



flutterTM

UK gender pay gap report 2020

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An introduction by

Caroline Ross



Our ambition is that regardless of where our employees are in the world or what brand they work for, Flutter offers an inclusive culture and an agile and flexible working environment. We know that achieving this requires specific actions by our senior leaders and all our colleagues.

Our merger with The Stars Group in May 2020 means that we have the challenge and opportunity of building a new shared ambition for Inclusion and Diversity at Flutter. We are a group of independent divisions, who each have strong cultures with their own unique challenges, but we are unified on what matters most to our people, with Inclusion being a priority.

As a newly-formed business, it is challenging having so many different policies and practices in place. However, while we begin to focus on a group-wide approach to narrowing our Gender Pay Gap, we believe it is important to share the Pay Gap details of each of our brands, along with some accompanying insights on their data and strategies.

The figures across each brand tell a uniquely different story and while we have seen positive moves to narrow the gap in some areas, more progress needs to be made. We are already committed to reviewing policies and practices that can have a positive impact on our ambition to narrow the gap. These include:

- Focusing on enhancing our flexible family-friendly policies
- A consistent and transparent approach to reward and remuneration across all brands
- Having a more gender-balanced workforce
- A focus on attracting and developing female talent

We have much to do, but with the support of our leaders and colleagues we know that we can realise our ambition of being a truly inclusive place to work.

Caroline Ross
Chief People Officer

A message from

Peter Jackson



I am committed to addressing the Gender Pay Gap at Flutter and to creating an organisation and culture in which all of our people can thrive. We recently appointed our first Global Director of Inclusion & Diversity and are working to build an inclusion strategy, to drive meaningful and lasting change.

We've published the position of all of our brands, including those from our merger in 2020. While I've been pleased to see the initiatives already in place to support women in some areas, as we move forward we need to make sure that we have a strong and unified approach, right across the Flutter Group.

We know there's no quick fix for this, but it is the responsibility of every business today to consider how it should evolve for tomorrow, and that has to include a clear commitment to narrowing the Gender Pay Gap.



Peter Jackson
Chief Executive Officer

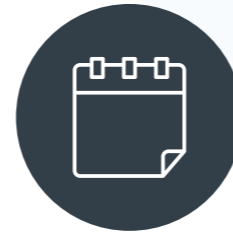


What is the

gender pay gap?

The gender pay gap is the difference between the average earnings of men and women. It looks across all jobs at all levels within an organisation.

The gender pay gap is *different* from equal pay. Equal pay is the legal obligation for employers to pay a man and a woman equal pay for the same or similar work.



Mean gender pay gap

The mean gender pay gap is the difference in the average hourly pay for women compared to men within a company for the month of April 2020.



Median gender pay gap

The median pay gap represents the middle point of a population. If you separately lined up all the women and men in a company, the median pay gap is the difference between the hourly pay rate for the middle woman compared to that of the middle man for the month of April 2020.



Proportion of males and females receiving a bonus

This is the percentage of men and women who received bonus pay in the 12 months leading up to the snapshot date of 5 April 2020.



Proportion of males and females by pay quartile

Quartiles represent the pay rates from the lowest to the highest for our UK employees split into four equal sized groups, with the percentage of women and men in each quartile for the same pay period.

How we've reported

our numbers

Flutter in the UK comprises of several different employing entities, four of which have more than 250 employees.

We report and analyse the data for each of these entities separately and also combine the data for the online businesses, to ensure that we have a good picture of our Gender Pay Gap across these similar businesses.

This analysis is used to understand what is driving our Pay Gaps and helps instruct our actions. The data and associated commentary can be found in the following papers.

Online

Betfair Ltd: (Online employees including Flutter Group, Paddy Power & Betfair)

Hestview Ltd: Sky Betting and Gaming & Oddschecker employees

Halfords Media UK Ltd: PokerStars employees

Retail

Power Leisure Bookmakers Ltd: (PP Retail employees) ('PLBL')

Flutter have used the services of PWC to review our interpretation of the Gender Pay Gap regulations.





Flutter Overall Results

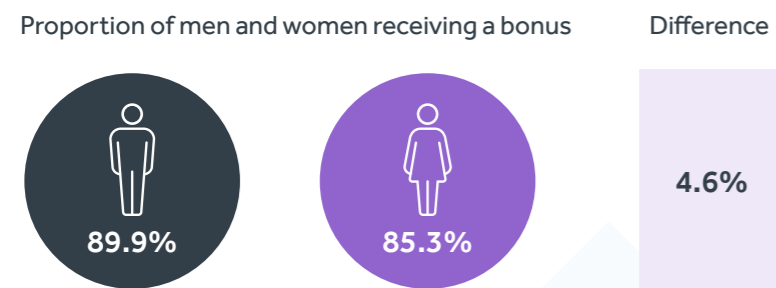
overall results

Online entities (UK)

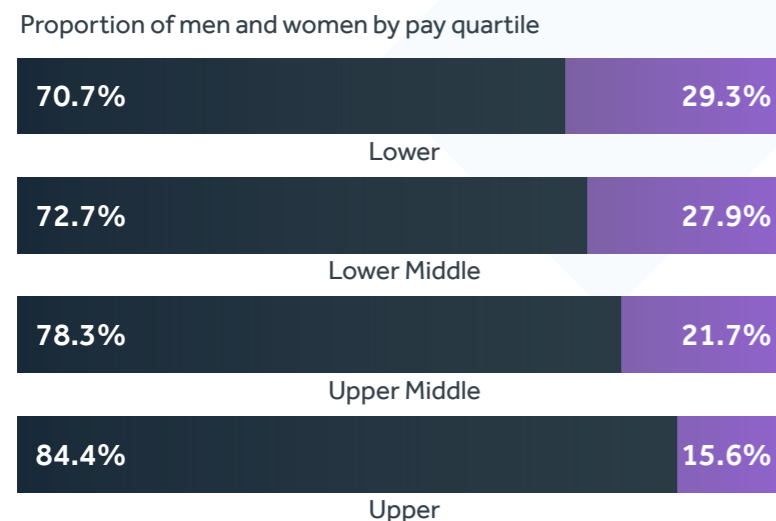
Our gender pay gap 2020

| Pay Gap Data | Pay Gap |
|-------------------|---------|
| Mean hourly pay | 13.7% |
| Median hourly pay | 15.6% |
| Mean bonus pay | 42.4% |
| Median bonus pay | 22.8% |

Our bonus proportion 2020



Our pay quartiles 2020

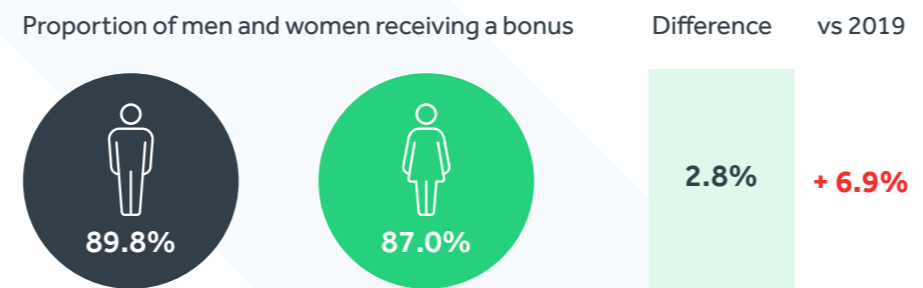


Retail (UK)

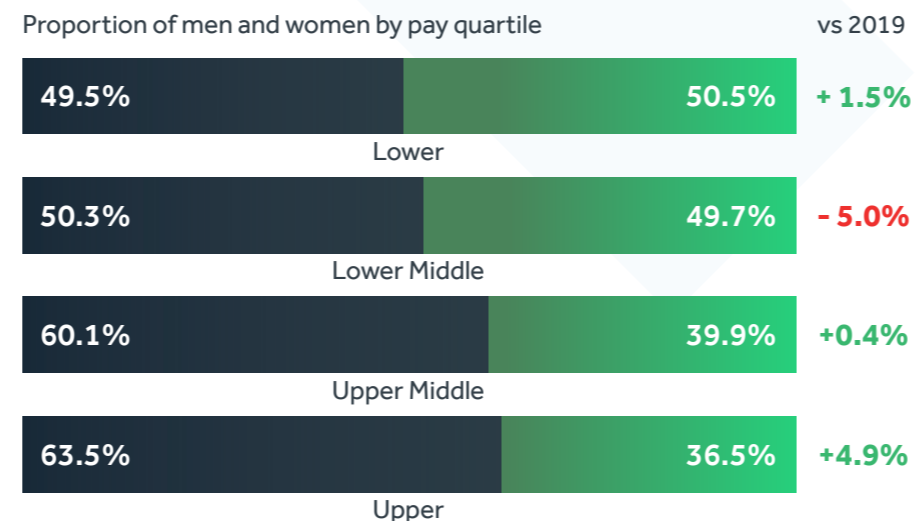
Our gender pay gap 2020

| Pay Gap Data | Pay Gap | vs 2019 |
|-------------------|---------|---------|
| Mean hourly pay | 9.3% | + 2.0% |
| Median hourly pay | 3.8% | + 1.4% |
| Mean bonus pay | 30.3% | - 8.2% |
| Median bonus pay | 32.2% | + 9.6% |

Our bonus proportion 2020



Our pay quartiles 2020



data insights

Flutter merged with the Stars Group in 2020, which means that we have different policies and processes in place across each of these new entities. It also means that as yet, we don't have an accurate year-on-year figure for our combined online businesses. However, we have disclosed this detail for each entity within this document.

Our focus in 2021 will be creating consistency in our approach across several areas:

- Focusing on enhancing our flexible, family-friendly policies
- A consistent and transparent approach to reward and remuneration across all brands
- A focus on attracting and developing female talent

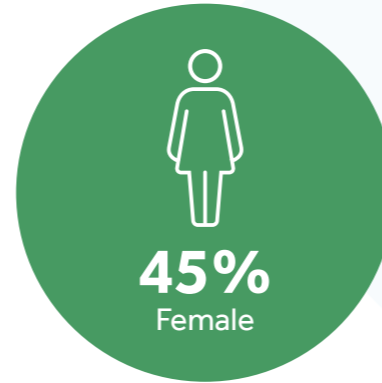


Insight & Data across Our Brands

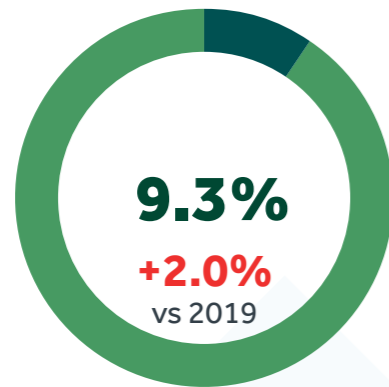


Our key data 2020

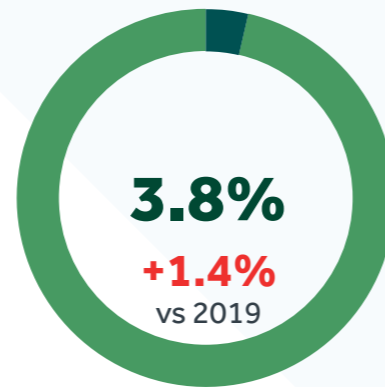
*Relevant employees of which 1686 were full pay relevant



Our gender pay gap 2020

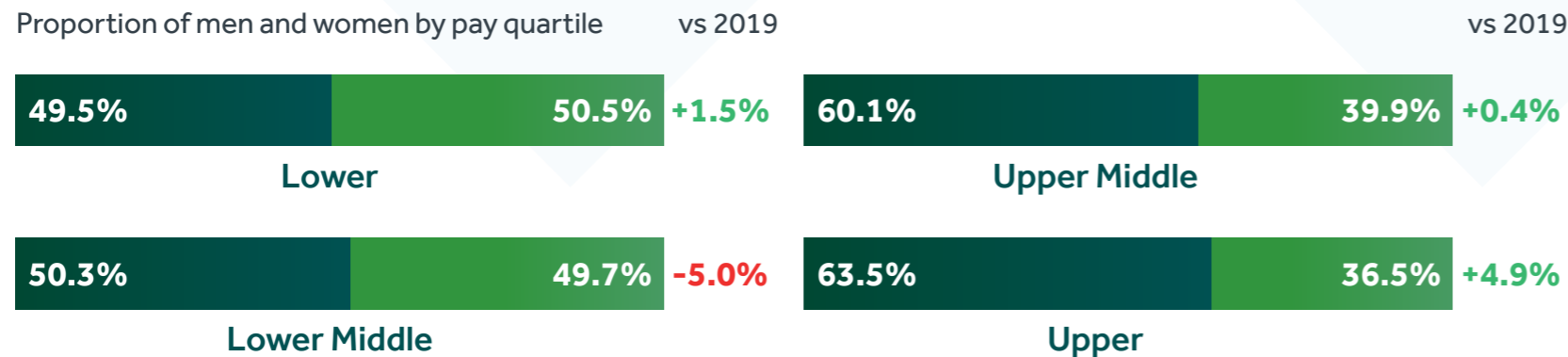


Mean hourly pay



Median hourly pay

Our pay quartiles 2020



data insights

Pay gap: The main driver of the Pay Gap is the unequal distribution of males and females across each of the quartiles. Mean GPG % has increased slightly in PP YOY from 8.58% in 2019 to 9.3% and Median GPG % has increased from 2.4% to 3.8%. Even though there is a strong representation of females in the top quartiles, the change this year is because two of the top 10 female earners are not included in the calculation, due to maternity leave and a transfer to another payroll.

Quartiles: We've seen our upper and upper middles improve again and we're happy to see continued progress here.



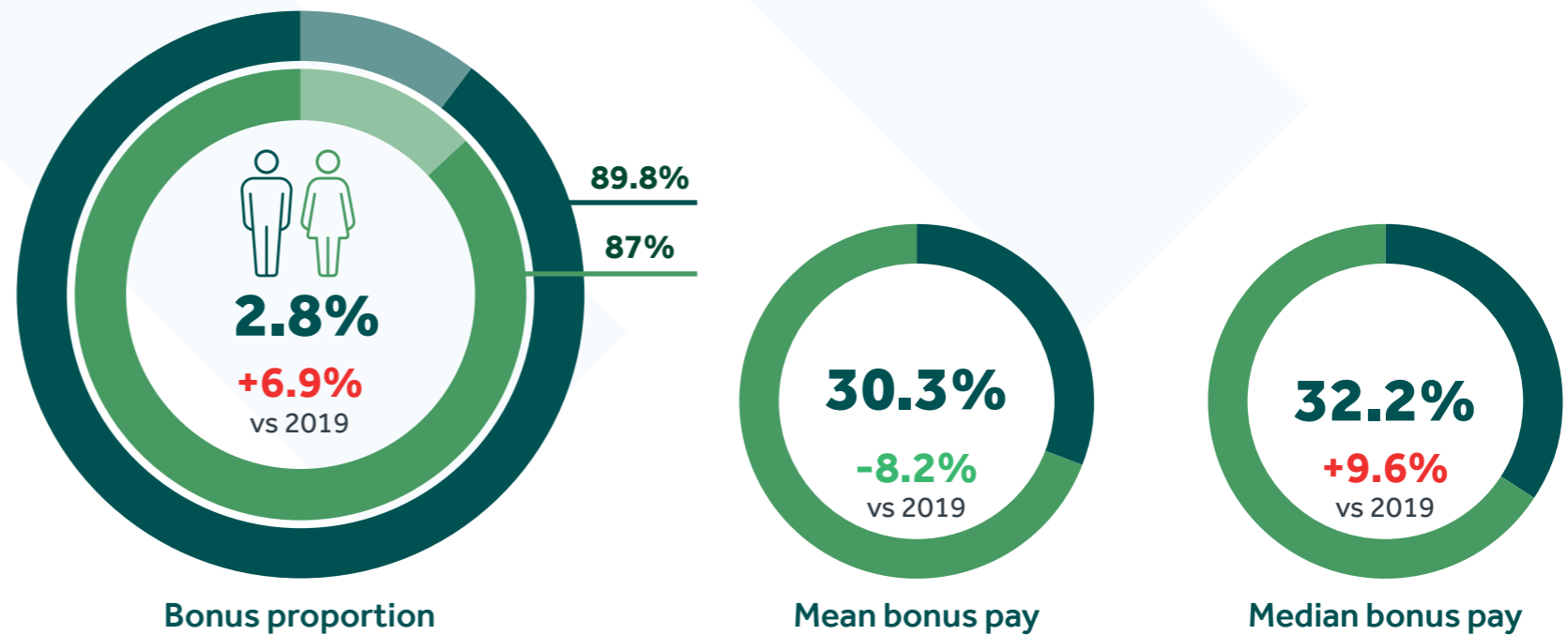
data insights

Bonus gap: The Bonus Gap has shifted significantly with the Median Gender Pay Gap up from 20.87% to 32.2%. The change in bonus % YOY is because we brought more females into the bottom pay quartile. However, over time, this should have an impact on the higher pay quartiles as employees progress and we've included more information on what we're doing to support this in our *actions* and *focus* sections. It's also worth noting that new joiners are less likely to receive a bonus, as they may have joined after cut-off dates.

Bonus proportion 2020

Proportion of men and women receiving a bonus

■ Paid a bonus ■ Not paid a bonus

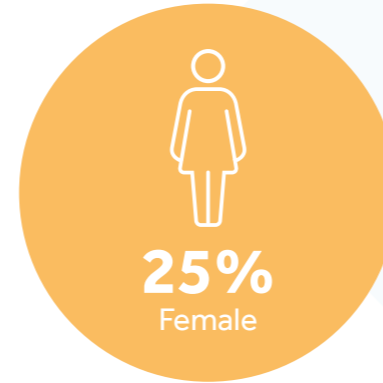




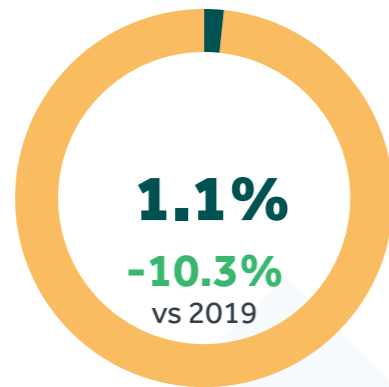
Betfair Ltd: (Online employees including Flutter Group, Paddy Power & Betfair)

Our key data 2020

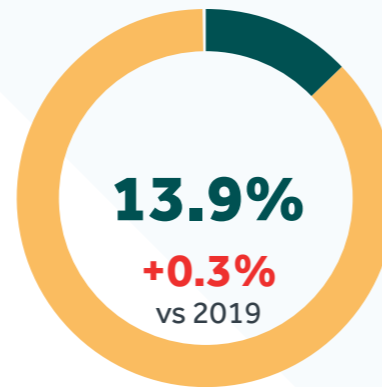
*Relevant employees of which 493 were full pay relevant



Our gender pay gap 2020

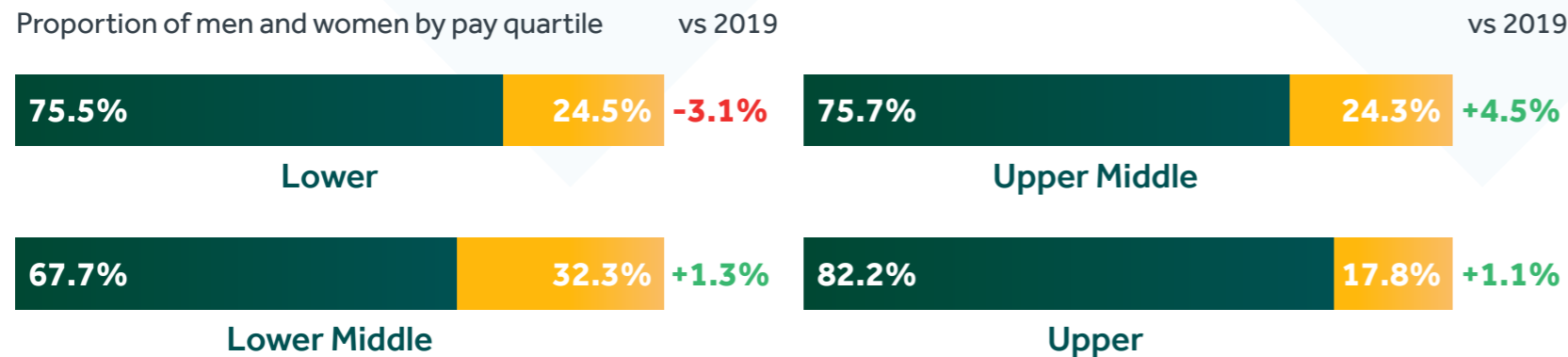


Mean hourly pay



Median hourly pay

Our pay quartiles 2020



data insights

Pay gap: The main driver of the Pay Gap is the unequal distribution of males and females across each of the quartiles. Mean GPG% has improved YOY and the value in hourly pay for females increased in 2020.

We continued our focus on attracting new talent and welcomed three new senior female leaders. This has helped narrow the gap further and increased the average hourly salary.

Quartiles: There is greater female representation in the top 3 quartiles compared to last year, because women are progressing through the business. In addition, there has been an increase of female hires across all levels in the business.



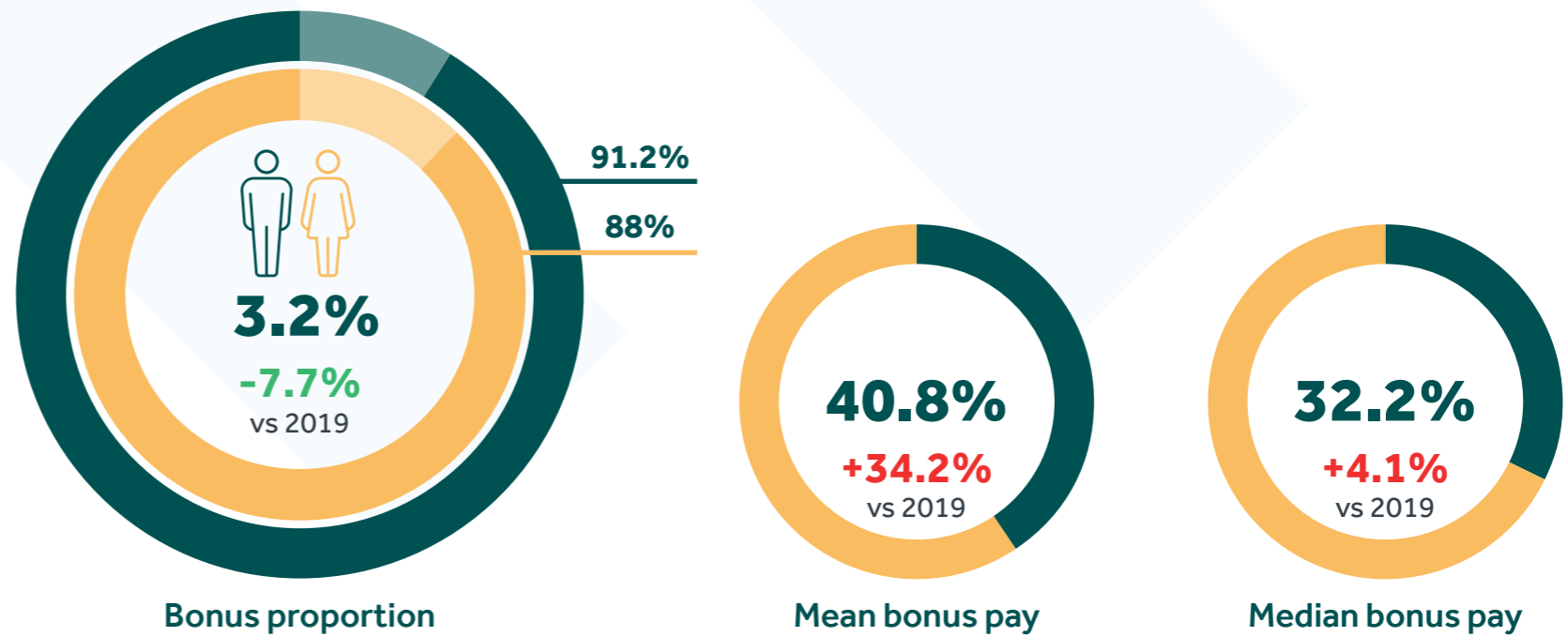
data insights

Bonus gap: Share Plan Exercises form part of the Mean and Median Bonus Gap. Individuals with share awards can choose when to exercise their awards over a 10-year period. As a result, the timing of when a colleague exercises their award can have a significant impact on our bonus gap, disproportionately shifting the outcomes year-to-year.

Bonus proportion 2020

Proportion of men and women receiving a bonus

■ Paid a bonus ■ Not paid a bonus





Our actions 2020



A data-driven approach

We committed to taking a data-driven approach to understand the diversity and inclusion profile of our division. This year we launched a campaign to gather more information to understand more on the barriers some female talent face and decide how we can best support their development.

We also added extra diversity and inclusion drivers to our employee engagement survey to get direct employee feedback at all levels, and to measure our ongoing efforts to address the Pay Gap.

Foster an environment where everyone can thrive

- Inclusion training is now part of our Manager Induction Programme and our Manager Development Programme.
- All employees now have access to digital resources on how they can play their part in being more inclusive.
- Over 150 employees attended our "Let's Talk About Race" workshops.

Promote networks, career and development opportunities

We know that we can do more to support mothers and expectant mothers, so this year we piloted a series of

workshops to help new parents and maternity leave-takers, during their critical life transition.

We celebrated one year of our Lean In Circle female network, with over 130 female colleagues participating. We will continue to support our Fair Game employee network to impact all locations through a range of initiatives.

We delivered our first Sponsorship Programme, to boost female talent visibility and career progression.

Attract and hire the best diverse talent

This year we announced the appointment of Laura Jane O'Shea to the role of Chief Executive of Betfair. Despite a slowdown in recruitment due to the COVID-19 pandemic, we continued to focus on activities designed to attract more diverse candidates. In the first half of the year, we implemented a new recruitment system, eArcu, and an integrated advert analyser called Adpro. This tool helps to remove unconscious bias from job descriptions by highlighting any words that come across as particularly masculine or feminine. For the first time, we asked candidates for additional diversity data at the point of application. This was to understand our diversity profile better.



2021 - Our focus



Foster everyday inclusion

Dial-up inclusion and ensure inclusion capability as the foundation for increasing representation.

Inclusive recruitment

- Work with our talent acquisition team to identify entry barriers in our recruitment process and equip them to support hiring managers.
- Elevate visible leadership.
- Equip leaders with the skills and resources to build and engage inclusive teams, communicate and elevate a leadership narrative.

Networking and career development opportunities

- Build on the success of the Lean In Circles which is a women's network that comes together to share and learn together as they pursue their personal and professional goals.
- We continued to run our new maternity and new parent programmes.
- As part of the Flutter family, we'll explore how we can create a greater sense of belonging across the group, through virtual networks.
- Empowering our female talent to be our business's voice

by joining the speakers' line of conferences and events, both internally across Flutter group and externally.

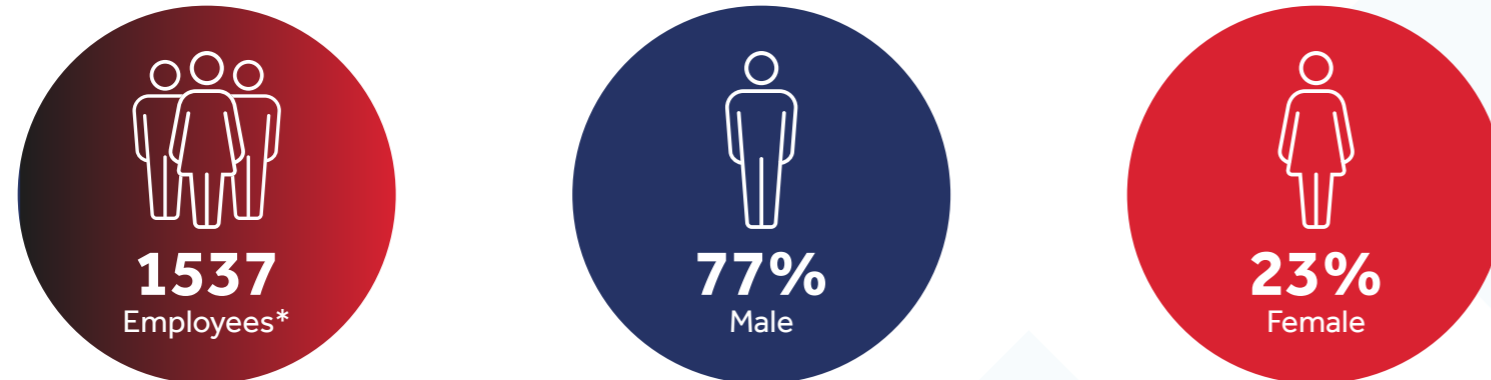
- Our recent new membership of WIHTL, an organisation increasing diversity in the hospitality, travel and the leisure industry, provides us with an opportunity to support high potential female leaders with unique development opportunities.

A data-driven approach

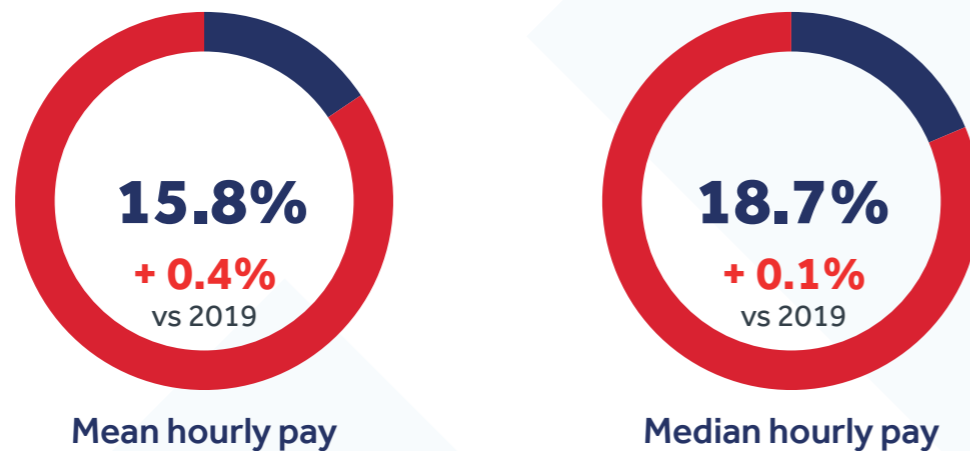
Evolve the data collection process to understand our diversity profile across geographies and inform our inclusion strategy to build an inclusive workforce where all forms of diversity are nurtured and encouraged. We will continuously listen to employee feedback at all levels across the organisation to inform our actions.

Our key data 2020

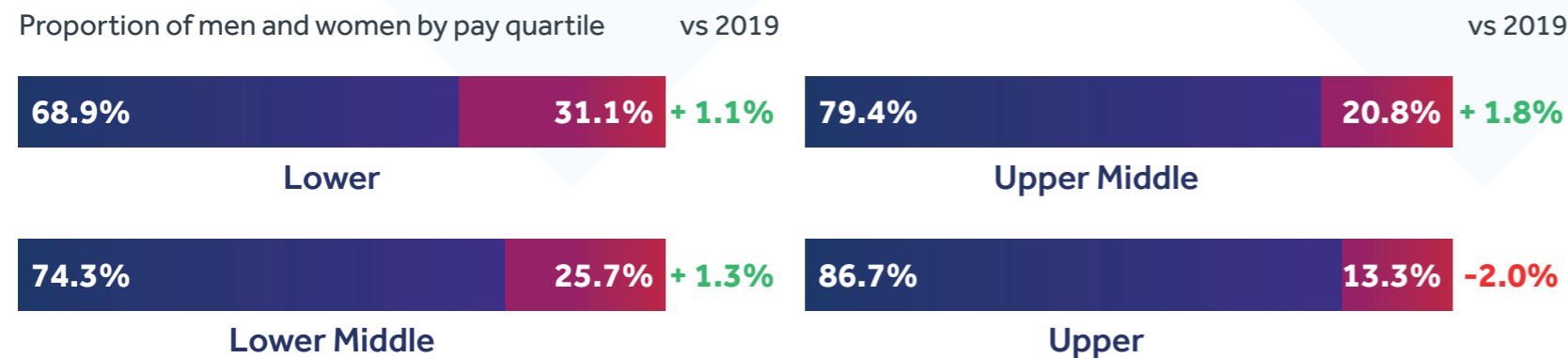
*Relevant employees of which 1514 were full pay relevant



Our gender pay gap 2020



Our pay quartiles 2020



data insights

Pay gap: The main driver for our Pay Gap is the lower proportion of females in the upper-middle and upper quartiles. We acknowledge that representation needs to improve and that the Leadership Team support a continued focus on attracting and retaining female talent, as well as supporting existing colleagues, through the quartiles and into more senior positions.

Since publishing this report, we've seen an increase of 5% of female representation in our Senior Management and Director roles. We've also continued to attract female talent to our Tech Academy. We've been able to do this because of our investment in technical training. This meant we could recruit based on core capabilities, and widen our reach to all Degree disciplines beyond STEM qualifications, which have traditionally been male-dominated. This year's cohort was 60% female.

We recognise the Pay Gap is a long-held societal issue and our approach will also address that, because our clear desire is to improve representation. To do so, we must continue to focus on Inclusion, Belonging and Equity.

Quartiles: There hasn't been the change that we would have liked in our quartiles this year, however progress is underway – for example, in late 2020 we put data measurements in place to start monitoring the number of females coming through our talent pipeline, as well as the number being promoted.

Other steps that we have put in place are:

- Continuing to debias our recruitment processes
- Continuing to attract new talent through our Tech Academy Scheme
- Continuing to provide family-friendly policies

We are confident that these tactics along with our strategy can help us meet our ambitions, but we are not underestimating the hard work and societal challenges ahead. It's important for us to leverage data all year round and not just on the approach to reporting Gender Pay Gap figures.

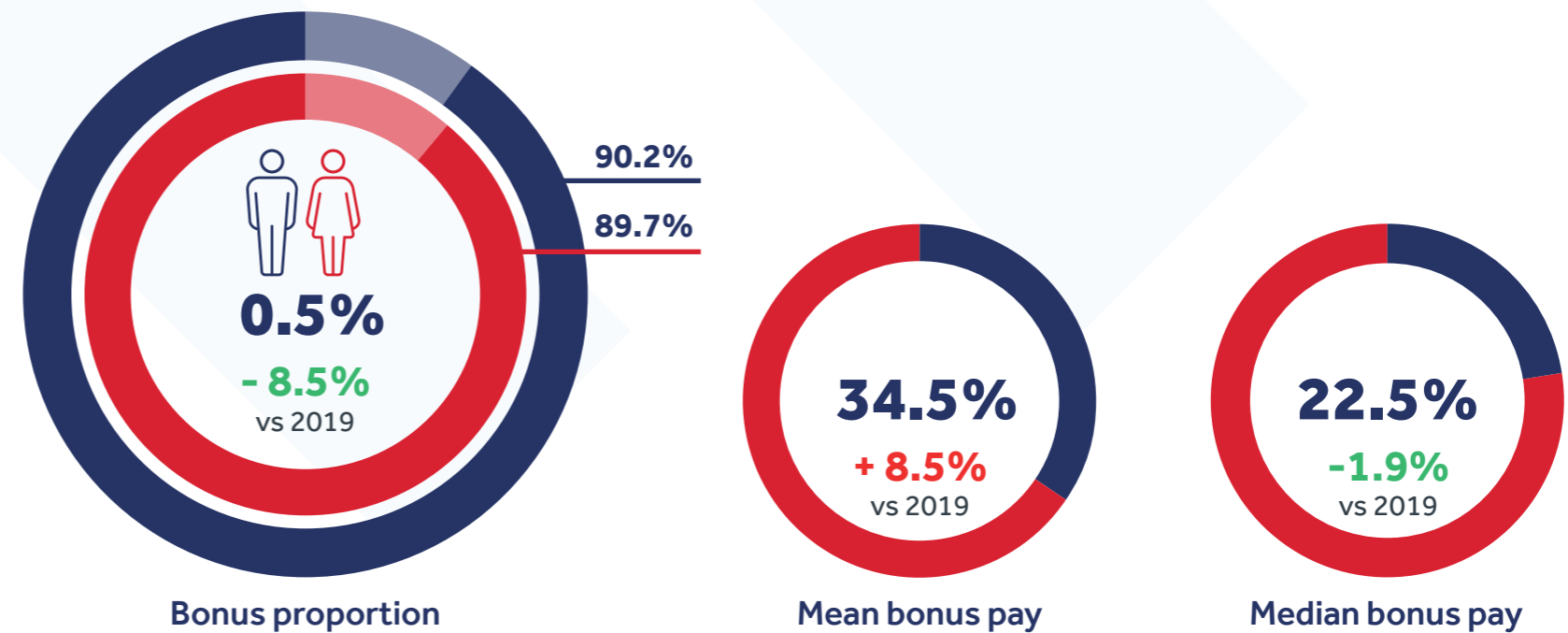
data insights

Bonus gap: Although all employees can receive a bonus, our Mean Bonus Gap increased by 8%, because there continue to be more men in senior positions at Sky Betting and Gaming. Our focus needs to be on ensuring we continue to grow our female talent through to senior positions. To support this ambition, we'll be launching a mentoring scheme aimed at the hidden talent and underrepresented groups across Sky Betting and Gaming. This is due to go live in April 2021.

Bonus proportion 2020

Proportion of men and women receiving a bonus

■ Paid a bonus ■ Not paid a bonus



Our actions 2020



Leveraging data in SBG

This year we introduced 'Data Sessions' taking each Director through their Pay Gap figures, outlining the difference between Pay Gap and Equal Pay, and helping leaders to understand the local actions they can take to close the gap. Keeping our key decision-makers informed of this data ensures we continue to create a more equitable and level playing field at SBG. We're now working towards creating dashboards, so leaders can access gender data on hiring, promotions and attrition, and understand the impact of their decisions on inclusion.

The inclusion pledge

We launched the Inclusion Pledge, which was our first step in moving from talk to commitment, and it outlined the actions we all need to take to create an environment where people can truly belong. The Pledge was signed by each of our Leadership Team and launched to the business in the summer of 2020.

Accountability: Six signals of change

We recognise that to drive measurable change we must step beyond our words; to accompany the pledge's launch, we created six signals of change. These signals measure our progress towards building a truly inclusive environment - we know that to become more diverse, people need to join somewhere that truly values difference. The survey runs quarterly, and each leader with three or more direct reports receives a score so that we continue to devolve accountability to every leader.

Disrupting recruitment practises

We began to disrupt our recruitment practises and introduced 'masked profiling'. We began trialling and testing the removal of names, education and background to ensure more objective decision-making in who we hired. We recognise that disrupting the process without considering the human element creates its own challenges. Therefore, as we move into 2021, our recruitment team will undergo training and we will continue to look at innovative ways to attract talent and disrupt bias.

Education and awareness

We have created new platforms and new ways to raise awareness for our people, as we know training and education drives inclusion. The platforms are:

1. Inclusion Hub, an always-on resource
2. The Inclusion Playbook, a small but impactful guide for our leaders
3. Our "Let's Talk" panel, focusing on key issues like racism.
4. Sitting (UN)Comfortably Podcast

Last year our training primarily focused on our 'Heads of' and Director groups, as these are the groups of people whose decisions have the greatest impact. The training included:

- Your Conscious Journey to Inclusion
- Powerful Allyship
- Disrupting Bias

We know that great cultures are also built from the bottom up, so in 2021 after a successful pilot, we'll launch #IamRemarkable which empowers women and other underrepresented groups to celebrate their achievements in the workplace and beyond.

Recognition

We're delighted to share that we came 3rd in the All-in Diversity Project, an industry-wide initiative to drive forward Diversity, Inclusion & Workplace Equality.

2021 – Our focus



As we look ahead, our Inclusion strategy for 2021 is divided into several key pillars:

Building on our foundations

Taking the critical work from 2020 into 2021, we want to make sure our Inclusion strategy is here to stay. We'll focus on embedding that work into the employee lifecycle, keeping every person at SBG accountable for Inclusion.

Reaching new talent

Now that we're confident that we've laid the foundations, and people are thinking differently about Inclusion, we will begin to explore how we reach untapped talent in our communities. We'll continue to disrupt, dismantle and rebuild our recruitment processes for the better, because we know this is having an impact.

Leveraging data to drive decisions

Data will continue to play an essential part in how we work. Whether we're measuring Inclusion and Belonging, hiring or promotion, the data will keep us all accountable and on track.

Inclusive design

We want to build a business that works for everyone, so throughout 2021, we'll be reviewing our practises, policies and approach to work. This is to make sure they are Inclusive by design and that they empower our people.

Collaboration across the group

Now that we're part of a larger organisation, we'll be looking beyond our own business and building more robust networks across the group. The first initiative is exploring how we can create a greater sense of belonging through virtual networks.

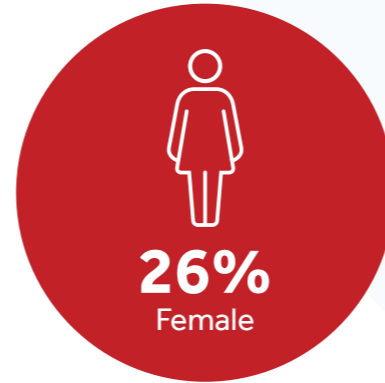
Leadership team mentoring scheme

Our Leadership Team will be launching a mentoring scheme to support hidden talent and underrepresented groups - this will go live from April 2021.

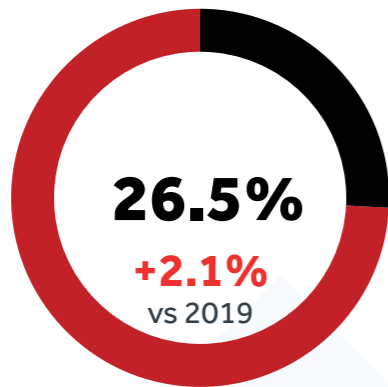


Our key data 2020

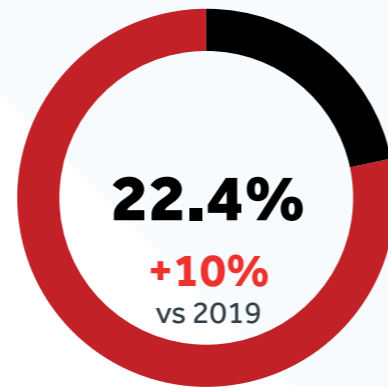
*Relevant employees of which 380 were full pay relevant



Our gender pay gap 2020

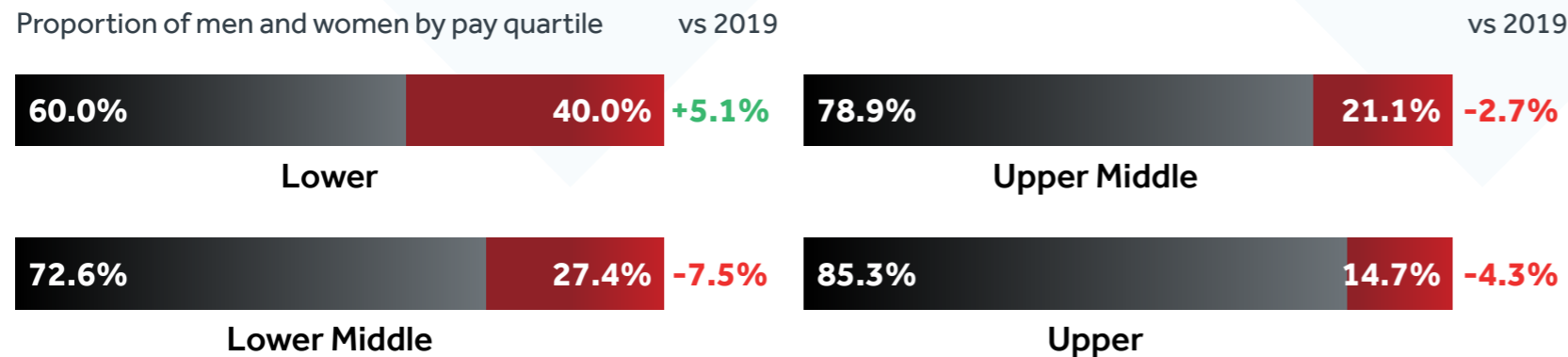


Mean hourly pay



Median hourly pay

Our pay quartiles 2020



data insights

Pay gap: The main driver of our Pay Gap is lower female representation in the upper and upper-middle quartiles. We recognise that reducing the gap over time will require sustained effort to attract, grow and retain talent and to increase female representation into the most senior levels of our organisation.

Changing role patterns within our UK business also negatively impacted our Pay Gap trends. We have invested in growing our Leeds office as a key technology hub, and we're seeing technology roles increase to 31% of our population, compared to 6% in 2019.

Over 60% of employees in the snapshot date were hired in the previous 12 months, and were mostly male and in technology roles. This highlights the need for us to attract a higher proportion of females into professions that traditionally have a more male bias. To that end, we have introduced changes in our recruitment practices, including identifying and reducing gender bias through job advertisement tools such as Textio and changes to our branding campaigns.

Quartiles: Year-on-year reductions in female representation across all pay quartiles and persistently low representation in the upper quartile, are the underlying challenges we must address. We saw a 4.3% reduction in the percentage of females in our upper pay quartile. In a year of significant organisational change, with the recent merger of Flutter and The Stars Group, three of the top female earners from 2019 have left the UK business. Having achieved some increase in female representation in our lower quartiles, we must further invest in retaining this talent to progress and move into more senior roles in the organisation.

data insights

Bonus gap: No female directors were present in our population this year which drove up our Mean Bonus Gap. "Bonuses as a percentage of salary", which increases with your grade, compounds the Bonus Gap when there are no females in our most senior roles.

Share Vesting also contributed substantially to the Bonus Gap, with share payouts being higher in senior roles. Our Mean Bonus Gap decreases by -14.2% to 45.8% if we exclude top executives from this calculation.

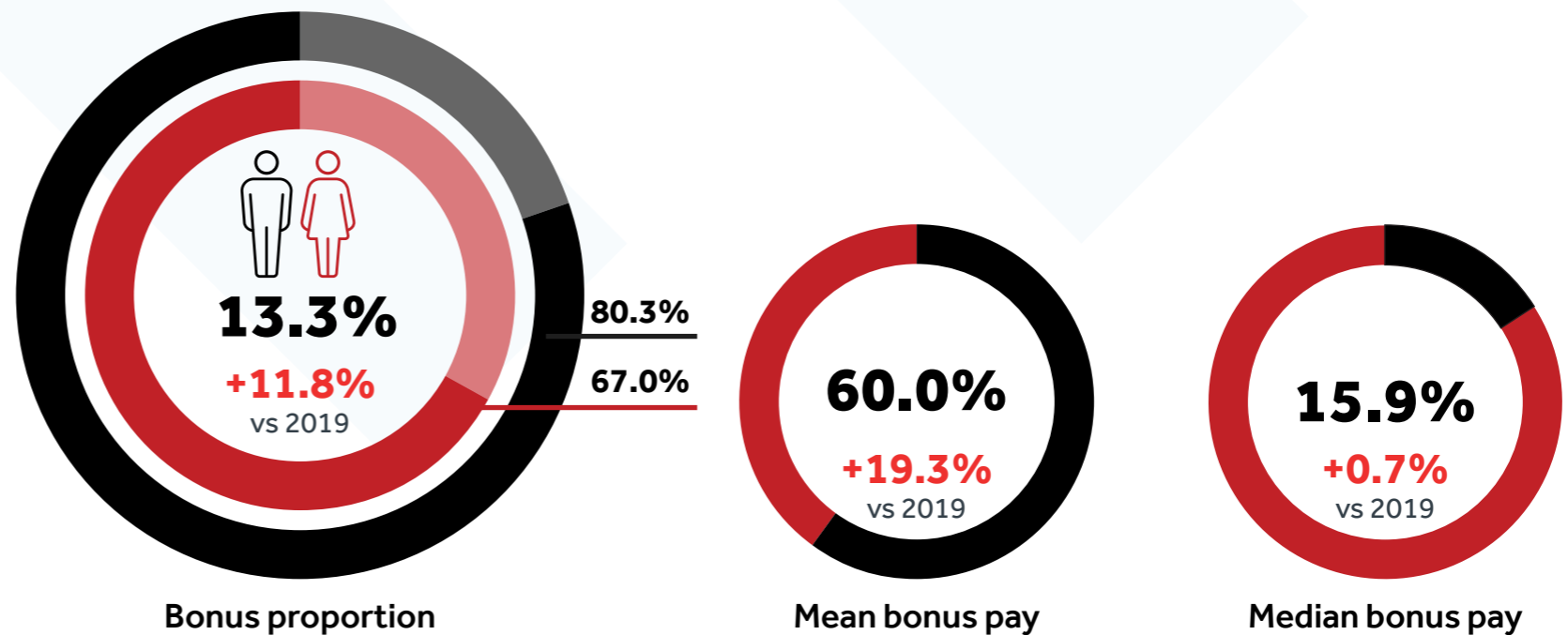
Although we had an increase in the Mean, our Median Bonus Gap remained stable. This suggests that while there is a Bonus Gap on average, it is likely that it is caused by bonuses at the top end of the scale. This again highlights the impact of low female representation in senior roles which must be tackled to achieve meaningful progress in our Gender Pay Gap.

Bonus proportion 2020

Proportion of men and women receiving a bonus

■ ■ Paid a bonus

■ ■ Not paid a bonus



Our actions 2020



2020 was a year of significant disruption and change, both for our business and for our people right across the world. Creating an environment where every individual can bring their unique self to work, and thrive, became even more important this year as the lines blurred between work and home. Through the many challenges we faced together, we are proud to have maintained and elevated our focus on diversity, inclusion and belonging.

Attracting diverse talent

We've been making improvements to our recruitment process and this started with making a clear commitment to Inclusion on our Careers' websites. We've also introduced a new tool called Textio, which uses data science to reveal the hidden gender bias in our writing. It also suggests alternatives, so we can recruit from the broadest possible pool of qualified candidates.

Data-driven insight

We started to build an understanding of our company's diversity profile, looking at data to avoid assumptions and decisions based on intuition or hidden biases. Data will enable us to monitor critical statistics, for example the number of female promotions, to take action where it matters most.

The foundations of inclusivity

Growing and retaining diverse talent only happens in an inclusive environment. We are proud to have launched our new DIB committees across all our International locations and leveraging the passion and commitment of our people to make this a place where we can all be our best. We generated awareness and advocacy through a calendar of initiatives, including our first ever Global Diversity Awareness Month which saw over 4,800 colleagues actively engage in our inclusion conversations and commitments.

2021 - Our focus



We acknowledge that reducing the Gender Pay Gap is one part of a broader and sustained effort required to become a more diverse and inclusive workplace. Coming together as a new division combining diverse brands and people across the world, we are committed to this journey and focusing our actions in 2021 on 3 key areas:

Diversity insight and action

UNDERSTAND: Launch our “Be Known, Belong” data campaign to increase and elevate our understanding and insight into our biggest diversity opportunities.

ENHANCE: Strive to improve our gender balance and underrepresented groups through attraction and recruitment.

CHALLENGE: Pursue opportunities in our people practices to identify, challenge and remove bias.

Leadership

COMMITMENT: Develop, communicate and elevate a leadership narrative and a visible commitment.

CAPABILITY: Equip leaders with the skills and resources to build and engage inclusive teams.

CULTURE: Create an integrated Leadership Journey to help managers lead through the lens of our values.

STRATEGY: Develop and implement leadership strategy that focuses on diversity, inclusion and belonging.

Everyday inclusion & belonging

EDUCATION & AWARENESS: Foster everyday inclusion through a calendar of internal and external initiatives and communications.

ADVOCACY: Encourage and support employee advocacy and belonging, through our DIB committees.

CELEBRATION: Celebrate the diversity of experiences of our people by amplifying their voices and stories.

Conclusion

Greg McCaw

A collective effort

Stepping into the newly created role of Global Director for Inclusion & Diversity at Flutter is beyond doubt one of the most exciting opportunities I have ever embarked on. However, I absolutely believe that this isn't the job of one person. I've already been so struck by the willingness and commitment to developing a strong strategy for Inclusion and Diversity at all levels in the organisation, but especially from senior leaders, who can make such a difference for their people. I'm proud to be working with colleagues who genuinely support Flutter's ambition to create a place where you can grow regardless of who you are.

As an openly gay man, I have experienced what it feels like to not have a voice or to have people focusing on who I am rather than what I can bring to a job. These experiences of homophobia, inequity and struggles of navigating work structures that benefited only a few people, awakened a passion in me to create workplaces that work for everyone. Today every company needs to place attention on disrupting and dismantling the processes or practices that have led to years of inequity and begin to rebuild for the future.

But this isn't about anyone losing out, it's about levelling the playing field for everyone. The Gender Pay Gap is one way of holding a mirror up to ourselves and asking are we doing a good enough job? In an ever-expanding business we need to make sure that we help our people with a consistent, clear and unambiguous strategy for development, including a focus on Inclusion and Diversity.

In these challenging times, it's more important than ever that we create safe working spaces which reflect our global footprint. I plan to listen, learn and work with everyone on this important topic - and leverage our collective efforts for the better so that we have one unified approach to narrowing our gap.

Together we can and will make Flutter a place that truly values all its people, celebrates their differences and is stronger as a result.

Greg McCaw

Global Inclusion, Equity & Diversity Director



Reporting Statement

I can confirm that our Gender Pay Gap figures have been checked to ensure complete accuracy and have been formulated using the mechanics set out in the Gender Pay Gap reporting legislation. Flutter have used the services of PWC to review our interpretation of the Gender Pay Gap regulations.

Caroline Ross

Caroline Ross
Chief People Officer



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