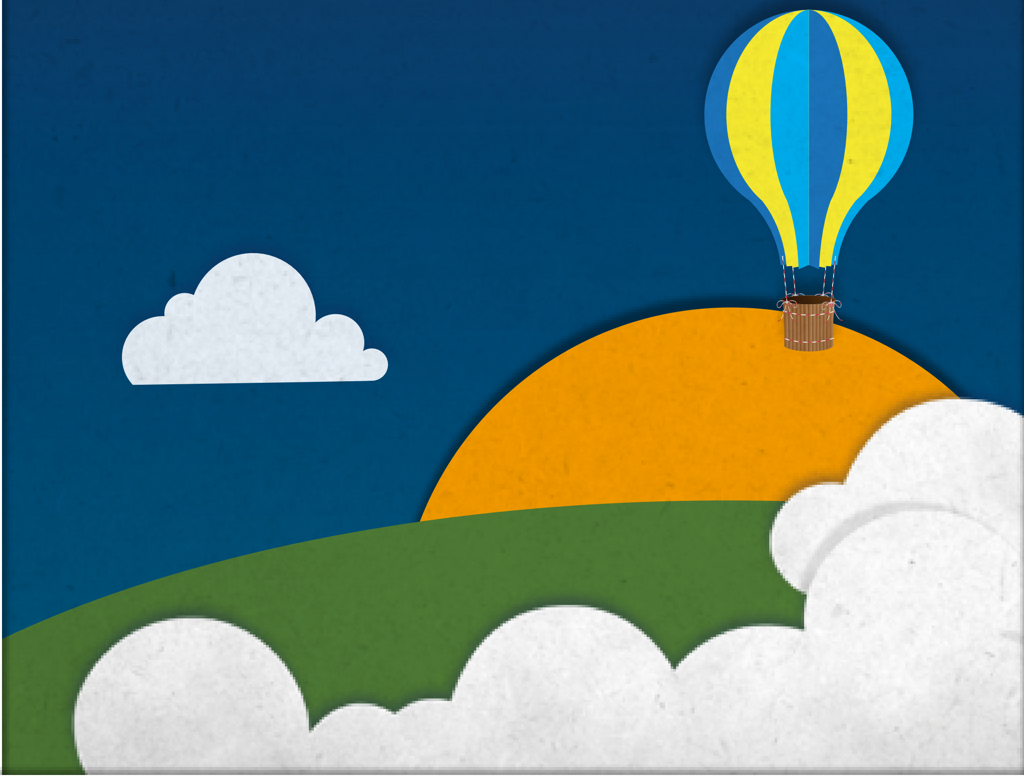
Summary Funding Statement

William Hill Pension Scheme
(Retirement Plan section)



Introduction

The primary purpose of this document is to provide an update on the financial position of the Retirement Plan Section of the William Hill Pension Scheme (the "Scheme").

This document should be considered in the broader context of the position of the Scheme, which we set out in our letter to you sent in early August 2021. In particular, we note that since we last sent you a Summary Funding Statement in October 2020, the Trustee has purchased a bulk annuity policy from Rothesay Life PLC, a leading and fully regulated UK life insurance company. This is a type of insurance policy (also known as a "buy-in" policy) and broadly covers all of the remaining non-insured benefits under the Retirement Plan Section of the Scheme; this sits alongside a similar insurance policy purchased in 2019, for the majority of pensioner members, from Just Retirement Limited.

The Trustee also notes the acquisition of William Hill PLC (the "Company") by Caesars Entertainment Inc. ("Caesars"), as well as the more recent news of the proposed onwards sale of the non-US portion of the William Hill business to 888 Holdings PLC ("888").

The Trustee is in regular dialogue with the Company and Caesars in relation to the Scheme. This, together with the fact that the Scheme is now fully insured with two leading life insurance companies, should be of comfort to members from a pension perspective. However, the Trustee will continue to consider the strength of the corporate entity that supports the Scheme and monitor the position carefully.

How is the Scheme's financial security measured?

The estimated cost of providing the benefits that you and all other members have earned to date is known as the Scheme's **"liabilities"**.

Contributions paid into the Retirement Plan over the years by you, other members and the Company are invested to help provide your benefits. The money is held under trust in a communal fund and not in segregated accounts for each individual. The amount of money invested is known as the Scheme's **"assets"**.

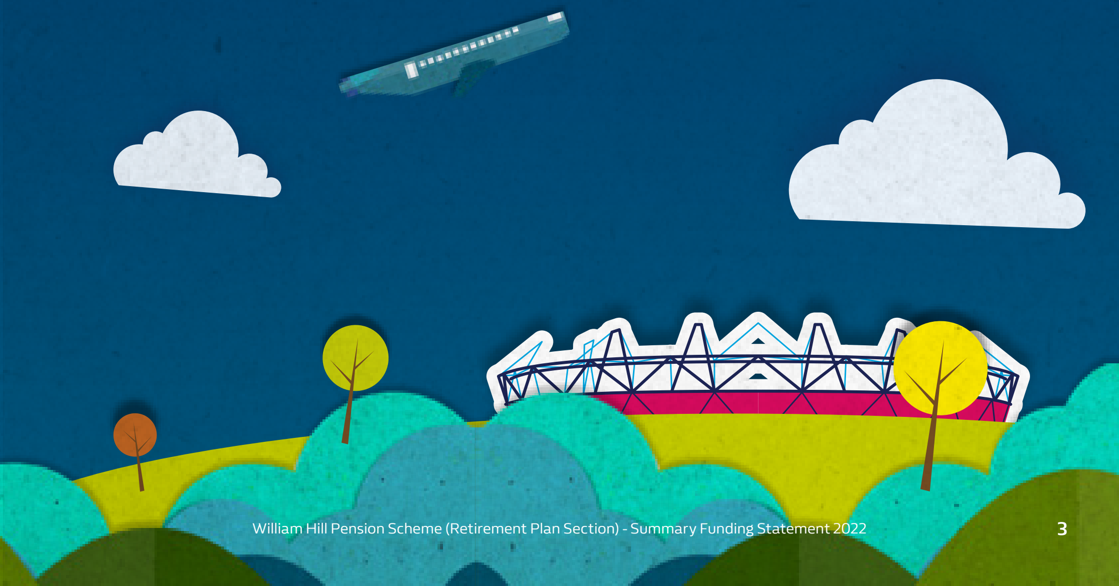
To check the Scheme's financial position and security we compare the estimated value of its liabilities to its assets. If the value of the Scheme's assets is lower than the value of its liabilities, it is said to have a "**deficit**". If the value of its assets is higher than the value of its liabilities, there is said to be a **"surplus"**.

We are required by law to carry out a formal valuation of the Scheme's finances at least every three years. This is called an **"actuarial valuation"** and is undertaken by a qualified actuary, as an independent professional. We are responsible for appointing the independent actuary. We also monitor and review the financial security of the Scheme on an informal basis every year; this is summarised in a document called an **"actuarial report"**.

What is the Scheme's financial position?

The latest full actuarial valuation of the Scheme was carried out as at 30 September 2019. The results of this valuation, as well as the results of the two subsequent actuarial reports as at 30 September 2020 and 30 September 2021 are shown in the table below:

	Actuarial Valuation as at 30 September 2019	Actuarial Report as at 30 September 2020	Actuarial Report as at 30 September 2021
The value of the Scheme's liabilities was:	£454m	£447m	£406m
The value of the Scheme's assets was:	£477m	£472m	£410m
This means that there was a surplus of:	£23m	£25m	£4m



How has the Scheme's financial position changed since you last sent me a Summary Funding Statement?

The Summary Funding Statement you received in October 2020 confirmed that the Scheme was estimated to have a funding surplus of approximately £25m, as at 30 September 2020. This was similar to the surplus figure revealed at the 30 September 2019 actuarial valuation.

Noting additional funding contributions of almost £10m paid into the Scheme by the Company, in order to help facilitate the buy-in transaction with Rothesay, the actuarial report as at 30 September 2021 revealed that the estimated funding surplus had reduced to approximately £4m.

The reduction in the estimated surplus figure between 30 September 2020 and 30 September 2021 was not surprising to the Trustee or the Company and should not be a cause for concern for you as a member. In particular, we note that buy-in policies are seen by many as the "gold standard" approach in ensuring the security of members' pension benefits and, as a result, are recognised as a more expensive option. The estimated surplus has therefore decreased as it was used, together with further contributions paid by the Company, to purchase the buy-in policy with Rothesay. As mentioned above, this policy broadly covers the Scheme's remaining non-insured liabilities and therefore significantly increases the security of all members' pension benefits.

The next formal actuarial valuation of the Scheme will measure the financial position as at 30 September 2022.

What has happened so far in 2022?

Recent events, including the conflict in Ukraine, an energy and cost of living crisis, slower economic growth, the ongoing effects of the UK's exit from the European Union and the COVID-19 pandemic have caused heightened uncertainty and volatility in financial markets. This, in turn, has had a material impact on the financial position of many UK pension schemes. However, we are very pleased to note that the specific impact on the Scheme's financial position has been very limited, due to the Scheme's liabilities being fully insured with the buy-in policies held with Rothesay and Just.

The Trustee continues to work closely with its advisers and the Company to monitor developments as they arise and will continue to ensure that appropriate governance and risk management arrangements are in place.

Should a deficit arise, would it be paid off and, if so, how will this be done?

At the last actuarial valuation as at 30 September 2019, the financial position of the Scheme showed a surplus, rather than a deficit, and this remains the position at the current time. This means that there was no requirement to agree a deficit funding plan with the Company. We also note that, as the Scheme's liabilities are now broadly covered by the buy-in policies held with Rothesay and Just, the likelihood of a material deficit arising in future is low.

As part of the process of securing the Scheme's liabilities with Rothesay and Just, we are currently carrying out a data cleansing exercise; you may recall receiving a letter from Capita, as the Scheme's administrator, asking you to confirm various personal details. The purpose of this data cleansing exercise is to ensure that both Rothesay and Just are provided with an accurate record of the exact benefits that every Scheme member is due.

At the end of the data cleanse exercise, the buy-in policies will need to be updated to reflect the cleansed data that we will provide to Rothesay and Just and this may mean that an additional premium (or, potentially, a premium refund) will need to be paid either from or to the Scheme. If any additional premium exceeds the surplus assets held in the Scheme (£4m as at 30 September 2022), then the Company will need to fund the difference.

In addition, it may be necessary to review the level of contributions from the Company at the next full actuarial valuation, due as at 30 September 2022.

In which types of assets does the Scheme invest?

The Scheme's assets are primarily invested in the buy-in policies held with Rothesay and Just. The Scheme's other "surplus" assets are invested in cash.

Further details on the Scheme's asset allocation are set out in a document called the Statement of Investment Principles. A copy of this Statement of Investment Principles can be found in the Scheme's document library at **www.williamhillpensions.co.uk/library**

Can I transfer my benefits out of the Scheme before I am due to retire?

Yes, this is generally possible. However, if you are thinking of transferring your benefits out of the Scheme for any reason, you should consult a professional adviser, such as an independent financial adviser, before taking any action. If the value of your benefits is more than £30,000, you are required by law to speak with a financial adviser before you can transfer them. The law prevents us from providing you with financial advice.

Avoid pension scams!

The ScamSmart website operated by the Financial Conduct Authority (FCA) suggests four ways to protect yourself from fraud:

1. Reject unexpected pension offers whether made online, on social media or over the phone.
2. Check who you're dealing with before changing your pension arrangements – check the FCA Register at **register.fca.org.uk/s/** or call the FCA helpline on **0800 111 6768** to see if the company you are dealing with is authorised by the FCA.
3. Don't be rushed or pressured into making any decisions about your pension.
4. Consider getting impartial information and advice.

The website (**www.fca.org.uk/scamsmart**) has quizzes and resources to help you spot a scam and a warning list of companies to watch out for. If you suspect you have been targeted by a scammer, you can report it on the ScamSmart website as well.

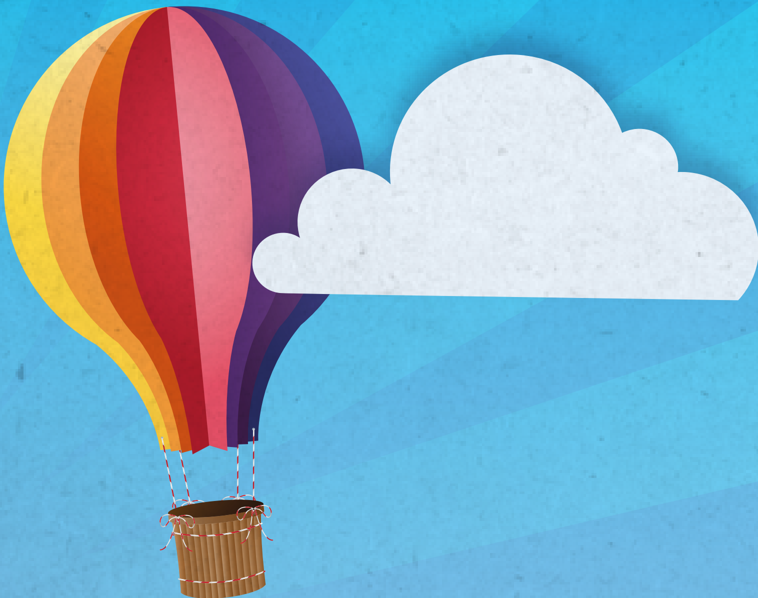
Please also visit The Pensions Regulator's website **www.thepensionsregulator.gov.uk/pension-scams** for more information.

For further information on the impact of transferring your benefits out of the Scheme, you can visit the FCA's website on consumer information on 'DB transfers'. Please visit: **www.fca.org.uk/consumers/pension-transfer-defined-benefit**

Finding out more

You can get general help and advice about pensions from MoneyHelper, a free service from the government.
Call them on 0800 011 3797 or visit **www.moneyhelper.org.uk**

MoneyHelper can also help you to find an independent adviser to help you with your retirement planning. Go to **www.moneyhelper.org.uk/en/pensions-and-retirement/taking-your-pension/find-a-retirement-adviser** to find out more.



Where can I get more information?

If you have any other questions, or would like any more information, please contact the Group Pensions Department at Bedford Avenue or via email at **pensions@williamhill.co.uk**

More information, as well as a list of documents that provide further details, is shown in the appendix. If you want us to send you a copy of any of these documents, please let us know.

We will be sending you a Summary Funding Statement each year, so if you change address please let us know at **www.williamhillpensions.co.uk/forms/change-of-personal-details**

How does the Trustee know what contributions should be paid into the Scheme?

Following each actuarial valuation, the actuary advises us on what contributions should be paid into the Scheme so that we can expect to be able to continue to pay members' pensions. We then agree a level of contributions with the Company and record this in a document called the Schedule of Contributions. We review and update the Schedule of Contributions at least each time the Scheme has an actuarial valuation i.e. every three years.

The actuarial valuation and Schedule of Contributions follow standards we have set out in a Statement of Funding Principles. This document describes how we will manage the Scheme with the aim of being able to continue to pay members' benefits.

As mentioned above, the Scheme was in surplus as at the 30 September 2019 valuation date and so no deficit funding contributions were required. However, the Company continues to pay contributions to cover the expenses of running the Scheme. The Company will also need to pay in further contributions if the cost of any additional buy-in premiums resulting from the data cleanse project exceeds the surplus assets held by the Scheme.

We are required to tell you whether The Pensions Regulator has used its legal powers to make directions as to any of the:

- method or assumptions used to calculate the liabilities; or
- contributions that should be paid under the Schedule of Contributions.

The Regulator has not used its powers in relation to the Scheme and therefore the Scheme is not subject to any directions.

We are also required to inform you whether a payment has been made from the Scheme to the Company, as permitted under the Pensions Act 1995, since we last sent you a Summary Funding Statement. We can confirm that no such payment has been made.

Is my pension guaranteed?

Our aim is for there to be enough money in the Scheme to pay pensions now and in the future, but this depends on the Company carrying on in business and continuing to support the Scheme.

If the Company goes out of business or decides to stop paying for the Scheme, it is expected to pay the Scheme enough money to buy all the benefits built up by members from an insurance company. This is known as the Scheme being "wound-up". The comparison of the Scheme's assets to the cost of buying the benefits from an insurance company is known as the "solvency position".

Is there enough money in the Scheme to provide my full benefits if the Scheme was wound-up?

The actuarial valuation as at 30 September 2019 showed that the Scheme's assets could not have paid for the full benefits of all members to be provided by an insurance company if the Scheme had wound-up at that date. The funding position on this notional solvency basis as at 30 September 2019 can be summarised as follows:

	30 September 2019
Liabilities if the Scheme were to be wound-up	£526 million
Assets of the Scheme [1]	£495 million
Notional Solvency Deficit	£31 million

[1] The value of the Scheme's assets used for the assessment of the solvency position is different to the value used for ongoing funding purposes. This relates to the value placed on the Just bulk annuity policy that covered the majority of the liabilities in respect of the Scheme's pensioner members at the 30 September 2019 actuarial valuation date.

It is a requirement for us to show you the estimated solvency position as at the date of the last actuarial valuation. However, we note that the current position is significantly improved given the Scheme now holds buy-in policies with Rothesay and Just that broadly cover all of the Scheme's liabilities. Our Scheme Actuary has confirmed that a similar assessment carried out at a more recent date would likely reveal a broadly fully funded position on a solvency basis.

What happens if the Scheme is wound up and there is not enough money to pay for all of my benefits?

The Pension Protection Fund (PPF) exists to pay benefits to members if the Scheme is wound-up when the Scheme and the Company do not have enough money to cover the cost of buying all members' benefits with an insurance company. The pension you would receive from the PPF may be less than the full benefits you have earned in the Scheme, depending on your age and when your benefits were earned. However, given the buy-in policies held with Rothesay and Just and the continued support of the Company, we consider it would be highly unlikely that members' benefits would need to be paid from the PPF.

Further information and guidance is available on the PPF website at:
www.ppf.co.uk

Additional documents available on request:

The Statement of Funding Principles
This explains how we (the Trustee) plan to manage the Scheme with the aim of being able to continue to provide the benefits that members have built up.

The Statement of Investment Principles
This explains how we (the Trustee) invest the money paid into the Scheme.

The Schedule of Contributions
This shows how much money is being paid into the Scheme by the Company, and includes a certificate from the actuary that it is sufficient to meet the requirements set out by law.

The Annual Trustee Report and Accounts
This shows the Scheme's income and expenditure for the relevant year.

The Formal Actuarial Valuation Report as at 30 September 2019
This contains the details of the actuary's detailed review of the Scheme's financial situation as at 30 September 2019.

The Actuarial Reports as at 30 September 2020 and 30 September 2021
These contain the details of the actuary's approximate review of the Scheme's financial situation as at 30 September 2020 and 30 September 2021.