modernisation. We have presented a case for modernisation of casino legislation which would deliver much-needed improvements to the customer experience in our venues. Our proposals are all underscored by appropriate levels of player protection and are relatively modest within the wider ecosystem of the UK betting and gaming landscape.

Similarly, across our bingo business, we have put forward arguments and proposals for improvements to the customer proposition which, we believe, would help to re-energise land-based bingo for current and prospective new customers whilst at all times ensuring player protection is front and centre of the delivery of bingo to its customers.

As a result of the changes which we hope will be made, we are confident that we will be able to further develop and modernise our entertainment offerings, whilst ensuring continued improvements to consumer protection and safeguards are in place.

In order to demonstrate and secure support for our proposals, we initiated an extensive programme of stakeholder engagement with parliamentarians in 2021, with the intention of generating a broader base of understanding in Westminster of the nature of our business and the challenges and opportunities for which legislation might provide appropriate reform. We have also engaged in regular dialogue with government officials, both directly and through our trade bodies, to assist in ensuring legislative changes are evidence-led, and these discussions are ongoing.

### External accreditations

We are members of several industry organisations. As members of the **Betting & Gaming Council**, which is the standards body for regulated UK betting and gaming, we support and drive forward best practice in our industry.

The **Bingo Association** is the trade association for all licensed bingo operators in Great Britain, and as a member, Rank has the opportunity to help shape the agenda and drive progression in this sector.

Rank is a constituent company of the **FTSE4Good Index Series**, which is designed to identify companies that demonstrate strong environmental, social and governance practices measured against globally recognised standards.

Rank is one of the few companies to have its own dedicated responsible gambling website, **keepitfun.rank.com**, providing help and information for all of its land-based and remote gaming customers.

Rank has achieved **GamCare** accreditation for Grosvenor Casinos (since 2007) and Mecca (since 2008).

During 2014, Rank launched **Rank Cares**, a fundraising and volunteering programme designed to allow every team member in the company to do their bit for the local community. The focus for the programme is to provide support and escape for carers – those who devote large parts of their own lives to caring for others.

Rank is a supporter of the **Responsible Gambling Trust** which provides funding for problem-gambling charities.



# Focus areas







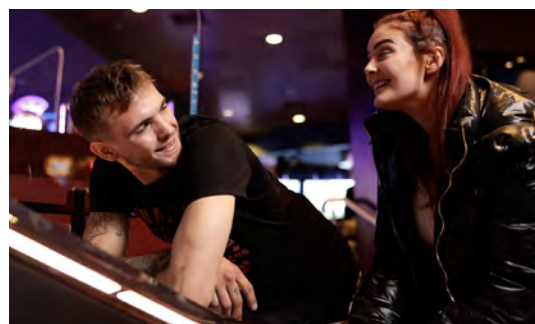


## Protecting our players

Provide a fun, exciting and fulfilling experience

Create and maintain good gambling behaviours

Protect vulnerable customers



Material issue	Current initiatives	Future initiatives
Safer gambling	Extensive SG infrastructure Collaboration with industry groups SG training for employees Application of technology Strong Board oversight Ongoing evaluation of existing and development of new initiatives	Research to support safer gambling Internal document describing safer gambling objectives and actions
Protecting young and vulnerable customers	Controls in venues and online to prevent underage play Training, technology and processes for colleagues Monitoring marketing messaging and safer gambling information received by customers	More education of customers around safer gambling
Regulatory compliance	Engaging with the Gambling Commission as requested/required Regularly engaging with the trade associations and government Internal compliance team	
Customer welfare	Mecca app launched for bookings, F&B orders and cashless payment Sought customer feedback on reopening and products Training for suppliers/contractors visiting venues COVID-19 H&S plan and measures H&S venues reviews H&S training for employees	
Ethical marketing	Utilisation of suppressions and typologies to control customer communications to the vulnerable and at risk, and to control contact strategies to our customers Consolidation of our martech tools to deliver a single command and control system to manage all marketing channels and controls Regular compliance reviews of marketing activities Regular community-focused activity (Mecca e.g. Everyone Deserves A Christmas (EDAC))	
Customer privacy and data security	Data protection, policies, security and employee training	



### Engagement, insights and objectives

Our purpose is in part driven by meeting the changing needs and expectations of our customers. Through customer insights we can understand how and what we need to do to deliver exciting and entertaining experiences.

Providing regulatory parameters for these objectives, the Gambling Commission has established Licence Conditions and Codes of Practice (LCCP) that set out the requirements that all licensees must meet in order to hold a Gambling Commission licence:

- Preventing gambling from being a source of crime or disorder, being associated with crime or disorder, or being used to support crime
- Ensuring that gambling is conducted in a fair and open way
- Protecting children and other vulnerable persons from being harmed or exploited by gambling

### Protecting young and vulnerable customers (UK)

In accordance with the LCCP, Rank puts into effect policies and procedures designed to prevent underage gambling.

Rank employs supervisors at venue entrances to verify the age of everyone attempting to enter the premises and take appropriate action, such as checking identification. This task is accomplished by using CCTV as well as a physical presence.

We monitor the effectiveness of these policies by implementing the following procedures:

- Checking the age of customers who appear to be, or are suspected of being, underage
- Refusing entry to anyone unable to produce an acceptable form of identification, i.e. one which:
  - contains a photograph from which the individual can be identified
  - states the individual's date of birth
  - is valid
  - is legible and shows no signs of tampering or reproduction
- Taking action when there are unlawful attempts to enter the premises, including removing anyone who appears to be underage and cannot produce an acceptable form of identification

As a means of providing reasonable assurance that we have effective policies and procedures to prevent underage gambling, Rank conducts test purchasing and takes part in collective test purchasing programmes.

Rank does not supply facilities for gambling in such a way as to appeal particularly to children or young people, thus ensuring its environments do not reflect or associate with youth culture. In addition, entry is refused in any circumstances where an adult is accompanied by a child or young person.

Rank requires that all staff understand their responsibilities for preventing underage gambling. This includes appropriate training which must cover all relevant prohibitions against inviting children or young persons to gamble or to enter gambling premises, and the legal requirements on returning stakes and not paying prizes to underage customers.

Rank also manages venue selection by conducting local area risk assessments (LARA). This is required when applying for new or variations to premises licences, to ensure effective risk mitigation for locations proximate to schools, youth facilities or addiction treatment centres.

### Ethical marketing (UK)

To advertise in Great Britain, and to advertise remote gambling in Northern Ireland, gambling operators must comply with the relevant licensing requirements. The Gambling Commission's LCCP make it a direct requirement on licensed operators to ensure their advertising complies with the UK Advertising Codes and gambling advertisers must take all reasonable steps to prevent marketing communications from posing a risk to vulnerable groups.

The Committee of Advertising Practice is responsible for advertising codes in the UK. In addition to the wider provisions of the Gambling Act 2005, its rules are aimed at protecting children from underage gambling. Under their directives, amongst other things, gambling ads are not allowed on websites or games that are popular with children.

**The Committee of Advertising Practice (CAP) offers guidance on the interpretation of the UK Code of Non-broadcast Advertising and Direct & Promotional Marketing (the CAP Code) in relation to non-broadcast marketing communications.**

**The Broadcast Committee of Advertising Practice (BCAP) offers guidance on the interpretation of the UK Code of Broadcast Advertising (the BCAP Code) in relation to broadcast advertisements.**

**The Advertising Standards Agency (ASA) is the UK's regulator of advertising applying the code written by the CAP and BCAP.**



## Spain

### Venues

Compulsory verification is required to ensure that the entrance to gambling venues is forbidden to minors as well as any person registered at the Regulators' Registry of 'persons prohibited to entry in gambling establishments'. The data of such Registries is downloaded daily from the Regulator's files to meet this requirement.

### Digital

The Spanish Royal Decree 958/2020 covering commercial communications of gambling activities regulates online gambling promotions and advertising. In addition to the wider provisions of the Gambling Act 13/2011, one of the aims of the Royal Decree principle is to protect children from underage gambling. Under the directives, gambling communications are only allowed under very strict scenarios, promotions allowed only on operators' sites or to registered customers, and all advertising must include a clearly displayed +18 icon. The regulations also require measures to be taken to ensure children below the age of 18 are not targeted by gambling adverts. To this purpose, gambling companies are required to ensure that online promotions are not aimed at minors.

Rank adheres to the code of conduct of online gambling advertising, jointly regulated by operators and the Spanish Directorate of Gambling (DGOJ).

## Customer health and safety

We treat the physical safety of our customers and colleagues as high priority and are committed to achieving the highest level of health and safety standards across the Group. The General Managers of each of our venues are responsible for ensuring that their respective venue's operations meet the requisite standards and a check and balance is provided by the dedicated health and safety team conducting regular health and safety assessments for each venue. Results are circulated to the venue's leadership team, completion of resulting actions is monitored and any significant issues are escalated and followed up by management teams, with the assistance of specialist external consultants where needed.

The impact of the pandemic meant that it was essential that we provided additional assurance to customers and colleagues alike of the safety of our venues on reopening, in line with applicable regulations but also taking account of feedback received from our customers and colleagues. Extensive health and safety measures (including capacity limits, floor markings and signage, use of protective equipment, machine dividers and screens, and enhanced cleaning regimes) and related training were implemented at all venues across the Group. This work spanned the full breadth of our business, involving liaising with operations, procurement, marketing, gaming, IT, maintenance and food and beverage.

We also liaised with national and local governments and authorities to explain our approach and ensure that when our venues were permitted to reopen, we would provide a safe environment for all. This enabled us to reopen our venues and offices swiftly and safely as soon as we were able to do so and to give confidence to customers and colleagues as to their safety when they returned.

The risk assessments for Grosvenor, Mecca and support offices can be found on our website at <https://www.rank.com/en/responsibility/covid-19.html>. The business continues to engage with customers to obtain feedback on the measures that we are taking and the health and safety team continues to advise on the approach to be taken to potential outbreaks of COVID-19 in venues and offices.







### Customer privacy and data security

We aim to interact with our customers – in venues and online – in a personable and collaborative manner. Positive interactions help to ensure that our customers remain safe, feel valued and stay loyal to Rank.

Use of data and adherence to risk-assessed thresholds is the core foundation and the deployment of the correct controls is an ever-present and highly important part of our work.

And whilst personalisation and a bespoke approach to customer interaction drives the commercial premium for high-value customers, it is also the benchmark for all lower-spend customer interactions.

We have a mature approach to data security. Our priority is to prevent breach or loss of data and to ensure data is used in a fair and transparent manner. This is managed via appropriate tooling and process with broad alignment to ISO27001 and enhanced requirements of other regulators including the UK Gambling Commission, the ICO and PCI-DSS regulations.

### Data governance

The Board of Directors have ultimate responsibility for data security with clear reporting lines and delegated responsibility through the Chief Executive Officer, Chief Information Officer and Director of Group Information Security. The Data Protection Officer (DPO) and information security teams work in collaboration and the team has roles that cover data security, vulnerability management, Security Operations Centre (SOC), cyber security, security governance, ethical hacking and DevSecOps.

The DPO reports on a monthly basis to the Risk Committee and other management committees within the business as required. A report is produced for the Audit Committee twice a year or more frequently as required. The DPO is independent of the business allowing them to provide impartial guidance and advice.

Vulnerability audits are carried out on a monthly basis. Audits for the Gambling Commission and our PCI-DSS compliance are carried out on an annual basis. Internal audits are carried out on a project and risk basis. We have formal risk-assessment programmes and tooling with scoring processes built around them to suitably advise the Risk Committee, which meets monthly. Department and corporate risk registers are reviewed regularly, with risk acceptance, and mitigations monitored and updated as required.

Technical and organisational measures are in place which highlight the level and type of necessary security. These include, but are not limited to, password management (complexity and frequency of change), multi-factor authentication, firewalls, encryption, role-based and least privileged access controls, end point protection, intrusion detection/prevention, and employee education, and are all aligned with industry best practice.

Pre-approved incident-management run books are in place which adhere to best practice and governing bodies' requirements and statutory reporting time frames. We broadly align with ISO27001 but due to the requirements placed on us by Gambling Commission and PCI-DSS compliance, we often go beyond the requirements.

Regular project-specific or change-management-driven penetration testing is carried out as well as routine internal/external penetration testing programmes. The ethical hacking team run internal and vulnerability analysis and regularly run scenario-based testing and breach simulations.

All employees are required to complete a compulsory data protection induction as well as annual refresher training, and awareness campaigns based on localities are in place, such as office-based posters reminding of how to securely dispose of printed materials and reminders following attempted phishing attacks. Site visits are also carried out by the information security teams as appropriate.

All team members are required to engage with security forums and attend security expos and maintain their own development and accreditations. The lifecycle of the Risk Register means that emerging risks are identified and prioritised alongside existing risk mitigation actions and areas of improvement.



### Product safety and quality

The Gambling Act 2005 gives the Gambling Commission, as part of its statutory role, the power to attach conditions to operating licences about equipment used in connection with gambling activities. In addition, the Commission has the power to set technical standards for remote gambling systems (including software). Appropriate conditions have been attached to non-remote and ancillary remote bingo and casino operating licences.

These technical requirements regulate bingo and casino equipment in two different situations:

- Equipment that is used on premises in Great Britain to provide casino games and bingo games to the public
- Equipment used to provide such games in gambling premises by means of a remote communication system, where the provider is regulated by the Act

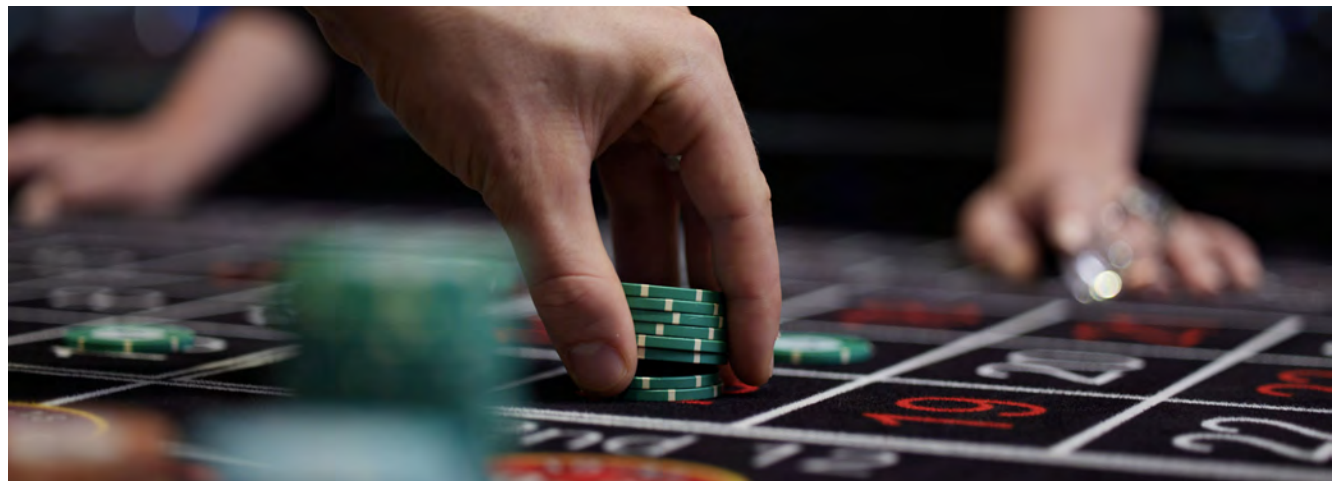
### Speed of play

An electronic terminal that gives a player the opportunity to bet on the outcome of a fully automated 'real' game must ensure that the game cannot be played at a speed significantly faster than the manually operated equivalent and that the player is given adequate time to place their initial and any subsequent bet(s) within the game.

### Display of information on players' game devices

Game devices must be capable of clearly displaying the following information:

- Cost of bet(s) or stake(s) to play the game
- Prize amounts available within the game, or the information necessary to calculate the prize amounts, for example the odds for each type of bet in a game of roulette
- Players' credit held on the system
- Information describing how the game is played on the device – this is optional if the method of playing the game on the device is identical to the method of playing the actual table game
- Information on how to gamble responsibly and help for problem gamblers, and alarm or fault information when needed





### Random number generation

Random number generation (and game results) must be 'acceptably random' and demonstrate to a high degree of confidence that the output of the random number generators (RNG) is random, through, for example, statistical analysis using generally accepted tests and methods of analysis.

If a random number with a range shorter than that provided by the RNG is required for some purpose within the gaming device, the method of re-scaling (i.e. converting the number to the lower range), must be designed in such a way that all numbers within the lower range are equally probable.

### Testing

The LCCP requires that all non-remote gaming machine technical, gambling software, and remote operating licence holders must comply with technical standards and requirements set out by the Gambling Commission relating to the timing and procedures for testing.

The remote technical standards (RTS) and testing strategy for compliance include several requirements for information that licence holders must submit.

For non-remote licences, the gaming machine technical standards and gaming machine testing strategy specifies information requirements for those businesses.

**Depending on the licences they hold, gambling operators are required to report the following information to the Gambling Commission:**

- Games test reports
- Games testing annual audit reports
- Security audit reports

### Games test reports (remote gambling and gambling software)

A key requirement of the RTS and testing strategy for compliance with the RTS is that remote gambling licence holders submit games test results and random number generator (RNG) test results to the Commission.

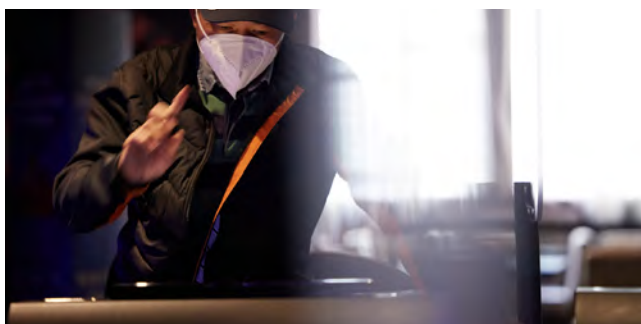
This provides assurance that new games (or major updates of games) comply with the RTS. It also assures that the RNG-driven products such as casino, bingo and virtual betting, comply with fairness specifications.

This requirement applies to all holders of gambling software licences and remote bingo operating licences.

### Games test reports (gaming machines)

The gaming machine testing strategy requires gaming machine technical licence holders to conduct testing on new games and submit the results to the Commission. Games testing must be carried out by an approved Test House.

In addition, compliance with the RTS requires licence holders to conduct an annual games testing audit and that it is carried out by an independent and suitably qualified auditor.







# Creating a positive environment

**Educate our people to enable and encourage positive gaming behaviours**

**Create a fair, safe and inspiring working environment**

Material issue	Current initiatives	Future initiatives
Business ethics	Mandatory employee training on a regular basis Policies and training reviewed at least annually Whistleblowing process Code of Conduct Anti-bribery policy	Continue to further develop the Group's Code of Conduct
Leadership capability	Board skills assessment Bespoke personal development plans (PDPs) Succession planning	Executive Committee skills assessment
Employee training and development	Mandatory training (e.g. Safer Gambling – online and face-to-face) Voluntary training (e.g. Managing and Leading at Rank – face-to-face) Spring Board (Learning Management System [LMS] for online training)	Development of voluntary training offering
Talent management	Review key capability needs (including high risk roles/specialisms) Development of new Employee Value Propositions (EVPs) Creation of PDPs and focus on bespoke development	
Employee engagement	Board/executive-employee engagement Regular communications STARS values awards Inclusive policies and culture Support of career development of under-represented groups, including sponsorship and mentoring Development and use of Mental Health First Aiders (MHFAs)	Further development of inclusive policies and culture Development and use of Mental Health First Aiders (MHFAs)





### Colleagues and safer gambling

Our goal is to maintain a mindset across our business, from front-line colleagues to those in support offices, whereby everyone who works at Rank understands what safer gambling and social responsibility looks and feels like, and the benefits it brings. Excelling in delivering this objective is something we are proud of and celebrate across the business.

Our objective is to maintain a culture whereby the wellbeing and safety of all our customers is never sacrificed in exchange for revenue. We aim to arm our colleagues with all the tools, training and techniques to showcase safer gambling to all customers and breed a culture of excellence in demonstrating it across the business.

### Developing and maintaining our culture

Our industry is a truly exciting one in which to operate. This resonates across the Group, with colleagues valuing the interesting nature of our business and the skilled roles we provide. Our business strategy is also well communicated to ensure that everyone understands and is working towards the same goals.

Rank's culture is defined by its established values – service, teamwork, ambition, responsibility and solutions (STARS) – and its purpose. From the point of recruitment, all colleagues are made aware of our values and these are incorporated into many development initiatives to ensure they are at the heart of a successful career at Rank.

To ensure our workforce remains connected and motivated, we operate a number of initiatives to facilitate engagement with colleagues, to allow feedback and the articulation of any issues, and for business communications from the Executive.

### Town Halls

Executive directors and senior management are actively involved in the engagement of colleagues through Town Halls, which are accessible by all our offices to watch and participate. Our Town Halls are also the forum in which STARS awards are presented, offering recognition of individuals and/or teams, having been nominated by their colleagues, for demonstrating Rank's values in their work.

### Employee Voice

Employee Voice meetings are held biannually and enable elected representatives from different areas of the business to meet with members of the Executive Committee and senior management to discuss issues of concern raised from within the business and potential resolutions. Specific issues are elevated for discussion at the Executive Committee and/or Board encouraging a two-way dialogue and allow explanations to be given about decision-making.

### Talking STARS and Leading STARS

Talking STARS and Leading STARS sessions are also held biannually and provide a forum for key individuals from across the business to debate issues impacting the Group. These forums supplement employee voice meetings, with participants selected from across our business. They are attended by Rank's Chief Executive, the Group's Human Resources Director and other members of the Executive Committee.

### Employee Opinion Survey (EOS)

To enable all colleagues to feedback directly to the business, we conduct employee opinion surveys twice a year. One is an in-depth survey comprising around 30 questions, covering all aspects of working at Rank. The other is a high level 'pulse' survey that focuses on the key engagement drivers to act as a check on engagement and the progress being made across the Group. The outputs of these surveys are shared with the Executive and Board.

### Working environment

The workplace environment has been greatly affected by the pandemic. To ensure all our colleagues feel comfortable, managers have been conducting mental health check-ins with people returning to venues and offices, including a review of hybrid working arrangements where appropriate. We have also introduced a range of activities and initiatives to make sure that our workplace is an enjoyable and supportive place to work. This includes offering massages, running yoga classes, providing breakfasts and lunches, and inviting a psychotherapist to talk on mental health.

### Direct Board engagement

We strongly believe that direct Board engagement with colleagues is invaluable. Our designated Non-Executive Director (NED) attends the Talking STARS and Leading STARS forums. Their role is to ensure that the views and concerns of the workforce are taken into account by leaders, particularly when they are making decisions that could affect the workforce. They also provide feedback to colleagues on such matters from the Board. This approach has encouraged a broader exchange of information and views on the business and the wider industry. The designated NED reports formally to the Board on matters discussed in such meetings on a biannual basis. We also conduct Board visits to venues, which allows colleagues to feedback directly on issues that matter to them, without comments having to pass through layers of the business, and for the Board members to see the direct operations of the business and the work of our dedicated colleagues.

### Unions

We keep an open line of communications with relevant trade union bodies and we value maintaining a productive working relationship. We listen to the issues they raise on behalf of their members, respond to any concerns, and implement solutions where possible that support the wellbeing, safety and security of our people.



### Training and development

At Rank we want to ensure we are offering an exciting and safe experience for our customers. To achieve this, it is crucial that all our colleagues are well versed in safer gambling and equipped with the tools to provide support when required. Every individual across the Group must complete mandatory safer gambling training, with progress being monitored through our online platform. Depending on the level of interaction with customers, particular roles will have more in-depth training programmes, but we feel it is essential that all colleagues understand the key tenets of safer gambling and that the responsibility permeates throughout the Group. All colleagues must also complete compliance training.

To enable us to attract and retain the most talented individuals, we are focusing on streamlining our recruitment process and making sure we are hiring the most qualified and diverse candidates as quickly as possible. We believe it is important to have tailored development programmes, especially for those considered high potential, in order for those colleagues to get the most out of their career at Rank.

### Equality, diversity and inclusion

With the Group having offices in seven countries, its commitment to inclusion and diversity has never been so essential. Colleagues from different backgrounds and cultures provide a balance of voice and diversity needed to succeed. The Group's inclusion and diversity programme, #BeYourself, has four key aims: (i) create an inclusive environment which facilitates our colleagues to develop, be creative and deliver exceptional service, (ii) ensure there is a diverse workforce across all grades, (iii) make inclusion and diversity integral to how we do business, and (iv) demonstrate leadership on inclusion and diversity, internally and externally, positioning Rank as an 'employee of choice'.

### Partners

Efficient and effective management of our supply chain is key to our business operations. We have cultivated strong relationships with our suppliers, which stood us in good stead during the pandemic. In the periods when our venues were closed or subject to curfews, our suppliers were incredibly supportive. We were able to negotiate deferred payment terms and payment holidays in many cases, and thereby lessen the financial impact on the business. In turn, once our venues had reopened, we were able to offer extended contract terms to suppliers in recognition of their support. We recognise that risks in the supply chain will persist, both due to the ongoing pandemic and issues around procurement following Brexit. Nevertheless, in maintaining such productive partnerships with our suppliers, we reduce that risk.

To drive continuous improvement in supplier management, we presented during a Town Hall meeting and then hosted workshops for key commercial teams across the business. Our next objective is to launch a commercial module on our internal training platform concerning key commercial considerations and when to engage with procurement. Furthermore, we continue to go out to market to test and ensure we are not only getting the best price, but also the best service for our business to operate.







## Case Study Bidfood

Our food suppliers, Bidfood, were one such partner that went above and beyond for Rank during the pandemic. During the lockdown period, they did not charge us for the contract we usually required them to supply.

Furthermore, they supported one of our lockdown charity initiatives by supplying heavily subsidised food for the meals we were cooking to deliver to key workers.





## Minimising our impacts

Invest in efficient and responsible operations to reduce our impact

Engagement with supply chain to deliver sustainable and responsible outcomes

Material issue	Current initiatives	Future initiatives
Economic performance	<p>Transparency and traceability of products and services sourced</p> <p>Supplier engagement programme supportive of Rank's agreed target and objectives (codes of conduct, ethics, anti-bribery, MSA, conflicts of interest etc.)</p> <p>Employee training to drive improved supplier management</p> <p>Tracking and recording of largest supplier impacts and improvements achieved (ESG approach)</p> <p>Provenance considered within supply chain decision e.g. menu development/providing origin visibility</p>	
Environmental strategy	<p>Review energy usage and efficiency of operations across the business</p> <p>Review of supplier practices</p>	<p>Carbon reduction strategy and interim targets</p> <p>Waste management practices assessment</p> <p>Review of fleet and EV adoption</p>





TASK FORCE ON  
CLIMATE-RELATED  
FINANCIAL  
DISCLOSURES

### Climate change and net zero planning

In line with the ambitions set out in the Paris Agreement and commitments set out at the recent COP26 UN Climate Conference, Rank is considering its roadmap towards a carbon net zero future.

We will be developing our carbon reduction strategies with our operational partners and will update stakeholders on our progress.

### Environmental impact review

As a Group, we recognise the importance of reducing our environmental impact and ensuring that we are operating as sustainably as possible. As part of our ESG strategy, we are currently mapping out our environmental commitments, assessing where carbon reduction measures can be implemented and how our venues can operate more efficiently. We have identified the following focus areas:

#### Utilities

The most significant area of contribution to the Group's carbon footprint is our venues' energy usage. We are working with our energy consultants to determine where reduction opportunities lie and once the assessment is complete we will set a target to reflect these findings. Furthermore, we aim to improve our monitoring of energy usage, by investigating energy spikes and understanding what measures could be taken to avoid unnecessary energy usage. We are exploring opportunities to incorporate renewables into our utility mix, and subsequently create energy and cost efficiencies.

#### Fleet

We are reviewing options to electrify our fleet. We have piloted the use of electric charging points at our Victoria casino and are looking into ways to roll out the scheme across our entire venues estate.

### Waste management

We are working with our waste management company to assess our performance to date and evaluate where improvements can be made.

### Water management

We are in talks with a water efficiency company discussing opportunities for the Group to better manage water use, including such measures as utilising rainwater, installing more efficient taps, and reducing water use in cisterns.

### Travel

We are working with our travel provider to understand how Rank can better reduce its environmental impact from colleague travel.

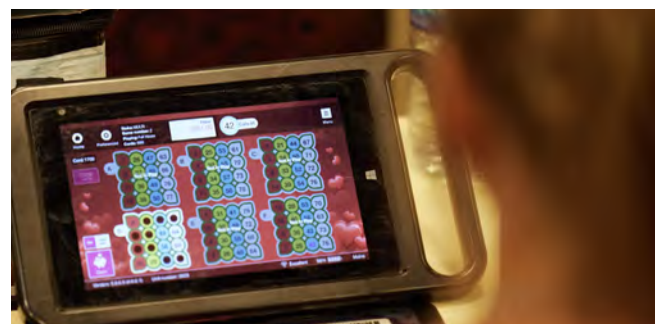
We are engaged in a process that is assessing our current environmental impact, and as is determining a range of carbon reduction initiatives.

### Tender process

We also incorporate ESG considerations into our due diligence processes, requesting environmental policies from suppliers and including in the Request for Proposal (RFPs) the requirement to support the Group's environmental agenda and to be as environmentally friendly as possible.

### Taskforce on Climate-Related Financial Disclosures (TCFD)

Commensurate with the requirement under Listing Rule (LR 9.8.6) regarding disclosures to the Task Force on Climate-Related Financial Disclosures, Rank will develop its reporting framework taking into account the TCFD recommendations. We will align our performance and strategy reporting to the four pillars of the TCFD: governance, strategy, risk management, and metrics and targets.







# Delivering a social product

Provide an essential social outlet for customers and generate lasting community spirit

Drive community action and develop genuine social legacy

Material issue	Current initiatives	Future initiatives
Community engagement	Charitable initiatives including volunteering	Further develop Rank's community engagement strategy
	Local employment opportunities	Ongoing local employment opportunities
	Carers Trust partnership	Ongoing local investment in venues
	Customer contact programme	
	Local investment in venues	



## CARERS TRUST

Rank has always occupied a central role in the communities in which we operate. Our Mecca venues in particular act as a community hub in many locations and playing bingo is a key form of social interaction for many isolated and elderly people. Our venues' teams have always been dedicated to supporting their customers, maintaining strong ties with the local communities, and reaching out to customers in times of need.

Rank appointed Carers Trust as its corporate charity partner on 14 February 2014. This hugely successful partnership has had a major impact in supporting Carers Trust's work with hundreds of thousands of unpaid carers right across the UK. Since its inception Rank colleagues and customers have raised a very impressive £3 million for the charity, with the money raised benefitting over 12,700 unpaid carers. Funds have typically been provided to adult carers in the form of grants, distributed through Carers Trust's network of over 120 local carers charities.

These grants can be life changing for carers struggling to provide round-the-clock care for members of their families experiencing long-term illness, disabilities, poor mental health or substance addiction. The grants provide money for essential household items that would otherwise remain unaffordable. Money for new beds, cookers and washing machines – or to pay for hospital visits – can have a major impact in making the lives of unpaid carers much more manageable.

The money has been raised through a myriad of activities including sports challenges, donations, payroll giving and club fundraising.

Rank's long-standing support for carers became even more important during the pandemic. Rank's employees raised much-needed money for the Carers Trust Emergency Fund which supported 1,944 carers during the height of the COVID-19 emergency from May to July 2020.

### Using our key relationships to good effect

Our community initiatives were also supported by external stakeholders. On a national level, our suppliers, including Bidfood, Nestlé and Britvic, provided significantly discounted produce and items for our key worker's meals and hampers. On a venues level, local suppliers supported our community efforts. Many MPs have recognised the work we have been doing and lent their support to, and have spoken about, our efforts.

### Lessons from lockdown

As we move forwards, we want to maintain this momentum and we recognise that our customers and communities will continue to need support.

While we will continue to operate community initiatives on a venue-by-venue basis to enable us to respond to the need in localities, we are creating a formalised central strategy, using lessons learnt from the pandemic to build upon the work we have always previously done in this area, to guide our social impact in the future.

## Case Study Community engagement during lockdown

During the pandemic, we set out to ensure that our community ties were strengthened exponentially. While society was under lockdown restrictions, we opted to mobilise our sites across the country, keeping kitchens open to offer 210,000 prepared meals for vulnerable people and NHS and emergency workers.

At Christmas, in 2020 and 2021, we mobilised all of our clubs to pack 4,100 hampers for vulnerable and isolated people. These initiatives enabled us to continue to deliver on our commitment to our local communities (and do so at a time of particular and unprecedented need), establish connections with many charitable organisations, and has further improved our understanding of the need in our communities.

As we recognise the social value that attending our venues has for many people, we wanted to ensure that our customers were still being supported during the lockdowns. Utilising our database, we compiled a list of

customers we felt it might be helpful for us to contact and started conducting check-in calls to allow people a chance to have a chat and tell us whether they needed anything dropped off.

When we were able to reopen our venues, we recognised that not everyone returned, hence we continued our customer calls to ensure that those who were not yet comfortable coming back inside our venues were not left unsupported. Venue staff also called customers on their birthdays, set up community bingo events on Zoom, and reached out to provide provisions for those hosting Veterans' Day street parties.

We invited community groups to utilise our venues to host meetings and events. During the pandemic, this became an invaluable offering, as we operate large spaces that enabled social distancing. Charities such as Age Concern and domestic abuse hubs used our spaces to run small groups and allow people seeking support to meet.



## 54 Contact us

---

---

---

For any other information please contact  
the following at our registered office:

**Sarah Powell**  
**Director of Investor Relations**  
**& Corporate Communications**

**Registered office**

The Rank Group Plc,  
TOR, Saint-Cloud Way,  
Maidenhead  
SL6 8BN  
Tel: 01628 504 000

The Rank Group Plc  
Registered in England and Wales  
Number: 03140769

For more information about Rank Group Plc,  
visit our website.

[www.rank.com](http://www.rank.com)





**The Rank Group Plc**

TOR  
Saint-Cloud Way  
Maidenhead  
SL6 8BN  
Tel: 01628 504 000  
Web: [www.rank.com](http://www.rank.com)

Company registration number: 03140769