



# Changing the game for good

# Contents

01	ABOUT US	3	05	PLANET	20
02	APPROACH	7	06	PLAYER	22
03	PEOPLE	11	07	CORPORATE GOVERNANCE	24
04	COMMUNITY	18			



# A Message from our President and CEO

At Light & Wonder, everything we do positions us as the leading cross-platform global games company. Whether it's creating immersive content, attracting world-class talent, promoting Responsible Gaming or designing energy-efficient products, we are committed to staying ahead of the game.

Our drive to win as a team showed up in both our fantastic financial results in 2023 and our efforts to pave the way for a sustainable industry. We moved into an exciting new phase of our Corporate Social Responsibility (CSR) program, Game Changers, where we began to advance our initiatives and see promising results. We engaged specialist consultants to identify the environmental, social and governance (ESG) issues that matter most to our valued stakeholders through our first ESG materiality assessment. And we established our initial ESG Council to ensure we act on those priorities to create value for society, our business and our shareholders.

As CEO, I consider myself the company's Chief Growth Officer. And I couldn't be prouder of the way our 6,000+ strong Creators and SciPlayers, as we call our employees,

are playing their part in helping us build a diverse and welcoming business equipped for long-term success. Membership of our employee resource groups (ERG) more than doubled in 2023, and we launched new leadership programs to progress high-performing Creators and SciPlayers into critical senior roles, strengthening our succession planning.

We continued to raise the bar with our Responsible Gaming initiatives and play an active role in more than 20 organizations focused on ensuring gaming is a safe and positive experience for all players.

I'm proud to report that we reclaimed \$12.8 million worth of materials from decommissioned gaming machines in 2023, which could be either refurbished and reused, salvaged for parts or recycled by certified companies. Our new East Coast distribution hub has almost halved the mileage – and therefore the emissions – involved in distributing our machines to North American customers. And the new solar power installation at our South Africa office is strengthening our energy security while shrinking our carbon footprint.

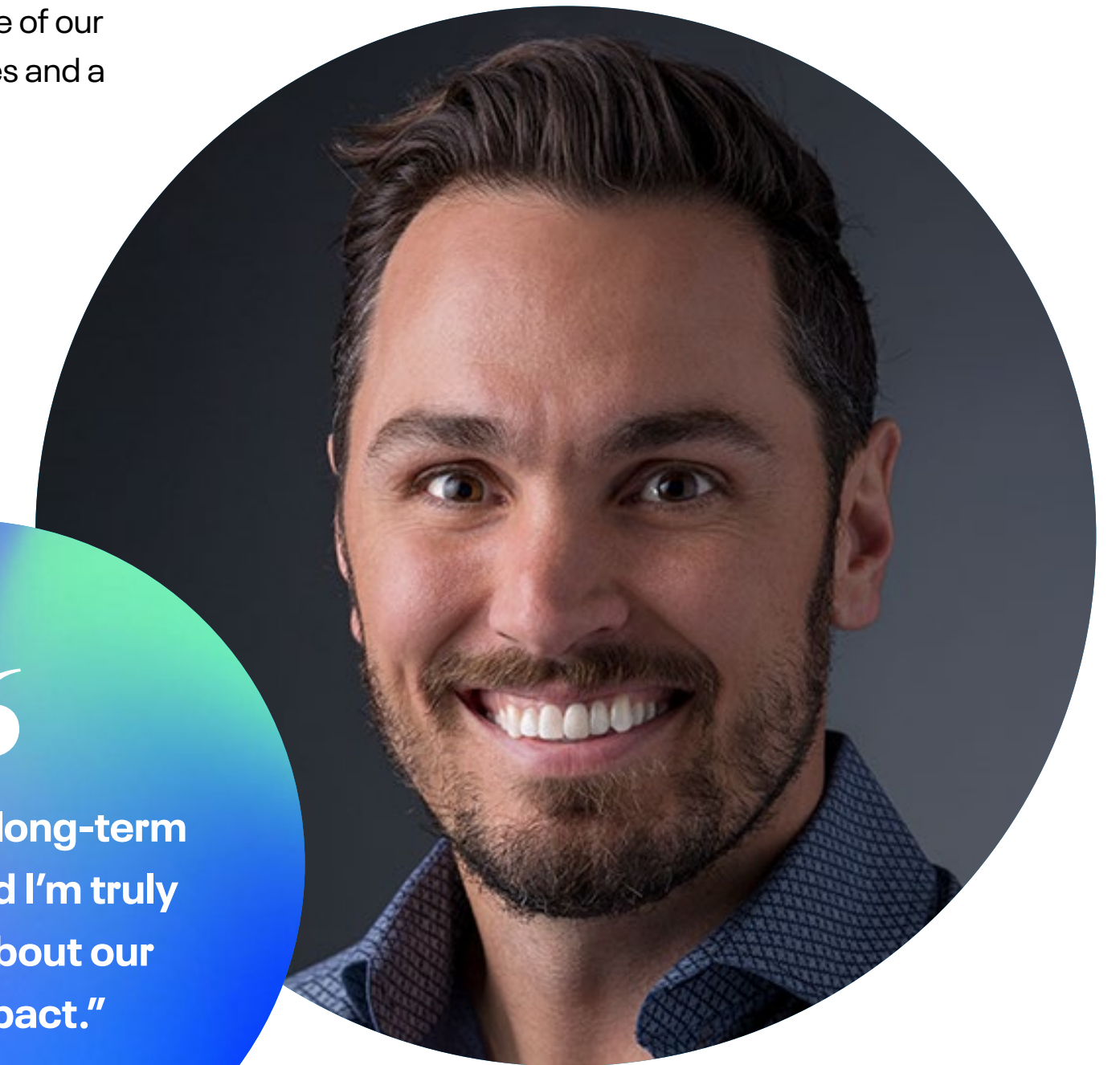
In a similar vein, we continue to bolster the resilience of our supply chain through tighter due diligence measures and a new dual-location strategy.

This work is a long-term endeavor, and I'm truly optimistic about our future impact. I invite you to read our inaugural ESG highlights report to learn more about the progress we made in 2023 to drive sustainable growth in 2024 and beyond. The best is yet to come.

— Matt Wilson  
President and CEO

“

This work is a long-term endeavor, and I'm truly optimistic about our future impact.”



# About Light & Wonder



AT LIGHT & WONDER,

## it's all about the games.

Light & Wonder is the leading cross-platform global games company, with hardware and systems that deliver iconic titles, characters and stories across a wide range of places and channels. Through our three unique yet highly complementary businesses—our land-based gaming segment, iGaming and SciPlay—we deliver unforgettable experiences by combining our team's exceptional talents with a deep understanding of our customers and players.

Constant innovation is key to our success. We create immersive content that turns games into experiences and forges lasting connections with players wherever they choose to engage. We know that succeeding in this space means keeping the player experience at the center of everything we do while relentlessly pursuing the now and the what's next in games.



# Our Business



## GAMING SEGMENT

As an industry leader, Light & Wonder raises the bar in games entertainment through an unmatched portfolio of hit game franchises and leading platforms and technology solutions. With our technologically advanced systems and real-time insights and solutions, driving player loyalty and operational efficiencies has never been easier. And as the frontrunner in table game technology, we provide top performing platforms that game entertainment stands on. Our cabinets and slot products feature the latest technology - engineered with the player and operator in mind - to take player attraction and engagement to atmospheric levels.



## SCIPLAY

SciPlay is a leading developer and publisher of free-to-play social casino and casual mobile and web-based games. SciPlay's portfolio of games is based on some of the world's most popular slot games, including JACKPOT PARTY® Casino, GOLD FISH® Casino, QUICK HIT® Slots, 88 FORTUNES® Slots, MONOPOLY Slots, and HOT SHOT CASINO®. SciPlay combines a data-driven approach and advanced game economy with high-quality content to deliver the most authentic, engaging and thrilling mobile entertainment. With studios in Austin (Texas), Tel Aviv (Israel), Cedar Falls (Iowa), Ukraine, Turkey and India, SciPlay has more than 800 employees worldwide.



## IGAMING

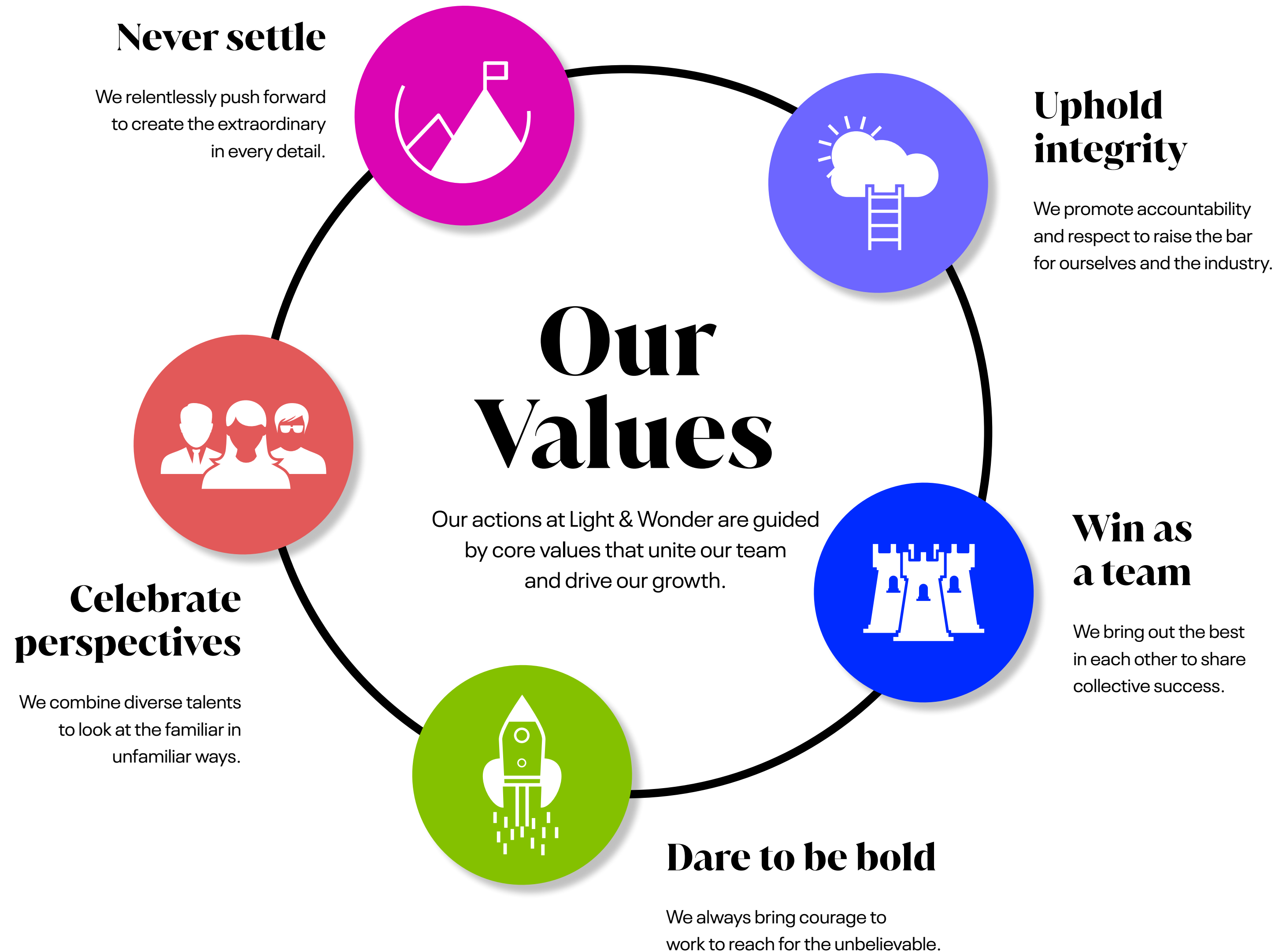
Light & Wonder harnesses the world's largest and most-trusted iGaming ecosystem. Our OpenGaming network connects players, studios and operators globally to deliver an unrivalled entertainment experience, while making it easy for operators to manage regulatory frameworks and gameplay and provide seamless player account and payment services. A truly great player experience can only be achieved through an open approach, and we continue to grow our studio network with leading studios from around the world.



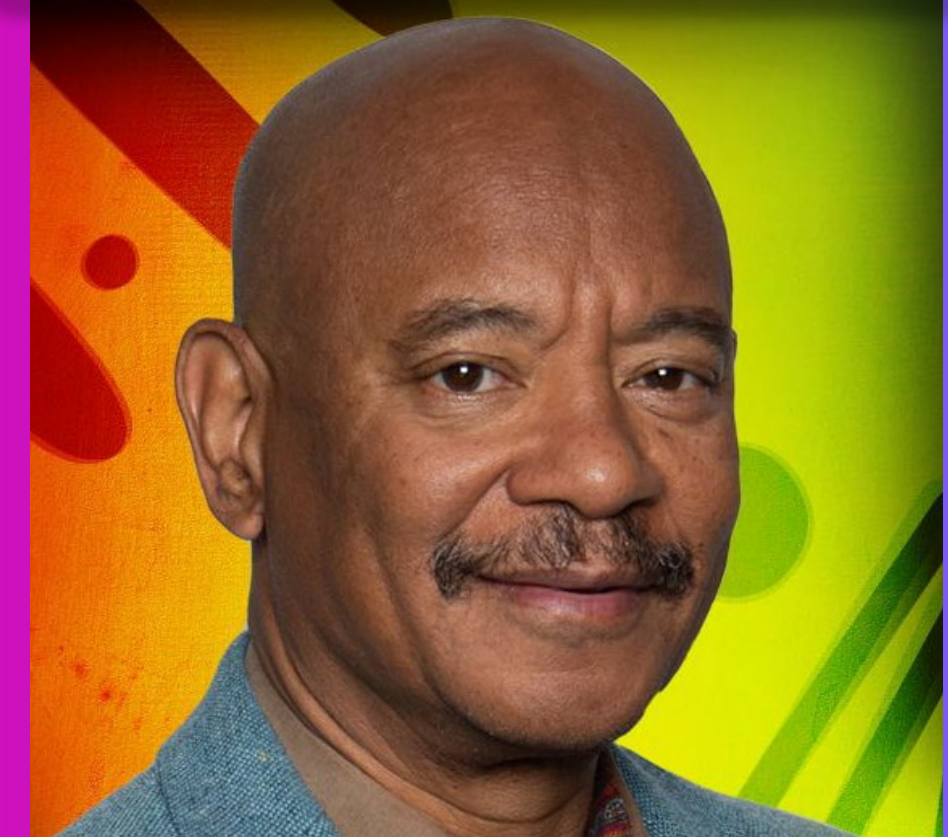
**6k+**  
Creators and SciPlayers  
on six continents



**20+**  
Member or sponsor of 20+  
Responsible Gaming organizations



BOARD OF DIRECTORS SPOTLIGHT



**Kneeland Youngblood, Board of Directors and Diversity, Equity & Inclusion Council Board Chair**

Black History Month is an opportunity to celebrate the triumphs of Black accomplishments and excellence. It is also an opportunity to reflect on the challenges within the community and to thoughtfully address those issues in a long term, systemic way for the betterment of the community and across the world.

# Approach to ESG

At Light & Wonder, we recognize the scale of our influence and the mutual benefits to society and our business by putting our values into action.

Our Corporate Social Responsibility (CSR) program, Game Changers, has been guiding our efforts to be responsible corporate stewards since 2021. It focuses on six areas – our CSR pillars – where we believe we can have the greatest positive impact.

## Our CSR Pillars



### People

Building new worlds of play as one diverse, equitable and inclusive company culture



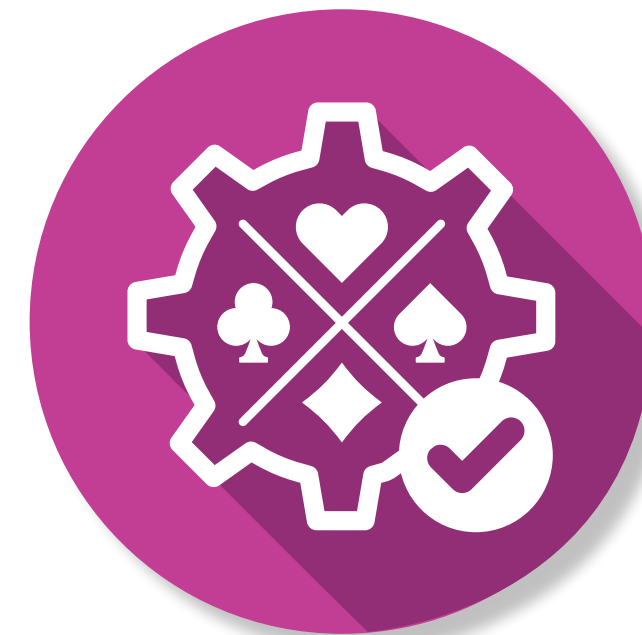
### Community

Philanthropy, giving back to communities and charitable causes, and creating stronger places to live



### Planet

Preserving and protecting our planet for a sustainable future



### Player

Leading the industry in Responsible Gaming initiatives and stewardship for our players, Creators and SciPlayers



### Supplier Diversity

Providing economic and business opportunities for a diverse group of suppliers



### Corporate Governance

Building on the robust system of Corporate Social Responsibility and ethics by which we operate

# Our ESG Roadmap and CSR goals



To ensure we make measurable progress aligned with our overall business objectives, we established a five-year ESG roadmap in 2021 with goals connected to our CSR pillars (see below). Our People goals incorporate ambitions from our dedicated five-year Diversity, Equity and Inclusion roadmap (see full CSR report [here](#)).

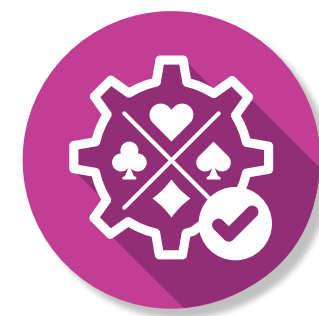
We have key performance objectives (KPOs) tied to each goal to ensure we hit annual milestones and chart a steady course towards our desired outcomes.

In 2024, we will implement a centralized ESG data management platform storing all our ESG data to improve the way we track and report our progress as well as inform target-setting in the future.



## PEOPLE

Increase the gender, ethnic and racial diversity of our workforce, while ensuring our policies and practices promote equitability and inclusiveness in our pay decisions, benefits offerings, career mobility and culture.



## PLAYER

Drive awareness among our players, customers, Creators and SciPlayers on healthy gaming habits through education, awareness campaigns, trainings and treatment resources. Serve as an industry steward and advocate for responsible game play.



## PLANET

Establish environmental stewardship programs, education and awareness, environmental policies, improved sustainable operating models, processes and best practices that are measurable.



## SUPPLIER DIVERSITY

Improve supply chain oversight and governance in operations, manufacturing and facilities through measurable metrics - aligned to ESG requirements - that foster supplier diversity, supply chain engagement and responsible production of our products.



## COMMUNITY

Improve Creator and SciPlayer engagement programs and charity partnerships and initiatives globally that foster a greater sense of inclusion, belonging and social impact that is measurable - contributing to improved Global Engagement Survey (GES) Creator and SciPlayer engagement scores.



## CORPORATE GOVERNANCE

Improve ESG performance and internal governance structure to establish a greater competitive advantage, differentiated brand and revenue growth opportunities attracting new investor groups.



# Stakeholder priorities

We will carry out ESG materiality assessments every two years to keep our ESG roadmap attuned to evolving stakeholder priorities. In 2023, we engaged a third-party specialist to identify the non-financial topics material to our external stakeholders — comprising investors, rating agencies and global standards and frameworks, including the Sustainability Accounting Standards Board (SASB) and Task Force for Climate-Related Financial Disclosures (TCFD). Combining these findings with the results of our 2023 Global Engagement Survey and internal CSR-focused survey has enabled us to identify our ESG priorities for 2023/24.

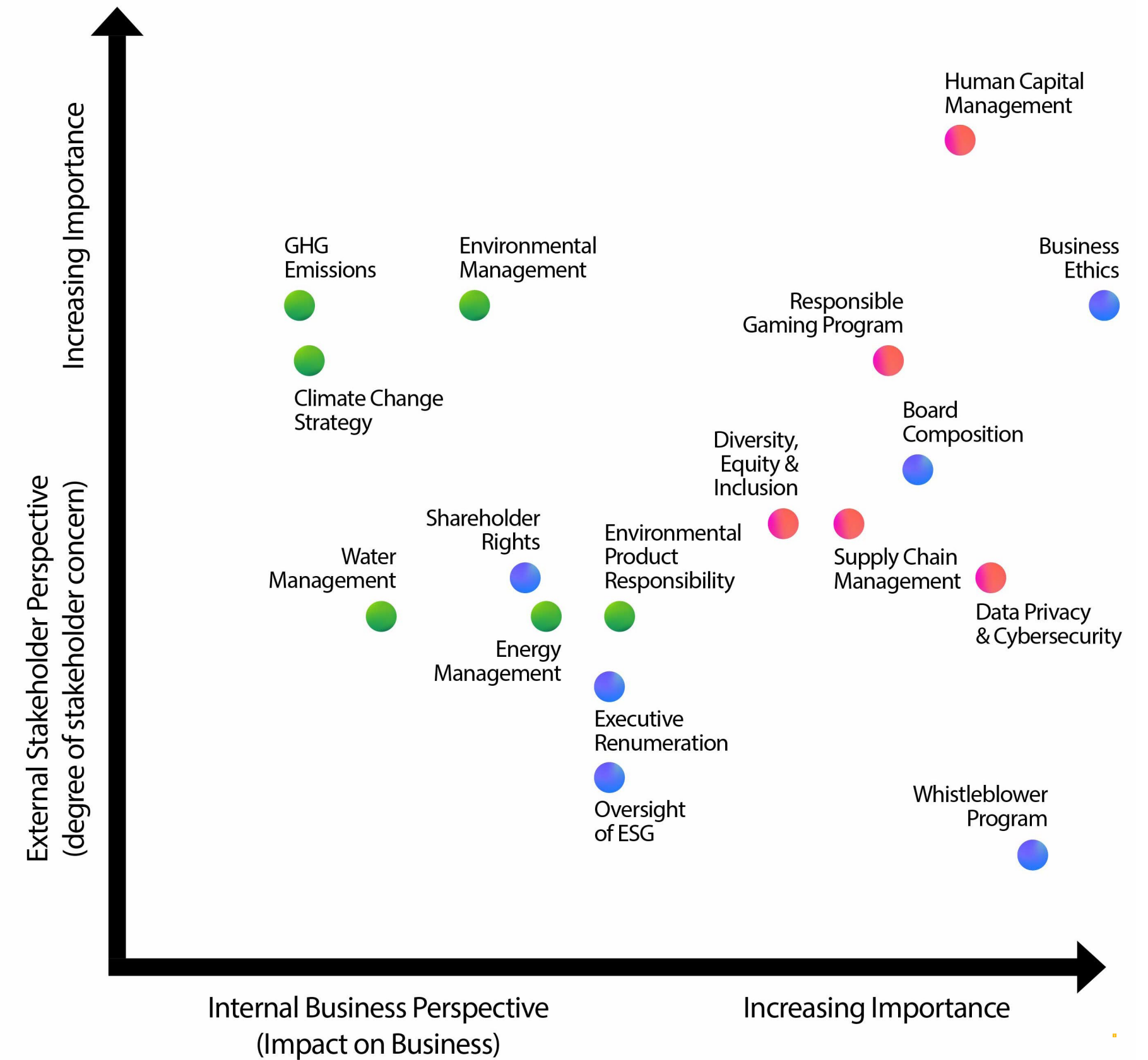
## Top six ESG priority topics for 2023

- 1 Human Capital Management
- 2 Business Ethics
- 3 Responsible Gaming Program
- 4 Board Composition
- 5 Environmental Management
- 6 Data Privacy and Cybersecurity



## MATERIALITY MATRIX

- Environmental
- Social
- Governance



# Leadership and oversight of ESG

**Ultimate oversight of Light & Wonder's ESG strategy, roadmap and ESG risks resides with our Board of Directors, which discusses our initiatives and progress quarterly, supported by its standing committees. In 2023, we amended our board committee charters to explicitly assign ESG oversight responsibilities to two of our four standing committees:**

- **Nominating and Corporate Governance Committee:** Oversees our strategy, practices and reporting efforts with respect to ESG matters.
- **Compensation Committee:** Provides oversight of human capital matters, including diversity, equity and inclusion.

For more information on risk oversight see [page 25](#).

In 2023, we established our ESG Council to be the guiding force of our Game Changers program and ESG roadmap at the management level. It draws together senior leaders and subject matter experts from across the business to manage ESG risks and opportunities and to analyze and report our performance. The Council updates the Nominating and Corporate Governance Committee on a quarterly basis.

In addition, we have a dedicated DEI Council to support our initiatives related to diversity, equity and inclusion. It reports quarterly to our Board of Directors.





# People

CHAMPIONING OPPORTUNITY AND BELONGING	12
DIVERSITY IN OUR SUPPLY CHAIN	14
GROWING OUR TALENTED TEAM	15
LEARNING AND DEVELOPMENT	15
EMPLOYEE ENGAGEMENT AND RETENTION	16
KEEPING OUR CREATORS AND SCIPLAYERS SAFE	17

# Championing opportunity and belonging

Light & Wonder is committed to attracting and retaining a team made up of Creators and SciPlayers from a wide range of backgrounds, who feel valued and empowered to succeed with us.



Image: L&W joins the global community in celebrating International Womens Day with events and activities across all offices and facilities for the #EmbraceEquity campaign.

Our dedicated Diversity, Equity and Inclusion (DEI) Council is responsible for shaping and executing our DEI strategy, reporting to the Board on a quarterly basis.

All Creators and SciPlayers receive training on our **Code of Business Conduct**, which outlines how they can help us provide an inclusive environment free of discrimination, harassment and retaliation.

In 2023, we introduced unconscious bias training for all recruiting team members and training for managers on subtle biases and microaggressions, coded language and intentional inclusive leadership. Other new initiatives during the year included:

- DEI micro-workshops at four global sites
- Held one of a series of Global Gaming Women leadership workshops for women who hold manager, senior manager and Director positions
- The launch of WINGS, a program to support the progress of 45 high-performing women leaders in our India team

To foster a supportive and inspiring environment for all Creators and SciPlayers, no matter their background, we have seven employee resource groups (ERGs), including one launched in 2023 for military veteran employees and allies. Participation in our ERGs doubled during the year to more than 1,300 Creators and SciPlayers, comfortably exceeding a DEI goal we set to increase engagement. In addition, we marked 156 cultural observances and events across the world, including Black History Month, Pride (recognition of LGBTQ+ identity), AAPI (Asian American and Pacific Islander) Heritage Month and International Women's Day.



## OUR SEVEN ERGS

### EMPOWER:

Women Employees & Allies

### RELATE:

Multi-Generational Employees & Allies

### ALIGN:

AAPI Employees & Allies

### SOMOS:

Latinx Employees & Allies

### ILLUMINATE:

Black Employees & Allies

### EMBRACE:

LGBTQ+ Employees & Allies

### SALUTE:

Military Veteran Employees & Allies

**OUR DEI GOALS**

Our DEI Council established a five-year DEI roadmap in 2020, with internal targets linked to the following goals.

Goal	Met	In progress
Increase women’s representation at Director level and above while fostering a diverse pipeline of talent at the manager and senior manager levels		✓
Increase the diversity represented at Director level and above among Black/African American, Latino/Hispanic and Indigenous/PCI ethnic populations		✓
Strengthen our capability to attract and hire diverse early career and emerging talent	✓	
Increase engagement in our employee resource groups and use them to develop and retain diverse Director-level talent that can feed VP pathways from within	✓	
Ensure our recruiting practices mitigate unconscious bias and other biases through training for recruiters and hiring managers		✓
Develop data-based understanding of how we align to Great Place to Work-certified companies for diverse talent so we can target gaps		✓
Ensure our policies and practices promote equitability and inclusiveness in our pay decisions, benefits offerings and career mobility		✓

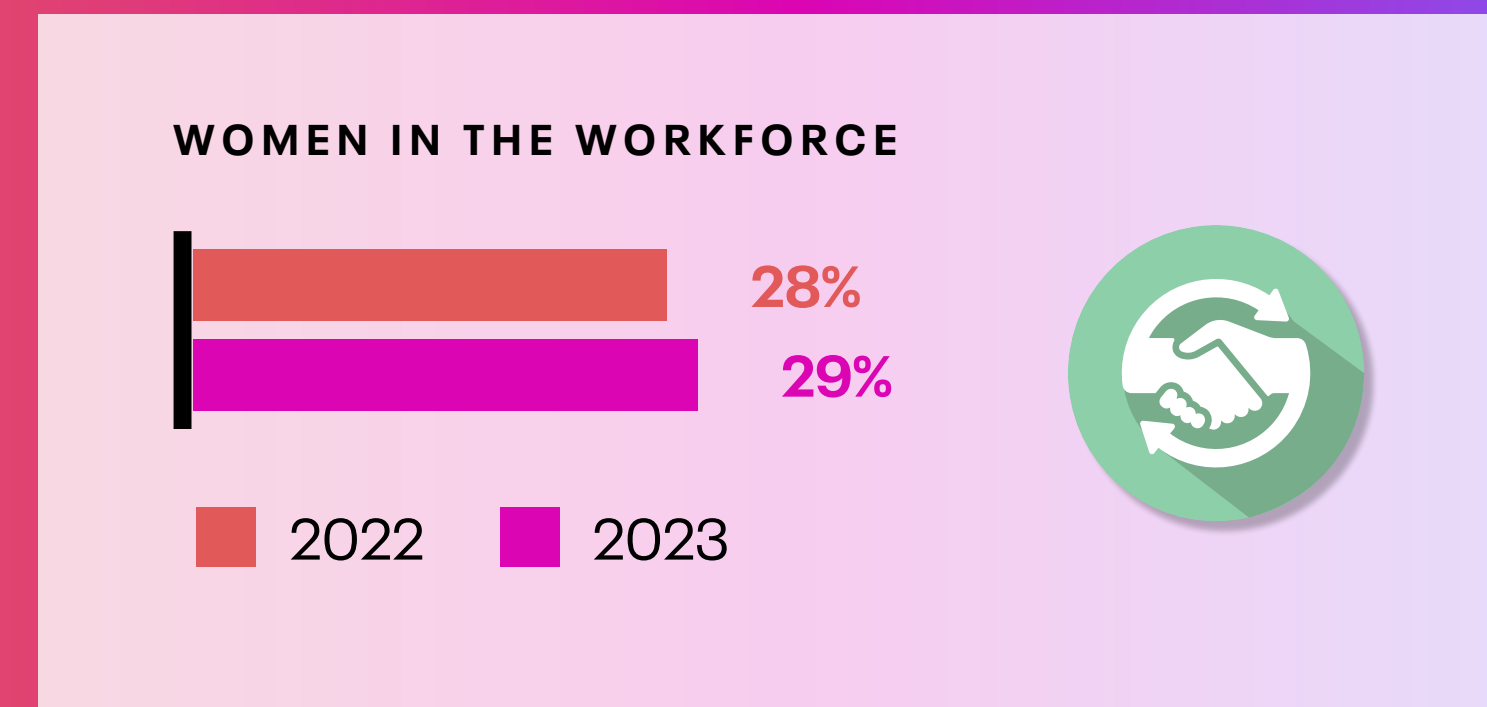
**DEI PERFORMANCE IN 2023**

As we reach the end of our first milestone period, we continue to review and revise our roadmap to ensure we are focused on the most impactful goals. We still have more work to do to hit our 2025 DEI targets, underscoring the importance of our roadmap and growing initiatives.

Our global population of women increased from 28% representation at the end of 2022 to 29% representation at the end of 2023, while promotions of women rose to 31% from 29% in 2022.

We are committed to being a diverse employer, where people from all backgrounds are represented, empowered and supported to achieve their career goals. But having only become Light & Wonder within the last two years, our efforts around broader inclusivity have, to date, focused on establishing accurate benchmarks across our global business. They will help us accurately track and disclose our progress, and improve how we elevate talent from all backgrounds, and achieve our goals.

The data shows we are moving in the right direction but have more work to do to hit our 2024 DEI targets, underscoring the importance of our roadmap and growing initiatives.



# Diversity in our supply chain

**We are committed to equitable procurement practices that help small and minority-owned businesses grow while fostering competition and innovation, ultimately meaning we can provide better products and services.**

Our supplier diversity program is now into its second year and in 2023, we established a dedicated Supplier Diversity Committee to drive initiatives. To help all suppliers compete fairly, we amended our Procurement Policy to introduce shorter payment terms for smaller suppliers.

In the U.S., we seek out suppliers that are certified as diverse by third-party organizations, including state government agencies, the National Minority Supplier Development Council (NMSDC), the Women’s Business Enterprise National Council (WBENC) or the National Association of Women Business Owners (NAWBO).



## DIVERSE SUPPLIER CLASSIFICATIONS

We consider the following classifications of diverse suppliers in our supplier diversity program:



### ▶ MINORITY BUSINESS ENTERPRISE

51% owned, controlled and operated by minority individuals who are African American, Hispanic American, Asian Pacific American, Native American or Asian Indian American.

### ▶ WOMEN BUSINESS ENTERPRISE

51% owned, controlled and operated by women.

### ▶ DISABLED VETERAN BUSINESS ENTERPRISE

51% owned, controlled and operated by disabled veterans. A disabled veteran is a veteran of the U.S. Military with a service-connected disability that exceeds 10%.

### ▶ DISABLED BUSINESS ENTERPRISE

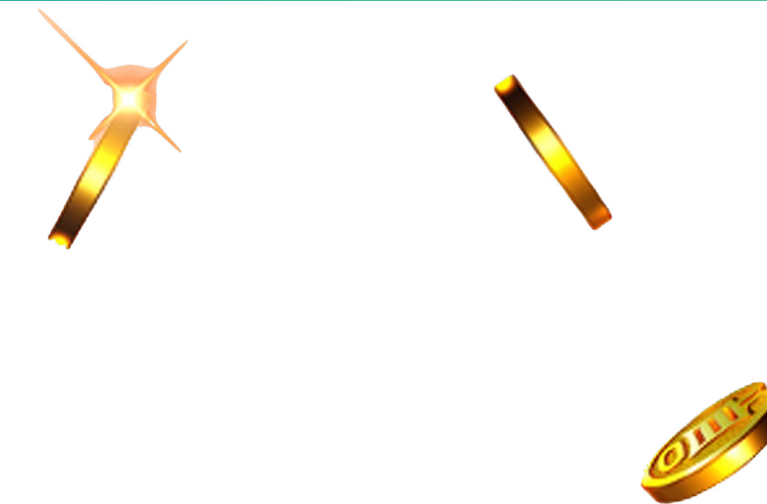
51% owned, controlled and operated by a disabled individual or service-disabled individual.

### ▶ HUB ZONE SMALL BUSINESS ENTERPRISE

Owned, controlled and operated by one or more U.S. citizens with a business located within a historically underutilized business (HUB) or enterprise zone and employs at least 35% of its workforce from HUB Zone residents.

### ▶ DISADVANTAGED BUSINESS ENTERPRISE

51% owned, controlled and operated by disadvantaged persons as defined by the U.S. Federal Government’s SBA guidelines.



# Growing our talented team

At Light & Wonder, we are committed to being an employer of choice.

In 2023, we developed a globally unified applicant tracking system to be rolled out in 2024, enabling us to better compare hiring performance across sites and identify opportunities for improvement.

Our wide range of initiatives to attract and onboard high-quality talent include:

## EMPLOYEE REFERRAL PROGRAMS

In 2023, a strong percentage of new hires at Light & Wonder came to us through incentivized employee referral programs, including 104 new employees in India, reducing our recruitment agency spend, and helping us find and retain new Creators and SciPlayers who are an excellent fit for our organization.

## HIGH SCHOOL AND UNIVERSITY PARTNERSHIPS

We have partnerships with multiple universities and high schools worldwide, including in India, Greece and the United States to help us reach skilled candidates.

## EARLY CAREER DEVELOPMENT & INTERNSHIPS

We offer undergraduate, early career development and internship programs across the globe that support us to hire as inclusively as often as possible.

Of the **300** new hires onboarded by our India team in 2023, **200** were graduates of Thrive, our university internship program. An impressive **186** (93%) were onboarded, bringing critical technical skills to the team. In the US, we hired **22** interns across our Corporate and Gaming business units over the course of the year.

## Learning and development

We want our Creators and SciPlayers to keep creating with us, enjoying fulfilling careers that secure our long-term mutual success. We provide funding for department leaders to deploy targeted training that plugs local skills gaps, and we give Creators and SciPlayers access to thousands of skill-building courses through our LinkedIn Learning membership.

In 2023, we launched several new programs to progress talent into leadership roles, including:

### LEADERSHIP ESSENTIALS

A 10-week, externally facilitated program designed to help participants enhance their leadership skills, expand their network, and establish a high performing culture at Light & Wonder. The program includes four live sessions and an interactive social learning platform that provides access to internal and external tools and resources. In 2023, we had over 180 leaders participate and engage with the program.

## MULTIPLIERS

A hybrid program of learning focusing on Liz Wiseman's Multipliers concept, designed to help leaders adopt multiplier behaviors and avoid diminishing tendencies where everyone's intelligence is leveraged, leading to higher performance, engagement and satisfaction within teams and organizations. In 2023, 146 leaders at Director levels and above participated in these sessions.

## GLOBAL GAMING WOMEN

A global series of leadership workshops for women who hold manager, senior manager and Director positions.

## PROJECT LEVEL UP

An 18-month curriculum and program designed to progress early career talent at SciPlay into critical roles that are challenging to fill through recruitment.

### Leadership Essentials & Multipliers: all BUs & all Regions

Program	2023 Headcount
Leadership Essentials	187
Multipliers	146

# Employee engagement and retention

We believe Creators and SciPlayers are more likely to stay and thrive at Light & Wonder if they feel supported and heard by leadership. There are several ways we seek to foster a culture of wellbeing and productive communication.

## PERFORMANCE REVIEWS

In 2023, we developed a 'Leadership Expectations' playbook formalizing expectations that all Creators and SciPlayers should have a check-in with their manager at least quarterly to create individual development plans and address any concerns.

## GLOBAL CREATOR ENGAGEMENT SURVEY

This anonymous annual survey allows us to gather valuable feedback from our Creators and SciPlayers on how we are doing as an organization. We achieved a 93% participation rate in 2023 and a consistently high engagement score overall at 73%.

## CSR CREATOR SURVEY

This global internal survey, due to be annual from 2024, helps us identify the CSR issues that resonate most with our Creators and SciPlayers. Environmental sustainability ranked as the top CSR priority in our 2022 survey, which yielded a 34% response rate.

## TOWN HALLS

We host quarterly Town Halls providing company updates and spotlights on Creator and SciPlayer accomplishments as well as a periodic Q&A session with the Executive Leadership Team.







## EMPLOYEE RECOGNITION

Our global teams run a mixture of peer recognition programs and manager-led initiatives to help us retain exceptional performers and hard workers.

## BENEFITS THAT MAKE A DIFFERENCE

We offer a comprehensive suite of benefits designed to support our Creators and SciPlayers' wellbeing, mental and physical health, financial security and individual needs. To encourage a healthy work-life balance, we give Creators and SciPlayers a Half Day for Health they can take every year to focus on their mental or physical health.

### Other global benefits include:

-  Employee assistance program
-  Employee stock purchase program
-  Hybrid working where practical
-  Parental leave
-  Retirement contributions, including 401(k) plan in U.S
-  Tuition reimbursement
-  Specialist healthcare for LGBTQ+ Creators and SciPlayers





# Keeping our Creators and SciPlayers safe

The health and safety of our Creators and SciPlayers is of paramount importance.

Our Global Health and Safety (H&S) policy outlines our safety-first approach, and our H&S management software ensures a consistent approach to incident reporting and tracking across our global footprint.

Some Creators and SciPlayers are required to complete training on our H&S policy and procedures as part of initial onboarding training, subject to role-specific risk assessments.

In 2023, we deployed our Close Encounter Near-Miss Reporting System, which helps Creators and SciPlayers quickly report hazards that could lead to an injury or accident. We also introduced KPI scorecards to give us better visibility of performance safety indicators across our sites, so that we target efforts where they are needed and ensure minimum standards are met.

Our total recordable incident rate (TRIR) in 2023 was 0.33.



Images Right (Clockwise): Creators attended the annual Women’s Leadership Conference in Las Vegas; SciPlayers from the Cedar Falls studio came together to celebrate International Women’s Day; Illuminate Black Employees & Allies Employee Resource Group celebrated the holiday Juneteenth with special events.



# Community

VOLUNTEERING AND CHARITABLE DONATIONS 19

SUPPORTING CREATORS AND SCIPLAYERS AND THEIR FAMILIES 19

# Community

As corporate neighbors to communities across six continents, we're committed to making a positive difference in the places we call home. The causes we support are determined by our Creator CSR survey, which ensures we allocate time and funds to matters close to Creators and SciPlayers' hearts.

## OUR IMPACT IN 2023

# 16,250

hours of Creator and SciPlayers volunteering

# 289

causes supported across the globe via donations and sponsorships, including 148 community-focused sponsorships

# \$1.15m

donated in monetary and in-kind donations and charitable contributions

# \$1.16m

provided in sponsorships and funding of charity events, community organizations and associations

## Volunteering and charitable donations

In 2023, we allocated \$2.3 million to support 289 charitable organizations – via direct donations and community focused sponsorships. Through our Game Changers Volunteer Program, Creators and SciPlayers also spent a collective 16,250 hours supporting 225 worthy charitable causes, including food banks, local school renovations, beach cleanups and supplies for homeless communities, underprivileged school children and disabled individuals.

## Supporting Creators and SciPlayers and their families

Through our Employee Assistance Fund (EAF) and Week of Wishes, we support Creators and SciPlayers through unexpected financial hardship or to realize long-held dreams.

Our EAF, which has been established as a nonprofit organization in partnership with the Emergency Assistance Foundation, is funded by business and employee contributions. Creators and SciPlayers experiencing hardship can apply for discretionary grants of up to \$1,000 to cover essentials such as medical expenses, utility bills or repairs. We awarded \$75,000 in grants in 2023.



Images Right (Clockwise): L&W team host book exchange in Catalonia fostering culture and employee engagement; SOMOS Hispanic & Latin Employees & Allies celebrates culture for Hispanic Heritage Month; L&W Teams around the globe celebrate PRIDE and our Embrace LGBTQ+ Employees & Allies.

Week of Wishes allows Creators and SciPlayers to submit a wish for themselves, their colleagues or someone in the local community. Past wishes have included funding for an electric wheelchair, a special anniversary dinner and home repairs after natural disasters. In 2023, we granted 143 wishes across Light & Wonder in the amount of \$121,000.





# Planet

RESPONSIBLE PRODUCT LIFECYCLE MANAGEMENT 21

TRANSFORMING OUR OPERATIONS 21

# Planet

**At Light & Wonder, we recognize our responsibility as a global business to contribute to a cleaner, more sustainable world fit for future generations.**

In 2023, we developed a standalone Environmental Sustainability Policy to reflect our heightened focus on this area and continued working to align our operations with the internationally recognized ISO 14001 standard on environmental management.

Environmental sustainability informs our choice of suppliers and in 2023 we surveyed our top 20 direct material vendors on their environmental initiatives and performance.

We currently monitor the waste and recycling tonnage in our three major manufacturing facilities located in Las Vegas, Nevada; Sydney, Australia and Manchester, United Kingdom.



**Image:** Sarah Williamson & Emily Matthews from the Gaming People Capabilities Team took a few hours out in the local community to support the "Little Lot" allotment community garden project.

## Responsible product lifecycle management

**All Light & Wonder gaming machines are made with recycled or recyclable materials. We have reduced the quantity of machine components and transitioned (where possible) to off-the-shelf parts, making it easier for us to refurbish decommissioned machines or salvage parts.**

In 2023, we reclaimed \$12.8 million in materials from decommissioned machines — a 27% increase from the previous year. Any material returned to us that could not be reused was recycled by certified companies. We have also eliminated unnecessary bubble wrap, foam, paper fill, plastic wrap and strapping in our product packaging.

Energy efficiency is increasingly important to our customers. We have succeeded in reducing the power consumption of our machines and specialist product testing and certification body Intertek labels our machines with its energy efficiency ETL Listed Mark. It also provides us with a product energy efficiency report, which is shared across our markets.

In 2023, we tested a new capability for casinos not operating 24/7 allowing customers to disable machine screens during quieter hours further conserving energy, which we aim to launch globally in 2024.

Product quality and safety is also of vital importance to Light & Wonder. We are proud to align to the key elements of the ISO 9001:2000 standards for quality management. We also maintain a robust Quality Management System designed to meet our internal requirements and exceed our customer expectations.

## Transforming our operations

**We are continuously evaluating our manufacturing and distribution processes to identify areas where we can further minimize our environmental impact. Here are some of the key achievements from 2023.**

### RENEWABLE ENERGY

A new solar power system with battery storage installed at our South African office means the facility is now virtually independent of the national grid, reducing both our carbon footprint and our exposure to power cuts. In addition, our India team funded the installation of solar panels in three government schools.

### FREIGHT OPTIMIZATION

The opening of our East Coast Distribution Hub in 2023 is projected to halve our transport emissions associated with distributing our gaming machines in North America.

### FLEET OPTIMIZATION

Our new Drive Smart program incentivizes members of our U.S. and Canada fleet to adopt fuel-saving driving practices, reducing both emissions and costs. Meanwhile, in the UK, we began using driver tracking software to assign drivers to jobs in a more fuel-efficient way.



# Player

---

RESPONSIBLE BY DESIGN	23
SUPPORTING OUR CREATORS AND SCIPLAYERS	23
RAISING INDUSTRY STANDARDS	23

# Player

**Responsible Gaming is a core part of our approach to deliver world-class experiences that are positive and safe for everyone.**

We operate responsibly and compliantly in hundreds of jurisdictions, following local regulations including the Advertising Standards Authority's guidance in the UK.

## Responsible by design

We've incorporated features into many of our systems, ensuring that gaming is a controlled, positive experience for players. Examples include reducing spin speeds, banning features such as autoplay and introducing digital reality checks to encourage breaks based on BCG guidance in the UK.

Our Pre-Commitment software has been installed in 60 locations across Australia, Canada, the U.S. and New Zealand and it is in place for almost all UK customers. It allows players to set weekly, monthly or annual budgets and track their gaming spend. More broadly, our systems support self-exclusion mechanisms across the world, particularly in the iGaming space where players directly interact with our systems and comply with local regulations around self-exclusion.

## Supporting our Creators and SciPlayers

We host an annual 'Responsible Gaming Month' every September, with company-wide communications that raise awareness of each Creator's responsibility to uphold our Responsible Gaming commitments. Year-round we run education and awareness programs, including promoting BeGambleAware's problem gaming 'Signs to Look Out For' campaign to increase awareness. Creators and SciPlayers can also access resources for help with problematic behaviors through our EAP, with signposting in our offices and on our intranet.



## Raising industry standards

**We uphold 11 Responsible Gaming Principles, which extend across all products and business units and underpin our Global Responsible Gaming Policy.**

- Work with all stakeholders to prevent underage gambling
- Collaborate with other gaming businesses to share knowledge and insights
- Comply with the American Gaming Association's (AGA) Responsible Gaming Code of Conduct for advertising and marketing in all jurisdictions
- Collaborate with regulators in the creation of Responsible Gaming policies
- Integrate current research findings into the development of new products or features
- Support organizations dedicated to helping individuals who experience gaming-related harm or struggle with gaming problems
- Review data and emerging evidence about Responsible Gaming initiatives
- Educate Creators and SciPlayers on Responsible Gaming practices and provide resources to those needing support
- Share data and information about the success, or lack thereof, of Responsible Gaming initiatives
- Continually review player protection measures with industry stewards and regulatory stakeholders
- Collaborate with our operator (casino) customers and industry partners to establish and promote Responsible Gaming best practices

Through our membership or sponsorship of over 20 Responsible Gaming bodies and education organizations, we use our insight to shape Responsible Gaming guidance. For example, our UK Gaming and iGaming divisions were instrumental in helping the Betting and Gaming Council (BGC) develop its first 'Code of Conduct for the Design of Online Games.'



# Corporate Governance

---

LEADING AS RESPONSIBLE CORPORATE STEWARDS	25
ETHICS AND COMPLIANCE	26
SUPPLY CHAIN MANAGEMENT	27
CYBERSECURITY AND DATA PRIVACY	28
BUSINESS RESILIENCY AND CONTINUITY	28



# Leading as Responsible Corporate Stewards

As a global business operating in a highly regulated industry and multiple jurisdictions, Light & Wonder is committed to sound stewardship and high ethical standards that serve the long-term interests of our stakeholders.

## BOARD COMPOSITION

Our **Board of Directors** is made up of individuals with decades of experience across gaming, technology, entertainment, media and finance. The Nominating and Corporate Governance Committee considers the diversity of backgrounds, skills and experience of prospective directors in order to secure effective oversight of the business. As at the end of 2023, six of our nine directors are independent.



The Board is assisted in its oversight duties by four standing committees:

- **Audit Committee**
- **Compensation Committee**

- **Nominating and Corporate Governance Committee**
- **Compliance Committee**

Our Compliance Committee was established in 2023 to help us manage the significant regulatory demands of the gaming industry.



**Image:** L&W's global leaders came together for the Executive Leadership Team offsite, where they dedicated four hours of volunteering time to build water filtration systems for Clean Water Connection. This non-profit delivers clean water resources to developing countries and villages in need. Our efforts and donation to the Clean Water Connection helps to support over 1.72 million people in 51 countries and over 1,200 communities to gain access to safe and clean water.

## THE BOARD'S ROLE IN RISK OVERSIGHT

The CEO and other members of senior management are responsible for managing the company's risk exposure. The Board and its committees are responsible for overseeing these efforts and assessing the company's overarching approach to risk management. This includes ensuring we have sufficiently robust risk and compliance policies and procedures in place to address:

- Operational risks, such as information technology, cybersecurity, personnel and supply chain
- Financial risks, such as financial reporting, valuation, market and liquidity risks
- ESG risks, such as sustainability, social responsibility, diversity, equity and inclusion, management structure, employee compensation and cybersecurity.

The Board exercises these responsibilities at every meeting and through its committees, each of which examines various components of enterprise risk as part of its responsibilities.

# Ethics and Compliance

**Upholding integrity is one of our core values at Light & Wonder, informing the work we do to maintain the trust of our stakeholders, while promoting accountability across the gaming industry.**

Our Code of Business Conduct outlines our core policies on ethical conduct and helps Creators and SciPlayers navigate ethical dilemmas they may come across at work.

In addition, our professional conduct is informed by the following standalone policies, which are publicly available on our anonymous reporting website, EthicsPoint.

All Creators and SciPlayers are required to complete onboarding and annual ethics and compliance training, with modules on our Code of Business Conduct and policies.

While we are not bound by the same anti-money laundering regulations as operators, we monitor transactions and complete required due diligence to help our customers prevent money laundering that may occur through our products.



**In addition, our professional conduct is informed by the following standalone policies, which are publicly available on our whistleblower website [EthicsPoint](#).**

- Anti-Bribery Policy
- AntiTrust Compliance Policy
- Gifts and Entertainment Policy
- Gambling by Employees Policy
- Credit Card Policy
- Substance Abuse Policy
- Non-discrimination and Anti-harassment Policy
- Travel & Entertainment Expense Policy
- Policy Regarding Accounting, Financial & Business Complaints & Concerns
- Securities Trading Policy

## RAISING CONCERNS

We encourage Creators and SciPlayers to speak up if they are concerned about a possible violation of our Code of Conduct or the law. Where employees do not feel comfortable speaking with their supervisor, manager or the Chief Compliance Officer, our third-party [EthicsPoint website](#) provides a channel for anonymous reporting, available in local languages.

As stated in our Code of Business Conduct, no discrimination or retaliation will be tolerated against any person who, in good faith, reports such concerns.

# Supply Chain Management

**Light & Wonder is committed to maintaining a resilient and responsible supply chain that secures the mutual success and wellbeing of all parties.**

Through our internal Supplier Code of Conduct and master services agreements, we strive to ensure all our suppliers understand our requirements in areas including labor, human rights, the environment and health and safety. Our Global Procurement Policy and procedures oblige everyone responsible for overseeing the commercial relationships between Light & Wonder and its suppliers to ensure relationships are held to the highest ethical standards.

In 2023, we surveyed our top 20 direct material vendors as the first stage of a new program to enhance due diligence in our supply chain. These critical suppliers were asked to complete detailed self-assessment questionnaires on a range of indicators including information relating to their human rights' due diligence, carbon footprint and product quality and safety programs. Towards the end of 2023, we conducted on-site audits of our North American critical suppliers to verify the questionnaire responses and request further evidence where appropriate. With the support of third-party auditors, we aim to complete on-site audits of our remaining critical vendors in Europe and Asia in 2024.



## HUMAN RIGHTS

Light & Wonder is unwavering in its zero-tolerance approach to modern slavery (including child labor) and human trafficking in its operations and supply chain.

This is detailed in our Code of Conduct, Supplier Code of Conduct and UK Modern Slavery Act statements, which we file annually in the UK in compliance with the UK Modern Slavery Act 2015. We also file Australian Modern Slavery Statements in compliance with the Australian Modern Slavery Act 2018.

Human rights indicators are a critical part of the due diligence surveys described above, and in 2024 we will develop a dedicated human rights policy to underscore our relentless focus on this area.

## REDUCING RISK THROUGH DIVERSIFICATION

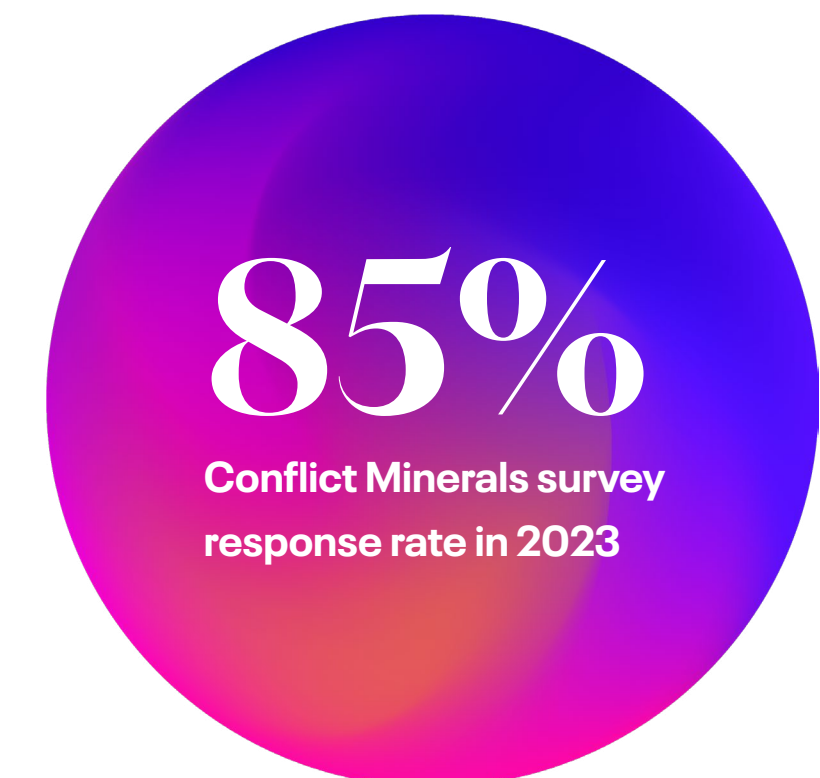
Having learned valuable lessons from global supply chain disruptions during the Covid-19 crisis, Light & Wonder has a policy of maintaining a minimum of two vendors for every product and commodity we source. To further bolster our resilience, we introduced a dual location strategy in 2023 to eliminate our dependence on single regions of the world. Dual sourcing accounted for 93% of our spend on direct material procurement in 2023.

## CONFLICT MINERALS

As set out in our [Conflict Minerals Global Policy](#), we expect all suppliers to support our efforts to avoid the procurement of any minerals that could finance human rights abuses or conflict.

This means completing our Conflict Minerals survey, identifying products they sell to Light & Wonder or its subsidiaries that contain conflict minerals and, where deemed necessary, completing the country-of-origin due diligence certification required by Light & Wonder.

In 2023, our Conflict Minerals survey received responses from 68% of the suppliers we surveyed, which accounted for 97% of the total spend in 2023.



# Cybersecurity and Data Privacy

**Light & Wonder's success hinges on safeguarding our computer systems and data.**

Our information security management system is certified to the ISO 27001 standard and is aligned with the National Institute of Standards and Technology (NIST) framework. Our one business unit that accepts credit cards holds certification to the Payment Card Industry (PCI) Data Security Standard.

All Creators and SciPlayers are required to complete onboarding and annual training on cybersecurity and data privacy as well as monthly phishing simulation tests.

**Other core elements of our information security management program include:**

- Internal and external audits
- Internal and external penetration tests
- Regular tabletop exercises
- Risk assessments at least annually



Customers are informed of any substantive changes related to customer data handling. We are pleased to report that in 2023, we had zero material data breaches, and did not experience any cybersecurity incidents that materially affected or were reasonably likely to materially affect our business.

Our Chief Information Security Officer (CISO) reports quarterly to the Executive Vice President and Chief Legal Officer, who updates the Board quarterly. In addition, the CISO presents to the full Board annually. In 2023, we established a dedicated Disclosure Committee to identify which incidents are material so that these can be escalated to the Board.

All detected cybersecurity threats and incidents are logged and escalated to the CISO and the Disclosure Committee, which includes the Chief Compliance Officer, who report to our Chief Legal Officer.



## Business Resiliency and Continuity

**Light & Wonder has a robust security and operational risk management program to ensure the protection of our work processes, technology, facilities, intellectual properties, brand and stakeholder relations. It is formally reviewed on a quarterly and annual basis by the Board.**

As part of our approach, we have a dedicated crisis management team equipped to handle unforeseen events.

Light & Wonder's global Business Continuity Plan (BCP) ensures the persistence of revenue for our customers across all our product lines. Each plan is connected to a comprehensive crisis management strategy. With an established escalation system in place, we can respond rapidly and effectively to any catastrophic incident.



# Conclusion

At Light & Wonder, we are pleased with the progress we've made to date and excited about the future of our CSR journey. We made significant headway in 2023 across the six pillars of our Game Changers program: People, Community, Planet, Player, Supplier Diversity and Corporate Governance. Establishing an ESG Council, doubling membership of our ERGs and reclaiming \$12.8 million worth of materials from decommissioned gaming machines for refurbishment or recycling were among the many highlights of the year.

Looking ahead to 2024, our efforts will include implementing a centralized ESG data management platform and continuing our on-site audits of critical vendors as well as continuing to build an inclusive culture and promote Responsible Gaming.

We are committed to building on our strong Game Changer foundations and will continue to invest in initiatives that create long-term value for our stakeholders, our industry and the wonderful communities we serve. You can stay up to date on our progress in 2024 by visiting [our Social Responsibility page](#) and we look forward to another year of progress and prosperity.





**LIGHT &  
WONDER™**

[LNW.COM](http://LNW.COM)