

PAS 2060 Qualifying Explanation Statement

First period: 1st Jan 2020 to 31st Dec 2020

Introduction

This document forms the Qualifying Explanatory Statement to demonstrate that Gamesys Group Plc has achieved carbon neutrality for its operational (Scope 1 and 2) emissions for the period commencing 1st January 2020 to 31st December 2020.


Section 1: General information

With no company owned vehicles, our direct environmental impacts are limited to the energy use, refrigerant (air conditioning) use, water use and food/paper waste generated in our offices. Although all are relatively minor, by far the largest and most consequential of these is our energy use, and its contribution to climate change.

PAS 2060 Requirement	Response
Entity making PAS 2060 declaration:	Gamesys Group Plc
Subject of PAS 2060 declaration:	This declaration applies to the scope 1 and 2 emissions of Gamesys Group Plc and all its subsidiaries. Scope 1 and 2 emissions are defined by the Greenhouse Gas Protocol operational consolidation (control) approach and scope 2 emissions have been measured using the market approach. As an online gambling operator with no company vehicles and minimal company travel, emissions arise from two sources, namely electricity used in our offices and emissions arising from any refrigeration leaks.
Description of Subject:	Gamesys Group are a leading operator of online casino and bingo-led brands. Our focus is on building a diverse portfolio of distinctive and recognisable brands that deliver best-in-class player experience and gaming content to a global audience. Our Company ethos is 'Crafting entertainment with care'. We employ circa 1,500 employees across 9 countries in Europe, Asia and North America.
Rationale for selection of the subject:	For this first year of carbon neutrality Gamesys Group has focussed on their direct operations, for which the Group has comprehensive and accurate data. The company is working towards measuring their scope 3 emissions. The most significant scope 3 emission category is expected to be purchased goods and storage (notably data storage) and other, relevant but less significant, categories are anticipated to be fuel- and energy-related activities (upstream, transmission and distribution emissions from electricity), business travel, employee commuting and use of sold products.
Type of conformity assessment:	Third party assessment by Carbon Trust Assurance.
Baseline date for PAS 2060 programme:	1 st January 2020
Achievement period:	1 st January 2020 – 31 st December 2020
Commitment period:	1 st January 2021 – 31 st December 2023
Individuals responsible for evaluation and provision of data necessary for declaration:	Kevin Clegg, Sustainability Director at Gamesys Group. Caroline Johnstone, Director at Rawstone Consulting.

Section 2: Declaration of achievement of carbon neutrality

Carbon neutrality of scope 1 and 2 emissions achieved by Gamesys Group Plc in accordance with PAS 2060 at 2nd March 2021 for the period commencing 1st January 2020, as certified by Carbon Trust Assurance.

PAS 2060 Requirement	Response
Recorded carbon footprint of the subject during the period stated above	407 tCO ₂ e (market-based method); 361 (location-based method).
Carbon footprint reduction target for period	Gamesys Group has two targets. First, to be operationally carbon neutral (scope 1 and 2) by 2021. Second (to facilitate this), we aim to decrease our direct emissions from energy consumption by 50% by 2023 (compared to the 2019 footprint of 530 tCO ₂ e calculated according to the GHG Protocol).
Location of GHG emissions report supporting this claim:	Section 4.
Location of the Carbon Footprint Management Plan:	Section 5.
Location of the details describing the carbon offsets:	Section 5.
Location of the details describing internal reductions achieved (recertification only)	n/a
Name of Senior Representative	Senior Representative Signature
Name: Kevin Clegg	
Role: Sustainability Director	
Date: 2 nd March 2021	

Section 3: Declaration of on-going commitment to carbon neutrality

Gamesys Group are committed to maintaining carbon neutrality for scope 1 and 2 emissions in accordance with PAS 2060 for the period commencing 1st January 2021.

Section 4: Carbon footprint breakdown

A breakdown of scope 1 and 2 emissions for 1st Jan 2020 to 31st Dec 2020 are detailed below. This footprint has been third party verified to a limited level of assurance by Carbon Trust Assurance, in accordance with ISO 14064-3. Scope 3 emissions were not measured during the year due to the complexity of calculations, which was compounded by the recency of the uniting of JPJ Group Plc and Gamesys Ltd. Work is now underway to capture scope 3 emissions.



Carbon footprint	tCO ₂ e	Comments
Scope 1: Refrigerant Gases	0	Refrigerant leaks can arise from the air conditioning units used in the everyday cooling/heating of our offices. No leaks occurred during this year.
Scope 2: Electricity	407	<p>Emissions are based on supplier electricity bills. Where meter readings at year start/end were not available these have been estimated based on the closest readings/supplier estimates available and on a flat profile basis.</p> <p>Emissions arising from electricity use in three offices have been excluded (Bahamas, Toronto and Norwich). These offices are used by a total of 13 employees (0.9% of the workforce) and account for less than 1% of office space.</p> <p>The market-based method has been used for reporting. Emissions using this method were greater than for the location-based method. Conversion factors were sourced from the electricity suppliers, and where not available, the Association of Issuing Bodies (AIB) residual mix conversion factors were used.</p>
TOTAL	407	

Section 5: Carbon management plan

PAS 2060 Requirement	Client Response
Statement of commitment to carbon neutrality for the defined subject	Gamesys Group Plc is committed to achieving carbon neutrality for their operations.
Timescale for achieving carbon neutrality	The Group's target is to be operationally (scope 1 and 2) carbon neutral by 2021.
Targets for GHG reduction for the defined subject appropriate to the timescale for achieving carbon neutrality	Gamesys Group is committed to reducing direct carbon emissions from energy consumption by 50% by 2023 (compared to the 2019 footprint of 530 tCO ₂ e calculated according to the GHG Protocol).
Planned means of achieving and maintaining GHG emissions reduction including: <ul style="list-style-type: none"> Assumptions made and any justification of the techniques and measures to be employed to reduce GHG emissions; [Optional] Where historical reductions are to be taken into account, the period over which those reductions are to be calculated and confirmation that the necessary data is available and that calculation is to be undertaken using precisely the same 	Existing initiatives to reduce GHG emissions include: <ul style="list-style-type: none"> Decommissioning and replacing equipment well before its end of life, thus capitalising on technological improvements in power efficiency. Using internationally recognised certificates to verify product efficiency at purchase. For example our standard issue laptops, desktops and printers (which account for 90% of Office IT equipment purchases) all have either Energy Star or Blue Angel certification. Provision of video conferencing, laptops and other technology to enable home working and reduce travel. No provision of company vehicles to disincentivise travel.

methodology as that to be employed to assess and calculate future reductions;

- Local management of heating and air conditioning systems to reduce wasted consumption.
- Local energy reduction initiatives. For example, in Malta where we have two offices, we fund employee use of car-pooling, electric scooter hire and bike hire schemes. In the UK we participate in the government's 'cycle to work' scheme and offer discounted travel cards for public transport in London.

New initiatives, to support achievement of GHG reductions include:

- Long-term hybrid working models requiring less office-based work.
- Switching as many electricity supplies as possible to renewable sources. These will include our UK and USA offices at a minimum, which equate to 41% of emissions.
- Behaviour change initiatives to incentivise and encourage energy reduction.

If the entity has made offsets and achieved carbon neutrality to-date, a description of these offsets should be provided here. Information should include:

- Which GHG emissions have been offset;
- The type of offset and projects involved;
- The scheme through which the offsets were made;
- The number and type of carbon credits alongside the time period over which the credits were generated and the date(s) of their retirement.

Carbon offsets equivalent to 500 tonnes, more than the Group's scope 1 and 2 emissions for 2020, were purchased from a Gold Standard certified scheme (ID GS5107) in February 2021.

The scheme provides fuel-efficient cookstoves to impoverished families in the Qori Q'oncha region of Peru. These fuel-efficient cook stoves emit less carbon emissions than using an open fire. We chose this offset scheme because of the additional societal benefits, specifically because the cook stoves require less fuel the families have more money to spend on food and other essentials.

Registry certificates for the scheme can be found in the Appendix.

The offset strategy to be adopted to meet the achievement to carbon neutrality element of PAS 2060. This should include:

- An estimate of the quantity of GHG emissions to be offset;
- The nature of the offsets;
- The likely number and type of credits.

Gamesys Group is committed to retaining carbon neutral status for at least the next three years. Offset schemes will be carefully selected from recognised certification schemes.

Going forward the scope of offsets purchased will be increased to include some scope 3 emissions. In the first instance this will be the emissions arising from our closest supply chain Partners.

Statement on the fact that PAS 2060 certification has been provided by a third-party verifier. What type of conformity assessment has been undertaken?

Carbon Trust Assurance has independently certified the company's carbon footprint in accordance with ISO 14064-3. They have also provided independent assurance of Gamesys Group's carbon neutrality status in accordance with PAS 2060.

Appendix:

- Carbon footprint verification statement
- Carbon offset certificates
- Carbon neutrality statement

Carbon Trust Assurance Ltd Assurance Statement

Relating to Gamesys Group plc's Greenhouse Gas Emission Claims 2020

Terms of Engagement

Carbon Trust Assurance Limited (CTA) was commissioned by Gamesys Group plc (henceforth "Gamesys") to provide an independent, limited level of assurance on the following Selected Information:

- Scope 1 emissions – refrigerant gases
- Scope 2 (location-based) emissions – purchased electricity
- Scope 2 (market-based) emissions – purchased electricity

The Selected Information is presented within Gamesys' carbon footprint calculations spreadsheet. We have not performed any work, and do not express any conclusion, over any other information that may be included in the carbon footprint calculations or on Gamesys' website for the current year or for the previous periods unless otherwise indicated.

Scope

This engagement covers the verification of emissions from anthropogenic sources of greenhouse gases included within the organisation's boundary.

- Organisational boundary: Global operations (11 sites)
- Control approach: Operational control
- Reporting period: 01/01/2020 - 31/12/2020

Our Conclusion

Based on the work we have undertaken and the evidence provided by Gamesys, nothing has come to our attention that leads us to believe that the Selected Information has not been properly prepared, in all material respects, in accordance with the Reporting Criteria.

The total verified footprint was 361 tCO₂e, according to the location-based method and 407 tCO₂e, according to the market-based method. The breakdown by scope is:

- Scope 1: 0 tCO₂e
- Scope 2 (location-based): 361 tCO₂e
- Scope 2 (market-based): 407 tCO₂e

This conclusion shall be read in the context of the remainder of this Assurance Statement, in particular the inherent limitations explained below and this report's intended use.

Reporting Criteria

The Reporting Criteria used by Gamesys Group is the GHG Protocol.

Management Responsibility

The management of Gamesys Group are responsible for:

- designing, implementing and maintaining internal controls relevant to the preparation and presentation of the Selected Information that is free from material misstatement, whether due to fraud or error;
- selecting and/or developing objective Reporting Criteria;
- measuring and reporting the Selected Information in accordance with the Reporting Criteria; and
- the contents and statements contained within the Report and the Reporting Criteria.

Our Responsibilities

Our responsibility is to plan and perform our work to obtain limited assurance about whether the Selected Information has been prepared in accordance with the Reporting Criteria and to report to Gamesys in the form of an independent limited assurance conclusion based on the work undertaken and the evidence obtained.

Assurance Standards Applied

We performed our work in accordance with CTA's assurance methodology based on ISO 14064-3:2019.

Our Assurance Activities

Our objective was to assess whether the Selected Information is reported in accordance with the principles of completeness, comparability and accuracy. We planned and performed our work to obtain all the information and explanations that we believe were necessary to provide a basis for our assurance conclusions.

Considering the level of assurance and our assessment of the risk of material misstatement of the Selected Information, whether due to fraud or error, our work included, but was not restricted to:

- assessing the appropriateness of the Reporting Criteria for the Selected Information;
- conducting interviews with Gamesys management to obtain an understanding of the key processes, systems, controls and related documentation in place over the preparation of the Selected Information;
- performing analytical reviews and detailed sampling of the Selected Information; and
- reading the carbon footprint calculations and narrative accompanying the Selected Information in the carbon footprint calculations with regard to the Reporting Criteria, and for consistency with our findings.

Inherent Limitations

The accuracy and completeness of the Selected Information is subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. As such, this Assurance Statement should be read in connection with carbon footprint calculations. For those subject matters with a limited assurance, the evidence-gathering procedures are more limited than with a reasonable assurance, and therefore less assurance is obtained than in an overall reasonable assurance statement.

CTA's Competence and Independence

CTA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach is rigorous and transparent.

For and on behalf of
Carbon Trust Assurance Limited

A handwritten signature in black ink, appearing to read "Morgan Jones".

Morgan Jones
Head of Assurance

Carbon Trust Assurance Ltd, London
Email: info@carbontrust.com

This assurance report is made solely to Gamesys Group in accordance with the terms of the engagement contract between us. Those terms permit disclosure to other parties, solely for the purpose of Gamesys Group showing that it has obtained an independent assurance report in connection with the Selected Information. We have not considered the interest of any other party in the Selected Information. To the fullest extent permitted by law, we accept no responsibility and deny any liability to any other party other than Gamesys Group for our work, for this assurance report or for the conclusions we have reached.

Certification date:
19.02.2021

Carbon Credit Cancellation Certificate

This certificate has been issued to
evidence a Redshaw Advisors
quality assured carbon offset.

Issuing body & standard:
Gold Standard

Presented to:

Gamesys Group plc

Tonnes of CO₂ offset by carbon credit cancellation:

500 tCO₂e

Name of carbon reduction project(s) supported:

Qori Q'oncha – Improved Cookstove Project

Project ID:

GS1005

Number & type of units cancelled:

500 VERs

Transaction ID:

GS1-1-PE-GS685-16-2015-6476-49313-49812



Carbon Neutral Label

Gamesys Group plc

has achieved carbon neutrality and is committed to on-going carbon neutrality of the total carbon footprint of its

Global operations at 11 sites

Carbon Trust Assurance has certified that this company has met all of the requirements for using the Carbon Trust Carbon Neutral Label in relation to the 1st January 2020 – 31st December 2020 baseline period.



A full description of the scope of certification and a detailed list of certified results can be found in the associated Certification Letter CERT-12939.

Awarded: 2nd March 2021

Valid Until:

1st March 2022

for and on behalf of Carbon Trust Assurance Ltd,

A handwritten signature in black ink, appearing to be "Morgan Jones".

Morgan Jones, Head of Assurance

This certificate is for presentation purposes only. This Certificate should never be displayed without also displaying the Certificate of Achievement. Refer to the certification letter for full details on the scope of the certification. This certificate remains the property of Carbon Trust Assurance Limited and is bound by the conditions of the contract. Information and Contact: Carbon Trust Assurance Limited is registered in England and Wales under Company number 06547658 with its Registered Office at Dorset House, Stamford Street, London, SE1 9NT. Telephone: +44 (0) 20 7 170 7000. Carbon Trust Assurance Limited is a fully owned subsidiary of the Carbon Trust.