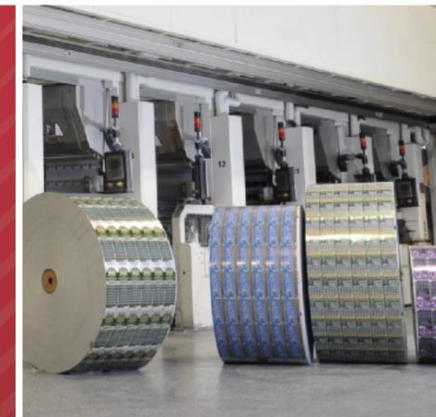
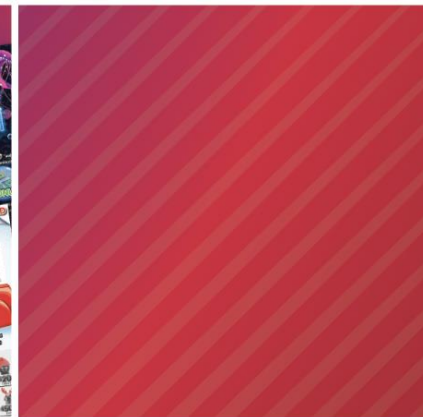
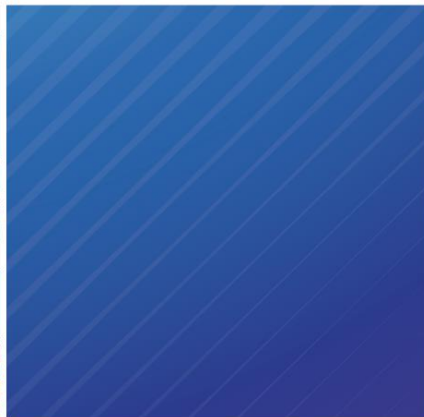




Driving Lottery Sustainability and Beyond:

Aligning People, Profit and Purpose Across a Global Portfolio



Let's *Discuss*

How we are approaching ESG

Highlight the ESG challenges with the Lottery industry

How we are addressing those challenges through pro-active collaboration strategies for environmental sustainability and industry viability

Our Approach

ESG *Governance* Structure

Oversight

Board of Directors

Responsible for overall ESG/Sustainability oversight strategy

ESG Leadership Committee

Assists the Board in its oversight of ESG/Sustainability initiatives

Vice President Global ESG

ESG Working Groups

Responsible for executing ESG requirements and initiatives outlined by the ESG Leadership Committee

Global Environmental Group

Global Social Group

Global Governance Group

Day-to-Day

ESG *Guiding* Principles

Mitigate the
impact of our
operations on
the environment

Ensure the
health, safety and
wellbeing of our
internal and
external
stakeholders

Be good
corporate citizens

Uphold strong
governance
practices

Environmental, Social and Governance

We recognize our business practices have a meaningful social and environmental impact on our customers, industry and society, and we are committed to driving responsible growth through a focus on five pillars:



Benefiting Communities

Empowering our lottery partners to generate industry-leading good cause funding, helping to improve communities around the world.



Empowering Employees & Partners

Fostering a world class team and inclusive culture of respect, belonging, and wellbeing, so all employees and partners can do their best work.



Expanding Healthy Play & Lottery Literacy

Providing our lottery partners with innovative games and tools grounded in science to ensure healthy play and responsible industry growth.



Minimizing Environmental Impacts

Embedding best-in-class environmental stewardship and sustainable practices across our business operations.



Operating with Integrity

Instilling trust and ensuring the highest standards of ethics and security in our governance and supply chain.

Environment

Product Sustainability

Scratchcards

Board

- FSC certified
- Ecolabel approved – no fossil fuels used in production process





Source: What a Tree Can Do – You Tube

Product Sustainability

Scratchcards

Board

- FSC certified
- Ecolabel approved – no fossil fuels used in production process



Inks

- Water-based inks and coatings

Packaging

- Cardboard boxes contain a high% of recycled content
- Use plastic wrap that can be recycled

Product Recyclability



Scratchcards, cardboard boxes and plastic wrap are all recyclable

The ability to recycle the different items is dependent upon local collection and recycling infrastructure

Process Sustainability

UK Leeds



- 50% reduction in emissions
- Zero waste to landfill
- Very low level of VOC emissions

UK Warrington



- Solar panels
- Electric delivery trucks

Canada Montreal



- Electricity – 100% renewable (hydropower)

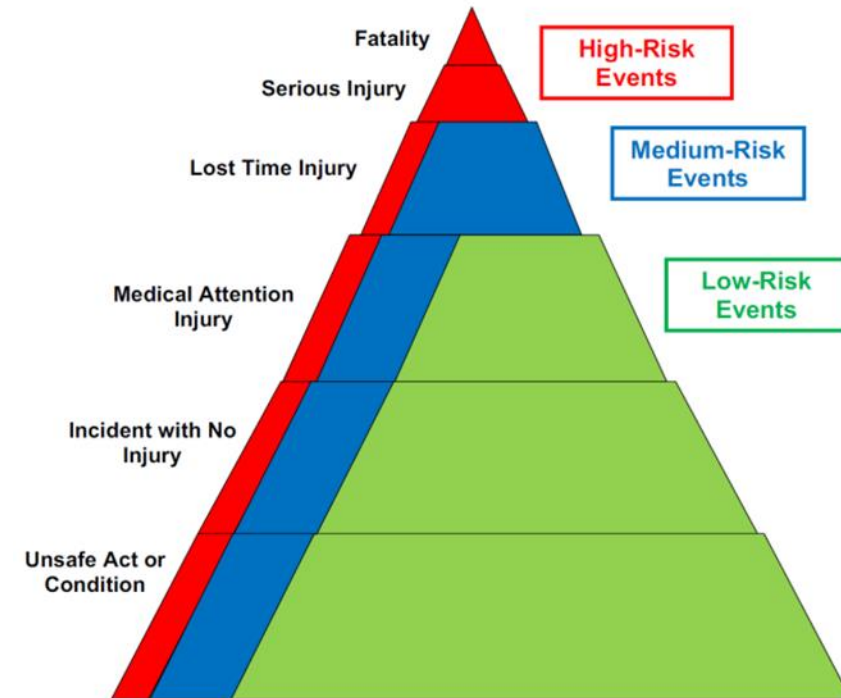
Social

Health, Safety & Wellbeing

Internal

Goal – Zero serious safety incidents

- Operate with a Global programme to continually review processes and practices to identify and mitigate high risk events
- Focus on leading indicators – proactive measures that track prevention efforts
- Go beyond regulatory requirements



Health & Wellbeing *Consumers*

Healthy Play Responsible Gaming Program

- Aligns with lottery's purpose
- Increases "Lottery Literacy" educating 100% of lottery stakeholders
- Science-based tools and guidance
- Integrated throughout lottery operations to grow sales in responsible and sustainable way while fulfilling Responsible Gaming requirements



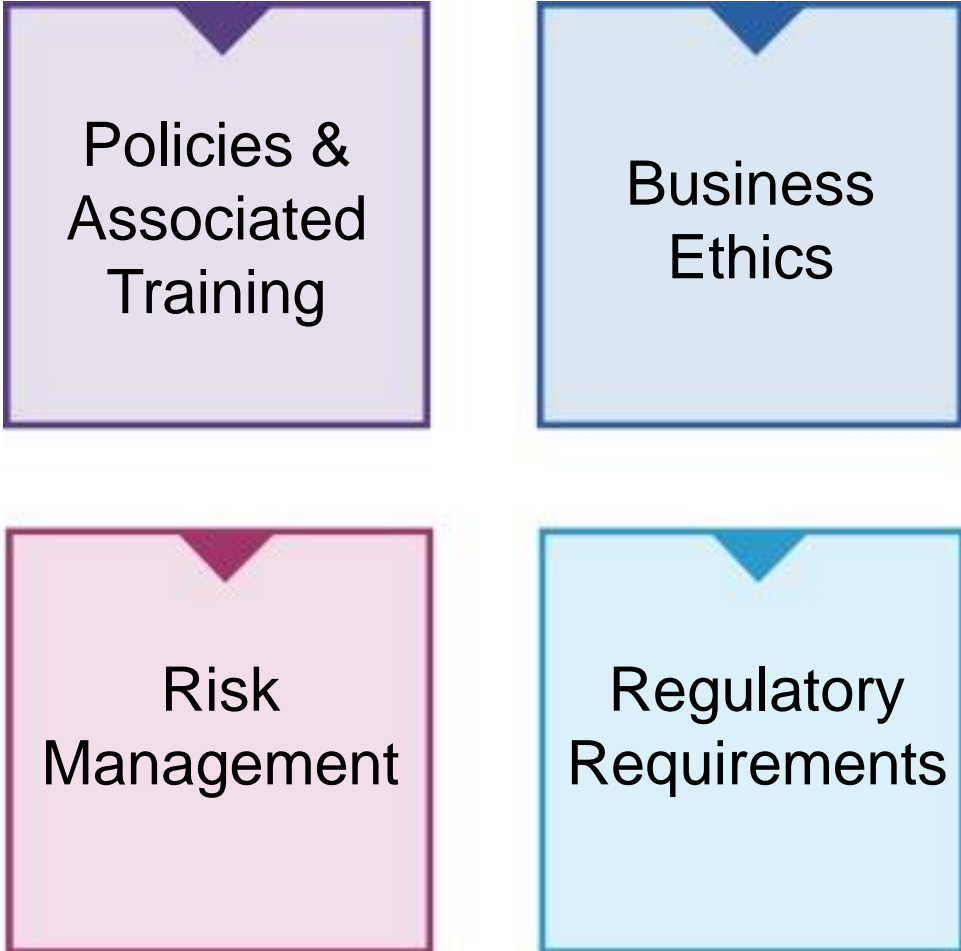
Community and Good Causes

Scientific Games Montréal - Urban Farm

- Partnership with non-profit organization La Cuisine Collective Hochelaga-Maisonneuve
- Urban farm created on a large plot of arable land behind our Montréal lottery instant game production facility
- SG donated the use of the land, fencing and funding for water and electricity to support the farm
- Scientific Games employees provide volunteer labor which includes delivering produce from the farm to more than 40 local collective kitchens and other organizations



Governance



Policies &
Associated
Training

Business
Ethics

Risk
Management

Regulatory
Requirements

Understanding ESG Challenges in *Our Industry*

Key Challenges

- **Stakeholder expectations**
 - Managing expectations and perceptions
 - It can be challenging to satisfy all parties
- **Financial implications**
 - Implementing ESG initiatives can involve substantial costs – which may become a barrier
- **Evolving regulatory and compliance requirements in different global locations**

Key Challenges

- **‘Greenwashing’**
 - Exaggeration or misrepresentation of ESG efforts
 - Ensuring that ESG data is accurate and verified can be resource intensive
- **Technological and operational challenges**
 - Transitioning to more sustainable technologies can be challenging (*and costly*)
 - Supply chain management – Ensuring that ESG principles are adhered to and implemented throughout the supply chain is complex, especially for global supply networks

Insight from Other Industries

We can liaise with companies within each of these sectors to gain valuable ESG insight from shared experiences and best practices.

Renewable Power & Transition	Infrastructure	Private Equity
Generating solar & storage	Rail freight	Renewable biodiesel from recycled food waste
Zero emission hydrogen	Shipping container terminals	Returnable plastic packaging
Hydropower	Energy infrastructure	Sustainable batteries – vehicle electrification

Addressing the *Challenges*

Key focus areas in 2024

- **Environment**

- Carbon footprint (GHG Emissions) reduction plans

- **Social**

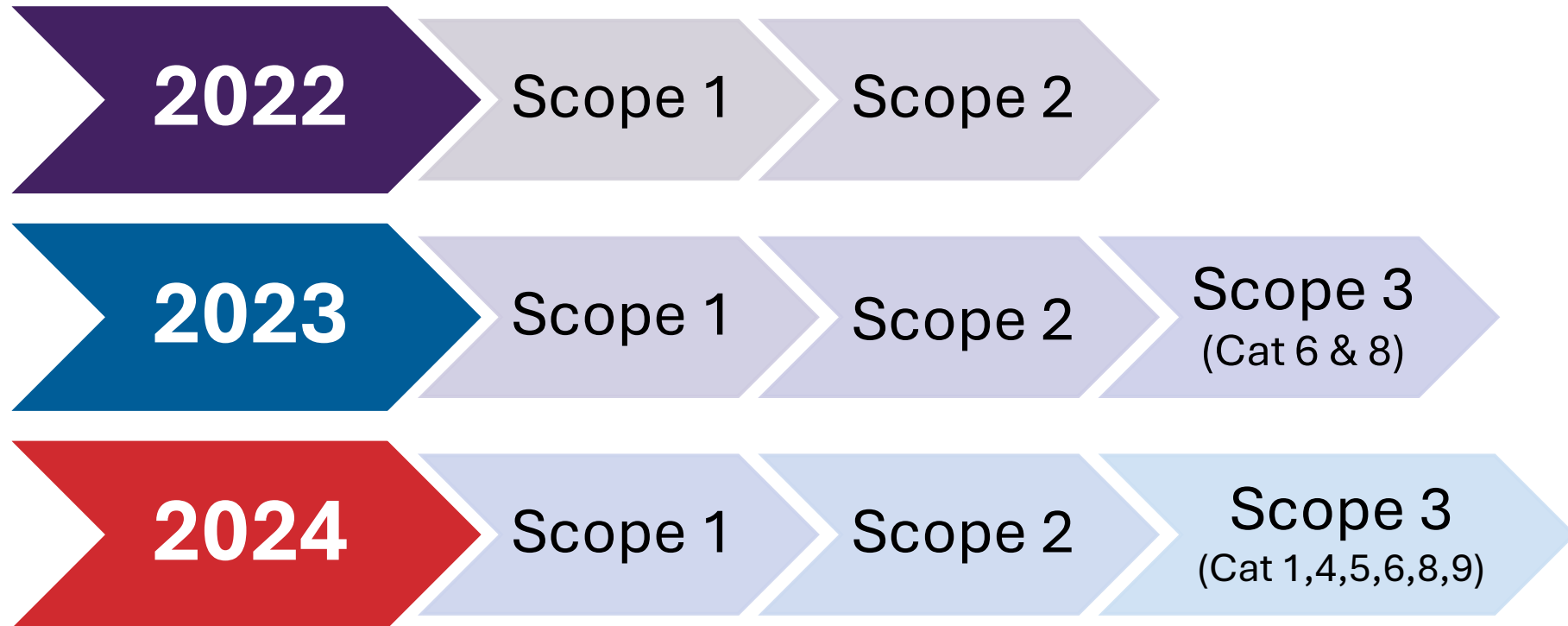
- Player protection

- **Governance**

- Regulatory requirements
 - EU deforestation
 - Corporate Sustainability Reporting Directive (CSRD)

Environment

Measuring Carbon Footprint



Global Decarbonisation Plan

Scope 1 emissions



Improving **energy and material efficiency** of SG operations



Review alternatives to natural gas

Scope 2 emissions



Sourcing electricity that utilise renewables.

Scope 3 emissions



Working with suppliers to reduce upstream emissions



Review methods of transportation with logistics suppliers to reduce transportation emissions



Focus on reducing emissions associated with the waste stream,



Providing solutions helping our customers to reduce their value chain emissions

Targets to be set based upon a fully-evaluated cost analysis

Scope 3 Transportation Emissions Project



Truck (Diesel)

0.11578

kgCO₂e / tonne.km



Container Ship

0.01612

RoRo Ferry

0.05832

kgCO₂e / tonne.km



Rail

0.02779

kgCO₂e / tonne.km

Scope 3 Transportation Emissions Project

Hydrotreated Vegetable Oil (HVO) / Renewable diesel

HVO is produced from renewable biomass sources:

- Primarily waste and residue oils and fats such as used cooking oil
- Chemically very similar to conventional fossil diesel – meets BS EN 15940 fuel specification
- Can be used in its pure form or mixed with conventional diesel – no engine modifications are required

Potential reduction in emissions

- Carbon intensity reduction = 82.9%*
- HVO Carbon intensity 16g CO₂e/MJ verses Fossil fuel carbon intensity = 94g CO₂e /MJ

*Using UK government renewable fuel statistics 2023

Scope 3 Waste Project

Reduce the use of cardboard packaging

- Foldable reusable packaging.(Schoeller Allibert – Brookfield company)
- Feasibility study – how would this operate in practice?



Scope 3 Waste Project

Use of plastic packaging film:

- The plastic film currently used can be recycled
- Trialled biodegradable plastics
- Current focus
 - Using less plastic wrap
 - Incorporating 30% recycled content.
 - Once chemical recycling is approved, increase recycled content to 60%+
 - Circular waste streams
 - Review alternative materials and wrapping methodologies

Social RG Research & Toolkit

2021 and 2023 SURVEY REPRESENTING ALL LOTTERY STAKEHOLDERS

- Nearly 3,193 people: Nationally +7 jurisdictional oversamples
- Must be old enough to play lottery (18/21 Years+)

SAMPLE BASED ON REPRESENTATIVE PROPORTIONS TO POPULATION



GENDER AGE



ETHNICITY



INCOME



EDUCATION



REGION

MOST COMPREHENSIVE RG RESEARCH IN INDUSTRY

- Combines internationally accepted RG studies & SG Lottery Literacy Survey

GOALS: GIVE LOTTERIES A TOOL TO MEASURE THE IMPACT OF RG EFFORTS

- National and regional benchmarks established
- Population broken into groups based on behavior, beliefs (e.g. Segmentation)
- Gaps Identified
- Best messaging, mechanisms & practices developed, then launched
- Study repeated, impact revealed

Legislation

EU Regulation on deforestation-free products:

- SG suppliers must be able to prove that the products do not originate from recently deforested land or have contributed to forest degradation
- A due diligence statement must be produced covering the above
- Currently working to ensure all board suppliers are able to meet this requirement prior to delivering products into the European market

Legislation

Corporate Sustainability Reporting Directive (CSRD)

- Scientific Games part of Brookfield CSRD community of practice
- The group consists of members from other Brookfield Private Equity portfolio companies that are in scope for CSRD reporting FY 2024 – FY 2026
- The aim of the meetings is to provide a platform to share best practices, learn from each other's experiences and identify solutions to common challenges
- SG Austria will start reporting in 2026 (FY 2025)
- Controls, required practices and reporting requirements are being implemented across the SG global group
- ***Key requirement: All data & information reported must be accurate and independently verified***

Conclusion

ESG is a broad subject which encompasses everything that we do in our collective businesses.

ESG requires you to question and rethink everything that has previously gone before.

We need to dispel perceptions by making judgements based upon the facts.

There are many types of challenges that we face, which will take time.

To overcome these challenges and achieve our collective commitments and goals we all need to work together.





Thank You