

Question	Response
<p>QON 1 Nicholas McGOWAN: Okay. Does your company sell any of the data or outsource its data storage management to other companies?</p>	<p>Entain does not sell any customer data. Like most businesses, Entain stores data in the cloud using third party providers.</p> <p>Our Northern Territory licence conditions require us to adhere to strict international standards around data security practices.</p>
<p>QON 2 Mathew HILAKARI: Great. And it might be hard to quantify that, but certainly you could quantify maybe the percentage of customers or interventions per customer base that you actually undertake. Do you have that available in terms of those percentages that you actively intervene in?</p>	<p>In 2023 (YTD to August), the total number of safer gambling calls and emails to customers represented around 6.3 per cent of active (YTD) customers.</p>
<p>QON 3 Mathew HILAKARI: That would be really great. And you have got 11 dot points that you have outlined, from deposit limits through to pending withdrawals. Are you able to provide percentages of those interventions as well, either on the customer or the number of gambling interactions you have? I am happy to take either.</p>	<p>Currently, 20.8 per cent of active accounts (i.e. accounts that have had a transaction in 2023) have at least one Punter Assist tool in place.</p> <p>These figures exclude the provision of monthly activity statements and transaction histories to customers. As part of the National Consumer Protection Framework for Online Wagering (NCPF), monthly activity statements have been sent to all monthly active customers since August 2022.</p>
<p>QON 4 Mathew HILAKARI: You have got to my next question, so that is great. That is those five dot points about soft interactions and stronger interactions that you have outlined, so we would really appreciate if you have got any data that you could share on that. That would be fantastic.</p>	<p>In 2023 (YTD to August), the total number of safer gambling calls and emails to customers is over 32,000.</p>
<p>QON 5 Mathew HILAKARI: You have got a safer gambling team in place. Do you understand or are you able to share with us the number of referrals per day that they receive and that they act on?</p>	<p>Entain's safer gambling team receives customer referrals from staff throughout the business. This includes referrals from customer support staff and supervisors, the fraud team, the Anti-Money Laundering and Counter-Terrorism Financing team, account managers and the trading team.</p> <p>All referrals received by the safer gambling team are acted upon (i.e. reviewed). On average, the safer gambling team receives around 30 referrals per day.</p> <p>These referrals are separate to the reviews and associated interactions with customers through Entain's real time data monitoring system.</p>
<p>QON 6 Mathew HILAKARI: And do you take into account any factors like a person's income or their household income when making these decisions? Steven LANG: The issue of affordability is absolutely something that we would take</p>	<p>Establishing an accurate picture of a customer's affordability is a complex process as it involves understanding a customer's income, assets and their expenditure. It also relies on having access to accurate and relevant information.</p>

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<p>into account, where we have access to that information.</p> <p>Mathew HILAKARI: I reckon that would be difficult to access, but I would love it if you could take it on notice – how you find that out.</p>	<p>Entain has a set of processes to establish affordability, including methods such as asking a customer about their income and employment status, conducting open-source information checks about the customer and asking for official documentation from the customer to substantiate verbal information provided.</p> <p>This process does rely on the customer’s willingness to engage with the request and each of these methods will be utilised on a case-by-case basis depending on the individual circumstances of the customer.</p>
<p>QON 7</p> <p>Danny O’BRIEN: Okay. Can I ask a bit about your programs? One of the issues I think regulators as well as companies have to grapple with is that line between privacy of a customer and monitoring what they are doing. How do you manage that, and how do your customers respond when you presumably are making contact and saying, ‘Hey, we’ve seen some activity that we’re a bit concerned about; is everything okay?’ How do you handle that?</p> <p>Steven LANG: We have specialists who are trained to have those conversations, and generally we get really positive feedback from our customers when we actually have those interactions. I think they are appreciative of the fact that we are looking to help protect those customers and to help them gamble safely. The overwhelming majority of feedback that we get is really positive about those interactions.</p> <p>Danny O’BRIEN: Including for someone with a real problem? Are they the most difficult in some respects?</p>	<p>A key part of Entain’s safer gambling framework is the direct interactions we have with our customers over the telephone. Our safer gambling team is provided with specialist training to ensure they are handling these calls with soft skills, such as active listening and empathy. This training supports our staff to effectively engage with the customer to reflect on their betting, discuss concerns about their behaviour and offer support, including through our suite of Punters Assist safer gambling account management tools.</p> <p>For most customers this experience is positive, as our monitoring is designed to detect concerning behaviours at their early stages. However, there are some conversations that can be more challenging, including where a customer does not want to have a productive conversation about their gambling activity.</p> <p>There can be many reasons for this disengagement which may or may not relate to the level of risk. For example, some customers may not want to be contacted over the phone, some customers may not want to be contacted about safer gambling and some customers may simply refuse to provide any information as they think ‘it is none of our business’.</p> <p>For those calls, employing de-escalation techniques, pauses and reflective listening are imperative. Our safer gambling team members also complete Mental Health First Aid training which provides them with skills to use when speaking with someone who may have mental health concerns present.</p> <p>Due to the sensitive nature of these calls, we do offer EAP support services for our safer gambling team and regular check ins with their team leaders as an opportunity to debrief on any concerning calls they have had.</p>

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<p>QON 8 Danny O'BRIEN: Nice segue to my next question, which is: do you know what sort of percentage of your customers utilise Punter Assist?</p>	<p>Currently, 20.8 per cent of active accounts (i.e. accounts that have had a transaction in 2023) have at least one Punter Assist tool in place.</p>
<p>QON 9 Lauren KATHAGE: You are noticing the behaviour of gamblers; are there behaviours that you notice in gamblers that would then, instead of triggering the harm reduction, have more of a sales focus, or is there a sales team monitoring that sort of data?</p>	<p>As a technology-focussed business, Entain uses data across a range of business functions including safer gambling, fraud, Anti-Money Laundering and Counter-Terrorism Financing, product development and marketing.</p>
<p>QON 10 Lauren KATHAGE: Okay, thank you. I guess this leads to questions of algorithms and understanding behaviour and triggering responses based on what has been noticed. So can I ask: are there any industry standards related to algorithms to market online gambling?</p>	<p>Entain is not aware of any industry standards related to algorithms to market online gambling.</p>
<p>QON 11 Ellen SANDELL: Can you just talk us through what that training looks like in terms of how many hours a staff member gets each year, for example? Ellen SANDELL: Yes, it would be good just to get a ballpark. You know, is it just a kind of one-hour online module or is it longer? Is it once a year, or is it more frequent? That kind of thing.</p>	<p>Entain has both formal and informal safer gambling training requirements and opportunities for its staff.</p> <p>Under the NCPF, all staff must complete mandatory responsible service of online wearing training and annual refresher training. The <i>Responsible Service of Online Wagering Micro-credential</i> developed by and available through TAFE Queensland is an online course with a knowledge test that has a duration of up to two hours. The content of this course includes information about gambling harms, the effects of gambling harms on the community and how to engage with a customer suspected of being at risk of experiencing harm from gambling.</p> <p>All Entain staff also complete an in-house mandatory Customer Safety online training module. The course has a duration of approximately 30 minutes. This course also discusses gambling harms, but outlines Entain's internal commitment to safer gambling, strategic safer gambling targets and internal processes for escalating safer gambling concerns to the safer gambling team.</p> <p>Specialist training is also provided to safer gambling team members as a part of their induction. This includes one on one buddying with senior staff members. This training covers more in-depth aspects of safer gambling monitoring and interventions specific to their role. A new safer gambling team member will receive 4 weeks of training and ongoing coaching and feedback through senior team members and their direct team leaders through a Quality Assurance program.</p>

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	<p>All safer gambling team members are given the opportunity to attend a Gamblers Anonymous meeting as an observer. Feedback from staff is that this experience is very beneficial as it allows them to hear first-hand some of the ways in which a person might be suffering from gambling harm. The duration of each session with Gamblers Anonymous is 1.5 hours.</p> <p>We have and continue to foster relationships with groups such as Gamblers Anonymous and Relationships Australia because we recognise that hearing about the lived experience of people is invaluable.</p> <p>Entain also offers all staff members in the business the opportunity to sit with a member of the safer gambling team to see first-hand the work they do day to day. This allows all staff to better understand how their role can impact customers. These sessions have a duration of around 30 minutes.</p>
<p>QON 12 Ellen SANDELL: Thank you. You talked about your organisation supporting some limits on advertising; you mentioned TV advertising specifically. Would you support limits to outdoor advertising at physical sports venues?</p>	<p>Entain notes that community sentiment around gambling advertising and its connection with sport has shifted. That's why we have already announced that we will no longer sponsor the jerseys of Australian professional sporting teams.</p> <p>In addition, Entain is open to further targeted reforms to address this issue.</p>
<p>QON 13 Ellen SANDELL: Thank you. Does your organisation – I assume you do – monitor trends in how people are using your product and whether that is changing over time? Ellen SANDELL: There might be trends in the way people use your product in terms of people betting more, betting less; larger bets, smaller bets; more often, less often; older people using it more, younger people using it more; women using it more, men using it less – things like that. I am just thinking: what are the trends that you might have seen over the last few years? We have been hearing from other witnesses about trends in online gambling, and I am keen to hear your perspective on that.</p>	<p>Our analysis shows that overall, both Australian wagering industry revenue and Australian digital wagering revenue declined from 2021 to 2022 and is expected to decline again in 2023. This is not unexpected given cost of living pressures and increasing competition for discretionary spending.</p> <p>Like most businesses, Entain monitors a range of additional industry and organisational trends. However, detailed insights from this monitoring is commercial-in-confidence.</p>
<p>QON 14 Michael GALEA: Can I start by asking approximately how many transactions occur on your platforms each day in Victoria?</p>	<p>Since the start of 2022, Entain has processed on average around 186,000 Victorian customer transactions (bets, deposits and withdrawals) per day.</p>
<p>QON 15 Michael GALEA: No problem. I am happy for you to take that on notice. And probably it may be a similar answer, but I am curious to know the value of those transactions as well.</p>	<p>Entain is unable to provide this level of detail as it is commercial-in-confidence.</p>

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<p>QON 16 Michael GALEA: You said to Mrs McArthur that you do pay Victoria’s point-of-consumption tax. How much tax did you pay in Victoria last year?</p>	<p>In 2022-23, Entain paid \$36.63 million in Victorian point of consumption wagering tax.</p> <p>This will represent around \$55 million in annualised tax based on the new 15 per cent tax rate to be introduced from 1 July 2024.</p>
<p>QON 17 Michael GALEA: Terrific. Thank you. You also said in your presentation that you do support a balanced and considered approach to gambling regulation in Victoria. Now, I note that in May of this year the UK arm of your organisation publicly welcomed a government white paper on stronger gambling regulations and called it:</p> <p style="padding-left: 40px;">... an important step towards having a robust regulatory framework ...</p> <p>But it was later revealed that at the same time Entain was actually privately funding a campaign to oppose it by encouraging people to write to MPs with all sorts of templates, including phrases such as ‘massive infringement on my personal freedom’ and it just ‘isn’t British’. It was then accused by MPs in the UK across the political divide of being underhanded and dishonest. Is that a balanced approach to getting responsible gambling regulations: publicly welcoming it and then working against it privately?</p>	<p>Entain does not see any contradiction between welcoming the review and encouraging customers to make their voices heard in an important and necessary debate to support the UK Gambling White Paper process.</p> <p>The Players’ Panel was created to give a voice to the 99 per cent of gamblers in the UK who bet enjoyably, safely and responsibly. All members of the panel are unpaid volunteers who receive absolutely no beneficial treatment from Entain of any kind.</p> <p>It is hugely important that everyday punters have an active say in the consultation process that has been launched as part of the (UK) Gambling Act Review, and especially those elements of the review that could impact a recreational pastime that is enjoyed by millions of people across the country.</p>
<p>ADDITIONAL QUESTION 1 In relation to foreign online bookmaking:</p> <ol style="list-style-type: none"> a) What would best practice regulation of foreign online bookmaking look like in comparison to current Victorian regulatory practices? b) How can the harm associated with foreign online bookmaking in Victoria be prevented and reduced? 	<p>Entain understands that ‘foreign online bookmaking’ is referring to Australian-licensed online wagering service providers (WSPs) with international ownership, such as Entain.</p> <p>It is important to clarify that Entain Group Pty Ltd is an Australian incorporated company. We pay Australian taxes and fees and operate an end-to-end business in Australia employing Australian staff. We have offices in Queensland, New South Wales, Victoria and the Northern Territory.</p> <p>We comply with all Australian legislation and regulations and our Australian taxes and fees support governments, racing and sporting clubs and communities. Like other corporations with shareholders, profits are reinvested back into the business and paid to our shareholders, wherever they are based.</p> <p>Entain’s view is that the nationality of company ownership is immaterial to best practice regulation in a licensed and regulated market.</p>

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	Entain does not agree with the suggestion that there is greater harm associated with gambling with a WSP with international ownership. In fact, our global reach allows international safer gambling expertise and learnings to be incorporated within our Australian business – to the benefit of our Australian customers.
<p>ADDITIONAL QUESTION 2</p> <p>How have the changes to the regulatory and licensing system following the VAGO audits impacted Entain? Have any processes and procedures changed?</p>	Entain is not aware of any changes arising from the VAGO audits that have impacted our business.
<p>ADDITIONAL QUESTION 3</p> <p>What are Entain’s policies and procedures regarding allegations of identity fraud?</p>	<p>Entain immediately blocks accounts where we reasonably suspect, or have been notified, that they have opened or are being used fraudulently. As part of this process, we complete an Unusual Activity Report which is then assessed by our Fraud Compliance team to determine if a Suspicious Matter Report is required to meet our Anti-Money Laundering/Counter-Terrorism Financing reporting obligations.</p> <p>Entain employs numerous strategies to actively detect identify fraud in real-time. This includes a fraud-risk model which screens all new customers and refers high-risk accounts to our dedicated fraud team.</p>
<p>ADDITIONAL QUESTION 4</p> <p>What further actions for government are recommended by Entain to protect Victorians from the harms of online gambling?</p>	Entain recommends that, consistent with the requirements for Northern Territory licensed bookmakers, the Victorian government require Victorian licensed bookmakers to monitor customer account activity for red flag behaviour and interact with customers as appropriate.
<p>ADDITIONAL QUESTION 5</p> <p>What kinds of systems and processes have Entain established to ensure compliance with anti-money laundering regulations?</p>	<p>As a reporting entity under the <i>Anti-Money Laundering and Counter-Terrorism Financing Act 2006</i> (Cth), Entain must meet obligations under that Act.</p> <p>Entain has an Anti-Money Laundering and Counter-Terrorism Financing program and associated procedures designed to meet those obligations.</p>
<p>ADDITIONAL QUESTION 6</p> <p>In the hearing you mentioned that your staff ‘refer’ clients experiencing difficulties with their gambling. Who are these clients referred to – your internal safer gambling team or external specialist help? Please provide a breakdown by number and percentage of where the initial referrals are directed to over the last 2 years.</p>	<p>In some circumstances it is necessary for a member of the safer gambling team to refer customers to support services. This typically will occur when a customer is being self-excluded. However, all emails from the safer gambling team to customers provide some information, or links to further information, about support services that are available to them. In addition, all our emails include information about our suite of safer gambling account management tools and exclusion options including BetStop.</p> <p>Contact information is provided for:</p> <ul style="list-style-type: none"> • Gambling Help Online

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	<ul style="list-style-type: none">• BetStop (National Self Exclusion Register)• Financial Counsellors Australia• Lifeline• Gamblers Anonymous Australia. <p>If a customer is in crisis and for example has alluded to or threatened self-harm or harm to others, the safer gambling team member will place a call to the local authorities to ensure a welfare check is carried out on the customer.</p>