

# Ahead of the Game

SUSTAINABILITY REPORT 2019



IGT™





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## Letter from the CEO GRI: 102-14



Dear Readers,

The COVID-19 pandemic has thrown the world into turmoil, and from the beginning, IGT has continued to make the health and safety of all employees our highest priority. While shelter-in-place edicts were issued throughout the world, our business has continued and customer needs are being met. We have adapted by undertaking an unprecedented reorganization of every aspect of daily work. With operations in more than 100 countries, IGT has overcome considerable challenges. Inspired by the commitment, focus, and dedication that our employees at every level

and degree of responsibility continue to demonstrate, we are proud to present our 13th annual Sustainability Report during these extraordinary circumstances.

Pursuing sustainability in business has now taken on a broader meaning for IGT during the pandemic. As you will see in this report, our commitment to our employees' well-being, high standards of integrity and ethical conduct, diversity and inclusion, and professional development are constantly improving our company from within.

As part of our sustainability strategy, player protection



remains a joint responsibility between IGT and our customers. We fulfill our part by providing increasingly effective global solutions that meet, and often exceed, requirements and recommendations in all the jurisdictions we serve. Responsible Gaming recertifications and positive assessments by the World Lottery Association (WLA) and the Global Gambling Guidance Group (G4), which represent the world's most demanding frameworks, are testaments to IGT's achievements in Responsible Gaming.

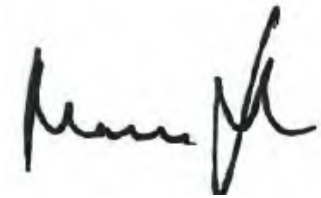
A stronger IGT can provide more support for the

communities where we live and work, and adopt greater initiatives to help protect the environment. Our Diversity and Inclusion Groups (DIGs) are gaining tremendous momentum, with more employees actively engaged in fostering a truly diverse and inclusive workforce. We have reaffirmed our commitment to the United Nations Global Compact network, the world's largest corporate sustainability initiative. With it, we continue to align our strategies and operations with universal principles related to human rights, labor, the environment, and anti-corruption.

A brand represents the value of a promise consistently kept. By constantly pursuing sustainability goals and putting our employees' health and safety at the forefront of our priorities, we build on the strength of the IGT brand. Our promise to our customers is to deliver unrivalled gaming experiences that engage players and drive growth. Our financial value stems from the quality, diligence and discipline we deliver to our stakeholders. Especially in this period of uncertainty during the COVID-19 pandemic, we truly value what we stand for as a company, what makes us who we are, and what really differentiates us in our market.

This will provide direction for our long-term sustainable growth and future success in staying Ahead of the Game.

Sincerely,

A handwritten signature in black ink, appearing to read 'Marco Sala', with a stylized flourish at the end.

Marco Sala  
CEO

International Game  
Technology PLC

## Taking on the Challenge of COVID-19

The COVID-19 pandemic continues to pose an unimaginable challenge at a global level. In a matter of a few weeks, nearly every aspect of daily life was affected. IGT reacted to the situation, adopting measures to help protect the health of its people and operations in more than 100 countries where the Company operates. On top of complying with recommendations and restrictions issued by governmental agencies and public health institutions, IGT successfully implemented flexible work initiatives while maintaining customer service levels.

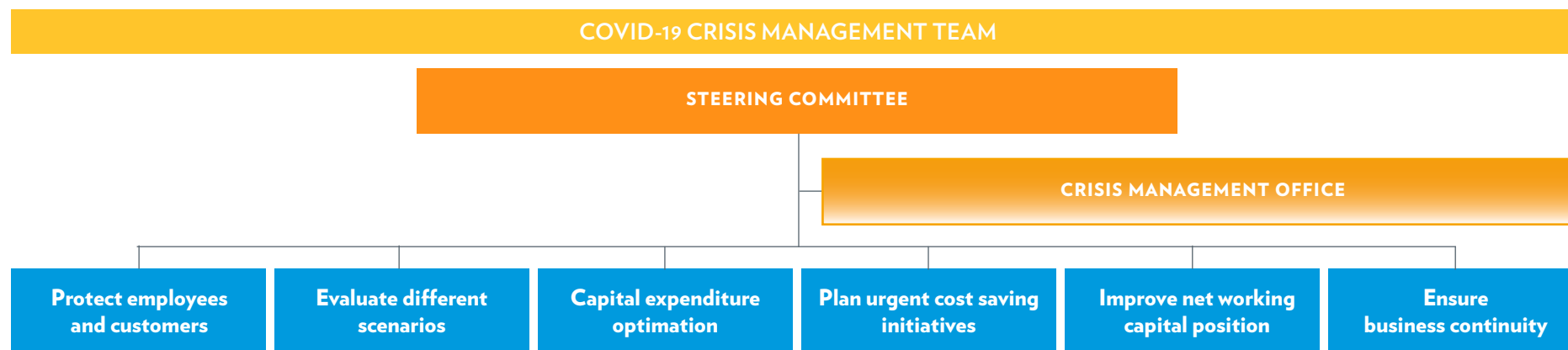
Restrictions combatting the spread of the virus limited the ability of players to access IGT products. In many regions, IGT's offering, or that of its customers, was shut down completely. The resulting impact on IGT operations was substantial, but the Company took steps to manage through the situation while preserving its employees' and customers' physical health.

Since the COVID-19 outbreak, IGT leaders around the globe have focused on employee safety and on business continuity. IGT established a Crisis Management Office

where the steering committee was composed of the entire senior leadership team. Leaders were assigned to focus on various critical areas, meeting regularly and providing updates, which were periodically shared with the Board of Directors and its Audit Committee as a sign of the top-down approach taken by the Company.

A Crisis Management Team is in place to monitor and act as needed. It includes cross-functional senior leaders and other staff empowered to make decisions that best serve the interests of employees, customers and business operations.





## KEY RESPONSIBILITIES

### STEERING COMMITTEE

- **Weekly alignment** to provide **guidance** to Workstreams and Crisis Management Office, and **validate decisions/actions**

### CRISIS MANAGEMENT OFFICE

- **Coordinate and oversee** workstreams actions
- Provide **support** for analyses
- Prepare **material for Steering Committee meetings**

### WORKSTREAMS

- **Identify actions** and **evaluate potential impacts**
- **Interface with Crisis Management Office** for support in initiatives evaluation
- **Interface with Steering Committee** for approval and further guidance

## Health and Safety Measures

IGT instituted travel restrictions with employees' safety in mind, and shifted to remote working situations to the degree that each employee's job allowed. In addition, IGT diligently followed the guidance of the U.S. Centers for Disease Control and Prevention (CDC) and the World Health Organization (WHO) in its decisions. Across all locations, the Company increased cleaning routines and ensured that additional disinfectant products were available to employees. One of the task force's first steps was to increase janitorial staff in large office locations. This additional staff wipes down commonly used surfaces on a regular basis, and will be maintained as

needed to complement the Company's existing policies and procedures to ensure sanitary working conditions. While not all locations have on-site janitorial staff, local leaders procured cleaning and disinfecting supplies and encourage everyone's participation in keeping their workplace to a high level of cleanliness.

To keep employees informed, IGT has launched a COVID-19 information portal accessible through the OnelGT.com employee intranet. The portal includes global guidance and site guidance, along with information from the CDC, such as COVID-19 fact sheets and prevention tips. It also

includes an exposure plan, with instructions on when and how to use face coverings and a process flow for closing contaminated sites.

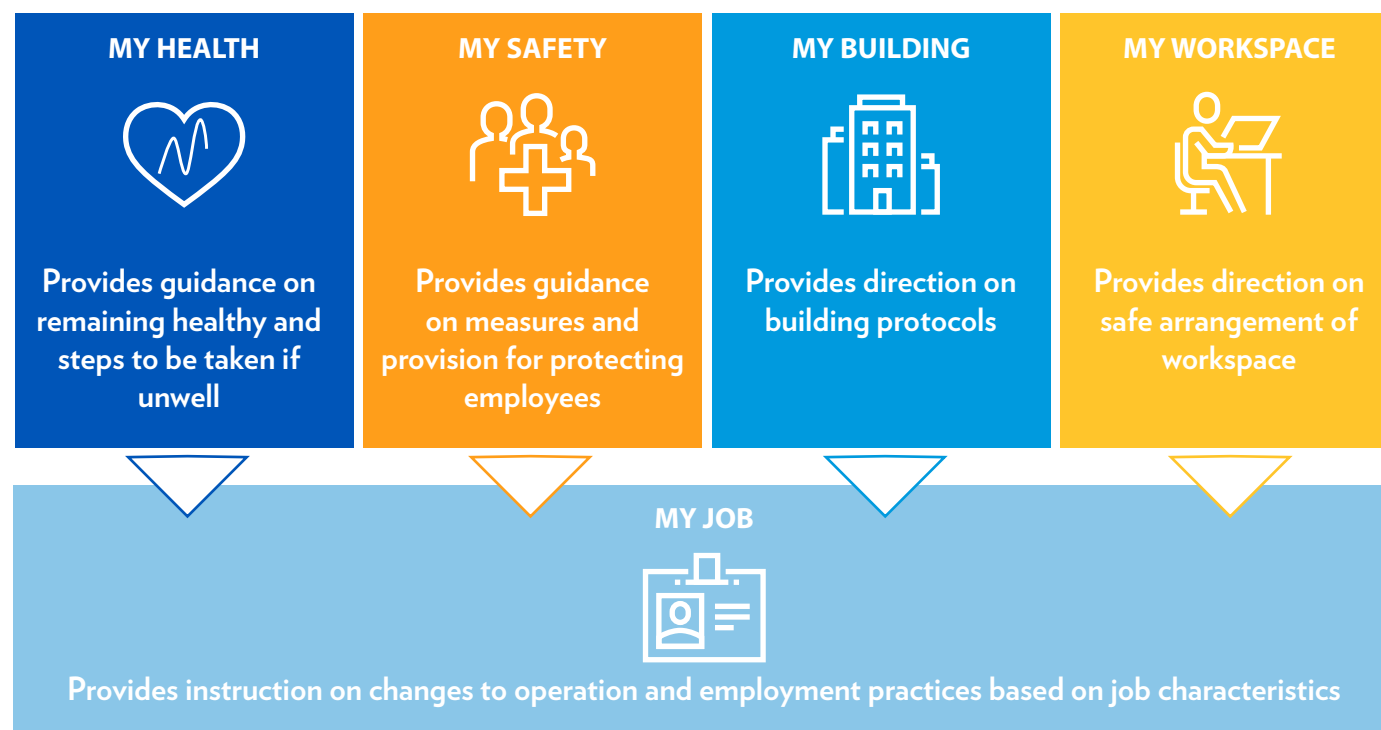
As country and city guidance can change daily, IGT frequently updates the portal. The goal is not only to ensure employees are up-to-speed on corporate and local guidance, but that they can see how colleagues in locations around the world are communicating with each other. In such a dynamic and fluid situation, sharing best practices is valuable as the Company strives to keep all employees safe, prevent the spread of COVID-19 and continue business operations.

All information in IGT's COVID-19 Exposure Response Plan aligns with guidance from the CDC and the WHO, and regular updates are made based on revised guidelines from each organization. The global framework is intended to provide some company-wide consistency and best practices and is not intended

to supersede directives issued by other countries or local governments. Local country guidance drives local decisions, and all employees are expected to comply with such orders.

In a matter of weeks following the outbreak, nearly all employees representing sales teams, call centers and corporate support functions were working virtually, while those who must work on-site in data centers, manufacturing spaces and depots were operating under strict safety protocols. On May 6, 2020, the China Research and Development Center in Beijing welcomed back employees for the first time in approximately three months, implementing measures to protect employees' wellbeing. Soon after, a centralized team of leaders from business units worldwide established the way employees would work going forward. The group assembled the following global framework to help manage these staggered, multi-phased transitions, beginning exclusively with essential personnel.





While a number of countries and U.S. states have relaxed restrictions on public gatherings, all employees who can work virtually continue to do so as part of IGT's overarching goals to protect staff, prevent the spread of COVID-19 and maintain business operations. Only those employees who cannot work virtually and/or are essential to the operation of an IGT location can return to their physical work

environments, and they can only do so in compliance with safety protocols mandated by local government agencies and IGT.

Furthermore, IGT is exploring gaming machine changes to improve player safety and mitigate the threat of the virus on gaming floors, and making customers aware of how products can be used to support gaming operations under social

distancing guidelines. The IGT ADVANTAGE™ casino management system is already equipped to facilitate cashless and reduced-contact play. While IGT's Mobile Responder technology is typically used to alert technicians of equipment issues, it can be used to alert casino staff of areas in need of cleaning. It is difficult to predict exactly how the COVID-19 outbreak will reshape casino

operations in the days, weeks and months to come, but the Company is well-positioned to anticipate and possibly inspire future trends.

### Employee Support

To stave off the virus' spread, many IGT employees in offices around the world are working virtually. Disruptions to a routine can be uncomfortable, and IGT is ensuring employees are familiar with all the resources available to them for dealing with stress and anxiety during this situation.

To that end, all IGT employees in the U.S., and anyone living in their households, have access to IGT's Employee Assistance Program (EAP). Employees in the U.S. can explore the program's Live and Work Well portal, which offers webinars for dealing with stress and coping with traumatic events and a video highlighting how to protect from COVID-19. There is also a coronavirus-specific toll-free emotional support line with crisis-licensed therapists.

To help employees cope with the disruption of work routines and remain productive, IGT has made WorkVirtual@IGT general guidance and learning resources available through OneIGT.com. The site includes tips on how to normalize the new work environment, create community through technology, use communication channels effectively, ensure inclusion in a virtual environment, establish expectations for working from home, and be intentional in staying connected. In addition, IGT has made “Employee Connections” available to employees, which are virtual learning sessions on a variety of topics like physical, emotional and financial wellness.

## The Impact on the Business

As most casinos and gaming halls closed in March 2020, and as countries began implementing stay-at-home orders, revenues from both gaming and lottery were adversely impacted. IGT implemented business continuity plans grounded in clear priorities along three main dimensions: people, costs, and liquidity. All actions were guided by the principles of protecting the health and safety of IGT people, its customers, and the communities where the Company operates.

IGT business contingency plans enabled the Company

to maintain high customer service levels around the world. In a period where many stepped back, IGT stepped up for its customers, helping them contend with the current environment and prepare for their businesses to re-open.

Although IGT enjoys a resilient, diversified business model, due to a large, geo-diversified revenue base and resilience in lottery, evident in wager trends, the Company converged on a disciplined cost management approach focused on structural changes to drive permanent savings. Business resilience and management’s steering capabilities have led IGT to a liquidity position capable of buffering against an economic downturn, with ample resources expected to cover maturities through the foreseeable future.

Cost initiatives have included temporary labor cost measures and reduction of discretionary expenses. Senior leadership team members agreed to base salary reductions for two quarters beginning

April 1, 2020. Business Unit CEOs each took 50% reductions, while executive vice presidents and senior vice presidents (SVPs) on the senior leadership team were given 30% pay reductions. SVPs outside the senior leadership team were also given 30% base pay reductions, and all vice presidents took 20% reductions. Directors and senior directors had either received a 10% reduction in base salary or were included in specific short-term work furloughs as adopted by the countries where they lived and worked. As some IGT business activities were paused, the Company implemented some employee furlough programs, and pay and hour reductions for some employees below the director level. These measures were decided in accordance with local labor laws, trade union contracts and collective bargaining agreements. In addition, funding for the 2020 short-term incentive program (STI) was cancelled.

## HIGHLIGHTING BRIGHT SPOTS THROUGHOUT THE COMPANY

*To open a communication channel with all employees worldwide, IGT created “Bright Spots”, a weekly online magazine highlighting news throughout the Company, including ways in which employees are working with one another and customers.*



## Recovery Perspectives

After the initial phases of shutdown and gradual re-opening, many countries are expected to enter the recovery phase — a “new normal.” This phase will require ongoing agility, and IGT aims to leverage its investments in innovative systems solutions and digital capabilities.

As challenging as the 2020 operating environment has been, IGT believes that it is well-positioned to emerge from the crisis a stronger, leaner, and more competitive organization. A solid balance sheet foundation provides the Company with significant liquidity and flexibility to manage the impact of the pandemic, and the diversity of businesses across geographies and products provides a high degree of stability and predictability to results.

## RESUMING WORK IN ITALY

Lottomatica in Italy published an online brochure that includes measures for the gradual resumption of work activities. In addition, the Company established a Regulatory Protocol, with security measures related to activities at Lottomatica headquarters in Rome, Italy. Anyone who will be present at the headquarters will be expected to fully comply with the protocol, working space rules, and all instructions on the doors of each room related to use of workstations. The protocol requires that upon employees’ first return (only for 25% of the employees) on June 3, 2020, they had to fill in and deliver to reception a “declaration of access to the location,” and withdraw the Personal Protective Equipment (PPE). No-one had been allowed to enter the building without management’s approval. A daily temperature screening is mandatory prior to accessing the headquarters.

## RESUMING WORK IN RENO

Given the easing of restrictions across the State of Nevada, the Company adopted some new measures for accessing IGT’s Reno sites. All employees had to continue working from home unless management determined that their presence was required in the office via an approval process. This continued cautious approach ensured the safe and continued operation of critical business activity that could only be performed on site. No-one had been allowed to enter the building without management’s approval. A daily temperature screening is mandatory prior to accessing any portion of IGT’s Reno sites. Safety measures adopted on site included washing hands, wearing masks, maintaining appropriate social distance from colleagues; and occupancy restrictions were put in place in common areas like break rooms.

While IGT is accustomed to working with government customers and regulators, the ongoing pandemic is redefining these relationships. Traditionally, IGT partners with governments on issues impacting operations or innovation opportunities. As of today, the Company continues to focus on immediate government actions affecting its ability to emerge from this crisis in a position of strength.

IGT is a diverse organization, and diversity’s power is significant. PlayDigital’s business, for example, is growing amid the outbreak, thus positively compensating less-performing business areas due to the closure of gaming halls and retailers, and consequently helping IGT’s overall business recovery. IGT’s digital solutions extend across lottery, gaming, and sports betting, representing one of the most comprehensive digital content portfolios in the world with more than 180 game themes that serve operators and players in nearly 30 countries.

IGT regularly updates its business continuity plans to cater for worst-case scenarios, where a primary and a back-up data center could be simultaneously quarantined. Furthermore, the COVID-19 Crisis Management Office is working on scenario planning that will present IGT's market projections, and the Company is identifying opportunities for the gaming industry to address evolving player and customer needs. IGT is also conducting internal workshops examining expected consumer changes post-COVID-19, and their potential related impact.

Unlike lottery, which remained mainly operational amid the pandemic, casinos and gaming halls in some of the world's leading markets temporarily closed. On June 4, 2020 however, Las Vegas and Reno, Nevada, welcomed players back to their gaming

facilities in accordance with lifted government restrictions. Similarly, operators in New South Wales (NSW), Australia, opened their doors on June 1, 2020. The famous draw-based game in Italy "Il Gioco del Lotto" reopened on May 4, 2020 following the shutdown on March 22, 2020.

The casino systems support group leveraged its customer portal to provide operators with educational reopening material such as guides for processing expired player tickets and how to troubleshoot server issues triggered during extended closures. Meanwhile, the global order management scheduling installation services team created and distributed letters highlighting how operators should go about reactivating electronic equipment and when to do so ahead of reopening activities, among other helpful information.

## SUPPORTING CUSTOMERS IN RE-OPENING OPERATIONS

*Casinos in North America closed in a hurry, but IGT's casino systems support services group wanted to make sure each facility was ready to safely reopen when the time arrived. To that end, the team created a wide variety of educational materials for customers and regulators. Overall, the resources were aimed at proactively preparing casinos for technical challenges, such as processing expired customer tickets and troubleshooting server issues due to the pandemic-induced closures, and technical support queries such as how operators could process customer play slips that expired during pandemic-induced closures.*

*They also provided guidance on how customers who shut down their systems for security purposes could work with auditors and regulators to address compliance requirements.*

*IGT published its materials on the IGT Systems Customer Portal, often used by customers worldwide for technical support requests and knowledge articles. Interest in the documents was immediately apparent, with a 63% spike in traffic over the first month of casino closure. Team members complemented their educational efforts by hosting four virtual learning sessions in mid-to-late April, 2020. More than 600 customers and employees attended the events, with two sessions engaging 96% of invitees.*

# Brand Blueprint >

## Vision

Driving the global gaming entertainment industry for player engagement and growth.

## Mission

Leading the global gaming entertainment industry by focusing our innovations in content and platform technology around delivering an outstanding player experience.



## One IGT

Celebrating unity and diversity in our portfolio and our people.

## Player-Centricity

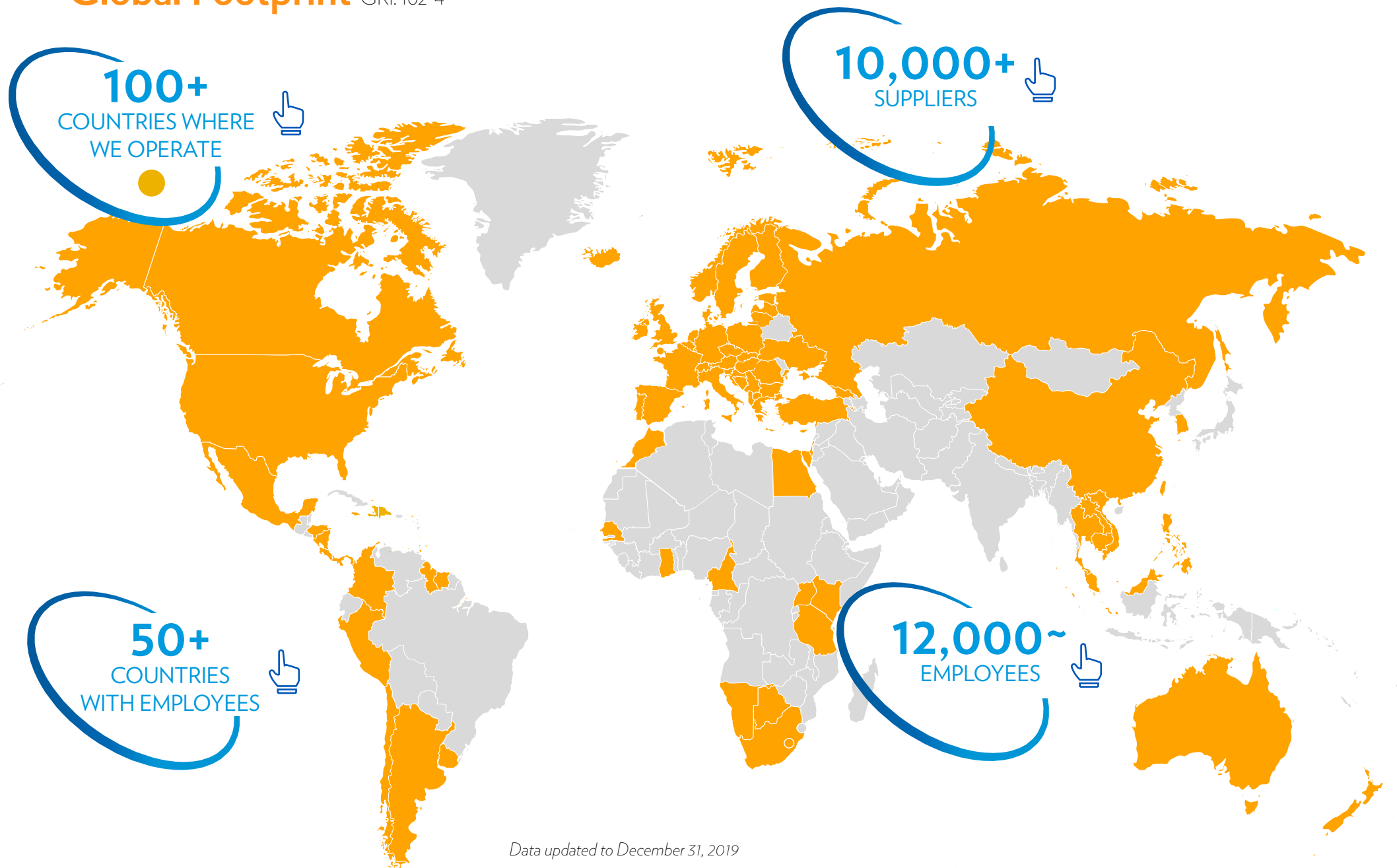
Focuses and connects our B2B and B2C businesses to ensure long-term success.

## People First

Customers, employees, players, shareholders, partners, governments and communities.



## Global Footprint GRI: 102-4



Data updated to December 31, 2019



# 1

ABOUT IGT



*IGT's Sustainability efforts not only continue to amaze me, but they feel rooted in who we authentically are as an organization. I appreciate that these efforts seem to be developed with careful planning, hard work and purpose.*

Brittany D'haenens  
Senior Brand Manager  
Indianapolis, IN, U.S.



# About IGT

## Profile GRI: 102-3; 102-7

International Game Technology PLC (the Parent), together with its subsidiaries, is a global leader in gaming that delivers entertaining and responsible gaming experiences for players across all channels and regulated segments, from Gaming Machines and Lotteries to Sports Betting and Digital.

The Company is headquartered in London, with principal operating facilities located in Providence (Rhode Island, U.S.), Las Vegas (Nevada, U.S.), and Rome (Italy). Research, development, and product assembly are mostly centralized in North America. The Company

had approximately 12,000 employees at December 31, 2019.

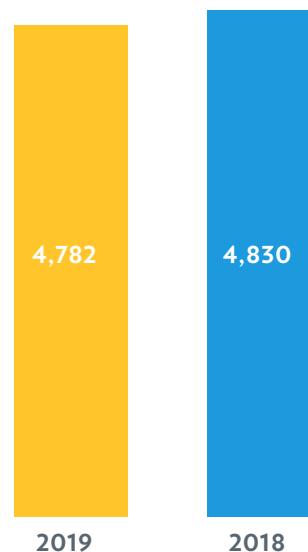
As of December 31, 2019, the Company was organized into four business segments, which were supported by corporate shared services: North America Gaming and Interactive (NAGI), North America Lottery (NALO), International, and Italy. As of July 1, 2020, a new organizational structure has been implemented, focusing on two business segments: Global Gaming and Global Lottery<sup>(1)</sup>.

(1) For further information, please see <https://igt.gcs-web.com/all-news>.

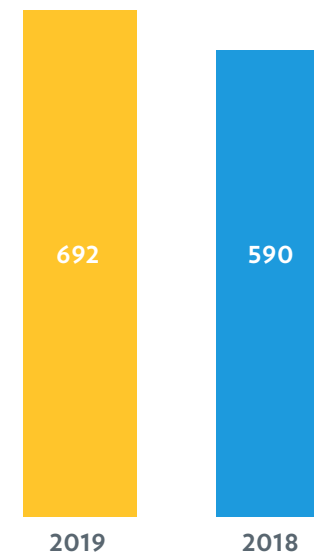


## FINANCIAL HIGHLIGHTS

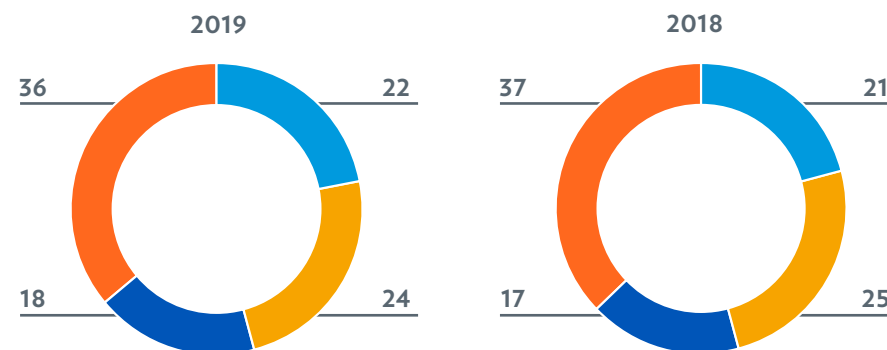
### REVENUE (US MILLIONS \$)



### OPERATING INCOME (US MILLIONS \$)



### COMPANY REVENUE BY SEGMENT (%)



■ North America Gaming and Interactive (NAGI)
 ■ North America Lottery (NALO)
 ■ International
 ■ Italy

Leveraging compelling content, substantial investment in innovation, player insights, operational expertise, and leading-edge technology, the Company's solutions deliver unrivaled gaming experiences that engage players and drive growth. The Company has a well-established local presence and relationships with governments and regulators in more than 100 countries around the world, and creates value by adhering to the highest standards of service, integrity, and responsibility.

The Company operates and provides an integrated portfolio of innovative gaming technology products and services, including lottery management services, online and instant lottery systems, gaming systems, instant ticket printing, electronic gaming machines, sports betting, digital gaming, and commercial services.

## Governance GRI: 102-18

International Game Technology PLC is a company organized under the laws of England and Wales and qualifies as a foreign private issuer under applicable U.S. securities laws and the listing standards of the New York Stock Exchange (NYSE).

As of December 31, 2019, IGT's Board of Directors consisted of 10 directors, seven of which were determined by the board to be independent under the listing standards and rules of the NYSE, as required by the Parent's Articles.

At December 31, 2019, the directors, certain senior managers and the senior consultant are as set forth as follows<sup>(2)</sup>:

(2) For the updates occurred on the composition of the Board of Directors after Dec. 31, 2019, please see <https://igt.gcs-web.com/board-directors>.

For the updates occurred on senior managers and senior consultants after Dec. 31, 2019, please see <https://igt.gcs-web.com/management>.



Lorenzo Pellicoli (*)	Chairperson of the Board; Non-executive Director
James F. McCann	Vice-Chairperson of the Board; Lead Independent Director; Non-executive Director
Paget L. Alves	Independent Non-executive Director
Alberto Dessy	Independent Non-executive Director
Marco Drago (*)	Non-executive Director
Heather J. McGregor	Independent Non-executive Director
Samantha Ravich	Independent Non-executive Director
Vincent L. Sadusky	Independent Non-executive Director
Marco Sala	Executive Director and Chief Executive Officer
Gianmario Tondato da Ruos	Independent Non-executive Director
Renato Ascoli	Chief Executive Officer, North America
Walter Bugno	Chief Executive Officer, International
Fabio Cairoli	Chief Executive Officer, Italy
Fabio Celadon	Senior Vice President, Gaming Portfolio
Mario Di Loreto	Executive Vice President People & Transformation
Scott Gunn	Senior Vice President of Corporate Public Affairs
Wendy Montgomery	Senior Vice President of Global Brand, Marketing and Communications
Alberto Fornaro	Executive Vice President and Chief Financial Officer
Robert Vincent (**)	Chairperson of IGT Global Solutions Corporation

(\*) Mr. Pellicoli and Mr. Drago are the chief executive officer and chairperson of the board, respectively, of De Agostini S.p.A., the controlling shareholder of IGT.

(\*\*) IGT Global Solutions Corporation is the primary operating subsidiary for the Company's U.S. lottery business. Mr. Vincent's title is honorary and he serves as a senior consultant to Mr. Sala and the rest of the Company's senior leadership team.

All board members have business and governance competencies, with a general understanding of environmental and other social responsibility matters as a result of their significant, long-standing positions and commitments at IGT or at other organizations that have a significant impact on consumer/community habits and behaviors (including as CEOs and/or founding members of relevant organizations).

IGT PLC's Board of Directors is the Company's highest governance body. All Environmental, Social, and Governance (ESG) matters are delegated to the Nominating and Corporate Governance Committee. The Board of Directors performs an annual review of economic, environmental, and social topics and their impacts, risks, and opportunities through the Nominating and Corporate Governance Committee's review

of the corporate social responsibility program described in the Company's Sustainability Report (audited by a third-party firm) and presented to the committee by the Senior Vice President of Global Brand, Marketing, and Communications.










The Audit Committee is responsible for assisting the board's oversight of, among other things:

- the integrity of the Parent's financial statements and annual reports;
- the Parent's compliance with legal and regulatory requirements;
- the independent registered public accounting firm's qualifications and independence; and
- the performance of the Parent's internal audit function and independent registered public accounting firm.

Each member of the Audit Committee must meet the financial literacy qualifications requirement as interpreted by the board in its business judgment, or must become financially literate

## COMMITTEES

IGT's Committee structure features an Audit Committee, a Compensation Committee, and a Nominating and Corporate Governance Committee (as of December 31, 2019)<sup>(3)</sup>.

	Audit Committee	Compensation Committee	Nominating and Corporate Governance Committee
Paget L. Alves			
Alberto Dessy			
James F. McCann			
Heather J. McGregor			
Samantha Ravich			
Vincent L. Sadusky			
Gianmario Tondato Da Ruos			

 Chairperson  Member

within a reasonable period of time after his or her appointment to the Audit Committee. In addition, at least one member of the Audit Committee must have accounting or related financial management expertise, as the board interprets such qualification in its business judgment.

The Audit Committee has no due diligence process implementation role but rather a due diligence

process oversight role. IGT's enterprise risk management is the responsibility of the Audit Committee, upon delegation by the board. The Audit Committee usually reviews three times a year (one of which during a dedicated session):

(3) For the updates occurred on the committee structure and membership after December 31, 2019, please see <https://igt.gcs-web.com/committees>.



- 1) the main risks potentially affecting the ability of the Company to achieve its strategic targets, including the likelihood and the severity of each identified risk;
- 2) the resulting initial magnitude of each such risk;
- 3) the mitigating actions adopted or identified by the Company; and
- 4) the residual magnitude of each identified risk, stating whether such level of residual risk is appropriate in relation to the relevant strategic target.

The purpose of the Compensation Committee is to discharge the responsibilities of the board

relating to compensation of the Parent's executives and directors. The Compensation Committee is responsible for, among other things:

- producing a report of the Parent's remuneration policy and practices to be included in the Parent's U.K. annual report, and ensure that it is approved by the board and put to shareholders for approval at the annual general meeting in accordance with the Companies Act 2006;
- reviewing management recommendations and advising management on broad compensation policies such as salary ranges, deferred compensation, incentive programs, pension, and executive stock plans; and
- reviewing and approving goals and objectives relevant to the

CEO's compensation, evaluating the CEO's performance in light of those goals and objectives, and setting the CEO's compensation level.

The Nominating and Corporate Governance Committee is responsible for, among other things:

- identifying individuals qualified to serve as directors, consistent with criteria approved by the board;
- reviewing the size, composition and leadership of the board;
- overseeing, at least annually, the evaluation of the performance of the board and each board committee, as well as individual directors where appropriate; and
- overseeing management's corporate social responsibility program and giving due consideration

to environmental and social matters that could impact the Company, the environment or the communities in which the Company operates.

With regard to the processes for consultation between stakeholders and the highest governance body on economic, environmental, and social topics, IGT is implementing shareholder outreach programs and website functions where shareholders and employees can ask questions to senior management. Answers are then summarized and reported to the Board of Directors and/or Nominating and Corporate Governance Committee. In most cases, there is no direct consultation between stakeholders and the Board of Directors or committees, but rather, feedback is gathered from stakeholders by senior management and this is fed back to the board and/or Nominating and Corporate Governance Committee.



# 2

## ACTIVITIES



Over the years we have seen some visible changes, and I believe that the greatest changes are taking place at a deep level such as work processes.

Simona Fazion  
External Relations Senior Specialist  
Rome, Italy



# Activities

IGT is a world leader in one of the most heavily regulated industries with operations in 100+ countries. The regulatory framework is made more complex when differences between jurisdictions come into play. Furthermore, laws and regulations constantly evolve according to societal pressures and economic and governmental requirements. Staying ahead of the game requires an authentic determination to abide by laws and regulations of all jurisdictions. It is the essential foundation for business activities designed to meet governments' and customers' needs, most of whom are primary economic players in their respective fields.

That is why providing products

and services to customers who are serving a vast pool of players represents a tremendous challenge that must be met in multiple languages and time zones. Customers have the pulse of their markets and know what local players want, and are advancing requests and suggesting upgrades at increasingly higher speed. In such a dynamic yet rigidly regulated business, reaction time and innovation can make the difference.

## **Regulatory Framework and Regulatory Changes** GRI: 103-3

The gaming and lottery industries are some of the most highly regulated and monitored businesses in the world, wherein

the public interest must prevail over many other interests. In safeguarding such public interest, governments, regulatory bodies, and local governmental organizations play a key role according to primary legislative objectives: legality and public security, protection of consumers and fair competition, maintaining public safety, and financial and tax compliance. Proper regulatory oversight also ensures that government authorities collect the appropriate amount of gaming tax revenues to fund important government-sponsored programs and good causes.

Gaming laws are based on declarations of public policy designed to ensure that gaming is conducted honestly,

competitively, and free from criminal and corruptive elements. Public policy can be defined as a system of laws, regulatory measures, courses of action, and funding priorities concerning a given issue promulgated by a government. IGT is actively engaged in the public policy arena as it relates to most gaming issues. Public affairs and government relations are essential to IGT's interests because the Company conducts business with governments and government-regulated gaming entities.

While the regulatory requirements vary in each jurisdiction, the majority typically require some form of licensing or regulatory suitability of operators, suppliers, manufacturers, and distributors, as well as its major shareholders, officers, directors, and key employees. Regulators review many aspects of an applicant, including financial stability, integrity, and business experience. Additionally, the Company's gaming products and technologies require certification or approval in most jurisdictions where IGT conducts business.

GOVERNMENT RELATIONS LIFECYCLE IN A PROCUREMENT

Public policy draws heavily on government relations, and IGT approaches each opportunity and public policy issue differently. In a lottery procurement situation, there is typically a cycle as illustrated below. Government relations at IGT does not take a one-size-fits-all strategic approach to issues involving gaming and public policy. The intersection of government, politics, and gaming can be nuanced. The best way to develop the opportunity for enhanced partnerships is to build relationships and foster a reputation by hiring local people who know and live in the day-to-day environment of a particular jurisdiction.



A comprehensive network of internal and external resources and controls is required to achieve compliance with the broad governmental oversight of the Company’s business. IGT has a robust internal program to ensure compliance with applicable requirements imposed in connection with gaming and

lottery activities, as well as legal requirements generally applicable to all publicly traded companies.

IGT believes that most consumers who enjoy betting would stop participating in illegal markets and choose to wager in a safer, legal, regulated, and transparent environment if given

a competitive and convenient option. IGT seeks to ensure the integrity of wagering through state licensing and regulation.

As with all its products, IGT also works toward obtaining the necessary oversight to protect consumers from fraud

and provide the necessary rules and consumer protections to help guard against problem gambling.

The Company holds over 450 gaming licenses across approximately 340 jurisdictions. Key regulatory authorities that have licensed the Company include the United Kingdom Gambling Commission, the Nevada State Gaming Control Board and the New Jersey Division of Gaming Enforcement. The Company has never been denied a gaming-related license, nor have any of its licenses been suspended or revoked.

IGT complies with substantial oversight by specialized lottery authorities and related government agencies. In some instances, regulators not only govern the activities within their jurisdictions, but also monitor IGT activities in other jurisdictions to ensure compliance with local gaming operating standards on a global basis. For the purpose of reporting on regulatory changes, this report focuses on the Italy and U.S. regions, because they represent the most significant markets to IGT.



## United States

In 2019, nine states (Colorado, Illinois, Indiana, Iowa, Michigan, Montana, New Hampshire, North Carolina, and Tennessee) plus the District of Columbia enacted sports betting legislation. At the end of that year, there were 14 states that had operationalized single bet games in the U.S. As the market continues to open and the sports betting landscape expands, IGT is well-positioned to capture sports betting opportunities and help mitigate the illegal sports betting market in the U.S..

On January 14, 2019, the U.S. Department of Justice (DOJ) reversed its previously issued opinion that the U.S. Interstate Wire Act of 1961, which prohibits several types of wager-related communications over a wire communications facility, was

applicable only to sports betting. This 2019 Opinion, as it was dubbed, interprets the Wire Act as applying to other forms of gambling that cross state lines, though the precise scope of the 2019 Opinion is unclear, and the DOJ has not yet addressed how it plans to enforce the Wire Act in light of the 2019 Opinion. For IGT, this interpretation impacts the configuration of all its systems and communications networks in the U.S.. The New Hampshire Lottery Commission and certain private parties commenced litigation in federal district court in New Hampshire, challenging the 2019 Opinion.

On June 3, 2019, the U.S. District Court for the District of New Hampshire ruled in favor of the plaintiffs and determined that the Wire Act applies only to sports betting and related activities (the “NH Decision”). The NH Decision also set aside the 2019 Opinion.

On August 16, 2019, the DOJ appealed the ruling in First Circuit Court of Appeals. and oral arguments were heard on

June 18, 2020. It is unclear when the DOJ will conclude its consideration of whether the Wire Act applies to State lotteries and their vendors, or whether other courts would come to the same conclusions set forth in the NH Decision.

## Italy

The “Budget Law” for 2019 published in December 2018 and the “Decree for basic citizens income” issued in January 2019 settled new rules and new taxation levels for gaming products. The following were established:

- the minimum level of payouts for gaming machines for Amusement With Prize (AWP) electronic gaming machines must be higher than 68% of the wager, and for Video Lottery Terminals (VLT) must be higher than 84% of the wager;
- new technical rules for the production of remote-gaming AWP introduced

recording, storage, and sharing of opening hours data with authorities;

- one-year extension of the deadline for issuing new, AWP (until December 31, 2019) and dismantling old AWP (until December 31, 2020);
- a tax increase, from January 2019, for gaming machines (combining “Budget Law” and the Decree provisions, a total increase of 2.35% for AWP, and 1.25% for VLTs ), for betting and online games (the “Budget Law” fixed the tax levels at 25% for bingo online and online games, 20% for betting and 24% for betting online, 22% for virtual events) and, from July 2019, a tax increase of the winnings of 10eLotto (win tax fixed up to 11% by the Decree);
- extension of bingo and betting concessions until December 31, 2019 (with annual fee for Point of Sales - POS- terminals extension, from €3,500 to €5,000).

Afterwards, the Law Decree n. 124/2019 (published on October 2019) settled new rules concerning:

- introduction of the gaming operator register controlled by the Italian regulatory body Agenzia Dogane e Monopoli (ADM): the registration will be mandatory and the introduction of the new register will be effective subject to the executive Decree to be issued by the Ministry of Economy and Finance;
- further extension of bingo and betting concessions until December 31, 2020 (with annual fee for betting shops from €6,000 to €7,500 and for corners from €3,500 to €4,500);
- one-year extension of the deadline (until December 31,

2021) for replacing old AWP's with new remote AWP's;

The budget law for 2020 issued on December 2019 (Law n. 160/2019) settled new rules for:

- the new gaming machines tender to be issued within December 2020 for the assignment of new gaming machine concessions (nine years):
  - n. 200,000 AWP rights (minimum bid offer of 1.800 euro/AWP right);
  - n. 50,000 VLT (minimum bid offer of €18,000/VLT right);
  - n. 35,000 AWP Point of Sales rights (minimum bid offer of €11,000/AWP Point of Sale right);
  - n. 2,500 VLTs Point of Sales rights (minimum bid offer of €35,000/VLT right);
- the new online gaming tender to be issued within December

2020 for the assignment of the new 40 online gaming concessions (nine years) with a minimum bid offer of €2,500,000/concession.

- new taxation levels for Prelievo Erariale Unico (PREU tax):
  - AWP: 23,85 % of the wager until December 31, 2020 and 24,00% of the wager starting from January 1, 2021;
  - VLT: 8.50% of the wager until December 31, 2020 e 8,60% of the wager starting from January 1, 2021;
- the minimum level of payouts for gaming machines for AWP's electronic gaming machines must be higher than 65% of the wager, and for VLTs must be higher than 83% of the wager;
- increase of winning tax for VLTs (20% of the price amount over €200 euro starting from January 15, 2020) and for Gratta e Vinci (20% of the price amount over €500 starting from March 1, 2020)

On March 26, 2019, the Bank of Italy issued new provisions on organization, procedures and internal controls aimed at preventing the use of intermediaries for money laundering and terrorist financing. Such provisions align Italian domestic legislation with European legislation. The provisions introduce the requirement of conducting a self-assessment of money laundering risks to which the Company could be exposed; the self-assessment on the money laundering risk to which the intermediary is exposed, must flow into the Annual Report of the Anti-Money Laundering Function and sent to the Bank of Italy. They also define a policy that outlines the choices regarding organizational arrangements, internal procedures and controls, and proper verification and retention of data. Given the impact on internal activities and procedures, LIS IP S.p.A (now merged in CartaLIS IMEL S.p.A.) and CartaLIS IMEL S.p.A. have initiated a series of changes aimed at implementing the new provisions mentioned above.

On July 30, 2019, the Bank of Italy issued the “Provisions on customer due diligence for the fight against money laundering and terrorist financing” which recipients must adopt beginning Jan. 1, 2020. The provisions give effect to:

- customer due-diligence forecasts as included in Decree n.231/2007, amended by Decree n.90/2017; and
- the Joint Guidelines of the European Supervisory Authorities issued on June 26, 2017, on simplified and reinforced measures regarding customer due diligence, and on the factors that credit and financial institutions should take into account when assessing the risks of money laundering and terrorist financing associated with individual ongoing relationships and occasional transactions.

The Decree no. 125 of October 4, implements the European Union Directive 2018/843 (V Directive anti-money laundering) relating to the prevention of the use of the financial system for the purposes of money laundering or terrorist financing.

The regulatory framework for the identification and definition of minimum requirements for an integrated and homogeneous risk system is mainly represented by the provision of the Bank of Italy issued on July 23, 2019, “Supervisory provisions for payment institutions and electronic money institutions” and subsequent amendments and additions.

### Products and Services

IGT has five broad categories of products and services: Lottery, Machine Gaming, Sports Betting, Digital, and Commercial & Financial Services.

The following provides a general overview of the Company’s products and services as of

December 31, 2019. For a more detailed description of activities and customers, please see the Company’s Annual Report and Accounts 2019, available at <https://igt.gcs-web.com/>



### Lottery

The Company supplies a unique set of lottery solutions to more than 100 customers worldwide, including to 37 of the 46 U.S. lotteries. Lottery customers frequently designate their revenues for particular purposes, such as education, economic development, health care, and tax relief.

Lottery services are provided through operating contracts, Facilities Management Contracts (FMCs), Lottery Management Agreements (LMAs), and product sales contracts. In most jurisdictions, lottery authorities award contracts through a competitive bidding process.

IGT designs, sells, leases, and operates a complete suite of point-of-sale machines that are electronically linked with a

centralized transaction processing system that reconciles lottery funds between the retailer and the lottery authority.

The Company also develops new lottery games, licenses new game brands from third parties, and installs a range of new lottery distribution devices, all of which are designed to drive responsible same-store sales growth for its customers.

In connection with its delivery of lottery services, IGT actively advises its customers on growth strategies. Depending on the type of contract and the jurisdiction, the Company also provides marketing services, including retail optimization and lottery brand awareness campaigns.

The Company leverages years of experience as the exclusive licensee for the Italian Il Gioco del Lotto, one of the world’s largest lotteries. This B2C expertise in Italy, which includes management of all activities along the lottery value chain, allows the Company to better serve B2B customers around the world.

#### FACILITIES MANAGEMENT CONTRACTS

The majority of the Company's revenue in the lottery business comes from operating contracts and FMCs which typically require the Company to design, install, and operate the lottery system and retail terminal network. Under a typical FMC, the Company maintains ownership of the technology and equipment, and is responsible for capital investments throughout the duration of the contract, although the investments are generally concentrated during the early years.

The Company generally provides its lottery customers retailer terminal and communications network equipment through operating leases. In return, the Company typically receives fees based on a percentage of the sales of draw-based and/or instant ticket games. In limited instances, the Company provides instant tickets

and online lottery systems and services under the same FMC.

The Company's revenues from operating contracts and FMCs are generally service fees paid to IGT directly from the lottery authority based on a percentage of such lottery's wagers or ticket sales.

#### LOTTERY MANAGEMENT AGREEMENTS

A portion of the Company's revenues are derived from LMAs. Under an LMA, the Company manages the lottery customer's core lottery functions, including the lottery systems and the majority of the day-to-day activities along the lottery value chain. LMAs also include a separate supply agreement where IGT leases certain hardware and equipment, and provides access to software and support services. IGT's revenues from LMAs are based on achievement of contractual metrics

and, with respect to the supply agreements, are generally based on a percentage of wagers.

In 2019, IGT had LMAs in Indiana and New Jersey operating as IGT Indiana and Northstar New Jersey, respectively.

#### INSTANT TICKET PRINTING CONTRACTS

As an end-to-end provider of instant tickets and related services, the Company produces high-quality instant ticket games and provides ancillary printing services such as instant ticket marketing plans, graphic design, programming, packaging, shipping, and delivery services. Instant tickets are sold at numerous types of retail outlets, and most successfully in grocery and convenience stores.

Instant ticket contracts are priced based on a percentage of ticket sale

revenues or on a price-per-unit basis. Government-sponsored lotteries grant printing contracts on both an exclusive and non-exclusive basis where there is typically one primary vendor and one or more secondary vendors.

#### PRODUCT SALES AND SERVICES CONTRACTS

Under product sales and services contracts, the Company sells and installs turnkey lottery systems or lottery equipment, provides related services, and licenses related software. In most instances, the lottery authority maintains responsibility for lottery operations. IGT sells additional machines and central computers to expand existing systems and/or replace existing equipment and provides ancillary maintenance and support services related to the systems, equipment sold, and software licensed.

## Machine Gaming

IGT designs, develops, assembles and provides cabinets, games, systems and software for customers in regulated gaming markets throughout the world under fixed fee, participation, and product sales contracts. The Company holds more than 450 global gaming licenses and does business with commercial casino operators, tribal casino operators, and governmental organizations (primarily consisting of lottery operators).

### GAMING MACHINES AND GAME CONTENT

IGT offers a diverse range of gaming machine cabinets from which land-based casino customers can choose to maximize functionality, flexibility, and player comfort. In addition to cabinets, the Company develops a wide range of casino games taking into account local jurisdictional requirements, market dynamics, and player preferences. The Company combines elements of math, play mechanics, sound, art, and technological advancements

with a library of entertainment licenses and a proprietary intellectual property portfolio to provide gaming products designed bring forth a high degree of player appeal and entertainment.

The Company offers a wide array of casino-style games in a variety of multi-line, multi-coin and multi-currency configurations. The Company's casino games typically fall into two categories: premium games and core games.

Premium games include:

- Wide Area Progressives: games that are linked across several casinos and/or jurisdictions and share a large common jackpot, including The Wheel of Fortune® franchise; and
- Multi-Level Progressives: games that are linked to other games within the casino itself and offer players the opportunity to win different levels of jackpots, such as Fortune Coin™ Boost.

Core games, which include video reel, mechanical reel, and video poker, are typically sold and in some situations leased to customers. The Company produces other types of games including:

- “Centrally Determined Win” games, which are games connected to a central server that determines the game outcome;
- Class II games, which are electronic video bingo machines that are typically found in North American tribal casinos and certain other jurisdictions like South Africa; and
- random-number-generated and live dealer electronic table games, including baccarat and roulette.

Gaming service revenue is primarily generated through providing premium game content and cabinets on short-duration leases to customers. The pricing of these arrangements is largely variable where the

casino customer pays fees to the Company based on a percentage of amounts wagered, net win, or a daily fixed fee for use of the game content, cabinets, and related support services. Machine gaming product sales revenues are generated from the sales of land-based gaming machines (equipment and game content), systems, component parts (including game conversion sales), other equipment and services.

### VIDEO LOTTERY TERMINALS (VLT) AND AMUSEMENT WITH PRIZE MACHINES (AWP)

The Company provides VLTs, VLT central systems and VLT games worldwide. VLTs are usually connected to a central system. In addition, the Company provides AWP and games to licensed operators in Italy and the rest of Europe. AWP are typically low-denomination gaming machines installed in retail outlets.

With respect to the Company's machine gaming licenses in Italy, the Company directly manages



and controls stand-alone AWP's, as well as VLTs that are installed in various retail outlets and linked to a central system. The Company also provides systems and machines to other machine gaming licensees, either as a product sale or with long-term, fee-based contracts where the service revenue earned is generally based on a percentage of wagers, net of applicable gaming taxes.

#### CASINO GAMING MANAGEMENT SYSTEMS

IGT offers a comprehensive range of system modules and applications for all areas of casino management. Gaming systems products include infrastructure and applications for casino management, customer relationship management, patron management, and server-based gaming. IGT ADVANTAGE® is the Company's primary casino management system offering solutions and modules for a wide range of activities, from accounting and payment processing to patron

management and regulatory compliance.

IGT ADVANTAGE® features customized player messaging, tournament management, and integrated marketing and business intelligence modules that provide analytical, predictive, and management tools for maximizing casino operational effectiveness.

The IGT ADVANTAGE® portfolio also extends to encompass mobile solutions including a cardless and cashless loyalty option for casino players, as well as mobile technology that drives efficiencies and enables floor monitoring for operators while decreasing response time to player needs.

#### Sports Betting

In Italy, the Company is a licensee for the operation of direct-to-consumer retail and internet-based sports betting. Specifically, the Company:

- operates an expansive land-based B2C sports betting network through its "Better"

brand on a fixed odds or pari-mutuel basis;

- establishes odds and assumes the risks related to fixed-odds sports contracts;
- collects the wagers; and
- makes the payouts.

The Company offers Italian consumers betting on sports events, motor sports, non-sports events connected with the world of entertainment, music, culture, and current affairs of primary national and international interest, as well as virtual (computer-generated) events. The Company also provides sports betting technology and management services to licensed sports betting operators in eleven states in the U.S. The Company does not operate direct-to-consumer sports betting in the U.S.

IGT offers a combination of technology and services to U.S. licensed sports book operators in each state where sports betting is legal. The offering might be different in each market to comply

with local regulations and market conditions. The Company currently packages services in two ways:

- "software as a service" solutions offering modular services hosted and maintained in each U.S. state or tribal jurisdiction where sports betting is legal; and
- "turnkey" managed service solutions that combine the Company's end-to-end sports betting management technology with a portfolio of value-added services including offer management, patron support, payments, fraud management, and other advisory functions to support operations by land-based, digital and omni-channel sports betting operators.

The Company also manufactures and sells a range of retail point-of-sale products for use by its sports betting customers in the U.S., which includes a variety of self-service kiosks and over-the-counter betting solutions.

## Digital

Digital gaming and lottery (or iGaming) enable game play via the internet for real money or for fun (social). The Company designs and distributes a full suite of configurable products, systems, content and services and holds more than 20 licenses that authorize the provision of digital gaming products and services worldwide.

In Italy, the Company is both a complete internet gaming operator, and a mobile casino, sports betting and poker operator. The Company's digital products include poker, bingo, and online casino table and slot games with features such as single and multiplayer options with branded titles and select third-party content. The Company provides social casino content as part of a multi-year strategic partnership with DoubleU Games.

IGT's complete suite of PlayLottery solutions, services, and professional expertise allows lotteries to fully engage their players on any digital channel in regulated markets. The Company's iGaming systems and digital platforms offer customers an integrated system that provides player account management, advanced marketing and analytical capabilities, and a highly reliable and secure payment system.

IGT Connect™ integrates third-party player account management systems, third-party game engines, and regulatory systems. The Company also offers a remote game server, which is a fast gateway to extensive casino and eInstant content, and digital and social gaming services that enhance player experiences and create marketing opportunities around either the Company's games or third-party games.

## Commercial and Financial Services

The Company, through its subsidiaries (LIS S.p.A. and CartaLIS IMEL S.p.A.), develops innovative technology to offer commercial and financial services over their existing lottery infrastructure or over standalone networks separate from the lottery. Leveraging its distribution network and secure transaction processing experience, the Company offers through its subsidiaries (LIS S.p.A. and CartaLIS IMEL S.p.A.), high-volume processing of commercial and financial transactions including prepaid cellular telephone top ups, bill payments, e-vouchers and retail-based programs, electronic tax payments, duty stamps services and prepaid card top ups. These

services are primarily offered in Italy, where the Company's commercial, payments and e-Money services network comprises points-of-sale divided among the primary retailers of lottery products.

## Customers

Customer relationships are the foundation of IGT's leadership. IGT's global values of being responsible, authentic, collaborative, pioneering, and passionate have led to the Company's good standing in the gaming industry, and ensures the Company is aligned around customers' ambitions to help drive responsible growth. IGT serves customers in more than 100 countries, and each customer presents different business needs and goals, diverse cultures, and varying regulatory frameworks. This worldwide experience

provides IGT with a unique understanding of how markets intertwine with global trends, and how it can provide customers with products and solutions that meet their specific requirements.

The Company evaluates markets differently, based on several business-relevant factors, to find those areas where customers' products can drive and support sustainable revenue growth. IGT consistently conducts global research and pilot projects with customers, retailers, and consumers to provide innovative cross-channel products and services. Beyond implementing state-of-the-art equipment and systems, IGT is committed to working with customers to understand their business challenges and design solutions that not only fit their requirements and needs, but also meet their players' evolving tastes.

### Listening to Our Customers

IGT consistently seeks feedback from customers to improve its products and services. Customer Satisfaction Surveys are part of IGT's ongoing efforts to provide best-in-class service to all customers by understanding how well the Company is meeting their needs in specific areas and identifying products and services requiring improvements.

IGT's Marketing Department serves both internal and external customers to provide accurate, relevant product information and brand representation. The organization is located in various markets to serve local needs and provide customized marketing programs and messaging to ensure that marketing is in tune with the local culture and regulations. It works across all IGT products and provides assets for internal departments to best

leverage when speaking of products, tools for the sales team to use during the sales cycle and marketing promotion assets for our customers to be able to provide to players and employees.

IGT hosts and exhibits at a variety of customer events including trade shows to provide service, product and brand awareness and ensure that it is close to its customers to understand their ever-changing requirements. Customer meetings are regularly focused on the value

IGT provides as a partner when communicating new gaming ideas, products or innovation to a market.

The Company consistently provides training across various formats to customers and their customers, the players. Regular in-person meetings at the customer site, at industry events and via IGT sales teams, allow the Company to adjust to the ever-increasing complexity of messaging and marketing programs that customers require. IGT is proactive in terms of



*G2E, IGT booth, Las Vegas, October 2019*

## PERSONALIZED SERVICE TO PREMIER CUSTOMERS

*IGT's Signature Club loyalty program launched in the Latin America and Caribbean region in 2019 and showed how IGT can leverage technology to provide an increased, personalized service to premier customers via an app. The app puts a direct customer contact in the palm of the client's hand to assist with questions ranging from technical service to marketing and sales support.*

pursuing new ways to capture and analyze actionable data to support customers, taking the time to listen and evaluate their businesses from every angle, and taking collective ideas from analysis to action. IGT leverages trade shows as a primary mechanism for connecting with customers and showcasing the latest innovations across all IGT's product segments. Additionally, these events provide a platform for IGT to gain meaningful feedback from customers. Also, IGT participates in many of the tradeshow events that are organized for the gaming industry. In some areas, IGT creates an engaging customer showcase event where it provides local customers with a customized event featuring new product releases and demonstrations, thought leadership seminars and entertainment to allow the industry members to network and share market trends.

Collaboration is one of IGT's core values, and the Company's recurring customer workshops offer a focused and collaborative approach to driving customers'

growth. Each workshop brings together lottery professionals for hands-on working sessions in a business area such as retail, research, or instant, offering a unique

opportunity for peers and colleagues to discuss where the industry is heading and to learn from each other's successes and challenges.

## INSIGHTS EXCHANGE WORKSHOP

Hosted in a casual setting with an agenda structured to facilitate conversation and knowledge sharing, these two-day exchanges enable IGT to listen deeply to customers' needs and serve as a connector, fostering ongoing collaboration between participants over the long term. Among the three international workshops IGT hosted in 2019, the International Lottery Insight Exchange took place in London from September 24-26. Sixteen lottery marketing research leaders gathered with experts to discuss research innovations, challenges, and leading practices

through an interactive format that combined case studies and roundtables. Attendees also learned how player insights can help inform their responsible gaming programs. Mark Griffiths, Distinguished Professor of Behavioral Addiction and Director, International Gaming Research Unit Psychology Department at Nottingham Trent University, discussed problem gambling in lottery games, outlining what lottery operators can do to protect players and minimize harm. Citing a wealth of data from his academic research, he included examples of responsible gaming tools used by some European lotteries that effectively anticipate and prevent problem gambling behaviors.



*Lottery marketing research leaders gathered in late September 2019 to discuss research innovations, challenges, and leading practices at IGT's International Lottery Insight Exchange, held in London.*



Each year IGT hosts a research exchange for the North America lotteries and one for the International lotteries. The North America research exchange took place in April 2019, and the International exchange took place in September of that year. These conferences offer research professionals from the Company and its customers the opportunity to discuss research trends and best practices.

In addition, IGT participates in all major industry conferences and provides industry trade publications to hundreds of employees. These resources regularly include sessions and articles relating to research, player preferences, industry trends, etc.

## INSTANT TICKET WORKSHOP

At IGT's 13th Annual Instant Ticket Workshop in October 2019, digital elstants, also known as Instant Win games, were a key topic, and are gaining greater emphasis as part of participating lotteries' overall instant portfolio. Another highlight was a focus on the Extended Play category. This category started with games such as crossword and bingo, which offer players a higher perceived value due to their extended experience playing the game.



*Representatives from 11 lotteries discussed their instant portfolio successes and challenges at IGT's 13<sup>th</sup> Annual Instant Ticket Workshop in Bratislava from October 1-3, 2019*

## LOTTERY RETAIL WORKSHOP

*Lottery retail managers from around the world joined IGT and a guest speaker from Tesco, the U.K.'s largest retailer, at IGT's Eighth Annual Lottery Retail Workshop in London from April 29 to May 1, 2019. The workshop is designed for lottery retail management to meet with peers and colleagues to exchange learnings, case studies, insights and developments around lottery retail.*

*During the event, 21 participants from 12 lotteries shared their successes and learnings from current retail initiatives, including a discussion about the opportunities and challenges around establishing or updating their in-lane channels. Attendees praised lotteries' ability to speak openly about their challenges and leverage the expertise from attending lotteries to help them solve issues. As a follow up, IGT is planning to organize quarterly calls with lottery customers about topics that they will mutually determine.*

## EUROPEAN LOTTERIES CONGRESS 2019

The theme of the 2019 conference, hosted in Antwerp by Loterie Nationale of Belgium from May 26 to 29, was "The Success of Chance." A total of 62 lotteries comprising approximately 192 delegates attended, along with 53 vendors representing an additional 159 attendees. IGT exhibited in one of the largest booths on the tradeshow floor and had a separate suite with the full complement of product solutions for more extensive and private customer interactions. IGT's booth focused on "The Future Of Connected Play" and consisted of consumer experiences that could be demonstrated to attendees.

IGT took a fundamentally different approach on the tradeshow floor from other exhibitors, who put a substantial quantity of their products in their booth. IGT sought to demonstrate thought leadership and provided a separate venue for quality discussions with customers about products.



### Responding to Our Customers' Needs

Listening to and meeting customers' needs across all the world's time zones is a challenge, because customers differ in terms of size, services required, and status, from state lotteries and regional gaming halls to local gaming retailers and single players. Needs also vary in terms of jurisdiction-specific regulations and agreements at both the national and local levels. While embracing such complexity, IGT has increasingly fine-tuned the organizational aspects of serving customers, pursuing excellence in its processes as well as through its people.

#### IGT FIELD SERVICES

IGT's comprehensive service plan begins with reliable equipment, cutting-edge peripherals, and a robust communications network. Our Global Field Services organization is unique in the service industry. This is because it offers a turnkey solution by maintaining all equipment, third-party signage and, in some cases, competitors' equipment, from communications devices to terminals along with any other connected device.

The IGT Field Services organization applies three principles to every aspect of its Quality Process to minimize issues and provide industry-leading uptime, whether during normal daily routines or record-breaking jackpots:

- Field Services Standards outline all Field Services Technician (FST) responsibilities and performance requirements, including procedures for performing service visits and preventive maintenance on each piece of equipment serviced by IGT. They also include training for working with peers, customers and third-party resources. Field

Services Standards help every FST provide the highest level of service consistently across the retailer base, regardless of the type of equipment being serviced.

- Performance Levels and Expectations are set according to Field Services Standards, such that staffing levels are reviewed to ensure that customers can rely on adequate in-state staff who are equipped to respond to all service calls in a timely manner. IGT understands the importance of staffing each customer base with an appropriate number of FSTs to match demand.
- Staffing Levels and Performance Measurements are constantly reviewed against statistics and trends to maintain optimal field staffing levels. Field Services leadership measures the performance of each staff member as well as the team to provide guidance and feedback. The local Field Services Management team then provides performance reports to the customer for full transparency and accountability.

IGT's Field Services solution is generally a turnkey operation, where

the following functions are provided as part of a contractual requirement:

- initial installation of games, terminals, network infrastructure and other point-of-sale material;
- ongoing maintenance and technical support; and
- provisioning activities (ongoing installations and removal of equipment).

Resources in North America Field Services include Field Services Technicians, Bench Repair Technicians and Field Services management. North America Field Services supports over one million pieces of equipment, including but not limited to on-counter terminals, satellite communication equipment, and player-facing games. Resources are available to assist with terminal provisioning (installations/removals/relocations), repairs and all maintenance requirements any hour of the day, 365 days a year. In 2019, FSTs completed nearly 1.2 million equipment-related tasks, such as general maintenance, conversions, installations, removals and equipment repair.

## ENCORE BOSTON

*In 2019, IGT supported the opening of the Encore Boston Harbor Casino. This project commenced in early February and required close to five months of Field Services support from the local Rhode Island Field Services team and the Northeast travel team. This large, high-profile casino opening included the physical delivery, installation and configuration of 1,065 IGT electronic gaming machines (EGMs), 28 IGT Dynasty electronic table games (ETGs), and the IGT ADVANTAGE Casino Management System in all 3,158 EGMs and ETGs. The casino opening in late June was on time and very well-received.*

While IGT Field Services strives to manage waste electrical and electronic equipment (WEEE) returns and recycling operations at a local level to limit the need to transport equipment to a central facility, it is still required to process returns through the Reno, Nevada facility. Primarily, operations with limited space or in close proximity of Reno return used equipment for recycling purposes. In 2019, approximately 24,000 pieces of equipment were returned, with approximately 50% being recycled. For 2020, IGT has planned an ongoing initiative to identify additional facilities within a region for accommodating the return/recycling process, which will further reduce the need for transport to Reno.

Lottery customer satisfaction ratings indicate that IGT Field Services produces a high level of

performance at an overall excellent level. In 2019, IGT Field Services achieved its internal target of 98% overall service level (satisfied plus very satisfied customers), which indicates a strong performance in relation to dispatch response times and call handling across lotteries.

The Field Services organization makes employee safety a high priority via annual training, equipment inspections and job task assessments to ensure a safe work environment.

IGT provides all personal protective equipment and related training to its Field Services employees specific to the jobs they perform. Safety leaders are established at each site, as well as at an organization leadership level. To enhance employee safety and training opportunities, key individuals are appointed as regional safety managers.

## TRAINING EXTENSION ON ENVIRONMENT, HEALTH, AND SAFETY

In 2019, IGT Field Services collaborated with corporate Environment, Health and Safety (EH&S), to establish an Occupational Safety and Health Administration (OSHA) 10-Hour Certification Course dedicated to managers and supervisors, which complies with U.S. OSHA Title 29 of the Code of Federal Regulations (29 CFR 1910). The safety topics covered in the OSHA 10-Hour Course include:

- Introduction to OSHA
- Safety & Health Programs
- Walking and Working Surfaces (Ladder Safety)
- Exit Routes, Emergency Action Plans, Fire Prevention Plans & Fire Protection
- Electrical
- Hand and Power Tools
- Personal Protective Equipment
- Hazard Communications
- Ergonomics
- Material Handling, Storage, Use and Disposal

In addition, the Global Field Services Safety Committee (GSSAFE) and EH&S developed a new four-hour safety awareness class for Field Services Technicians, which complements the existing annual training requirement.

IGT's Global Field Services Safety Committee (GSSAFE) publishes a weekly safety tip and monthly newsletter alerting Field Services employees to common and seasonal hazards on the job. Tips and the newsletter are posted on the employee internal social network, Yammer, for all employees to read.

The Field and Gaming teams in the EMEA region provides services which ultimately serve retailers, casinos, bingo halls. The EMEA Field Services organization features approximately 150 Field and Gaming Service personnel as well as over 300 contracted personnel.

The services are tailored to each contract, applying IGT's global best practices to ensure the customers' contractual needs

are met. IGT's service design programs are set up to ensure continuous improvement and development of innovations with beneficial business outcomes. The Company's regional teams have well-defined support processes to provide a seamless and comprehensive supply chain.

In 2019, EMEA Services Technicians responded to over 120,000 site service visits, made over 70,000 repair actions at the repair centers, and EMEA call centers answered 300,000 calls, meeting the contracted service levels in the process. The organization is focused on the "Customer First" experience while maintaining a high level of productivity both in the lottery and gaming arenas. Standards and expectations of service

and employee performance are established not only through employee orientation, but also on an annual basis through performance metrics reviews, customer inquiries, and manager and peer feedback.

The team drives innovation to ensure its services remain competitive and satisfy customers' expectations, especially in the area of technology-driven quality. The Company is investing in new tools to predict issues before they occur using advanced analytics and artificial intelligence. This allows IGT-supplied devices to become more intelligent in self-diagnosis.

The team continues to develop and implement asset management, repair, Field

Services and call center tools. In 2019, this was significantly enhanced to support IGT's call center operations as well as Apple iOS and Android mobile device support. A small team of engineering resources in Poland worked with the business teams to ensure not only the required functionality, but also a robust support and ongoing development structure. The team developed a roadmap for 2020 and beyond, and is planning further updates and upgrades.

Field Services in Italy acts as a central second-level assurance for Lottomatica retailers, field maintenance for venues, and field delivery for network and terminal equipment in the venues.

To continuously improve the level of service by assessing customers' experiences, the day after a Lottomatica technician visit, retailers are asked to express their satisfaction about courtesy, overall service, and the technician's technical and listening skills.

## 2019 CUSTOMER SATISFACTION DATA FOR FIELD SERVICES IN ITALY

	CUSTOMER SATISFACTION ASSURANCE		CUSTOMER SATISFACTION DELIVERY
Global rating	4.5/5	Global rating	3.5/5
Retailers interviewed	33,431	Retailers interviewed	14,937

In 2019, IGT Field Services in Italy reviewed processes and tools to reduce field interventions by increasing complaints resolution from central support, and redesigning the way retailers can get in touch with central support teams for Field Services, both for maintenance and supplies. This enables the digital evolution of point of sale support, through:

- extending the touchpoints, services are provided by leveraging an omnichannel approach promoting self-assistance and proactive notification to become aware of a need for service; and
- leveraging new tools and processes and selected scopes to experiment with new models for field implementation.

The overall target is to let the customer service be effective, timely, proactive, digital, customized, and protective of the environment.

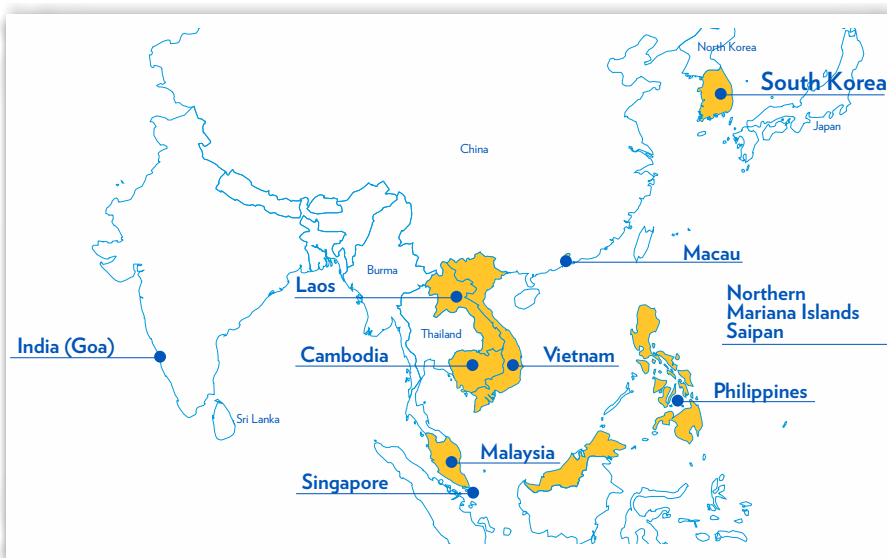
## PROJECT MYSELF FOR B2B CUSTOMER SERVICE

Italian Field Services is piloting an omnichannel evolution of B2B customer service to meet customers' needs and expectations based on rapidly changing habits and emerging digital behaviors. Customer service is a central part in the customer experience; thus, all touchpoints must

be defended, and satisfaction must be gauged. Touchpoints are extended to accommodate support access. The customers' experience is digitalized and self-functionalities are promoted. The ultimate goal is to provide customers with a support service that can be accessed in online self-service mode without precluding a one-to-one interaction with a live operator.

IGT's Field Services team in Australia is experienced in servicing all makes of gaming machines and all gaming systems. With over 67 technicians on the road, IGT covers a range of venues throughout New South Wales. Teams are split by region so that customers work with the same technician every time.

In Asia, IGT's Field Services in 2019 included six technicians providing on-site EGM Field Services support as well as phone and email technical support to customers in over 10 countries/jurisdictions:



#### IGT CONTACT CENTERS

The mission of IGT's Contact Centers is to provide 24/7 business assistance, accurate information, and effective procedural safeguards to all locations where IGT provides this service to its customers. In particular, its mission is to maximize customer satisfaction with a specific focus on both responsible gaming and compliance while ensuring sustainable costs through the identification and implementation of best practices (e.g., streamlined processes, quality management, and common tools).

Contact Centers and dispatch teams in multiple geographic locations provide superior redundancy and disaster recovery capabilities, in addition to offering service in local languages to enhance the customer

experience. This solution has boosted response times and overall customer satisfaction while reducing call volumes.

The Contact Centers track performance daily. In addition to generating various operational reports daily, they hold weekly meetings to review the previous week's performance. Service-

level metrics provide insight into any problems that have occurred in the previous week. The Contact Centers also generate reports to review the year's performance.

#### B2B SERVICES

IGT's Business-to-Business (B2B) Contact Centers provide

assistance in the form of accurate information and effective procedural safeguards to end users of IGT's systems and terminals in retailer locations and casinos. It does this by identifying and applying appropriate optimization in cooperation with areas managed by IGT corporate partners.

### IGT B2B CONTACT CENTERS LOCATIONS AND COUNTRIES SERVED





IGT's National Response Center (NRC) has three hubs supporting all business lines located in the United States (Rhode Island, West Virginia, and Florida). The NRC provides support to lottery retailers for IGT Customers and casino and gaming customers. The center is staffed 24/7/365 days a year to ensure IGT's B2B business has the support to continue lottery and gaming functions. Whether it is a supply or part order, machine troubleshooting or incident support, the NRC has agents available to assist customers' needs. In 2019, the NRC received more than 820,000 retail contacts, 33,700 parts contacts, and 29,300 gaming contacts.

The NRC team supported 39 different countries in 2019. While most support is provided to U.S. customers through the Retail support and Parts order work, the NRC Gaming team does support IGT globally.

The NRC closed 2019 with a center service level of 92.55% in 30 seconds, a 15 second average speed to answer and a 3.56% abandonment rate. These results were achieved through careful coordination with partners across multiple sites and regions. By engaging internal business partners, such as site field staff and account development managers, the NRC can build insight on customers' needs and ensure a focus on both efficiency and effectiveness. The NRC provides the right fit for support of IGT's lottery customers, as shown by the continued recognition at events such as the ContactCenterWorld Americas and global events.

In 2019, the NRC kicked-off a remote worker program. Through careful coordination with both internal and external partners,

## GLOBAL RECOGNITION OF QUALITY SERVICE

On top of obtaining ISO 20000 and 27001 certifications, in 2019 IGT's National Response Center was recognized at local (North/South America) and global levels by ContactCenterWorld, the global association for contact center and customer engagement best practices, with the mission of providing world-class research, conferences, awards, networking opportunities and information on best practices.

### Americas Awards

- Dream Team Award – For excellence in staff investment/development
- Best Help Desk – Gold
- Best Workforce Planning Professional – Gold
- Best Analyst – Gold
- Best Trainer – Silver

### Global Awards

- Best Help Desk – Silver
- Best Workforce Planning Professional – Gold
- Best Trainer – Silver



*Employees at the IGT National Response Center who took home top honors at the Global ContactCenterWorld awards in Barcelona, December 2019*

the NRC was able to establish an environment that can allow for a seamless remote worker experience while maintaining the same level of support and control over the customer experience. Additionally, the NRC opened a site in Jacksonville, Florida.

The International Contact Centers provide a single contact point for customers in EMEA and LAC.

Their capabilities include first and second-line lottery retailer support, including Field Services technical support for retailers. They are supported by a project-oriented team that is focused on the creation of high added values and prides itself on its long-term and highly professional cooperation with all customers.

There are different Contact Center locations to meet

language, client, and privacy regulation requirements, and to ensure close cooperation with other departments, such as Operations and Field Services, which are usually co-located with the Contact Center in the territory where the services are provided, including Poland, Slovakia, Czech Republic, Spain, Turkey, Mexico, Chile, Jamaica, Trinidad and Tobago, Costa Rica and the Dominican Republic. In Italy, the B2B Contact Center serves as a technical and information desk for retailers, and as an outbound and mail management service for Digital and Betting. The International Contact Center's business support varies from country to country, with some specializing in supporting distinctive businesses, from lottery, commercial services to gaming support:

- regional lotteries providing support to their retailers with product information, financial

and technical support as well as dispatching engineering resources to solve technical issues;

- gaming customers providing technical support for customer contracts;
- commercial services with specialized support for the many financial and utility service functions;
- video lottery operation support to provide technical support and coordination for VLT devices and operations.

The Contact Centers' serve as a disaster recovery location or extraordinary circumstance option for other locations. This allows the Contact Centers to maintain service levels according to contractual agreements in any such event.

2019 was a year of major changes in the structure of the EMEA International Contact Center. IGT created a new team in Warsaw, Poland to consolidate and optimize all support services

formerly provided from two locations in the country.

The main goals for 2020 are:

- implementing a knowledge base in all sites;
- standardizing internal reporting, metrics and Key Performance Indicators (KPIs) across all business units;
- unifying the customer service process;
- enhancing call center service tools;
- introducing new customer service channels, making it easier to resolve consumer inquiries more quickly and minimize repetitive inquiries; and
- the evolution of conversational Interactive Voice Recognition (IVR) for materials management and navigation. This improvement gives customers the opportunity to order materials through a voice command prompt.

**B2C SERVICES (GLOBAL CONSUMER SERVICES)**

IGT's Global Consumer Services Business-to-Consumer (B2C) Contact Centers provide 24/7, multichannel assistance to players worldwide, as well as to lottery and commercial partners operating within the entire digital offering – iLottery, sports betting, poker, casino, skill games, bingo, and, in Italy, pre-paid cards – through eight centers in five countries and in three different languages. The centers focus on responsible gaming, compliance, and customer satisfaction, acting as a partner and advisor directly to players where IGT manages the customer base via a lottery contract or commercial license (Italy), and to third-party organizations (e.g., World Lottery Association members in North America) to which IGT provides technology and services.

Organizationally, Global Consumer Services are coordinated via a dedicated team in the Rome office, and rely on local operational sites in the U.S., Canada, and Italy, and through outsourced centers in Romania and Albania. As a core element of its philosophy, management ensures that all Global

Consumer Services employees (part IGT, part outsourced via third parties) are always provided with the best working conditions, from ensuring workspaces are compliant with all relevant regulations to providing up-to-date training.

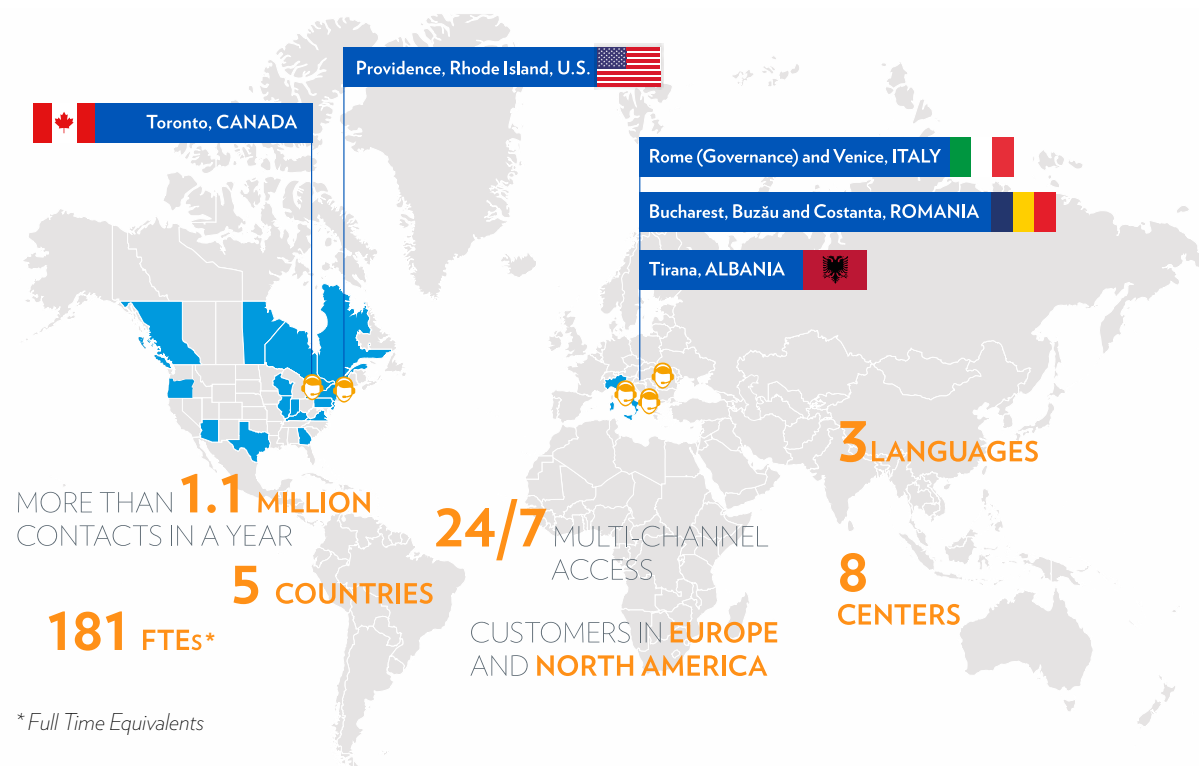
Global Consumer Services consistently measures performance using the same KPIs across each location. In addition to issuing various operational reports, a monthly

report keeps track of each Contact Center's performance and emerging issues. The main indicators include the phone call response rate, chats conducted, and emails sent within a specific timeframe, as well as the rate of incoming issues solved upon reception.

In 2019, all Global Consumer Services Contact Centers handled a total of approximately

1.1 million contacts across all channels (voice, chat, and email). Furthermore, the Global Consumer Services unit measures customer satisfaction by administering surveys to certain customers. Periodically, the IGT audit/control team asks Global Consumer Services to describe the Contact Centers' procedures and show real cases. Additionally, each Contact Center periodically sends reports to all stakeholders that certify control of overall performance.

### IGT B2C CONTACT CENTERS ACROSS THE WORLD



\* Full Time Equivalents

## Leading Innovation GRI: 103-3

IGT is committed to pursuing innovation when developing its products, services, processes, and management across all gaming categories and global markets. The extensive knowledge and experience that IGT has gathered over the years as a leader in the gaming industry allows the Company to deeply understand customers' needs and design turnkey solutions.

Player preferences are constantly evolving across the product, price, place, and promotion marketing mix. IGT follows player trends and general consumer trends through many channels including industry news, industry research, trend reports and player research. Research projects, which range from player focus groups to segmentation studies, help to identify player trends across multiple demographics and player segments that allow IGT to meet the constantly evolving needs of players.

### Lottery Innovations

The time to market for new products requires an advanced

view of what customers will need in the future. IGT tries to focus on meeting those needs rather than just launching new products. It accomplishes this by engaging lottery customers, players and retailers through active communication, and a multi-faceted game planning and development process. Given this approach, IGT can connect the dots across multiple markets and jurisdictions where it works shoulder-to-shoulder with customers to understand needs in the market for products, services and technology.

In 2019, IGT launched Super Ticket™ (its oversized instant ticket format) in New Jersey as the focus of the Lottery's 50th anniversary. This game was the culmination of an intensive collaboration on the game design and play mechanic.

From an operations viewpoint, in 2018 the Instant Product Organization launched an operation-wide improvement plan under the project name LEAP 20 (Lakeland Evolution

Action Plan for 2020). This was a capital-intensive project that required months of scoping and analysis. The project resulted in a top-to-bottom transformation of the instant product operation. The quality improvements realized in 2019 alone covered most of the investment. In addition, the capabilities provided were leading contributors to major contract wins in two U.S. jurisdictions (Mississippi in 2019 and Virginia in 2020).

IGT's instant ticket printing team synthesizes a significant amount of data from multiple jurisdictions in the U.S. and abroad. This provides valuable data on game performance that in turn drives insights into why specific games and game features perform as they have. IGT openly and freely shares this information with customers, helping them deliver better play experiences to their players. Additionally, IGT works with multiple lotteries to conduct player research, such as focus groups, to further expand its collective knowledge of player insights and how this can help shape the industry.

## BEYOND PRINTING: MAXIMIZING EVERY ADVANTAGE ACROSS THE INSTANT CATEGORY

IGT manages the world's largest instant lottery (via Lottomatica) and supports seven of the top 10 instant lotteries around the globe. Customers know about IGT's addition of a state-of-the-art printing press and expansion of the instant ticket printing facility in Lakeland, Florida, but the Company's investments go beyond printing. IGT has invested in teams of people with deep and specialized experience in optimizing instants in everything from press operations and instant ticket sales to working on the lottery-operator side. When it comes to logistics, IGT currently services more retailers and fulfills more instant ticket orders than any other supplier. Instant Advantage™ is IGT's suite of products and services that can be deployed alone or together to optimize a lottery's instants business. In addition, IGT has developed innovative solutions such as Super Ticket™, Crossword Connect™, Glitz & Glam™, and the first-ever instant game with a 3D interactive reveal using augmented reality.



Printing Department, Lakeland

## THE SELF-SERVICE EVOLUTION

Rolling out self-service might seem simple, and IGT does a lot behind the scenes to make it simple for retailers, customers, and players. But there are a lot of different levers to facilitate the optimal, growth-driving solution. More than any one device or feature, what takes self-service to the next level is the partnership between lotteries, retailers, vendors, and the on-site people involved in deploying the right combination of products and services.

Testing with the world's largest retailer moved the needle, validating the potential. And as a result of that trial, the retailer's input, and its own research and development, IGT developed the award-winning GameTouch™ 20, a vending machine now being deployed in more than 70% of the lottery-selling supercenters (WalMart) in the U.S.. IGT had about 1,300 GameTouch™ 20 machines installed in supercenters across 10 states at the end of 2019.



*IGT's award-winning GameTouch™ 20. Recognized for global innovation with the Lottery Product of the Year Award, 12th Annual International Gaming Awards, 2019*

People are encountering digital connectivity in their daily lives more frequently, from cashless payments and data-driven personalization to the use of voice-enabled services and smart home assistants. Along with familiarity comes the expectation that businesses of all kinds provide an ideal, digitally connected experience that serves their needs like never before. To assist lotteries in meeting this challenge, IGT is developing a vision of Connected Play along

with products and services to advance lottery via engagement with digital touchpoints. While lottery is still an analogue journey in many markets, the aim is to help customers prepare for what's ahead and identify the path that lotteries can take to expand and optimize their digital presence.

### Digital Innovations

IGT recognizes that digital is transforming the gaming

landscape, which is why, in 2018, it announced the creation of IGT PlayDigital™, with a formalized team dedicated to customers' digital growth. This new group recognizes the importance of digital for all IGT customers, and is forging new digital opportunities in all areas for all digital products in casino, tribal, lottery, and online gaming, and across all global markets. The PlayDigital brand

represents a unified "digital factory" committed to ensuring faster, more responsive, high-quality deliveries of high-performance games with more innovative features. Later, a PlayDigital group was formed combining product development, technology, marketing and business development, all working in unison to offer a one-stop shop of content, games, platforms and services to the customer.



## A SELF-SERVE SOLUTION TO SPORTS BETTING

*The IGT PlaySports team created several new sports betting products to meet the specific needs of commercial and tribal casino customers. More than 200 PlaySports kiosks deployed in the market at the end of 2019 have helped solve the need of enabling players to place their bets at a kiosk without the need of a teller. The kiosks were created with the bettor in mind to make the process easy and intuitive so that anyone could walk up and place bets on their favorite teams with a few taps. Lines waiting to place bets at counters were minimized so only players who have special needs go to the counter. It also enables operators to take more bets by offering multiple kiosks in key locations all around the property. In-game bets were also made available through the kiosks.*

## ENHANCING THE BETTING EXPERIENCE

IGT PlaySports introduced the innovative CrystalBetting™ Terminal (CBT) in 2019. This was created specifically for commercial and tribal casinos to meet the needs of their VIP sports betting customers. Built as an individual play station, the terminals allow players to place bets pre-game and in-game while watching their choice of live games at the station. The VIP bettor can watch games and never miss a betting opportunity when they are at the CBT. It allows players to enjoy the whole sports betting experience without needing to wait in line at a terminal or kiosk. The CBTs were installed on a trial basis at two Pearl River Resort casinos in Mississippi, increasing in-game betting by 300% during the test.



IGT currently holds one of the world's largest and broadest portfolios of digital gaming products, and the largest patent portfolio. The Company is committed to improving the offering of products and services through the design of technologically advanced systems intended to increase products' security, and new hardware and software to meet the customers' needs and enhance the players' experience.

In addition to creating solutions for new and developing markets, IGT's

## INNOVATING TRAINING

*Training lottery retailers is an important part of the services IGT provides to lottery customers. IGT's global training team provides in-class and on-location training as required in addition to written training documents. To enhance, augment or potentially supplement some of these critical training and re-training efforts, IGT is developing an augmented reality (AR) training application that requires retailers or their staff to simply point their*

*innovation processes encompass the latest technological advances to develop products for new and hard-to-reach demographics. Because only a few U.S. states currently allow full digital lottery products, IGT has developed a unique digital enhancement for lotteries' instant portfolios that encourages players to expand their playing preferences, while also appealing to a new potential player base. Augmented reality-enabled tickets encourage players to connect with their physical scratch tickets in a more digitally inclined world.*

*mobile device at a lottery touchpoint, such as a vending machine. In their field of view, each component of the machine is identified with selectable buttons that can render training videos or other digitally transformed content on how to troubleshoot or operate the machine. Another option presents a virtual 3D model of any touchpoint that can also be placed in real space anywhere, anytime to train. This 3D model plus AR capabilities will also be a great benefit to call center agents who routinely take calls from lottery retailers.*

## AUGMENTED REALITY AND LOTTERY INNOVATION

New lottery retail experiences are being explored, instant ticket games are for sale in some jurisdictions, and retailer training will be enhanced using augmented reality (AR) technology. AR technology can provide engaging and functional 3D experiences in the field of view during a visit to a retail store. The only thing needed is a smart phone. Through an AR lottery app for smartphones that uses the device's camera, "targets" such as AR-enabled lottery signs, touchpoints such as vending machines and products at a local retailer can come to life. This lottery AR concept could add visual, animated experiences

for lottery players at a lottery retail store to market new products and provide game information. For example, if a player wants to know the latest lottery promotion, the user simply points the camera at the lottery promo sign anytime to find information out in an engaging, fun experience. IGT's AR-enhanced instant ticket games present players with two options to reveal the outcome: they can scratch as they would in a typical game or, by scanning with an associated app using their phone, the ticket comes to life in an immersive 3D environment, letting the player reveals the outcome via an engaging, interactive game.

## BIOMETRICS AND LOTTERY INNOVATION

*Biometrics are now ubiquitous worldwide. Examples include security at transportation hubs, financial transactions, and secure access to mobile devices. Digital IDs are a worldwide trend using biometrics for identification and authentication.*

*IGT is working to ensure responsible gaming with the best means possible, while also ensuring player privacy and trust. Age identification is paramount to ensure responsible gaming, since lottery is an age-restricted product. In that vein, IGT has investigated biometric modalities and is currently working with top companies in this field to determine a biometric based capability to insure age-appropriate product sales at self-service lottery touchpoints.*

### Gaming Innovations

IGT established the China R&D Center (CRDC) office in 2009. Currently, there are 260 engineers working on various IGT products including Casino Systems, PlayDigital, the remote games server (RGS) platform, as well as the Nexus and Lighthouse game studios. The CRDC's 10-year anniversary celebration was held on March 21, 2019. Under the theme "Beyond Dreams, Brighten Brilliance," attendees reviewed the achievements of the CRDC over the past 10 years, and employees shared their most memorable moments.

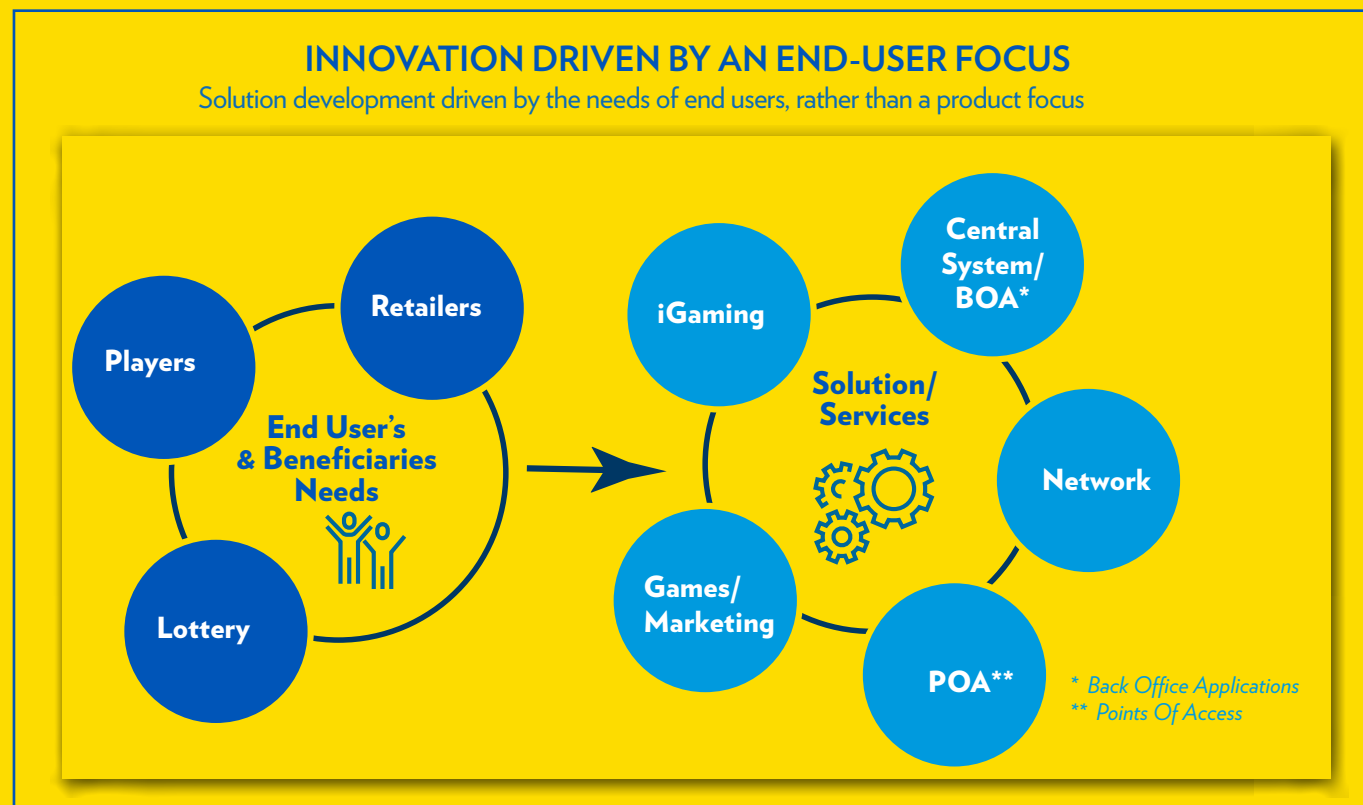
## A DUAL APPROACH FOR RESEARCH & DEVELOPMENT (R&D)

An effective R&D program is based on a process that fuels innovation and provides flexibility to meet changing business needs and evolving technologies. IGT's process is characterized by two important approaches: end-user focus and dynamic R&D portfolio management. The most valuable input comes from

the people who use the equipment and systems every day. The industry has often fallen into the trap of focusing too much on solutions, products, and technology and not enough on the end users (players, retailers, and the lotteries). IGT's focus on the needs and wants of end users leads to insight into potential solutions that span the Company's

entire technical offering. The viewing of R&D from an end-user perspective, as opposed to a product perspective, is unique and allows IGT to provide customers with a distinctive, more beneficial approach to developing innovative solutions during the next one to two decades.

On a bi-annual basis, IGT reviews the entire R&D portfolio to respond to evolving market needs. Monthly reviews are also conducted to assess specific development efforts for progress and incorporation into baseline offerings. IGT's R&D portfolio is thus continually evolved based on a wide range of input, especially from customers.

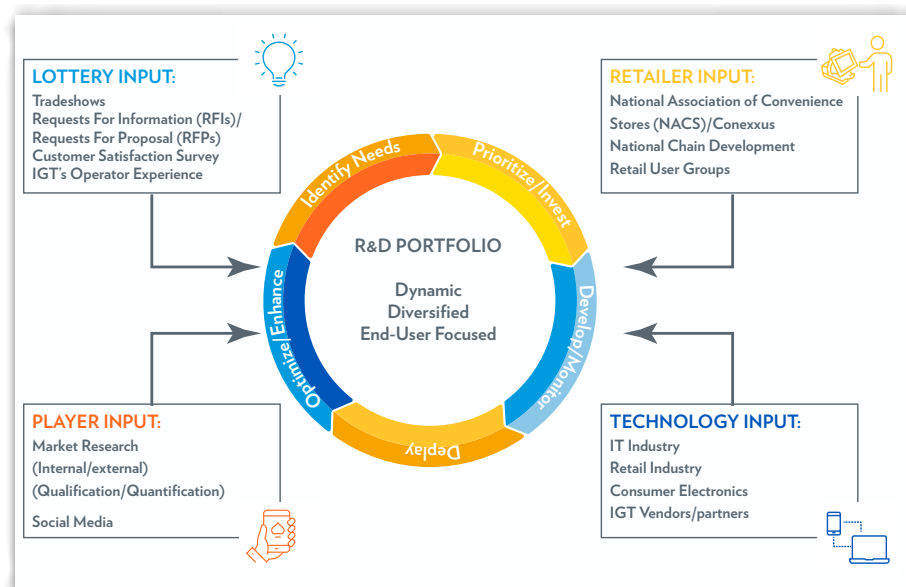


## INFORMATION-DRIVEN R&D

Sound lottery business decisions flow from a singular focus on the consumer and the local-marketplace reality. IGT engages in ongoing gathering of insights and information from beyond the lottery industry. IGT has more than 20 years of involvement with the major retail trade associations.

Participation in these associations enables IGT to keep in front of both retail technology trends, as well as their strategic direction, for the next three to five years, positioning the Company to offer the level of service required by lottery customers. IGT participates in trade shows and events sponsored by the major trade associations in numerous retail channels.

## TECHNOLOGY R&D PROCESS



## IGT'S INVENTION OF THE YEAR: "CARDLESS LOGIN AT TABLE GAMES"

This invention manages player sessions at a table game by using a mobile device. It provides benefits to both the player and casino management by simplifying the process of tracking a player session at a table game by eliminating the need for a physical player card. Instead, a player can begin a tracked gaming session as soon as they are seated by using a mobile device to connect to the table. This increases the value of a player's tracked session. Meanwhile, casino employees save time by not having to initially enter data into the casino tracking system by using a physical player card, and not having to constantly monitor or track player betting patterns to award the correct amount of rewards credits.

IGT selected "Ticket Burster" as runner-up. This allows a single vending machine to dispense lottery tickets of different sizes.

## Network Technology Innovations

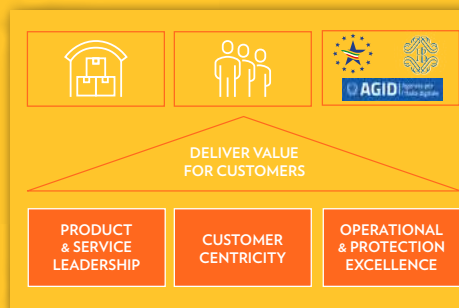
Technology represents a key enabling factor for service provision across highly complex networks. An IT strategy that firmly puts service and customers at the center, allowing the Company to constantly verify current and future needs and anticipate potential opportunities stemming from a technological context under major transformation, is key to success.

Along this direction, Lottomatica is implementing an IT strategy aimed at providing technological ecosystems where all subjects involved in the value chain (institutions, partners, players, points of sale, employees) can enjoy reliable and safe services with highly innovative content that can be accessed in multi-channel mode.

## CUSTOMER-ORIENTED IT GOVERNANCE FRAMEWORK

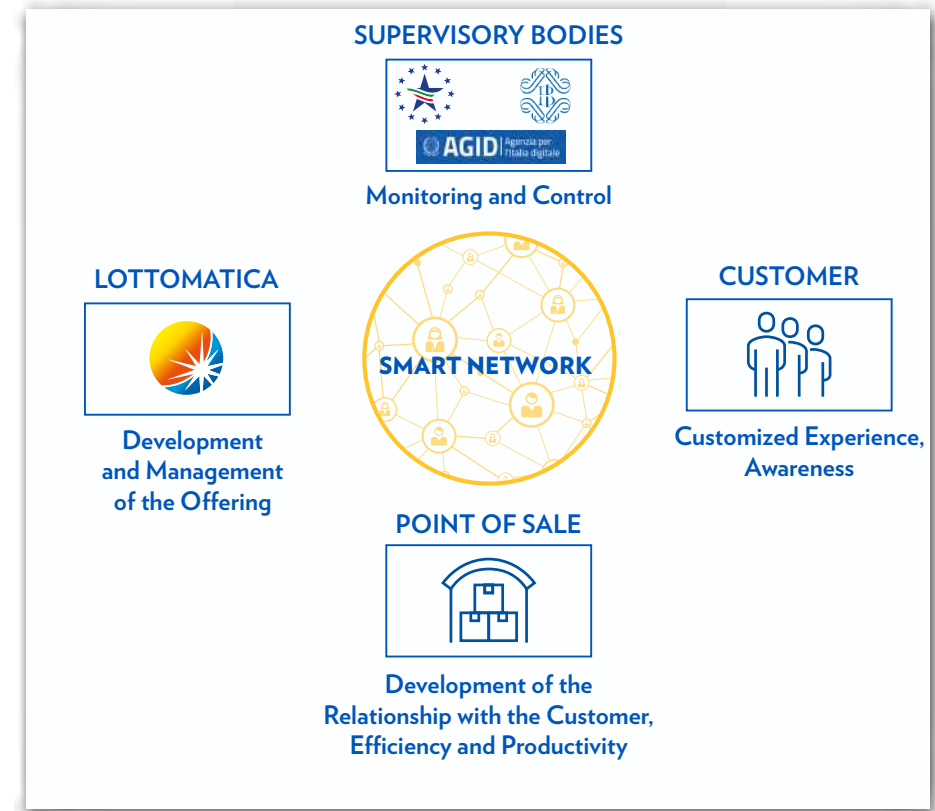
Lottomatica is pursuing the goal of providing innovative services across the entire value chain, by implementing a highly customer-oriented IT governance framework according to three strategic guidelines:

- **Product & Service Leadership:** products and services are constantly innovated, while planning the evolution of short- to mid-term technologies.
- **Customer Centricity:** quick response to the requirements of service users, enabled by the deep understanding of current and future needs.
- **Operational Excellence:** ensuring maximum levels of performance, reliability, and safety to the benefit of the quality perceived by customers and their trust.



Lottomatica believes that the future of goods and services consumption through physical or remote distribution networks will be progressively characterized by smart devices that offer services and content in multi-channel mode. Such devices are already feeding the so-called Smart Network, from which every subject involved in the distribution or consumption of a provided service can benefit by means of new and advanced functionalities increasingly customized to fit specific requirements. Within such network, players establish new digital relationships for the benefit of the entire ecosystem.

Digital devices for the use of services are already a cornerstone in goods and services consumption, which must be considered a “new normal” reality rather than an innovation trend. Mobile devices (e.g., smartphones, tablets, etc.) and wearable devices (e.g., smart watches) are



increasingly integrated in players’ consumption behaviors, enabling new relationship modes.

In 2019, Lottomatica has strongly committed to using the most appropriate tools and channels for maintaining the relationship between brand and players. With the ban on legal game advertising in Italy, players

cannot be easily kept informed. The commitment was focused on:

- promotion of the lotteries’ official channels (the app, in particular); and
- development of contents and functionalities aiming at ensuring correct information, transparency of procedures, and officiality of results.

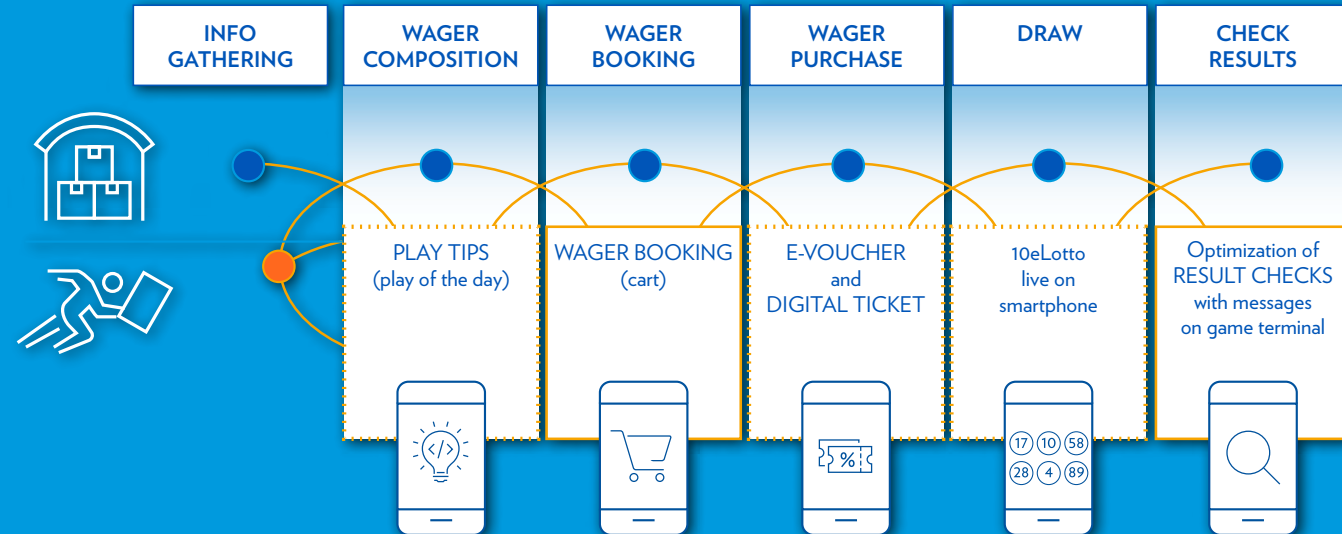


## MYLOTTERIES APP

Considering the synergies between the Il Gioco del Lotto and Gratta e Vinci (scratch tickets) games, in terms of overlapping sales networks and players, and considering the objective of strengthening the image of security and transparency of games to the eyes of players, Lottomatica has launched a single app for all its lottery games. It has identified the single brand MyLotteries, embracing all four games, to introduce players to the concept of an integrated services and game support offering. The new MyLotteries app for smartphones was released on May 19, 2019. MyLotteries identifies not only the app but the entire suite of Il Gioco del Lotto and Gratta e Vinci tools that also allows players to cross-access games and interact with the brands at retailer shops. Since June 2019, Lottomatica has been carrying out a business simulation at 100 points of sale where it installed

a self-service totem dedicated to MyLotteries. Both tools support players in their game experience through a series of specific functionalities and communication sections designed to provide information and game support, including:

- check results;
- draws;
- statistics;
- filling out tickets;
- and
- information.



MyLotteries app is the main enabler of the phygital strategy for lottery players

# 3

## COMMITMENT TO SUSTAINABLE GROWTH





*Sustainability is the mindset that will keep us open to innovative, creative yet professional solutions to all the challenges to come, regardless of them being in a professional, technical or social environment.*

Hugo Bertini  
Quality Assurance Engineer III  
Lisbon, Portugal

# Commitment to Sustainable Growth

Sustainability and Corporate Social Responsibility (CSR) have steadily increased in scope and importance since these concepts entered the public discourse. As a result, international and national authorities have also progressively strengthened their sustainability and CSR commitments. This has led to an increased number of corporations enhancing their commitment to fostering sustainable growth, which has driven worldwide adoption. IGT proudly stands amongst those corporations promoting sustainability and CSR practices and contributing to the achievement of goals that benefit society as a whole.

## Corporate Social Responsibility Priorities and Commitments GRI: 102-11; 102-12; 102-13

As a company operating on a global scale, IGT has embraced sustainability and acknowledges its fundamental principles that guide its actions in the marketplace. The Company has joined the United Nations (UN) Global

Compact, the world's largest corporate responsibility initiative for the development, implementation, and disclosure of responsible corporate policies and practices. Endorsed by several chief executives, the UN Global Compact is a call to companies everywhere to voluntarily align their operations and strategies with 10 universally accepted principles in the areas of human rights, labor, environment, and anti-corruption.

IGT's ongoing pledge to sustainably grow the gaming industry has expanded to include the guiding principles set forth by the 2030 United Nations Agenda for Sustainable Development and its Sustainable Development Goals (SDGs). The agenda, adopted by all UN Member States, provides a shared blueprint for peace and prosperity for people and the planet. At its heart are 17 SDGs, which are an urgent call to action by all countries in a global partnership. Public and private corporations can contribute to the achievement of any number of these goals,

COMMUNICATION  
ON PROGRESS



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.





depending on the scope and field of activity of the corporation. To design an effective plan of action, IGT has identified nine SDGs that the Company can pursue.



*Out of 17 SDGs, IGT has identified nine (in color) that the company can help pursue.*

In 2019, IGT continued a process started in 2018 to set specific targets and initiatives that could be linked to the SDGs within its scope, according to a materiality analysis that takes into consideration stakeholders' expectations. The targets and initiatives are linked to a set of four pillars that represent IGT's sustainability priorities.



## SUSTAINABILITY PRIORITIES



### VALUING OUR PEOPLE

Diversity and inclusion are valued and embedded throughout the organization. IGT is committed to the promotion of equal opportunities. As part of an effort to support talent attraction and retention, the Company offers corporate health and well-being initiatives, while ensuring a path for professional growth that allows everyone to express their potential. IGT firmly adheres to a policy requiring non-discriminatory behaviors. The Company ensures fair labor and favorable working conditions with respect to health and safety standards, along with a strong commitment to the protection of human rights that spans the supply chain.



### ADVANCING RESPONSIBILITY

IGT maintains a long-standing commitment to player protection. This is accomplished through close relationships with customers, gaming regulators, research institutes, and advocacy groups that promote tools to prevent problem gambling. In addition, IGT supports responsible gaming organizations that address problem gambling and prevent underage gambling. IGT's programs and initiatives are developed to emphasize responsible gambling in all stages of the business, from game design to customer training, and to ensure top quality and safety of all products and services. IGT strives to earn and maintain the trust of its stakeholders worldwide through programs and solutions designed to promote fair play and comply with requirements and regulations applicable in all jurisdictions where it conducts business.



### SUPPORTING OUR COMMUNITIES

Community support, through non-profit partnerships and sponsorships, creates value for local communities where the Company operates. IGT promotes education programs, contributes to the development of adequate livelihood opportunities for people living within low-income communities, supports equal access to opportunities, and encourages local economic development. The Company supports its employees' interests in being actively engaged with organizations that align with the Company's overall community support endeavors.



### FOSTERING SUSTAINABLE OPERATIONS

IGT promotes responsible behaviors along the supply chain through the required adherence of suppliers to its Supplier Code of Conduct, which references compliance with regulations on human rights and environmental protection. As far as corporate environmental practices are concerned, IGT carries out programs to reduce emissions and energy consumption and increase energy efficiency, according to a responsible and careful management of manufacturing processes, distribution activities, and material use. The Company also minimizes the impact of waste production, and ensures the efficient use of water.

IGT's approach to its SDG commitment involves seven sub-working groups composed of different departments responsible for analyzing initiatives and defining an action plan.



The **Sustainable Procurement** sub-working group is specifically linked to the protection of human rights within the Company and along the supply chain. This group is focused on promoting measures to fight all forms of discrimination, guaranteeing fair and favorable working conditions and supporting vulnerable groups' rights, such as rejecting forced, undocumented and child labor, and ensuring freedom of association and collective bargaining.



IGT has appointed the **Community Engagement** sub-working group to promote educational programs

in communities where IGT is present, contribute to the development of adequate livelihood opportunities for people living within low-income communities, ensure equal access to opportunities, and encourage local economic development.



The **Diversity and Inclusion** sub-working group is focused on the protection of employees from all forms of discrimination and violence in the workplace, prevention of sexual harassment, and support of equal opportunities, fostering an inclusive company culture that values diversity in all forms.



The **Respect for Human Rights** sub-working group is committed to protecting basic labor rights and ensuring non-discrimination, anti-slavery and

anti-human trafficking in all corporate operations and along the supply chain. The group is also responsible for supporting vulnerable groups' rights, and raising awareness among employees and suppliers about human rights practices within the organization.

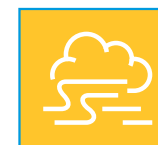


IGT has appointed the **Wellness at Work** sub-working group to ensure the health and safety of all people in the workplace, and to develop a corporate culture that promotes physical and mental health and well-being.



The goals of the **Human Capital Development** sub-working group include the promotion of a full and productive employment environment, the administration of quality education, and development of skills. The group

is also responsible for promoting partnerships with local universities and school through recruitment campaigns, and providing access to internship programs, funding, scholarships, or grants.



The **Environmental Care** sub-working group joins the fight against climate change by improving the efficiency of operations, through the mitigation of pollution generated by air emissions and use of hazardous chemicals, and the more efficient use of natural resources.

By committing to pursue the SDGs, voluntarily disclosing information through the annual Sustainability Report, and addressing specific requests from customers and Environmental, Social, and Governance (ESG) rating agencies, IGT is leveraging the long-standing results of its CSR strategy to strengthen its reputation, improve customers' confidence, and gain a competitive advantage.

## Stakeholder Relationships and Engagement

GRI: 102-40; 102-42; 102-43; 102-44

CUSTOMERS		
ENGAGEMENT APPROACH AND GOALS	ACHIEVEMENTS	COMMITMENTS
<p>IGT operates as a trusted growth partner for customers. Attention and dedication to customers are integrated into strategies to provide prompt and complete assistance.</p> <p>Partnerships with global customers are based on IGT's core values: Pioneering, Collaborative, Passionate, Responsible, and Authentic. This includes fostering a culture of integrity, respect, and excellence over time and through a vast range of integrated services and innovative, technologically advanced products.</p> <p>The ongoing feedback from the customer base and disclosure of their concerns, needs, ideas and suggestions enables IGT to respond to and proactively overcome obstacles, and fully leverage advantages and opportunities.</p>	<ul style="list-style-type: none"> <li>In 2019, IGT rolled out a new Brand Blueprint initiative, which represents IGT's Vision, Mission, Promise, and Purpose.</li> <li>The close partnership with customers helps IGT guide innovation and development. Feedback received through Customer Satisfaction surveys, Customer Advisory Boards and industry events such as tradeshow, conferences and seminars enables the Company to uphold its brand purpose to deliver entertaining and responsible gaming experiences for players everywhere.</li> <li>On top of obtaining ISO 20000 and 27001 certifications, in 2019 IGT's National Response Center was recognized at local (North and South America) and global levels by Contact Center World, the global association for contact center and customer engagement best practices.</li> <li>In 2018, the Instant Product Organization launched an operation-wide improvement plan that required months of project scoping and analysis. The project resulted in a top-to-bottom transformation of the instant product operation. The quality and efficiency advancements realized in 2019 alone covered most of the investment. In particular, project advancement in 2019* resulted in a considerable improvement in Cost of Quality (85%) and a significant reduction in number of complaints (30%). In addition, from an environmental perspective, the project allowed to reduce Make Ready waste on Tresu press (24%), electrical consumption (6%) and VOC emissions (6%).</li> <li>Rolling out self-service requires partnerships between lotteries, retailers, vendors, and the on-site people involved in deploying the right combination of products and services. As a result of retailer input and IGT's own research and development, IGT developed the award-winning GameTouch™ 20 solution.</li> <li>The IGT PlaySports Team created several new sports betting products to meet the specific needs of commercial and tribal casino customers. More than 200 PlaySports kiosks deployed in the market by the end of 2019 have helped solve customers' need to enable players to place their bets at a kiosk without using a large-scale sportsbook.</li> </ul>	<ul style="list-style-type: none"> <li>Integrate customer feedback into IGT's portfolio of products and services by adopting strategies that provide prompt and effective assistance to customers.</li> <li>Offer a vast range of integrated services to improve the way that IGT supports customers and their go-to-market strategies, design and provide solutions that help its customers meet their players' evolving preferences, and integrate digital and traditional channels to offer a wider gaming experience.</li> <li>Enable a continuous cycle of improvement to drive efficiencies, increase lead generation and customer satisfaction, enhance product launches, and advance the IGT brand in the marketplace.</li> <li>Conduct extensive market research through focus groups and game test bank placements to ensure that IGT customers have confidence that the games they are placing on casino floors are Proven Performers.</li> </ul>

\* Advancements have been calculated considering the baseline in 2018

## EMPLOYEES

ENGAGEMENT APPROACH AND GOALS	ACHIEVEMENTS	COMMITMENTS
<p>IGT's employees are collectively the best asset for meeting business challenges in today's gaming market. IGT's overall goal is to increase the presence of underrepresented groups at all levels and create a more inclusive and equitable organizational culture.</p> <p>The Company is committed to creating an engaging employee experience. This is a continuous effort that is fueled by the feedback captured in MyVoice@IGT, the Company's employee engagement survey.</p>	<ul style="list-style-type: none"> <li>• Implemented a Diversity and Inclusion Global Strategic Plan.</li> <li>• Made a substantial investment in employees and managers by introducing Manager Essentials training program. Enrolled executive team members in Harvard ManageMentor leadership training.</li> <li>• Designed and implemented global learning programs including professional and leadership development, global programs focused on career development, and engagement programs to create optimal working environments.</li> <li>• Designed and implemented compensation and benefit programs that help shape the employee value proposition.</li> <li>• Supported direct participation in community development programs that support underrepresented dimensions of diversity.</li> <li>• Managed Diversity and Inclusion Groups (DIGs) as part of a broader infrastructure for diversity inside IGT. These include regional councils, the Global Diversity Council, and D&amp;I Ambassadors.</li> <li>• Established four new DIGs and expanded Women's Inclusion Network (WIN) with IGT by adding four additional chapters *.</li> <li>• Ongoing engagement with organizations that promote diversity and inclusion.</li> <li>• Professional and leadership development for underrepresented employees in the gaming industry.</li> <li>• Selected for inclusion in the Bloomberg Gender Equality Index.</li> <li>• Developed and implemented policy to protect employees' personal data.</li> </ul>	<ul style="list-style-type: none"> <li>• Expand global Diversity &amp; Inclusion operating model to include regional advisory councils and action plans in all regions.</li> <li>• Rebrand and support development and expansion of employee networks.</li> <li>• Enhance talent management processes (acquisition, development, and performance) to improve employee capability and growth, and to support the goal of increasing the representation of women, people of color, persons with disabilities, and those representing additional dimensions of global diversity.</li> <li>• Enrich career and development opportunities at IGT through DevelopMe@IGT and MentorMe@IGT.</li> </ul>

*\*For details on these chapters please see page 70.*

## ENVIRONMENT

### ENGAGEMENT APPROACH AND GOALS

IGT commits to meeting or exceeding applicable environmental legal and certification requirements as part of its promise to achieve environmental sustainability. The Company strives for continuous improvement in its environmental management systems, and reduction of its environmental impact.

### ACHIEVEMENTS

- Maintained existing Environmental Management System (EMS).
- Increased boundaries and accuracy of greenhouse gas (GHG) emission monitoring and reporting through a web-based tool. In 2019, 227 sites have been involved in the data collection, covering 100% of IGT's active locations.
- Implemented green initiatives to reduce electricity consumption\*.
- Received a 2019 Flexographic Technical Association (FTA) Sustainability Excellence Award in the Sustainability Programs category for implementing a Volatile Organic Compound (VOC) reduction program in the flexographic printing operation at the Lakeland instant ticket printing facility, transitioning from solvent inks to a full water-based ink system.
- Created initiatives at the local level to reduce the Company's environmental impact at IGT offices and facilities worldwide.

### COMMITMENTS

- Continue improvement of the EMS.
- Engage with all sites in order to refine the data collection methodology for continuous improvement.
- Pursue more efficient energy solutions, transportation, and mobility.
- Raise employee awareness through specific training and communication campaigns.
- Update IGT's Global Environmental Policy to improve environmental stewardship.

\* For details on these initiatives please see page 150 (focus "Reducing the Environmental Impact at IGT Facilities Around the World").



## LOCAL COMMUNITIES

ENGAGEMENT APPROACH AND GOALS	ACHIEVEMENTS	COMMITMENT
<p>IGT's CSR strategy is to have a significant and positive impact on the communities where the Company operates. The strategy is executed through community involvement and employee engagement initiatives supporting programs that enrich and strengthen those communities.</p> <p>Initiatives embrace a wide range of needs, providing educational and economic opportunities for people in challenging socio-economic environments around the globe. Community projects are reviewed by IGT's Social Impact Committee (SIC) quarterly. SIC guidelines ensure that all approved requests are aligned with IGT's overall CSR strategy.</p>	<ul style="list-style-type: none"> <li>• Aligned community strategy to SDGs.</li> <li>• Added Science, Technology, Engineering, Arts, Math (STEAM) component to After School Advantage (ASA) programs.</li> <li>• Supported the creation of 10 ASA technology centers.</li> <li>• Increased all employee-focused engagement initiatives through more effective global communication.</li> <li>• Supported Community Ambassadors to improve communication throughout the Company about community-focused initiatives.</li> <li>• Implemented two global volunteering programs open to all employees worldwide.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to increase awareness of and participation in employee-driven programs globally.</li> <li>• Widen community engagement local footprint through Community Ambassadors.</li> <li>• Continue to expand the scope of global programs.</li> <li>• Increase employee awareness of community-related SDGs and IGT's commitments to them.</li> </ul>

PLAYERS		
ENGAGEMENT APPROACH AND GOALS	ACHIEVEMENTS	COMMITMENTS
<p>IGT maintains a long-standing commitment to player protection through close relationships with customers, gaming regulators, research institutes, and advocacy groups that promote tools to prevent problem gambling, support responsible gaming organizations that address problem gambling, and prevent underage gambling. Furthermore, IGT relies on global subject matter experts from different departments, to share updates on IGT's responsible gaming efforts. The Company has established and maintains appropriate, comprehensive systems and internal controls to enable the identification, monitoring, and management of fraud risks, while cooperating an international level on match-fixing issues and solutions.</p>	<ul style="list-style-type: none"> <li>• Successfully certified Digital and Gaming operations on responsible gaming programs and features.</li> <li>• Created global awareness campaign for employees and gaming designers during Responsible Gaming Awareness Month.</li> <li>• Designed training courses that ensure employees have the appropriate Responsible Gaming skills to manage their daily activities.</li> <li>• Tailored Responsible Gaming courses for employees working in more specific roles within the Company.</li> <li>• Joined Global Lottery Monitoring System and Sports Wagering Integrity Monitoring Association to support match fixing prevention.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to improve awareness of problem gambling and responsible gaming, with a focus on training customer-facing employees.</li> <li>• Support responsible gaming organizations that address problem gambling.</li> <li>• Prevent underage gambling through effective tools and procedures.</li> <li>• Earn and maintain the trust of players worldwide via programs and solutions designed to guarantee fair play and sensible data protection.</li> <li>• Continue to advocate for mobile/online betting in future regulations, to ensure the best possible responsible gaming protections and tools are built into games, platforms and systems.</li> </ul>

## REGULATORS

### ENGAGEMENT APPROACH AND GOALS

IGT is firmly committed to designing and managing games in a way that aims to ensure safety, reliability, integrity, and efficiency. Regulators confidently rely on IGT's capabilities and experience in preventing illegal and problem gambling and counteracting match-fixing. IGT works closely with global regulatory authorities to share knowledge about its state-of-the-art responsible gaming features, implemented across multiple product lines. This knowledge can be used by the authorities to define local regulatory requirements around responsible gaming product features.

The Company has a robust internal compliance program to ensure that all its gaming and lottery activities fully adhere to applicable requirements imposed by global jurisdictional regulators, as well as legal requirements generally applicable to all publicly traded companies. Through these efforts, IGT seeks to assure both regulators and investors that all its operations maintain the highest levels of integrity.

IGT follows a pro-active approach when it comes to regulatory requirements around product functionality and game design. IGT introduces RG features in its products because responsible gaming is a core value of the Company, and in anticipation of future regulation. If additional functionality is needed, IGT seeks a constructive dialogue with its partners to meet their expectations, and to make such functionality available to customers at the earliest possible time.

### ACHIEVEMENTS

- Established processes to prevent match-fixing, data fraud and breaches.
- Fostered the innovation process and contributed to the constant improvement and evolution of the market.
- Strengthened relationships with regulators by sharing IGT's open approach, which allows them to see the Company as a whole.

### COMMITMENTS

- Manage games in a way that aims to guarantee safety, reliability, integrity, and efficiency.
- Continue efforts to prevent match-fixing, data fraud, and breaches, and to counteract illegal and problem gambling.
- Continue efforts to work with gaming authorities globally to align IGT's responsible gambling product offerings with the responsible gaming expectations of jurisdictions. Foster the innovation process and contribute to the constant improvement and evolution of the market.

## SHAREHOLDERS

### ENGAGEMENT APPROACH AND GOALS

IGT is a publicly listed company and maintains a regular dialogue with shareholders, institutional investors, and analysts. This is done through a combination of meetings, correspondence, and reporting. All relevant information is accurately disclosed in a timely manner.

### ACHIEVEMENTS

- Timely and accurate disclosure.
- Completed specific questionnaires for inclusion in sustainability indices.
- Received an “A” ESG rating on the MSCI sustainability index report and prime A with ISS-oekom.

### COMMITMENTS

- Maintain transparency and active engagement with investors who are interested in Environmental, Social and Governance (ESG) issues

## SUPPLIERS

### ENGAGEMENT APPROACH AND GOALS

IGT works with suppliers who can ensure high-quality goods and services and meet high economic, ethical, and socio-environmental standards. Suppliers play a key role in IGT’s ability to support customers’ requirements. IGT’s Supplier Code of Conduct serves as a guide to the moral, legal, and ethical standards expected of suppliers when doing business with IGT.

### ACHIEVEMENTS

- Created a Supplier Code of Conduct that includes environmental and human rights protection requirements, among others. The code is available on IGT.com.
- IGT’s Code of Conduct was updated to include the Company’s zero-tolerance approach to modern slavery and its commitment to implementing and enforcing effective systems and controls to minimize the risk of contracting with suppliers who practice modern slavery.
- Improved the supplier selection process to ensure a more sustainable and ethical supply chain (with regards to anti-bribery and anti-corruption aspects).

### COMMITMENTS

- Continue to strengthen its approach to managing the risk of modern slavery within its business, and responding to changing risks.
- Continue to strengthen our Supplier Diversity program, creating opportunities for minority-owned and small businesses to grow and thrive.

## Materiality Analysis

GRI: 102-49; 103-1; 103-2

According to the Global Reporting Initiative (GRI) Standards, sustainability topics are considered material when they reflect an organization's economic, environmental, and social impacts, or substantively influence stakeholders' decisions. Therefore, such topics represent sustainability matters that are pivotal to IGT and that reflect stakeholders' expectations, considering the sustainability context of the industry.

The 2019 Sustainability Report is based on sustainability topics identified and prioritized through materiality analysis processes.

To determine material topics for 2019, IGT conducted a thorough analysis to identify its business priorities and its stakeholders'

main expectations. The Company analyzed other organizations' sustainability and social responsibility reports, competitors' and peers' websites, and sustainability-related articles and studies. This analysis was conducted to identify the most significant trends in the gaming and lottery sector. Furthermore, IGT identified sustainability macro trends worldwide by comparing documents and studies from the most relevant and influential non-governmental organizations, policymakers, and global stock exchanges. Finally, IGT analyzed customer and investor inquiries to identify their main sustainability focus and external influences. Material topics were then ranked according to their priorities for both IGT and its stakeholders.

IGT's priorities were defined by engaging with various Company departments. Colleagues were asked to prioritize the material topics, while considering IGT's economic, environmental, and social impacts.

Stakeholders' priorities were defined by weighing the recurrence of the topics in the analysis of articles, analyzing the way in which IGT's competitors evaluate the topics, and tracking the topics' presence in both sector documents and macro sustainability trends. Furthermore, the Company derived information about customer and investor expectations mainly from Environmental, Social, and Governance (ESG) questionnaire analyses.

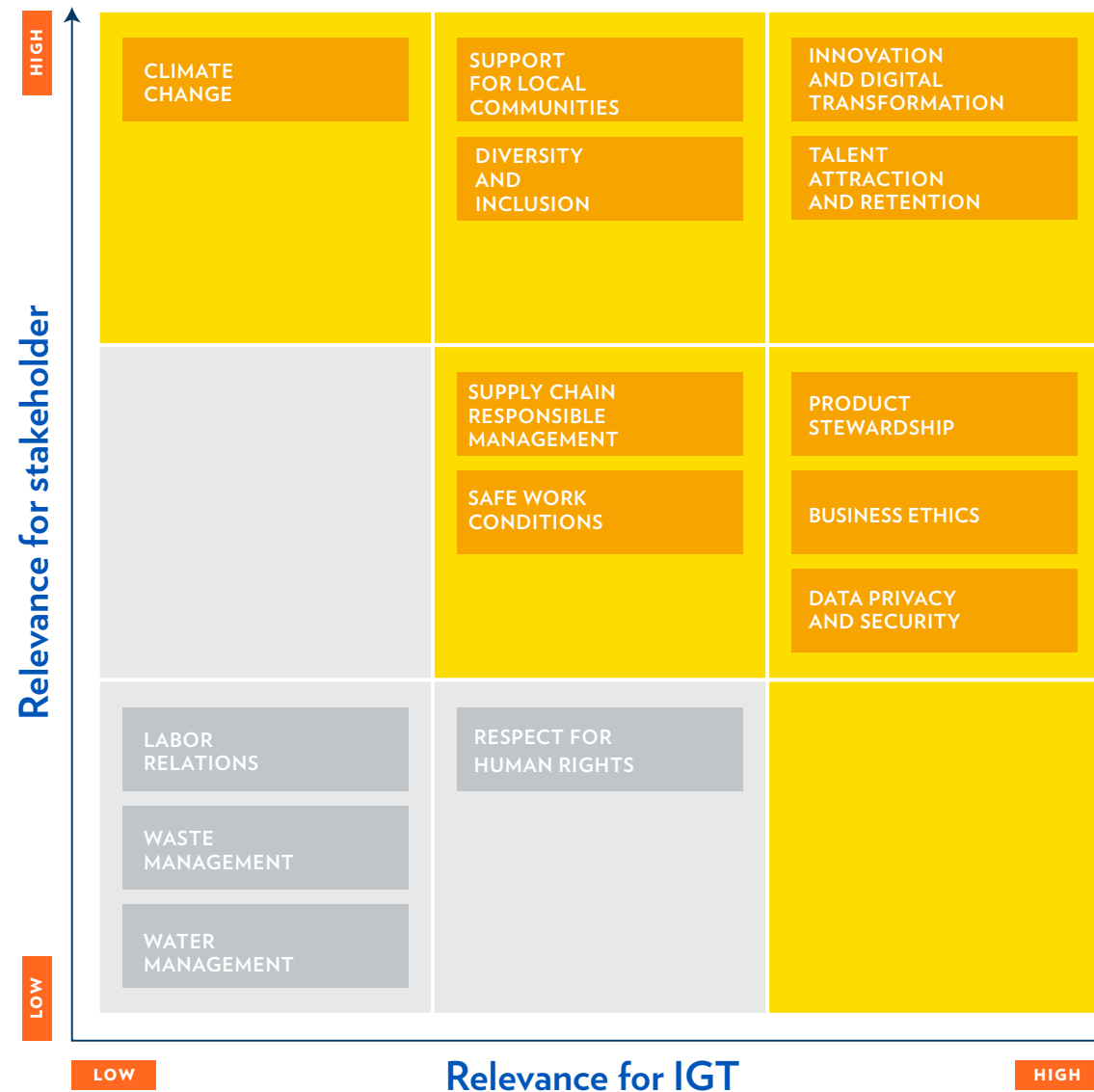
As a result, IGT's senior management validated the

following Materiality Matrix, which reflects the Company's and its stakeholders' priorities for 2019. Consistent with the GRI precautionary principle, all the topics set by IGT above the relevance threshold were considered material.

Compared to the 2018 materiality analysis, three topics were considered relevant but no longer material: Respect for Human Rights, Waste Management, and Water Management. However, relevant aspects are reported in this report in order to maintain continuity with previous editions, and to show all elements contributing to IGT's sustainability performance.



## MATERIALITY MATRIX



INTERACTIVE INFOGRAPHIC

## Direct Economic Value Generated and Distributed

GRI: 103-3; 201-1

According to the GRI Standards, an independent international organization that has pioneered sustainability reporting since 1997, “Information on the creation and distribution of economic value, provides a basic indication of how an organization has created wealth for stakeholders”.

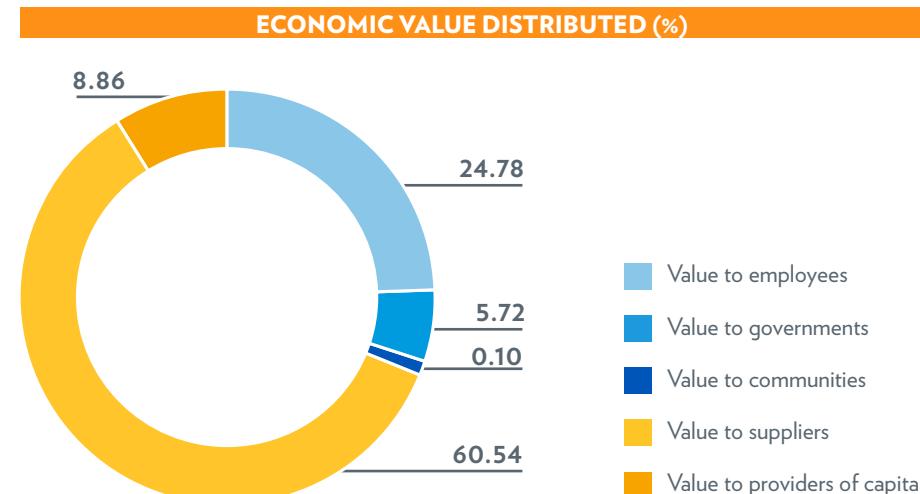
IGT creates value for stakeholders like shareholders, investors, employees, suppliers and contractors, government authorities, and local communities. What remains after the distribution of the economic value to stakeholders, IGT commits to investing it in a profitable manner in order to maintain market competitiveness and economic sustainability. As a private operator, IGT wants to increase the value generated in the future and, consequently,

the distribution of this value to stakeholders. The Company is committed to pursuing its financial goals with a high level of transparency and integrity.

In strict adherence with GRI Standards, IGT “compiles information for economic disclosures using figures from its audited financial statements or from its internally-audited management accounts”. With regard to the GRI Disclosure 201-1 “Direct

economic value generated and distributed” herebelow, data is sourced from Form 20-F of International Game Technology PLC and its subsidiaries for the financial year ended on December 31, 2019 and from other audited internal reports. In 2019, the value generated by IGT topped US\$ 4.8 billion, the value distributed amounted to US\$ 4.6 billion, and the value retained stood at US\$ 0.2 billion.

\$ thousands	2019	2018
<i>Economic Value Generated</i>	<b>4,843,574</b>	<b>4,974,538</b>
<i>Economic Value Distributed</i>	<b>4,629,174</b>	<b>4,670,045</b>
Value to employees	<b>1,147,087</b>	<b>1,164,265</b>
Value to governments	<b>264,936</b>	<b>273,929</b>
Value to communities	<b>4,565</b>	<b>5,025</b>
Value to suppliers	<b>2,802,457</b>	<b>2,795,208</b>
Value to providers of capital	<b>410,129</b>	<b>431,618</b>
<i>Economic Value Retained</i>	<b>214,400</b>	<b>304,493</b>



# 4

## VALUING OUR PEOPLE





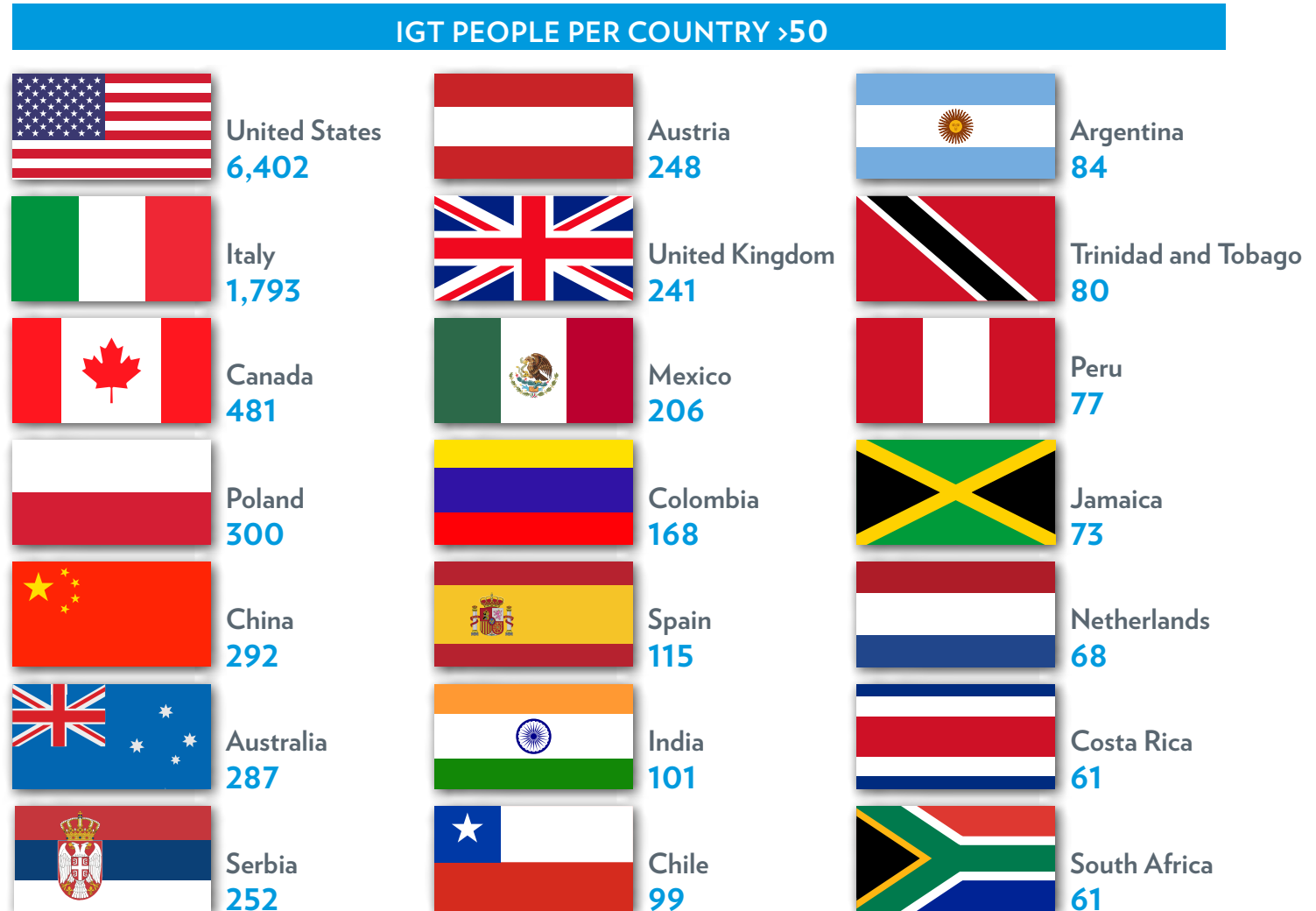
*As an employee I enjoy a safe workplace. Working for a company that has a fair organizational culture in which all employees feel valued, respected and appreciated means a lot to me and should challenge every single one of us to help and support the Company in maintaining its high standards.*

Alexandra Unterasinger  
Regulatory Compliance Specialist  
Premstätten/Graz, Austria



# Valuing Our People

IGT values, respects, and appreciates the contributions of nearly 12,000 employees who work and live in 58 countries, and truly represent a multicultural environment where individual beliefs and needs are respected and accommodated. In the heavily regulated global gaming market, the diversity represented by the corporate population enables IGT to anticipate global business needs, identify local market opportunities, and better connect to customers and communities.





Words, actions, and interactions between colleagues are what make up a company's culture. IGT is committed to incorporating the diverse multicultural talents and experiences of its employees and

unifying the organization. To that end, the Company has identified the values and core competencies that inspire employees' daily behaviors and shape IGT's aspirations.

### VALUES THAT SHAPE IGT'S CULTURE

The Company has identified a set of five essential values that inspire daily behaviors and represent operating principles and core competencies of the organization. To provide all employees with a frame of reference for business and office behaviors, these values are rooted in people-centric programs and processes that are applicable to all IGT locations worldwide.



Passionate



Pioneering



Responsible



Authentic



Collaborative

### Fostering a Positive Organizational Climate

GRI: 103-3

Broadly speaking, the organizational climate of a business is how employees at all levels perceive the workplace environment. Many factors can contribute to an employee's perception, some of which are less evident than others. Variables with ranging degrees of control and remediation also come into play. IGT understands this important objective and

strives to develop initiatives and programs that support a positive organizational climate.

IGT's leadership implements the resources needed to make the work environment welcoming for all employees. This includes listening to employee feedback and accommodating emerging needs, as well as, supporting key initiatives that promote a safe, healthy, and inclusive work environment.

Fostering a positive organizational climate is a two-way street. IGT's leadership is relentlessly working

“We are determined to create a culture that is fair and inclusive, demonstrating that all of our employees are valued and respected. We want our entire workforce to feel engaged in the Company's brand purpose and promise. Every member of the executive leadership team is committed to this vision.”

**Marco Sala**

Chief Executive Officer

International Game Technology PLC

to provide the resources needed to make the physical environment safe and welcoming for all people involved in the organization. This includes listening to employees and accommodating emerging needs.

### Workplace Health and Safety

GRI: 103-3

IGT is committed to providing, maintaining and promoting a safe, healthy and productive work environment for all employees, and ensuring compliance with all applicable environmental health and safety regulations. The People and Transformation Policy: Safe and Health Work Environment covers topics such as workplace violence, illegal drug and alcohol use, tobacco use, fitness for duty, and what actions should be taken if someone needs to report a violation.

The responsibilities for health and safety are shared. All employees are responsible for ensuring that operations are performed with the utmost regard for the health and safety of personnel involved. Employees are responsible for committing to the health and

safety program, including compliance with all rules and regulations for continuously practicing safety while performing their duties.

The IGT Global Environmental, Health & Safety team engages IGT leadership and regularly presents information on potential risks and injury trends, upcoming projects and programs, as well as initiatives to reduce risk and prevent injuries. In addition, there are several site-level IGT safety committees.

As an example of how the Company makes employees' safety a high priority, the Field Services department maintains a safe work environment by:

- providing annual training;
- performing equipment inspections;
- performing job task assessments;
- establishing safety leaders at each site, as well as at an organizational leadership level

To enhance employee safety and training opportunities, IGT leadership assigns key individuals as regional safety managers. IGT provides all personal protective training related to the job tasks its Field Services employees perform. For example, the implementation of the Fall Protection Program as well as the Ladder Safety Program and extensive training opportunities for Field and Gaming Technicians, has increased safety awareness. In addition to carrying out health and safety risk trainings for employees and subcontractors working in the premises, IGT has created and implemented a safe lifting manual for instructing technicians on proper handling of equipment.

In addition, members of trade unions are provided best practices for safely handling Electronic Gaming Machines on the following topics:

- worker Personal Protective Equipment (PPE);
- transportation and installation of equipment;
- equipment handling devices;

- establishing safe work zones;
- unloading, moving, installing, and removing equipment;
- identification of safety and warning labels.

IGT's Field Services Safety Committee publishes a weekly safety tip as well as a monthly newsletter alerting field service employees to common and seasonal hazards on the job. The tips and newsletter are posted on Yammer, an internal social network used for employee communication, for all employees to read.

In the case of a workplace-related injury or illness, the Company is committed to providing appropriate medical attention to the employee. If the injury or illness is work-related, the Company will comply with all jurisdictional laws regarding reporting requirements, and all applicable ones about providing insurance to reimburse employees for lost wages and medical expenses.



## HEALTH AND SAFETY IN COLLECTIVE BARGAINING AGREEMENTS GRI: 102-41

*Health and safety topics are included in the Collective Bargaining Agreements that cover bargaining unit members.*

*The health and safety of IGT's employees is recognized as an organizational value, and the Company is committed to ensuring all employees are provided the proper guidance and instruction in terms of promoting a safe work environment and complying with all regulatory requirements. In the U.S., members of unions adhere to the organization's People and Transformation Policy: Safe and Health Work Environment.*

Society's heightened focus on the quality of the work environment has sparked a rich global dialogue and brought much-needed attention to the problem of harassment in the workplace. IGT stands firmly behind its commitment to maintaining an environment where everyone is treated with fairness, dignity, and respect. Any behavior that goes against these principles and diminishes the wellbeing of its employees, customers, or community is unacceptable and will not be tolerated.

All employees are required to complete proactive, worldwide harassment prevention training, starting with the Chief Executive Officer. The length and content of this training vary based upon regulatory requirements. IGT encourages anyone who believes they have been subjected to harassment, to come forward with the understanding that they will be protected from retaliation and appropriate action will be taken.

## ANTI-HARASSMENT TRAINING

In November 2019, IGT launched proactive, worldwide harassment-prevention training for all employees, each of whom play a key role in preventing and addressing workplace harassment. The training aims to familiarize employees with the terms and provisions of IGT's Non-Harassment and Bullying Policy.

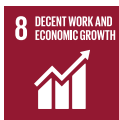
The course also equips employees with the knowledge necessary to recognize the principles of respectful behaviors in the workplace and respond to or report alleged violations of the policy.

## Protecting Human Rights

GRI: 102-41; 103-3

IGT adheres to the principles set by the International Labor Organization Declaration on Fundamental Principles and Rights at Work in the countries where it operates. The Company publishes its annual Modern Slavery Act Statement in accordance with the 2015 Modern Slavery Act, as part of the UK Government's efforts to prevent modern slavery in large organizations and their supply chains. The statement discloses the steps IGT has taken during each financial year and planned for the next one to ensure that modern slavery is not taking place in any parts of its business. The full version of the Modern Slavery Act Statements are available at <https://www.igt.com/explore-igt/about-igt/global-responsibility/our-corporate-citizenship/engaging-our-people>





## IGT'S ZERO TOLERANCE APPROACH TO MODERN SLAVERY



*The Company is committed to acting ethically and with integrity in all its business dealings and relationships by implementing and enforcing effective systems and controls to reduce the risk of modern slavery from occurring in its business or supply chains.*

*IGT is committed to working toward the goal of eliminating any possible breaches of human rights through its supply chain.*

*An Integrity Line, which is confidential and managed by an independent third party, can be used anonymously to report activities that may involve unethical and/or unlawful conducts.*

IGT leaders are dedicated to maintaining an environment that encourages open communication and collaboration between employees at all levels, and fostering a culture of positive employee relations. IGT respects an employee's right to associate freely with or seek the representation of unions. Where there are unions, IGT works in a productive partnership with their representatives and members. This commitment is reinforced through various communication channels, such as training, employee focus groups, and employee bulletin boards related to union information and updates.

In line with the United Nations Global Compact, IGT recognizes the value of using dialogue and negotiation to achieve positive outcomes in employment practices. The Company abides by non-discriminatory policies and procedures with respect to trade unions and union memberships and their activities. IGT provides workers' representatives with appropriate services to assist in the development of effective collective agreements. Consequently, IGT is involved in

collective bargaining in different countries and is committed to accommodating specific local laws and regulations, providing union representatives with every tool needed to perform their duties.

In some countries, collective agreements regulating employment terms and conditions follow a collective negotiation between IGT's management and trade unions. Employees in Argentina, Austria, Belgium, Finland, Italy, Sweden and some states in the U.S. are covered by collective agreements.

In locations with collective agreements, the notification period of significant changes that could substantially affect personnel is communicated to employees and their elected representatives according to national laws. For example, the statutory Italian labor contract defines a minimum wage for every contract level. The new salary for newly hired employees is generally higher than the minimum wage defined by the labor contract and depends on the role and on the previous salary.

## OUTPLACEMENT ASSISTANCE AND GLOBAL EXIT SURVEY

IGT provides employees with outplacement assistance by means of an external supplier to assist employees in obtaining new employment due to workforce reductions and restructuring efforts. They are also provided with severance payments as a financial bridge while seeking new employment. These outplacement services provide web-based programs that offer on-call coaching support, live coach-led webinars, and self-directed e-learning.

It also provides opportunities to keep the job search productive with the creation of an effective online presence and social media profile to reach recruiters and hiring managers. Duration of IGT's outplacement services may be one, two, three, six, or 12 months, depending upon a range of factors, such as tenure, familiarity with the current employment climate, and position with the Company. All program documents are offered in English and local languages supported/required by IGT.

IGT administers a global exit survey to understand the reasons for employees' departure from the Company and collect useful operational and cultural insights about the perceived quality of the organization. Data is subsequently processed in order to assess and improve work environment, culture, processes and systems, and employee management.

### Equal Employment Opportunity & Non-Discrimination GRI: 103-3

IGT is committed to providing equal opportunity in employment and a work environment that values workplace diversity and respect for all employees. This policy applies to all stages of employment, including, but not limited to, the application and hiring process. IGT provides equal employment opportunities for all employees based on qualification and merit, and in accordance with anti-discrimination laws that prohibit discrimination on the basis of any legally protected status such as race or gender.

The Company has policies in place that prohibit discrimination and retaliation against individuals

who, in good faith, bring forward claims of discrimination. Reports of discrimination may be made through multiple channels, including the Company's Integrity Line or through the Legal, Compliance, People & Transformation (P&T), and Diversity & Inclusion departments. All reports of discrimination are immediately investigated by members of the P&T and Legal departments. In the U.S., formal charges of discrimination may also be filed against the Company through the Equal Employment Opportunity Commission (EEOC) and the applicable local Human Rights Commission.

To the extent reasonably possible, IGT will accommodate employees

with disabilities. In the U.S., IGT adheres to the guidelines of the 1990 Americans with Disabilities Act (ADA), as amended. Under the ADA, employers are required to enter a good-faith, interactive process to assess an individual's need for a work accommodation. A "reasonable accommodation" is one that enables an employee to perform the essential functions of the job and may result in job restructuring, a change in use of tools and equipment, a policy adjustment, or work from home. As such, reasonable accommodation is available to all employees and applicants, provided the accommodation does not create an undue hardship for the Company and can be provided without posing a substantial safety risk to

the employee or others. Employees in the U.S. are provided a link to an Accommodation Request Form to initiate an interactive process to determine if an accommodation is required.

### Diversity and Inclusion GRI: 103-3; 405-1



There is no question that diversity and inclusion are business imperatives that contribute to innovation and growth. IGT understands that the varying backgrounds, experiences, and perspectives of its employees should reflect its global customers and the local communities where it operates. Diversity must be supported by a fair and inclusive culture that enables all employees to feel valued, respected, engaged, and empowered to contribute to the business.

## GENDER DIVERSITY

CATEGORY	2019									2018								
	UP TO 30			30 - 50			OVER 50			UP TO 30			30 - 50			OVER 50		
	M	F	TOT	M	F	TOT	M	F	TOT	M	F	TOT	M	F	TOT	M	F	TOT
Senior Management	-	-	-	226	92	318	266	67	333	-	-	-	227	96	323	243	59	302
Middle Management	34	15	49	671	299	970	376	142	518	21	9	30	676	311	987	355	120	475
Office Staff & Workers	997	474	1,471	3,681	1,732	5,413	1,961	889	2,850	900	434	1,334	4,041	1,865	5,906	1,852	891	2,743
Total	1,031	489	1,520	4,578	2,123	6,701	2,603	1,098	3,701	921	443	1,364	4,944	2,272	7,216	2,450	1,070	3,520

Diversity describes the differences and similarities among people. Dimensions of diversity are the ways they define themselves and the ways the world defines them. Inclusion describes the ways in which people interact with each other that allow everyone to contribute their varied perspectives and experiences in meaningful ways.

IGT established the Office of Diversity & Inclusion (D&I) to guide strategic D&I initiatives to ensure that these topics continue to stay in focus and are embedded throughout business processes. IGT's Office of Diversity & Inclusion is a center of excellence within P&T. IGT's Global Strategic Plan for Diversity and Inclusion is publicly available on IGT.com, and includes the input of IGT's CEO, business unit leaders, and employees. The goal of the strategic plan is to create a more inclusive and equitable organizational culture within IGT and increase the representation of underrepresented groups at all levels, consistent with applicable regulatory requirements.

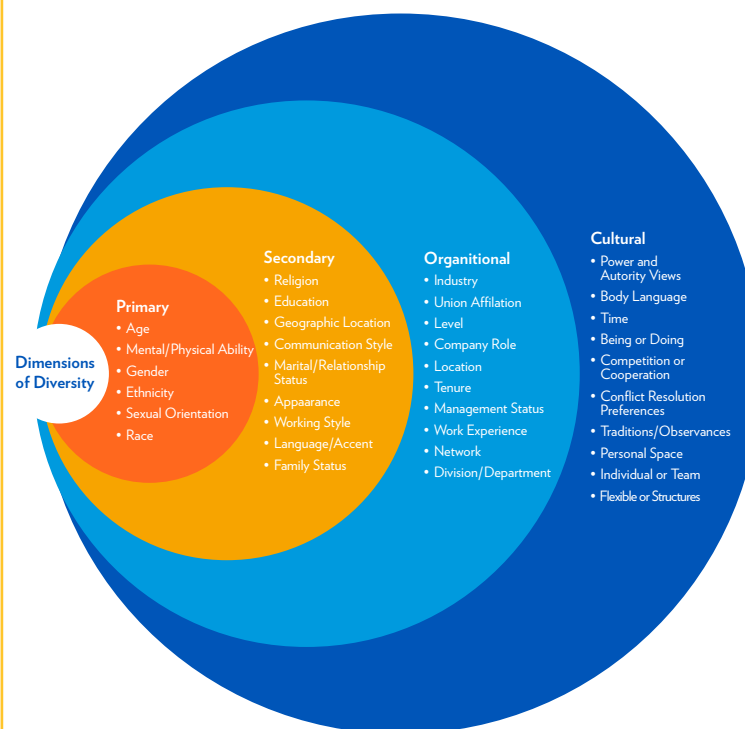
In addition to the Office of Diversity & Inclusion staff, there are additional components of D&I infrastructure:

- Global Diversity & Inclusion Council – The group represents a variety of levels within the organization, from individual contributor to Executive Vice Presidents, and all regions where the Company operates.
- Regional Diversity & Inclusion Advisory Councils in North America, Italy, Latin America, EMEA, and Asia-Pacific.
- Diversity & Inclusion Groups (DIGs) – By the end of 2019, the Company had five DIGs (networks formed around underrepresented dimensions of diversity and open to all employees regardless of identity or group affiliation). They are formed around employees over age 50, LGBTQ+ employees, those with disabilities, military veterans, and women.

## IGT'S CONDUCT GUIDELINES FOR TRADESHOWS, CONFERENCES, AND OTHER MARKETING EVENTS

IGT's Conduct Guidelines for Tradeshows, Conferences, and other Marketing Events reinforce IGT's commitment to business practices that value, respect, and engage our employees and customers by reinforcing standards of conduct at industry

tradeshows and conferences. These Guidelines further support IGT's current practice of utilizing marketing strategies that highlight the strengths and value of our products and solutions and not the physical appearance of employees or brand ambassadors. The Guidelines are drafted to coexist with our Code of Conduct, Global Policies including the anti-harassment and bullying policy and the U.S. policy on Sexual Harassment prevention policy.

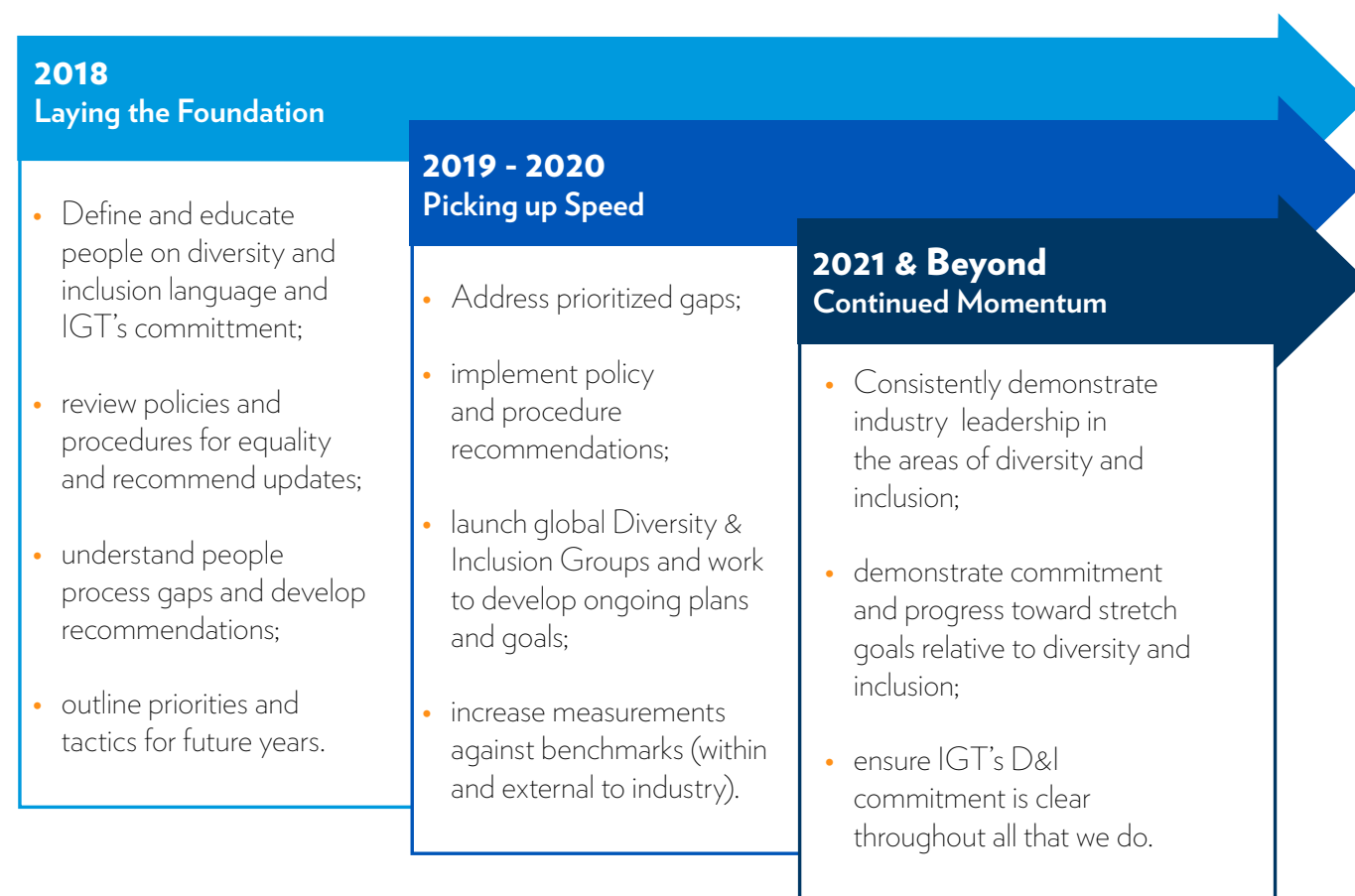


*IGT believes that the term “diversity” goes beyond race, gender, ethnicity, age, sexual orientation and abilities. Our diversity wheel displays just some of the various dimensions of diversity - areas of difference - we each have and demonstrates that all people are represented by the term “diversity”.*



## TIMELINE OF DIVERSITY AND INCLUSION AT IGT

In early 2017, IGT took the important step of launching the Global Diversity & Inclusion (D&I) Council, which includes senior and emerging leaders from around the world. The council immediately began its work on the first Global Strategic Plan for Diversity and Inclusion, a truly collaborative effort. In 2018, IGT launched the Office of Diversity & Inclusion. The office's first order of business was to create and implement the Global Strategic Plan for Diversity and Inclusion. Throughout 2019, policy and procedure recommendations were implemented, together with the launch of DIGs and increased measurements against benchmarks, within and external to the industry.



The Global Strategic Plan was built with contributions from senior leaders, the D&I Council, and many IGT employees. The plan is a roadmap to increase diversity at all levels. Successful implementation requires the absolute commitment of IGT's leadership team, who is collectively responsible for ensuring that diversity and inclusion are embedded into IGT's business strategy and core values, and that the plan is cascaded throughout the organization with the goal of engaging every IGT employee. IGT's Global Strategic Plan for Diversity and Inclusion cascades and is shared through each business unit and global location. Action plans tailored to each unit and location ensure the D&I goals outlined in the plan not only meet business unit goals, but also comply with the cultural and regulatory environments of the countries where IGT operates. For maximum impact, IGT's strategy includes both leadership- and people-driven initiatives.

Recognizing that diversity and inclusion is a leadership initiative, all members of the executive leadership team, including the CEO, participate in inclusive leadership education briefings focused on specific leadership qualities that promote inclusion at IGT. Beginning in 2019, the broader employee base has the opportunity to participate in education and engagement opportunities that promote a collective understanding of diversity and behaviors that support an inclusive culture.

## THREE PILLARS OF DIVERSITY AND INCLUSION

IGT's Global Strategic Plan for Diversity and Inclusion is built on three pillars: people and processes, organizational culture, and customers and communities.

### People and Processes

Recruit, develop, and retain high-performing, talented, engaged people with diverse experiences, backgrounds and perspectives that reflect the global customers and communities we serve. Ensure that processes support an equitable experience for applicants and employees.

### Organizational Culture

Educate, promote, and communicate with our people to foster an inclusive and equitable organizational culture that enables employees to feel valued, respected, engaged, and able to do their best work. Solidify IGT's reputation as the best place to work for the best talent in the industry.

### Customers and Communities

Position IGT as an innovative diversity leader that delivers cutting-edge products and services to drive innovation. Educate and engage with the communities in which we operate to ensure that we understand our customers and are viewed as partners committed to helping reach community goals.



## LEADERSHIP IN ACTION

*Starting at the end of 2018 and extending through 2019, in partnership with NeuroLeadership Institute, IGT provided an educational program focused on inclusion to all IGT leaders at the Vice President level and above.*

*In 2019, IGT offered customers and stakeholders a window into D&I at IGT by presenting at several conferences and meetings, including: Harvard University Faculty of Arts and Sciences Diversity Dialogue, "Achieving Greater Workplace Equity for LGBTQ Employees", and Perspektywy Women in Tech Summit in Warsaw, Poland.*

## IGT SELECTED TO JOIN STEERING GROUP DEVELOPING NEW WORKPLACE DIVERSITY CODE OF PRACTICE

In 2019, IGT accepted an invitation from BSI, the national standards body of the United Kingdom, and the All-in Diversity Project (AIDP) to join the Workplace Code of Practice Steering Group. The group is committed to developing a global diversity, equality, and inclusion standard applicable to any organization, in any industry, across all organizational levels. IGT's Sr. Global Program Manager for Diversity & Inclusion, Stephanie Huckel, represented the Company in the Steering Group. The standard formally titled "PAS 1948:2020 Diversity, equality and inclusion in the workplace - Code of

Practice", is intended to cover corporate governance and reputation; internal policies, processes, and practices; recruitment, retention and development; under-represented groups; and concepts such as diversity of thought and intercultural competence. By creating a standard that organizations can apply at their own pace and implement in their unique operating environments, the Steering Group intends to provide a flexible toolset for voluntarily adopting workplace equality practices, assessing the impact of those activities, measuring the progress of these initiatives, and developing strategies for continuous improvement. The standard is planned for publication by BSI in 2020. The Steering Group's goal is to develop the standard through a consensus-building process that includes public consultation and will be facilitated by BSI.

IGT supports several DIGs (formerly Employee Business Resource Groups), which are networks of employees built around under-represented dimensions of diversity. Sometimes referred to as Employee Networks or Affinity Groups at other companies, DIGs help to attract, retain, and develop talent; foster inclusion, and drive business innovation. Groups are open

to all employees regardless of affiliation or identity. These groups receive formal, structural, and financial support from the Office of Diversity & Inclusion and IGT more broadly. DIGs support employees' professional development, assist in the improvement of IGT's policies and processes, and support various business needs – from recruitment to marketing and everything in between.

## PURPOSE AND IMPORTANCE OF THE DIVERSITY & INCLUSION GROUPS (DIGs)

*DIGs' activities are primarily internally focused, but may also have an external component (e.g., recruiting fairs, charitable activities, professional associations, community boards, parades, etc.). Uniquely, DIGs enhance each of these strategic elements through their work. Executive leadership sponsors provide guidance and oversight, help to remove organizational barriers, review progress, and use their platform to communicate results to the organization.*

### DIGs:

- *provide a forum in which to share career interests and experiences that will promote career growth and satisfaction while working;*
- *provide education about underrepresented groups and work to dismantle misconceptions and stereotypes;*

- *generate an environment that welcomes, leverages, and enhances the experience and skills of employees;*
- *promote appreciation and respect for diversity and inclusion, thus creating a comfortable and safe work environment for all;*
- *Provide professional development opportunities, mentoring, and networking;*
- *promote the efforts of the diversity and inclusion strategy to colleagues;*
- *strengthen the communication vehicles that support employee information and participation;*
- *assist in structured events, activities, and community outreach programs.*

By the end of 2019, IGT hosted five DIGs with 10 chapters, including Military Veterans at IGT, SuperAbilities at IGT (visible and invisible disabilities), PRIDE with IGT (lesbian, gay, bisexual, transgender, queer), > 50 at IGT (ages 50+), and WIN with IGT (Women's Inclusion Network). These groups created many new opportunities for employees, from networking events and personal branding workshops to community volunteer initiatives and engaging in LGBTQ Pride celebrations in seven locations around the world.

**>50<sup>at</sup> IGT**

**Military Veterans<sup>at</sup> IGT**

DIGs have caught on rapidly at IGT, with more than 700 employees engaging in them from over 20 countries around the world, and more joining every day. Within one year of launching the first pilot group, more than five percent of IGT employees belong to at least one DIG, and many belong to multiple groups.

## SuperAbilities<sup>at</sup> IGT

### HOW IGT'S DIVERSITY & INCLUSION GROUPS ARE CHANGING THE GAME

For Stella Biccini, there's strength in numbers. Biccini works in betting product marketing in IGT's Rome office. As a person with a physical disability, she makes a point of speaking up to ensure that the needs of people living with physical disabilities are considered and respected, both at work and everywhere else.

Thanks to SuperAbilities at IGT, one of the Company's DIGs, she no longer feels like a single voice. "I feel honored to be part of this group, and I feel I am being heard about issues that affect people with disabilities," said Biccini, who chairs the Italy

chapter of the SuperAbilities network. "In the past, I felt like an isolated voice ensuring that our differences and disabilities would be respected. Now, we're part of a group that is clearly being heard." In addition to the Italy chapter of SuperAbilities at IGT, the group has a global chapter, which launched on December 3, 2019, in line with International Day of Persons with Disabilities. The two chapters of SuperAbilities at IGT were created to educate coworkers about the experiences of people with disabilities and help foster a more inclusive environment. Members include those with disabilities, those who support people with disabilities, and others who believe in the group's mission.



*SuperAbilities at IGT against mental and physical barriers. Employees gathered in IGT's West Greenwich, Rhode Island office to celebrate the launch of SuperAbilities at IGT's global chapter.*



## WIN with IGT

### WIN WITH IGT IS CHANGING LIVES

DIGs have already made a difference in employees' lives. IGT Senior Director of Global Order Management, Scheduling, and Installation Services Shondra DeLoach-Perea co-chairs the WIN with IGT: Las Vegas chapter, the Company's first-ever DIG, initially launched as a pilot in April 2018. Since the launch, WIN with IGT has tallied a growing list of accomplishments, including the creation of Comfort Zone parking close to IGT office entrances for expectant mothers and others who need it, and they've organized salsa and yoga classes for employees.

In addition to a series of on-campus speakers and events, 50 WIN with IGT: Las Vegas members attended the annual two-day MGM Women's Leadership Conference in August of 2019, where attendees heard

inspiring presentations from women leaders and learned new perspectives and strategies for personal development.

Members in 2018 created a giant chalk wall in one of the busiest areas of IGT's Las Vegas office, creating awareness around a new project or theme during each quarter. All employees were welcomed to handwrite an idea or some words of inspiration. In 2018, the chalk wall was used to raise thousands of dollars for research as part of the 2018 Walk for Breast Cancer, and in 2019, it supported the Marilyn Project, where volunteers collected hygiene kits for homeless women.

Also, WIN with IGT: Las Vegas in 2019 established the Lean In Circles, small groups of women who meet regularly to learn new skills, network, and encourage each other. They are a place to be unapologetically ambitious, to share ideas, and seek advice.

Among many topics discussed among WIN members, Lean In Circles has been impactful. "They're changing lives," said DeLoach-Perea of the circles. "We discuss critical topics and create an environment where we are able to share and grow with each other's support."

2019 also saw the launch of additional chapters of WIN with IGT in Reno, Rhode Island, Rome, and Latin America.



WIN with IGT's Las Vegas chapter honors assembled hygiene packs in support of Project Marilyn.

To join a DIG, employees simply sign up through OneIGT (the Company Intranet). To start a new DIG, employees apply during the enrollment period, which takes place annually from September through December, although applications for new chapters of existing DIGs are welcome year-round. Applicants for new DIGs are asked to review the Diversity & Inclusion Strategic Plan and Diversity & Inclusion Group Guidelines, then reach out to the Office of Diversity & Inclusion to express interest and complete the application.

The Diversity & Inclusion team has leveraged a grassroots model by developing guidelines for establishing and operating the groups and created opportunities for employees to come forward with their needs. Each group must demonstrate a connection between itself and the business, explaining the benefits for both, in addition to having a minimum number of interested and committed employees.



Each DIG has a leadership structure that consists of one or two executive leadership sponsors at the global level. Each local chapter has a leadership team that consists of one or two chairs and additional lead roles, as determined by the need of the local chapter.

DIGs contribute to a culture that supports IGT's ability to compete, innovate, and advance the Company's business goals. They help to identify business opportunities and bring additional resources to the business, as well as represent the Company externally to communities and potential employees. In this way, DIGs support the needs of individuals and the health of the entire organization. Potential employees increasingly expect employers to offer diversity networks, and DIGs also play a role in supporting talent acquisition, new hires, retention, and cultural change.

## PRIDE with IGT

### HEAD HELD UP HIGH WITH PRIDE WITH IGT

PRIDE with IGT raised rainbow flags in Las Vegas, Reno, Providence, and West Greenwich to celebrate 2019 Pride Month. Pride celebration events took place in Rome, Italy; Providence, Rhode Island; Reno and Las Vegas, Nevada; Austin, Texas; and Lakeland, Florida. PRIDE with IGT, which welcomed over 180 members in 2019, introduced conversations about gender identity and pronoun self-declaration. Members gathered knowledge and best practices at the Employee Resource Groups (ERG) and Council Conference in Orlando, Florida; ERG Leadership Alliance Symposium in Boston; and the Out & Equal Workplace Summit in Washington, D.C.



Head held up high with PRIDE with IGT

### AWARDS AND ACCOLADES FOR DIVERSITY AND INCLUSION INITIATIVES

WIN with IGT: Las Vegas won the "Diverse and Inclusive Team of the Year" 2019 award at the 10th annual Women in Gaming Diversity Awards, held in London, UK. The global awards program honors excellence in promoting diversity and inclusion within the gaming industry. WIN with IGT Las Vegas was the team recognized for realizing its mission of empowering women at IGT through networking, professional development, and mentorship opportunities.

After being confirmed as one of the first three winners of the CasinoBeats Pride of Gaming Awards, IGT is proud for being recognized for its ongoing commitment to workplace diversity and inclusivity. The awards, which took place at the Natural History Museum in London, UK, were launched to celebrate those individuals or organizations that have done the most to promote the good name and image of casino gaming. IGT was recognized for its strategic focus on diversity and inclusion, which is evident across all levels of the organization.

### SUPERABILITIES AT IGT AGAINST MENTAL AND PHYSICAL BARRIERS

*The Italy chapter of SuperAbilities at IGT launched in March 2019, and just nine months later, in December, launched its global chapter. The DIG is dedicated to acknowledging and meeting the needs of colleagues with different abilities. The Group identified a number of goals aimed at valuing disabilities and knocking down architectural and mental barriers, educating and training colleagues on SuperAbilities, and using sports as an integration tool. Throughout the year, SuperAbilities at IGT organized various activities to raise awareness on disabilities, such as the blind dinners, and the events with distinguished guests, such as SuperAbilities meets Research and SuperAbilities meets wheelchair basketball. The DIG participated in Race for the Cure, a running sports event held in Rome, and promoted the first works to knock down architectural and mental barriers in the common areas at Lottomatica's premises.*



## IGT TAKES A WORLDLY VIEW IN DEVELOPING WELL-BEING MISSION

Providence Business News (PBN) named IGT as 2019 Rhode Island's Healthiest Employer in the category 5000+ employees, an award which recognizes

companies that have health and wellness initiatives, and encourage employees to adopt healthy lifestyles. The publication made specific note of IGT's commitment to inclusion and the connection to overall health and well-being as reason for being given the award.

"I love that the industry is actively seeking different perspectives and viewpoints when we deliver products and solutions and solve problems. I also love that because of the need to constantly innovate, we are continuously learning new skills and expanding capabilities."

### Kim Barker Lee

Vice President for Diversity & Inclusion  
International Game Technology PLC



*IGT was named the Providence Business News 2019 Healthiest Employer for the category of 5000 or more employees.*

A key element of IGT's D&I strategy is engaging as many employees as possible, meeting employees where they are on their individual diversity and inclusion journey today so that IGT can reach its full D&I potential in the coming years. Employee presentations and listening sessions provided an exciting way to connect with employees and hear their insights into D&I, as well as understand where they would like D&I to go at IGT.

The D&I team partnered with colleagues in Talent Acquisition to evaluate the potential for unconscious bias influencing every stage of the recruitment process.

## D&I BY THE NUMBERS

At IGT, the corporate population by age and gender is proportionately represented across employee categories. There has been no significant change in the numbers of women and people of color across the organization and in leadership positions between 2018 and 2019.

### PERCENTAGE OF EMPLOYEES BY AGE GROUP AND BY GENDER

AGE GROUP	2019			2018		
	F	M	TOT	F	M	TOT
30-50 years old	18%	38%	56%	19%	41%	60%
Over 50 years old	9%	22%	31%	9%	20%	29%
Under 30 years old	4%	9%	13%	4%	8%	11%
Total	31%	69%	100%	31%	69%	100%

## Engaging Our Employees

GRI: 103-3

Human Capital Development is one of the most important elements for the success of an organization, as every employee's skills and know-how are key to reaching the business goals. The impacts on the organization generated by people's development are particularly evident as the digital transformation, next generations, globalization, and new working habits are changing the world. In such a context, where skills may become obsolete very quickly, updated and well-prepared employees are fundamental.

Career development is a partnership between employees, their managers and IGT, and is a conscious choice to improve performance and further a professional career. Employees are responsible for driving their own development; managers provide support and IGT provides resources. Needed skills may be developed by means of learning-by-doing activities, specific trainings (live or online), and eventually

mentoring or coaching paths. A customized training plan is thus designed matching the Individual Development Plan (IDP) with the business objectives, enabling employees to develop the most needed skills to reach individual goals. To support development, IGT has designed up-skilling and re-skilling plans to ensure people's employability and keep the Company competitive in the market.

To assess the development of employees, IGT applies the Performance Management Process and the Talent Review & Succession Planning. The Performance Management Process allows the cross-analysis of the annual performance results and the skills needed to reach such results, leading to a constructive feedback, and the creation of an IDP. The Talent Review & Succession Planning allows the Company to map the potential of the entire corporate population, and to identify the successors of the leaders. In 2019, Lottomatica in Italy successfully piloted this process.

## PERFORMANCE ASSESSMENT THROUGH THE INDIVIDUAL DEVELOPMENT PLAN

*The performance evaluation of the entire corporate population runs through the Performance Management Process. The process also identifies a calibration step for all employees, where distribution of evaluations is checked to ensure fairness in the rating process, and alignment to the assessment curve defined at global level.*

*As part of the Performance Management Process, since 2019 all employees are*

*required to file an IDP, which represents the starting point for the development of human resources. A development plan is a personalized action plan to help every employee improve their performance, sharpen their competencies, and reach their full potential by identifying actions to close competency and skill gaps. Also, it supports career development by targeting development for future positions.*

*Each employee, as an individual contributor, shares the IDP with their own manager, who becomes responsible for its execution with the support of P&T.*

## DEVELOPMENT AND ENGAGEMENT ARE STRONGLY RELATED

Together with business goals, Human Capital Development can play a critical role in employees' engagement. Research shows that one of the most common reasons for employees to leave their jobs is a lack of competence and career

growth opportunities. As a matter of fact, IGT's employee engagement survey shows that competence and development is one of the major areas where employees want to focus. The Individual Development Plan is the tool that helps every single employee improve their performance, sharpen professional competencies, consolidate strengths, and identify areas to improve.

In 2019, IGT has made the goal-setting process mandatory at global level. Goals are identified by top management and cascaded to the organization, according to two different types of objectives: working objectives for 76% of employees and Management By Objectives (MBOs) for 24% of employees. People Managers are responsible for assigning SMART objectives to their teams, monitoring them during the year, and providing feedback to every team member. The process is managed through the People Center online system.

In 2019, IGT worked to design a new process for job posting, which is expected to launch in 2020. Currently, IGT posts available positions through the Careers link in PeopleCenter. The site helps employees achieve their professional goals and helps the company retain talented individuals. The Company encourages employees to obtain the necessary skills, training, and education to become candidates for internal career opportunities. Indeed, in 2019 IGT filled 546 open positions with internal candidates. This represents 31% of IGT total hires in 2019.

## PIONEERING NEW PROGRAMS FOR JOB ROTATION IN FINANCE

*In the U.S., IGT in 2019 worked on a pilot rotation program to support the career development in the Finance department. It is a 3-year program with 14 participants rotating through various positions within the department. The pilot will end in 2020 and results will provide the groundwork for new initiatives and programs in order to create an IGT career mobility program.*

Individual development goals are based on the 70:20:10 learning and development reference model that captures the optimal types of learning in three clusters – experiential, social and formal education – and explains their relationships to one another.

- 70% of learning comes from job-related experiences, such as on-the job assignments special projects, work rotations, new tasks and challenges;
- 20% derives from interactions with others, via peer coaching, job shadowing, mentoring, feedbacks, group collaboration sites, and coaching;
- 10% is sourced from formal educational events, such as live/virtual classroom activities, group or self-directed online learning, and e-learning courses;

To strengthen and inform managers' skills in all sites

worldwide, in 2018 IGT launched Manager Essentials, a three-year program based on a four-day classroom experience focused on the role of manager, which is to attract, develop, and retain talent; drive execution; and foster collaboration. All 1,200+ IGT global people managers, including supervisors, are expected to participate in this program over the next three years. All 400+ directors and senior directors attended a condensed, one-day version of this program in 2019.

Since the launch, IGT has delivered this program to more than 900 people managers and supervisors around the globe. In addition, close to 500 directors and senior directors have experienced a version of the program. The program response has been outstanding to date, with managers consistently expressing how much value this learning experience has given them.



## DEVELOPING SOFT SKILLS WITH MANAGER ESSENTIALS

*The global learning program, Manager Essentials, aims at providing people managers with effective training on soft skills development. Soft skills are a combination of people skills, social skills, communication skills, character or personality traits, attitudes, career attributes, social intelligence and emotional intelligence, among others, that enable people to navigate their environment, work well with others, perform well, and achieve their goals with complementing functional knowledge and skills. The program will continue its activities throughout 2020 as originally planned according to its three-year rollout.*

In addition to the IDP, employees' skills and competencies are fostered by means of several learning and training programs, such as internal and external mentoring programs, internal reverse mentoring programs (to close the generational gap and increase digital mindset), coaching plans, and specific learning courses (foreign languages, software, etc.). In addition, IGT has established a rich e-learning catalogue with Harvard ManageMentor, Udemy, Skillsoft, MindGym programs. Top management, from director level and above, are also included in the learning experience, with Transformative Leadership and Leading IGT programs.

## MentorMe@IGT

Your Future In Play

*The mentoring process is a joint accountability of the mentee and mentor to define the action plan and the discussion structure for the 6-month duration of the program. MentorMe helps employees develop, maintain, and strengthen their competencies by building partnerships with people inside and outside the organization to achieve high quality work results. By focusing on their decision making, personal energy and self-leadership skills, the mentees will reach a higher level of professional and personal development.*

In 2019, IGT launched a career pathing project that would lead to a pilot program carried out together with a career pathing industry leader. The intention of the career pathing project is to meet a critical need at IGT: the desire of employees to better understand their role and responsibilities, and how they can develop their career at IGT. Five organizations were identified to be included in the pilot: PlayDigital, Studios, Marketing, P&T and Technology. Also, six pivotal roles were identified to create career pathing materials: P&T Partner, Software Engineer, Product Marketing Specialist, Artist, Mathematician and Studio Producer. To kick off the project, IGT organized a meeting with the executive leadership team and job organization leaders to better understand pivotal roles that could be focused on in the first phase of the pilot.

A focus group with pivotal role leaders helped to better understand the responsibilities and critical experiences of each role to draft materials. For each pivotal role, the following materials were created:

- Career Level Summary;
- Capabilities;
- Critical Experiences;
- Illustrative Career Path, mapping out potential moves a role could make.

In addition, an employee career guide was drafted to help employees and managers have positive career development conversations.

## CAREER PATHING AT IGT

Career pathing helps employees visualize and map a course for their path, growth and development within the Company. It focuses on identifying vertical and lateral career opportunities for advancement or progression, along with the experiences, leadership competencies and skills needed for success in each new role. Also, career pathing addresses both engagement and retention concerns and help align IGT's talent requirements.

As internal moves and job rotations increase opportunities to fertilize cross-functional expertise and to break down organizational silos, career pathing can be a supplemental development opportunity for high-potential employees and key talents outside of the talent review process. In 2019, IGT developed the foundation by creating a career area framework and employee tools to support a leading employee experience.

## LIFE IN ITALY IS A MASTER

Life Master is a digital master that values the learning potential inherent in parental experience, turning it into a unique opportunity for personal and professional growth. With 20 multimedia modules, the program trains and strengthens those soft skills that are naturally developed in parenthood and may represent an added value on the job. The master is designed for all parents with a child aged 0 to 3 years and those who will become parents in the short term.

Participation is voluntary, and the course can be attended before or during parental leave, as well as upon returning to work. Life Master is designed for individual participation and can be accessed via any digital device, even from home. Through the course, attendees have the opportunity to foster networking among colleagues who are living the same experience, and connect with the community of participants belonging to other companies.

Also, in 2019 IGT pioneered in Italy Life Reach, a webinar catalogue dedicated to caregivers. The learning experience includes a monthly live meeting that can be attended by whoever is raising a family, looking after an elderly relative, or volunteering, as well as managing talents and human resource, such as all people managers.



## TRAINING BY THE FIGURES

In 2019, IGT administered more than 87,000 hours of training to employees at all levels, with an average of 7.36 hours per person.

TRAINING GROUP	NO. OF UNIQUE PARTICIPANTS*	TOTAL TRAINING HOURS	AVERAGE NUMBERS OF TRAINING HOURS**
Senior Management	681	3,857	5.92
Middle Management	1,624	25,165	16.37
Office Staff & Workers	10,017	58,774	6.04
Total	12,322	87,796	7.36

\* The number of participants is higher than the total number of employees because also separations are included in the training participant data

\*\* The average number of training hours has been calculated basing on the total number of employees, per employee categories, as of December 31, 2019

Assessments and interactivity are woven in the design of most learning courses. At the end of each training course and learning program, IGT administers a paper assessment questionnaire and conducts evaluations on classroom training, although many of the digital learning offerings have pre- and post-evaluation components.

### Rewards and Benefits

As part of encouraging employee involvement in the

performance of the Company, the Company offers several performance-based programs, e.g. a share award program for employees at a senior management level. The share award is based on a three-year performance cycle, measured from the achievement of several financial metrics. Setting these thresholds and offering this share incentive helps drive leadership accountability which significantly impacts the overall performance of the Company. The Company

also offers a short-term incentive program related to fiscal year results and an employee recognition program, Spotlight, that provides monetary and non-monetary awards for employee contributions.

As far as talent acquisition is concerned, the Employee Referral Program rewards those who assist IGT's talent acquisition efforts by recommending qualified candidates for open positions. The objectives of the program include sourcing qualified external candidates for hard-to-fill jobs, minimizing recruitment costs, such as advertising and agency fees, and providing managers with an additional recruiting tool.

Employees receive bonuses once candidates they referred complete one month of satisfactory employment. Bonus amounts depend on positions' grade levels or business demand. Payment timing and terms are subject to change based on local customs and policies.



Parental leave is granted according to local laws and regulations, as they vary greatly among countries. Also, leave duration and additional programs are formally within the remit of local jurisdictions. In Italy though, Lottomatica provides an additional parental leave of 180 days to what is granted by law, as well as additional leaves for medical examinations.

The standard benefits for full-time employees include, as a minimum:

- life insurance;
- health care;
- disability and invalidity coverage;
- parental leave;
- retirement provision;
- stock ownership;
- others.

### Measuring Engagement

Employees who are more engaged are able to contribute in more positive ways and have increased motivation to deliver innovative products and solutions to customers. The anticipation of success fuels further engagement, and the loop continues. Indeed, engagement is linked to individual and team performance, customer satisfaction and loyalty, employee retention, quality of service, safety metrics, profitability, and market share growth.

There are a number of factors that influence employee engagement, including a healthy work environment, leadership presence and expectations, work-life integration, and an inclusive culture that values diverse employee contributions and personal and professional experiences.



### A TRANSLATION STRATEGY TO FOSTER AN INCLUSIVE WORKPLACE

*Effective communication, accessible to all employees, is an important piece of IGT's inclusive culture and engagement of employees. Part of supporting inclusion in IGT's workforce means speaking to people in their native language as much as possible. IGT has successfully piloted and implemented a new language strategy that expanded translations of the most critical all-employee communication.*

*While English is the official working language at IGT, many employees use a different primary language. The following approach aims to accommodate most employees and help build an increasingly inclusive workplace. Communication targeted to all employees is now offered into five languages other than English: Chinese, Czech, Italian, Spanish, and Turkish. Translated all-employee communication includes global policies, IGT's Code of Conduct, CEO announcements, the IGT Employee Engagement Survey, and much more. This language strategy is an evolving process. As different opportunities for translation are identified, such as more time-sensitive communication, IGT will explore ways in which to expand.*

IGT works continuously to better understand how to improve the engagement of its employees. Every two years IGT measures the level of engagement reported by employees. A bi-annual survey model is considered best in class practice for an organization of IGT's size.

In 2018, the Company rebranded its annual engagement survey to MyVoice@IGT to emphasize the importance of giving employees a voice in terms of improving their experience. The survey is voluntary and consists of 65 engagement index items covering 19 categories that measure areas like ethics and compliance, diversity and inclusion, growth and development, etc. An invitation to participate was sent to all employees and an overall 81% response rate was consistent with previous results.

The system used to collect and process the results of the survey allows every People Manager to design a specific action plan for their team. Lottomatica in Italy, in 2019 has piloted an Engagement Team with a two-year mandate,

and with the coordination of People & Transformation, made of 15 representatives elected by colleagues working in their respective areas, to design a mid-term action plan.

The engagement management approach is one of the items under scrutiny in MyVoice@IGT, and with respect to which every manager must identify improvement actions. Engagement management follows a two-level approach. The first level is related to the corporate climate and the experiences lived by the employees within the entire Company's perimeter; the second one is linked to how every employee is feeling comfortable in the role they're working in, relative to their own responsibilities and corporate strategy, and the relationships held with team and manager.

The first level falls within the remit of People & Transformation, which must ensure transparency of processes, clarity of guidelines, and effectiveness of tools available to managers. The second level falls under the direct responsibility of managers, with the support of P&T.



# 5

ADVANCING  
RESPONSIBILITY





*We have a responsibility to our employees, customers, players, and shareholders to always operate as an ethical, trustworthy company. In simple terms, this means that we strive to always do “the right thing” and raise concerns when necessary. We are aware of the risks within our industry; therefore we promise to constantly advance our responsible gaming initiatives and programs, and maintain our position as one of the industry leader’s in responsible gaming.*

Kimberly Fraser  
Global Communications Manager  
Providence, RI, U.S

# Advancing Responsibility

As a global leader in gaming, IGT considers customer protection in its many forms to be a critical piece of our business. Advancing Responsibility is about ensuring that customers have the tools they need to be secure and successful while maintaining the utmost integrity in key areas. Working in highly regulated markets across jurisdictions worldwide, where differences are related not only to laws and regulations, but also to cultural and social attitudes, IGT is fully aware of the risks and responsibilities associated with the gaming industry.

IGT works relentlessly to make sure that state-of-the-art tools and procedures are embedded throughout all business segments to protect people, products, and processes. In addition, IGT's responsibility is

not just limited to compliance protocols. IGT's responsible gaming commitment is long-standing and embedded within our core business. IGT demonstrates this commitment through collaborations with industry, research, customers, and players.

## Protecting People, Products and Processes GRI: 103-3

With operations in more than 100 countries, IGT is constantly working on becoming a better supplier, employer and corporate citizen. It accomplishes this by adapting policies to fit local regulations and applying industry standards to maintain a secure working environment.

### Data Protection

The collection and processing of data requires the highest

degree of responsibility toward individuals, business partners, and markets. To that end, IGT regularly monitors and upgrades its internal policies and processes to fully comply with requirements in all jurisdictions. IGT pursues the goal of earning and maintaining the trust of its stakeholders worldwide via programs and solutions designed to guarantee fair play and sensible data protection.

The enforcement of the European Union's (EU) General Data Protection Regulation (GDPR) 2016/679 in 2018 has radically affected data privacy management and processes. As its name suggests, the GDPR regulates data protection and privacy for all individuals residing in the EU and in member states of the European Economic Area (EEA). The regulation applies if the data controller (an entity that determines, alone or jointly, the purposes and means by which EU residents' personal data is processed), data processor (an entity that

processes data on behalf of a data controller), or data subject (person whose data is being processed) resides in the EU. Under certain circumstances, the regulation also applies to organizations based outside the EU if they are offering goods and services to or monitoring behavior of EU residents.

The GDPR aims at giving individuals control over their personal data and simplifying the regulatory environment for international business by harmonizing the regulation within the EU. In particular, the GDPR seeks to ensure that personal data is processed fairly, for specified purposes, and based on legitimate reasons allowed by the GDPR.

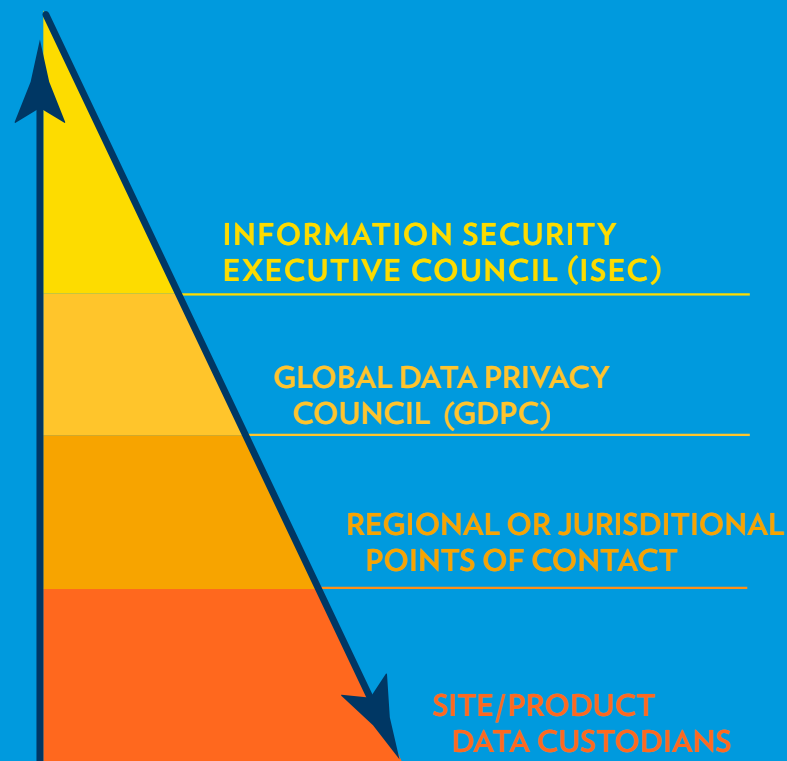
IGT has implemented measures that meet the principles of data protection and the concept of Privacy by Design and by Default. This concept requires data protection to be designed into the development of business processes for products and services.



Privacy settings must therefore be set at a high level by default. The appropriate technical and procedural measures must be addressed to assess the potential harm to data subjects and ensure compliance with applicable privacy requirements throughout the entire processing lifecycle. IGT also implements mechanisms to protect personal data by processing only what is needed for a specific purpose.

IGT has implemented a data privacy governance model describing the roles and responsibilities of the newly established Global Data Privacy Council (GDPC), Point of Contacts, and Data Custodians at the Company, regional/jurisdictional, and local levels, respectively.

The governance model is dynamic and may be adjusted to accommodate changes in the Company structure.



### DATA PRIVACY GOVERNANCE MODEL

In 2019, IGT designed a multi-layer operational governance model to ensure that it achieves Privacy by Design and by Default, as defined by the General Data Protection Regulation (GDPR), throughout the data lifecycle. The governance model clearly defines roles and segregates duties of the primary participants.

Leaders in data protection and privacy matters from select business functions form the Global Data Privacy Council. These individuals are specifically

appointed to develop and maintain the IGT data privacy program and assemble the team responsible for operationalizing the privacy program throughout the Company.

At the ground level, the model identifies the Points of Contact, whose primary focus is to document, operationalize, monitor and report processing activities involving personal data. Lastly, the governance model identifies Data Custodians as individuals acting as a Subject Matter Expert (SME) for all processing activities concerned with a business function or product.

### DATA PRIVACY OFFICER

*To adhere to data privacy best practices, IGT has appointed a Data Privacy Officer (DPO) to monitor the privacy management system and guide choices at an organizational, technological and procedural level for the protection of personal data. In particular, the DPO is accountable and responsible for:*

- *developing, implementing, and maintaining privacy policies, procedures, processes and tools in compliance with privacy and data protection legal obligations; and*
- *promoting training and ensuring full awareness of all employees regarding data protection.*

IGT takes appropriate technical and organizational security measures to prevent unlawful or unauthorized data processing and the accidental loss of, or damage to, personal data. Such measures are set forth in the IGT Information Security Management System (ISMS). IGT employees, contractors, consultants, and other workers are required to have knowledge of the security measures set out in the ISMS Policies and Standards.

A Privacy Risk Management program is specifically designed to evaluate new or existing processing activities, as well as potential harm to data subjects through two main components: the Privacy Impact Analysis (PIA), and if appropriate, the Data Privacy Impact Assessment (DPIA).

The PIA process uses two separate questionnaires. The Data Privacy Business Questionnaire (DPBQ) is required to be completed by business functions to determine high risks that a processing activity might pose following the start of a new process, product, or service. On the other hand, the Data Privacy Vendor Questionnaire (DPVQ) is administered to new vendors that the Company is evaluating. This questionnaire is integrated with the procurement process and is used for accountability and as evidence of compliance with vendor management requirements. Each PIA can be followed by a DPIA Questionnaire whenever a processing activity or vendor relationship is identified as posing a high risk to the rights and freedom of a data subject.

The types of privacy risks IGT identifies often relate to the unauthorized access or disclosure of personal data, while other privacy risks result from authorized use and other related activities. For example, privacy risks may result from the collection, use, and retention of personal data; the launch of a new product; a merger or acquisition; a new vendor relationship; or a lack of appropriate notice, transparency, or participation.

In 2019, IGT made the IGT Data Protection Policy accessible to all employees online. Employees with data privacy responsibilities have received a specific training about GDPR operational processes. Anyone processing personal data must comply with the principles of good practice, according to which personal data must be:

- processed fairly and lawfully;
- for limited purposes and in an appropriate way;
- adequate, relevant and not excessive;
- accurate;
- kept for no longer than is necessary; and
- processed in a manner that ensures appropriate security of the personal data.

For the general public, a privacy notice appears on every IGT website collecting personal data.

**Cybersecurity** GRI: 103-3

IGT is subject to similar risks that most global companies face: external attempts to breach and compromise systems, insider threats, mishandling of security policies, and not adhering to published guidance on how to operate with proper cyber hygiene. Given the nature of the business, IGT relies on the integrity and security of products and solutions.

The Global Information Security (GIS) department governs information security concerns for the Company in practice areas that include cyber threat intelligence; governance, risk and compliance; enterprise security operations; and application security. Business continuity and architecture falls under application security. The GIS team's mission is to enable the business to operate in a secure way. The success of this mission is supported by the fact that the Company has not suffered any security incidents that have risen to the level of material harm to the Company, as confirmed by annual internal audits of the effectiveness of the information security program.

IGT implemented a global security program to ensure solutions are developed with

security in mind from the ground up. Prior to delivery, the IGT global information security team reviews solutions and conducts various assessments. Risk assessments that evaluate the potential impact on the business from various security threat vectors are especially important. IGT embeds Application Security programs into its software development life cycle to guarantee security at the source-code level. Results are provided to development teams for resolution and then tracked until all identified issues are remediated. This method provides end-to-end security and a structured, measurable process to ensure solutions are managed and sustainable.

IGT's global Information Security Management System (ISMS) is responsible for:

- addressing security concerns related to inbound, internal, and outbound information flows;
- developing an information security policy to safeguard the confidentiality, integrity and availability of all physical and electronic information assets; and
- ensuring that regulatory, operational and contractual requirements are fulfilled.

The ISMS is a key component of overall information security management framework, and has information security documentation including security policies, security standards and security protocols or procedures.

Additional goals of the ISMS are to:

- comply with business, legal and regulatory requirements to maintain the confidentiality, integrity and availability of IGT information assets and services;
- comply with industry best practices at the program, process, and system levels;
- ensure that IGT is capable of continuing its services in the event of major disruptions;
- establish controls for protecting IGT information and information systems against theft, abuse and other forms of harm and loss; and
- establish requirements for controlling access to all IGT information assets, including computers and communication systems.

IGT does not rely on traditional perimeter security alone. Instead, it implements in-depth cybersecurity programs. A Cyber Threat Intelligence team works to ensure early detection of risks, and vulnerability testing is regularly scheduled according to industry

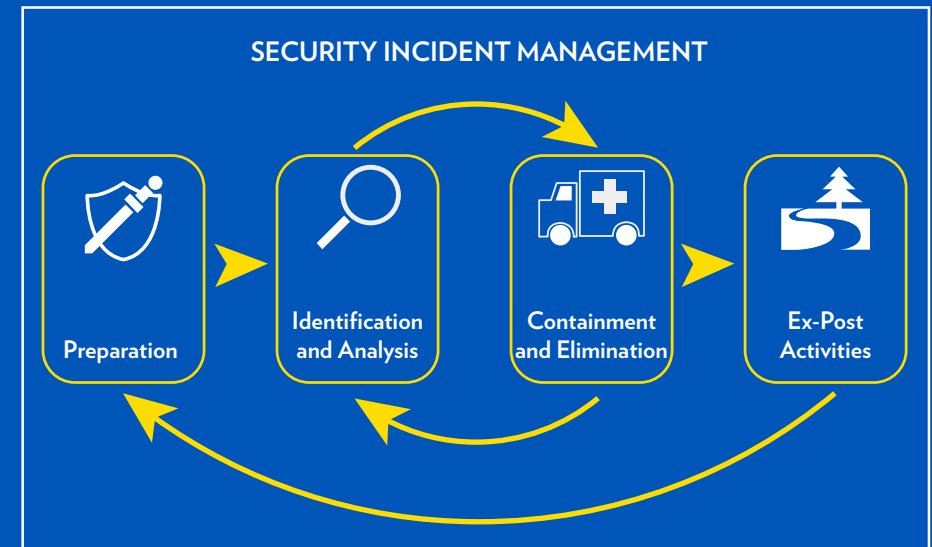
frameworks that fully meet audit and regulatory requirements. These types of tests typically involve penetration and vulnerability scanning of systems and environments within the scope of each audit. Most of these scans must be performed quarterly, with more extensive exercises performed yearly. Policies and standards are reviewed and approved on an annual basis by the Information Security Governance Committee. Such documents are central to IGT's ISO 27001 and WLA certifications, since they are the foundation of IGT's Information Security Management System.



## A 24-HOUR SECURITY OPERATION CENTER

With the aim of preventing and promptly reacting to cyber-attacks, Lottomatica has established a Security Operation Center (SOC) to ensure the management of security incidents 24 hours a day, every day. SOC performs threat analysis, grading, and reporting along with timely defensive actions. SOC operates according to an Information Security Incident Management process designed to cover the following stages:

- Preparation: definition and constant updates of guidelines, procedures and communication standards for incident management.
- Identification and Analysis: monitoring of security incidents for detecting and reporting; incident analysis and correlation for identifying incident types, attack mode and perimeter of impacted systems.
- Containment and Elimination: actions for incident mitigation and definitive resolution, with consequent restoration of adequate service provision.
- Ex-Post Activities: notification to involved staff, incident report draft, post-incident analysis and definition of new security measures to prevent future incidents.



Security awareness training campaigns are offered continuously, while yearly mandatory Information Security training is provided to all employees. Additionally, Application Security and other targeted training with specific modules based on job roles and module content is assigned to employees. A global Security Incident Response (SIR) plan is available to all staff globally for reporting potential incidents. Incidents are analyzed by an Incident Manager, who appoints a specially assembled team to review the issue and respond. An ensuing internal report is delivered to executive management based on the severity of the issue.

#### Business Recovery Plans

IGT Business Recovery Plans are modelled after the ISO 22301 framework to allow for clearer implementation and design according to three components: people, processes, and technology. The people portion is the Emergency Response Plan (ERP), which outlines the initial actions required during notification of an

emergency. The process portion is the Business Recovery Procedure (BRP), which combines all risks, processes, time to recover, etc., into one document and provides the path of escalation and steps needed. The technology portion is the Disaster Recovery Plan (DRP), which is created by the various technology teams to contemplate all steps needed to recover technology and systems.

The ERP and DRP are linked into the BRP to complete the whole emergency and recovery plan for each office. A disaster might affect numerous operations in varying degrees. The scope of a BRP assumes a significant disruption of operations up to and including the destruction of an IGT facility wherever it is located. Recovery plans and procedures are based on the assumption that the infrastructure for locations has been, or is being, recovered by IGT staff in accordance with pre-determined recovery strategies. This framework and model enable an office to identify management leaders to make decisions during emergencies and identify the steps needed to recover. The

BRP undergoes yearly testing and updating by the office's management team.

#### Anti-Fraud and Anti-Money Laundering

IGT's has implemented processes and controls to continuously deter money laundering, monitor player activity, and identify and report suspicious activity. IGT employees are required to have knowledge of the risks posed by fraud and money laundering. They are required to understand the issues and report suspicions of money laundering.

IGT's Cashless Payments team is responsible for payments fraud monitoring in the U.S., supporting several lotteries including Georgia iLottery, Kentucky iLottery, Rhode Island iLottery, Rhode Island Mobile Sportsbook, Michigan Retail, Missouri Retail, Tennessee 2nd Chance Loyalty and also a U.S. commercial casino company, Penn National Gaming (PNG). This team currently supports both digital and retail lotteries. Cashless fraud monitoring focuses on several areas of support:

- Know Your Customer verification to confirm age and identity;
- manual player due diligence checks;
- payment registration monitoring and funds withdrawal;
- preventive and detective controls that limit deposits;
- identification of associated accounts;
- alerts on suspicious behavior patterns; and
- chargeback monitoring to prevent abuse of the chargeback process.

Along with the IGT account management systems, IGT performs player due diligence checks to ensure effectiveness of account restrictions and to identify abuse that violates those restrictions. IGT's solutions validate and process payment methods through payment gateway tools, such as Central Account Management System, Verifi (Kentucky), Worldpay

(Michigan), and IGT Pay (Georgia, Rhode Island, and Penn National Gaming). These tools facilitate payment method verification through configurable controls, provide restriction models to limit, control and decline transactions based on defined rules and parameters, support reporting of KPI trend monitoring and fraud investigations, and support chargeback monitoring and dispute resolution.

The Cashless Payments team investigates cases of fraud as defined by established policies and procedures. Investigation results are provided to the appropriate point of contact within each operator's organization. Fraud is defined by each operator according to their product offering and individual regulations. The Cashless Payments team supports operators in monitoring and reporting varied types of fraud: identity theft, payment fraud, and friendly fraud. Cashless Payments team leverages fraud monitoring tools to detect suspicious activity and investigate. The results of the investigation determine the action to be taken, which could include account

suspension. The results are sent to the operator who determines when to engage the appropriate authorities. In 2019, the number of investigations sent to customers based on their escalation criteria amounted to more than 250.

In Italy, an automated monitoring system that detects suspicious transactions has been developed envisioning and delivering IGT's first integrated, cross-business, anti-fraud platform within IGT which allows the Risk Monitoring and Reporting team to monitor, prevent and detect fraudulent behaviors on the end-to-end sales process and on the entire offer of Lottomatica's products. This applies to both the "B2B" (retail) model - extended to about 67,000 points of sales for Lotteries (Gratta e Vinci and Il Gioco del Lotto), and Sports Betting - and the B2C sales model/product such as Digital.

Risk Monitoring and Reporting has created a specific risk score model for each Lottomatica's product developing it in the centralized antifraud platform which automatically assigns a specific risk score at the transaction level

to identify customers that exhibit a high-risk behavior. The Risk Monitoring and Reporting team investigates, monitors and reports fraudulent activities applying a specific escalation process which involved the Risk Owner, Risk Management and the relevant stakeholders. The system is operated by LIS IP<sup>(\*)</sup>, a subsidiary of Lottomatica, which manages IGT's cashless and pre-paid card payment services. The system identifies operations that show risk in terms of timing, amount, and location, according to algorithmic abnormality indicators applied to e-money and pre-paid cards marketed by the Bank of Italy. The monitoring is carried out through an application called NSR (LIS IP cashless services) and Irma (CartaLis e-money services.) This leads to monthly reports being analyzed according to two levels of assessments that determine whether conclusions should be forwarded to the applicable law enforcement authorities.

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(\*) LIS IP S.p.A. was merged by incorporation into CartaLis IMEL S.p.A. with effect from 1 June 2020

## FINANCIAL ACTION TASK FORCE

The recommendations of the Financial Action Task Force (FATF) on preventing money laundering and terrorism financing are of paramount importance. FATF (also known as GAFI – Groupe d'Action Financière International) is the global anti-money laundering and terrorist financing watchdog. The inter-governmental body sets international standards that aim to prevent these illegal activities and the harm they cause to society. As a policy-making body, FATF works to generate the political will required to bring about national legislative and regulatory reforms in these areas, with more than 200 countries and jurisdictions committed to implementing them. Due to the different jurisdictions, countries cannot implement identical measures to fight those threats. Thus, FATF recommendations define the international standards that all countries should incorporate in their legislations in order to identify risks and develop national policies. Prevention and countermeasure policies are established by introducing initiatives aiming at knowing the customer base, tracing financial transactions, protecting data and information, and reporting of suspicious operations.



All IGT employees involved in cashless payments operations are required to understand and adhere to Anti-Fraud and Money Laundering (AML) policies and procedures. As part of the employee onboarding process, IGT Cashless Payments team members are required to complete specific intranet and web-based training programs on systems and payments, as well as a general overview of fraud and money laundering. This training aims to prepare employees to review and identify suspicious behavior and common fraud trends, and reinforce appropriate actions and escalation procedures to report on fraudulent activity. All Fraud and Security team members supporting Penn National Gaming participated in AML training in 2019, which included review of a presentation that outlined definitions, best practices, AML monitoring and responsibilities.

### Match Fixing

IGT provides sports betting technology to operators as a supplier or licensor under the

IGT PlaySports brand. In Italian market only, IGT is a sports betting operator under the brand name Better. PlaySports provides operators with active and continuous support for integrity monitoring activities. For event-level monitoring, the PlaySports platform contains advanced risk monitoring capabilities and powerful automatic risk control.

PlaySports is configured with a series of risk parameters based on specific, anticipated aspects of betting behavior in each type of market. These parameters represent a typical volume of betting activity. All bets are monitored by the PlaySports system in real time across all channels (retail, kiosks, online, mobile, etc.). As betting proceeds, if the system detects higher-than-expected levels of activity in a market, the system alerts the traders and automatically suspends trading. This allows the trading team to review the events and ensure that unexpected activity during minor events is not overlooked.

PlaySports provides tools to allow operators to see betting patterns within player accounts. These tools help the operator manage their trading risk and detect suspicious patterns. They provide historical analysis of accounts by sport and bet type and allow tagging or risk factoring of accounts based on historical levels of activity. If an account shows higher-than-normal levels of activity, the trading team is automatically alerted and the tool can automatically block the account.

The PlaySports system also provides features to support operators in terms of their reporting and monitoring requirements. Historically, as well as currently, bets are stored in full detail for an extended period, and this data can be exported to provide a full audit or other evidence where required. As well as providing statutory AML reporting, the PlaySports system is also linked to third-party AML systems to automatically consolidate not only large single transactions, but any transactions tagged by the operator staff and/or the trading team.

In Italy, where IGT is a sports betting operator, detection of suspicious match-fixing activities is carried out at different stages. During the betting activity, the Risk Management function controls betting volumes through the WagerWise platform. Pre-set alerts identify anomalous situations, from disproportional betting volumes to the prominence of the match involved. The weekly payout will then be analyzed to identify matches and markets where anomalous volumes and win concentration occurred. Once suspicious behaviors and actors are detected, new game limits are set, and information is shared within the bookmaker community for further analysis.

This sports betting activity in Italy is carried out through different instruments, mainly Data Warehouse (DWH) and Betting Intelligence Platform (BIP).

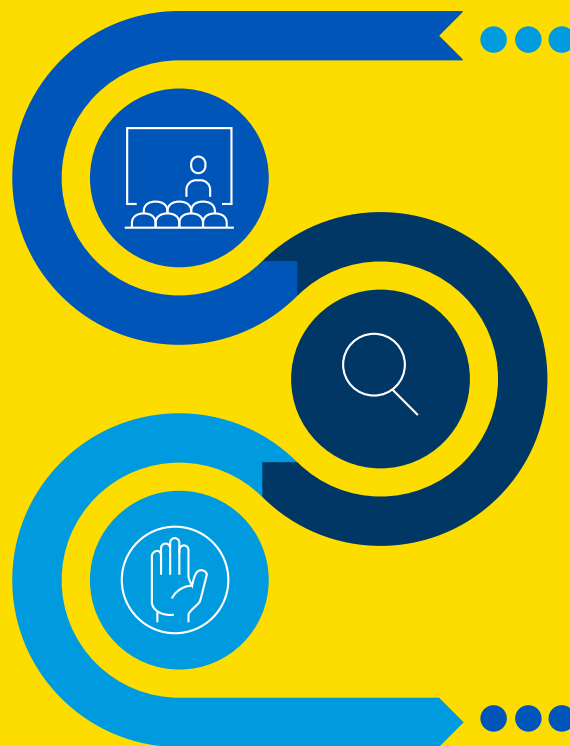
DWH is involved in analysis on historical betting patterns

(closed events), working out scheduled emails. BIP analyzes real time betting patterns (events during their lifetime) showing on its console real time alerts. Both DWH and BIP generate alerts on suspicious betting activities by players through analysis of betting accounts. Alerts are also shown at the sports event level through the analysis of patterns based on market benchmarks and historical series.

IGT is committed to working with industry associations to contribute its perspective on maintaining integrity in sports betting and to receive information from the organizations regarding suspicious activities. In Italy, Lottomatica retains membership with Global Lottery Monitoring System (GLMS) as it has done for several years, sharing information on suspicious match-fixing behaviors.

In 2019, IGT joined GLMS as an Associate Member with the objective of safeguarding the integrity and values of sports worldwide.

## GLMS KEY PROCESS FLOW



### EDUCATION/CULTURE OF INTEGRITY

#### Cautious selection of betting events:

- **Non-professional** and young **athletes** are **too vulnerable** and could be tempted to fix a match. Therefore, betting on minor sports/leagues in certain context should not be offered

#### High-level automation:

- A peerless monitoring system to enable "artificial intelligence" to **analyze real-time odds volatility** and detect suspicious odds movements

#### Info/Odds/Money Flow Monitoring.

### DETECTION

- GLMS System and individual member suspicious **betting pattern alert trigger**
- Key **betting event information acquisition** includes:
  - bet description;
  - wager value;
  - time/odds;
  - distribution channel;
  - (retail/digital); and
  - geographical location.

### MANAGEMENT

#### GLMS **containment action** recommendations to members to:

- increase limit thresholds;
- drastically change Odds/Leg;
- close betting on a given market;
- close betting on the whole event.

#### GLMS and members to **communicate formally** to:

- regulators;
- law enforcement agencies;
- sport federations integrity units; and
- sport prosecutors.



**THE EUROPEAN  
LOTTERIES**  
FOR THE BENEFIT OF SOCIETY

## GLOBAL LOTTERY MONITORING SYSTEM (GLMS)

The Global Lottery Monitoring System (GLMS) is the lotteries' mutualized sports betting monitoring system. It was founded by European Lotteries and the World Lottery Association and in 2019 counted 32 individual members as well as two associate members. It aims to detect and analyze suspicious betting activities that could affect the integrity of a sports competition. GLMS facilitates the sharing of sports betting information as part of the collective efforts of its members to ensure sports betting integrity globally. GLMS is dedicated to effective cooperation with all key stakeholders: regulators, law enforcement authorities, and sports organizations. IGT has adopted the GLMS Code of Conduct on Sports Betting. IGT's objectives are to deliver socially responsible, best-in-class solutions, while respecting both people and society; and to drive innovation and excellence while keeping gaming fun for all. GLMS makes outstanding efforts to monitor betting patterns and provide responsible gaming education, establishing a culture of integrity. Embracing such a global lottery effort aligns with IGT's culture and values.

IGT became a member of the Sports Wagering Integrity Monitoring Association (SWIMA) in 2019.

Established in November 2018, SWIMA is a non-profit organization designed to detect and discourage fraud and other illegal or unethical activities related to betting on

sporting events in the United States.

SWIMA is a multi-jurisdictional entity that works in partnership with member gaming operators; federal, state and tribal regulators and law enforcement; and various other stakeholders involved in sports wagering in the United States.

## SPORTS WAGERING INTEGRITY MONITORING ASSOCIATION (SWIMA)

*Modeled after the International Betting Integrity Association (formerly known as ESSA) in Europe, SWIMA also shares information to identify potential fraud that could have a global reach. A central tenet of SWIMA's role is to protect the integrity of wagering on any event where betting is offered by providing information to stakeholders regarding any unusual or suspicious betting activity taking place in SWIMA members' betting markets. To achieve this, SWIMA has developed a monitoring and alert platform that all members can access and are obliged to support. The process seeks to quickly and efficiently provide alerts to members about unusual or suspicious activity suggesting possible fraud or manipulation related to sports betting and any other event on which betting is offered.*

## Product Safety and Quality GRI: 103-3

IGT understands the need for player and customer confidence, thus making product safety and quality an absolute necessity. As with all products, IGT is committed to protect players from fraud. IGT seeks to ensure the integrity of wagering through state licensing and regulation, and considers responsible gaming a core value. IGT believes that most players, if given a competitive and convenient option, would stop participating in illegal markets and choose to wager in a safe, legal, regulated, and transparent environment.

## SCRATCH TICKETS

Product safety, durability and security are paramount features of IGT scratch tickets, designed to protect customers and players against material faults and health and fraud risks. The tickets are non-toxic and as such cannot cause any physical harm to the consumer. This is ensured by using all water-based chemistry in coatings and inks to print the tickets. Tickets are designed to perform under a variety of conditions. The way lotteries store, distribute and market tickets varies significantly between organizations. IGT tickets are constructed to function in the harshest environments. The clear-coat layers that are applied



over the data are designed to protect the play symbols from being damaged, even from aggressive scratching. The tickets are designed to scratch below freezing and in tropical humidity conditions. The scratch-off coating is designed to provide a normal scratch even if stored for a few years before they are placed in a dispenser.

Since maintaining the integrity of the lottery is paramount, tickets are designed to withstand fraudulent attempts to determine win/lose status. The physical security of the tickets originates with the unique coatings that create an envelope around the play symbols to protect them. The security of the tickets is

evaluated during the print run to eliminate concerns once the tickets are offered for sale.

In addition to safety measures on the product, IGT uses technology to apply additional security measures to the retail aspect of scratch tickets and other lottery purchases. This technology is the Instant Processing System, which has built-in functionality to limit lottery liability associated with retailer activities for both instant and online tickets. To reduce in-store theft, when using Acculstants feature, the system can account for each instant ticket individually, ensuring they are not eligible for validation until the retailer scans the ticket as it is sold. This greatly reduces in-store theft. The Instant System also tracks each validation individually, once the ticket is marked paid as a result of validation, the ticket may not be paid out again.

Specific to retailer fraud activity of looking for instant ticket winners (“fishing”), the Instant Processing System (IPS) provides functionality to monitor instant ticket validation activity for invalid

Personal Identification Number (PIN) attempts and non-winning ticket validation attempts. IPS also provides credit limits for monitoring, limiting and controlling a retailer’s instant ticket consignment liability. The credit limit can be set for each retailer, whose limit is checked prior to finalizing an order. If the retailer does not have enough credit available, the order will not be processed.

### Operating with Integrity

GRI: 102-16; 103-3; 206-1

Wherever it operates, IGT is committed to winning business the right way by conducting itself with integrity and maintaining the highest ethical standards. IGT is committed to acting with honesty and in good faith in all business activities and dealings with government officials, customers, and third parties. IGT’s reputation as a responsible and ethical supplier of gaming and lottery products and services is critical to its success. Global compliance with anti-corruption laws and IGT-related policies and procedures are fundamental to protecting the Company’s reputation.

IGT is engaged in the highly regulated businesses of gaming and lottery where its activities could be vulnerable to corruption and anti-competitive manipulation in both the government and private sectors. It is important for the Company to avoid these vulnerabilities in order to maintain its licenses globally and its good reputation in the industry. It does so by adopting and implementing policies and procedures to maintain a corporate culture and practices that protect against such vulnerabilities. Accordingly, IGT has an Anti-Corruption Compliance and Ethics (ACE) Policy and program that is administered by the Company’s Legal Department.

This includes detailed gift, entertainment, and travel policies and limits, along with specific procedures and limitations covering government officials.

IGT forbids directors, officers, employees, and third parties from offering or giving to any person, or soliciting or accepting from any person, bribes, kickbacks, or any other improper benefit. To maintain the highest ethical standards and to comply with global anti-corruption laws, IGT prohibits bribery in any form to or from any person, including in the private sector, which is also known as commercial bribery. Any business courtesy should be reasonable and for a legitimate business purpose. IGT also prohibits soliciting or accepting a bribe from a supplier or other private sector party.

IGT is required to keep accurate books and records and to maintain a system of internal accounting controls sufficient to give reasonable assurance that transactions are properly authorized and accurately recorded. A violation does not

depend on the legality or illegality of the underlying transaction, as improperly recording or failing to properly authorize an otherwise legal transaction can be a violation of law. Accordingly, all IGT employees must obtain all required authorizations and provide accurate and complete information for IGT's books and records.

Anti-Corruption and Ethics training is biennial for employees and mandatory for all new hires. Further, IGT requires specified employees to complete anti-corruption training on a periodic basis and certify completion of that training. The training is introduced by the Company CEO and General Counsel and accomplished through a combination of online training and testing, as well as through live video and audio seminars. Ongoing training and support are provided through the

IGT Legal Department. All third-party service providers are background-checked and vetted for corruption risk. Anti-corruption compliance provisions are included in third-party provider contracts. When appropriate, or if the risks of potential corruption or anti-competitive behavior are present, anti-corruption and anti-competitive practices, provisions, certifications, and training requirements may be included in third-party service provider contracts. Training and testing are planned for the latter part of 2020.

IGT provides employees with alternative methods for anonymous reporting of corruption or any type of irregular activity. Grievances and reported irregularities, whether anonymous or not, are tracked and reported for resolution or closure by the Compliance, Legal, and/or the

People and Transformation departments. The IGT Internal Audit Department assesses the ACE program biennially and reports results to the Company's audit committee and management, which in turn reports to the Company Board of Directors as appropriate. Adjustments to the policies, programs and oversight are made on an ongoing basis in response to internal assessments and changes in the regulatory environment.

Everyone at IGT has a duty to prevent corruption and violations of the ACE policy, and to report and fully cooperate with investigations of any attempted, suspected, potential or actual violations of the ACE policy. IGT will not retaliate, or permit retaliation, against anyone who reports suspected misconduct in good faith, or who cooperates with an investigation.

## WHISTLEBLOWER POLICY

*All employees are encouraged to report any suspicion of a violation of IGT's Code of Conduct or other activities that might be unlawful, lead to incorrect financial reporting, or raise questions about the integrity of management, without any fear of retaliation. Employees, officers, directors, consultants, and representatives are encouraged to report suspected or known violations through regular reporting channels or anonymously through the Company's Integrity Line.*

*The Compliance Department receives all inbound Integrity Line telephone and web portal reports of suspected or known violations through an independent provider. If it is reasonable to conclude under the circumstances that a material violation is ongoing or about to occur, the Chief Compliance Officer and/or the General Counsel shall immediately notify the Chairman of the Audit Committee of the Board of Directors. In all other circumstances, investigation reports, findings, and recommendations will be reviewed in a reasonable and timely manner by the Chief Compliance Officer or appropriate IGT department or personnel, and the General Counsel where violations of law are alleged.*



IGT's Code of Conduct provides a clear description of what behavior is considered appropriate and ethical in the course of doing business on behalf of IGT. The code also offers some examples of what acting with integrity looks like in employees' day-to-day work. Every employee is responsible for reading, understanding, and agreeing to abide

by this code. IGT provides Code of Conduct training periodically to enhance employees' understanding of ethical and legal risks. An overview of the code is available at all times in 10 languages on the OneIGT intranet site, and also on the public-facing website at <https://www.igt.com/explore-igt/about-igt/compliance>.

In addition, the Company's Compliance Department administers the Code of Conduct, which addresses anti-competitive practices and appropriate behavior, ethics, corruption and bribery, and requires annual certification. As appropriate, employee engagement letters and contracts include specific actionable provisions barring any type of anti-competitive behavior. Compliance with the ACE policy and the policies and processes referenced herein is mandatory, and non compliance is grounds for disciplinary action. Compliance might be considered as a factor in promotion and compensation decisions and, under certain circumstances, non-compliance might result in actions including termination of employment.

## Promoting Responsible Gaming

GRI: 102-12; 102-13; 103-3

Whether voluntary or driven by regulation, responsible gaming (RG) is a vital aspect of IGT's business and just as important as sales results. More and more regulators, customers, and the public want to know how growth and technology can be balanced with RG. Investment in RG is necessary to compete in the global gaming market and to support IGT's efforts to operate in a socially responsible way that adds to its credibility and reputation. To that end, IGT has steadily increased its efforts to prevent gambling behavior that could adversely affect a player.

As the world's leading gaming and technology vendor, IGT has a unique approach to sustainably growing its business. By working with global customers to engage players across all gaming channels, IGT's RG efforts are based on the following objectives:

- promote protective tools to prevent problem gambling;
- support responsible gaming organizations that address problem gambling; and
- prevent underage gambling.

IGT focuses on being a





## IGT'S RESPONSIBLE GAMING (RG) COMMITMENT

In compliance with the industry's best practices and standards, IGT has identified eight RG commitments:

1. Work with appropriate stakeholders on RG issues to ensure IGT follows best practices and is aware of current RG research as it relates to our operations.
2. Create internal awareness about RG and provide specific education and training to relevant employees as it relates to their daily activities.
3. Incorporate RG tools into our products and services to minimize potential risks.
4. Ensure IGT's digital platforms offer operators the ability to monitor players' behavior and minimize any potentially excessive or illegal gaming activities.
5. Ensure all advertising and promotional activities comply with IGT's Responsible Gaming Code of Principles.
6. Support customers with RG best practices.
7. Engage with stakeholders to align our RG strategies according to their expectations.
8. Report IGT's RG activities to key stakeholders.

forward-thinking company that weaves RG into the fabric of all its products, programs, and policies. This is demonstrated by IGT's adherence to globally recognized programs, such as those of the World Lottery Association (WLA) and the Global Gambling Guidance Group (G4), which are aimed at protecting players and minimizing problem gaming risks and other potential harms.

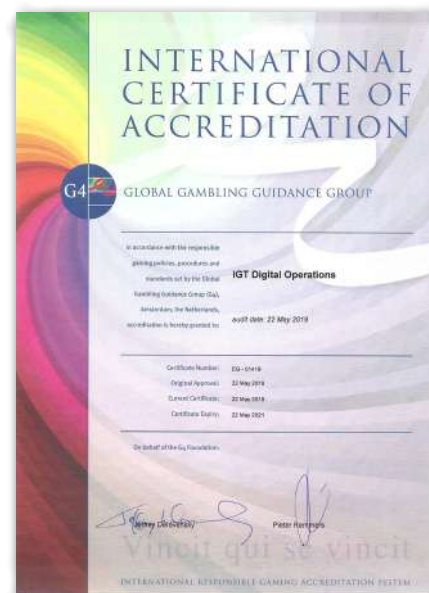
The certifications awarded to IGT by the most important gaming industry associations worldwide demonstrate the Company's commitment to RG. Given that such certifications are not permanent, IGT constantly works to fulfill

their requirements and prevent any gaps in action or procedures that might hinder the certification process.

IGT is the first gaming vendor in the world to achieve RG accreditation from the G4 for its gaming and digital operations. To maintain G4 certification, IGT was independently assessed to confirm that the Company goes beyond the industry standards of providing player protection tools and responsible gaming information on gaming machines.

G4 also requires vendors to make a commitment to research, dedicated policies, and employee training. This certification proves IGT's commitment

to being a responsible vendor, and demonstrates the effectiveness of the RG technology solutions it provides to gaming operators worldwide.





Doing the right thing for players and the broader community has made CSR, and specifically, the Responsible Gaming Principles and Framework, a priority for the WLA. IGT has been awarded certification from the WLA Responsible Gaming Standards for Associate Members. IGT was commended for its commitment to establishing sustainable RG programs as a vendor to the global lottery industry for nearly 40 years.

An external appraisal was performed by a WLA-approved assessor who provided an informed, complete, and impartial assessment of the Company's lottery operations, and who completed a Statement of Alignment reflecting IGT's compliance with the eight sections of the WLA Standards. The eight standards include research, employee programs, product and service development, remote gaming environment, advertising and marketing communications, client awareness, stakeholder engagement, and reporting.

IGT takes a strong top-down commitment to RG, which lends itself to structural policies and procedures that are intended to mitigate risk. This level of support has allowed IGT to create an RG program that is woven into its core business functions. Policies and procedures ensure there is oversight to certain functions by means of cross-reviews carried out by subject-matter experts and advisors, in order

to guarantee that products and features are in line with current best practices in RG. IGT maintains open communication with product subject-matter experts to identify and mitigate risk early. Thanks to such proactive measures through the regular course of business, there is a rare occasion to mitigate risk in the market.

The entire RG management process can be described in the way IGT is adopting a collaborative approach, is committed to providing adequate training programs to involved parties, and is promoting correct behaviors through efficient communication plans, thus leading to effective initiatives.

Externally, IGT works with RG experts and advisors to ensure that products, features, and policies are in line with current best practices. In this type of setting, IGT can learn about new approaches and research, while discovering new ways to provide support to other players in the industry.

#### Collaborating GRI: 102-12; 102-13

IGT works with a wide variety of stakeholders to promote and support RG, including problem gambling researchers, advocacy groups dedicated to promoting awareness of RG, and policymakers. In 2019, IGT was announced as a contributor to the International Center for RG (formerly NCRG) new sports betting research fund. IGT also supports the research community through participation in events and conferences.

Additionally, IGT disseminates information about its RG programs and capabilities through the use of its website, sustainability report, brochure, and social media. It also participates in

global RG conferences and seminars, such as:

- American Gaming Association Conference;
- British Columbia Lottery Corporation (BCLC) Conference;
- European Lotteries/World Lottery Association CSR Responsible Gaming Seminar;
- International Conference on Gambling and Risk Taking;
- National Council on Problem Gambling Conference; and
- International Center for Responsible Gaming Conference.



*Asia Lottery Forum and the Second Asia-Pacific Conference of China Lottery Industry Salon  
Featured: David Wang, Managing Director China R&D Center, discussing Responsible Gaming G2E Asia*



*Featured: Jade Luchauer, CSR Manager, accepting the 2019 NCPG Best Holiday Campaign Award from Dr. Jeff Derevensky*

IGT works closely with customers to understand and accommodate their needs related to receiving turnkey solutions and embedding RG features into their offerings. By working with global customers to engage players across all gaming channels, IGT is focused on providing games players can enjoy anytime, anywhere, on any device, in ways that are anchored by a sound approach to social responsibility.

The specific knowledge and expertise that IGT has gained by working with lotteries around the world enables the Company to work on RG programs with lottery customers when requested. IGT offers solutions that protect and serve their customers' players by

assisting with best practices to produce and distribute RG tools and materials to retailers and consumers. In addition, IGT has assisted several lotteries with questions regarding the WLA Framework based on its own experience with the process.

IGT is also increasingly asked to advise other gaming organizations in jurisdictions throughout the world on RG best practices. Therefore, regional mid-management employees are required to not only be knowledgeable, but actively involved in the RG activities of all stakeholders in the jurisdictions they serve. In addition, IGT has created an annual RG brochure that speaks to all RG capabilities in various business segments. This document is available at <https://www.igt.com/explore-igt/about-igt/global-responsibility/fostering-responsible-gaming>



## CSR INITIATIVES AT IGT INDIANA

- IGT Indiana presentation of “Environmental Sustainability – Life Cycle Assessment to the Lottery Business,” held at the annual European Lotteries/World Lottery Association seminar on CSR and Responsible Gaming that took place in Dubrovnik, Croatia.
- IGT Indiana has enabled the Intrastate Responsible Gaming Working Group, a partnership between the Gaming Commission, Lottery Commission, and Horse Racing Commission to collaborate on RG initiatives.
- IGT Indiana supported the National Council on Problem Gambling’s annual campaign to stop lottery tickets as gifts for kids, ensuring children and vulnerable populations are never targeted for ticket sales, either intentionally or unintentionally.
- IGT Indiana developed the Hoosier Lottery Conference and Training Grants, which provide problem gambling treatment providers the opportunity to attend continuing education training for required certification.
- IGT Indiana partnered with GamTalk, an online support community, to provide help to problem gamblers via the web. This is in addition to the support provided to advocates and various stakeholders to improve access to treatment



At the annual EL/WLA seminar on CSR and Responsible Gaming in Dubrovnik (Croatia), Katie Carlson (Director Corporate Social Responsibility & Compliance - IGT Indiana) presented “Environmental Sustainability – Life Cycle Assessment to the Lottery Business”

## INTERNATIONAL CENTER FOR RESPONSIBLE GAMING 20TH ANNIVERSARY CONFERENCE ON GAMBLING & ADDICTION

*IGT is an annual sponsor of the International Center for Responsible Gaming (ICRG) conference, which showcases problem gambling research and new advancements in RG. The conference is divided into two tracks: one dedicated to clinicians, researchers and public health professionals, and the other for industry professionals and regulators. Among the subjects discussed, the conference offered a comprehensive overview on the latest advancements in research on problem gambling. It also shared the experience of Gambling Treatment Diversion Court, which is modeled on specialty courts such as drug courts and which helps disordered gamblers recover without incarceration.*



Throughout the world, IGT works with a wide variety of external stakeholders, including advocacy groups, audit firms and certification bodies dedicated to promoting

awareness of RG. Each entity is a partner to the Company and is dedicated to ensuring that IGT continually improves and fully supports RG best practices.



IGT is an Associate Member of the World Lottery Association (WLA). The WLA's values are based on a commitment to the highest standards of corporate responsibility, including the WLA Responsible Gaming Principles and Framework, and respect for the duly authorized legal systems that determine where, and in what form, gaming products can be provided to the citizens of a particular geographical or national territory. The WLA is committed to sharing knowledge and experience among its members and improving their business in the interest of stakeholders as determined by the authorities in their respective jurisdictions.



IGT is a Premium Partner of the European Lotteries (EL), the umbrella organization of national lotteries operating games of chance for the public benefit. EL brings together state-owned and private operators, both profit and non-profit, that operate on behalf of the state. Members only offer gambling and betting services in the jurisdictions where they are licensed by the respective national government. EL promotes the sound and sustainable gaming model for the benefit of society, based on the values of subsidiarity, precaution, solidarity and integrity.



IGT is a Platinum Member and Annual Sponsor of the Conference of the National Council on Problem Gambling (NCPG), the U.S.-based organization working with state and national stakeholders in the development of comprehensive policies and programs for all those affected by problem gambling.



IGT is an Annual Member of GambleAware, the leading charity in the UK committed to minimizing gambling-related harm. As an independent national charity funded by donations from the gambling industry, GambleAware funds education, prevention and treatment services, and commissions research to broaden public understanding of gambling-related harm. The aim is to stop people from experiencing problems related to their gambling and ensure that those who do develop problems receive fast and effective treatment and support.



IGT is a Conference Supporter of the International Center for Responsible Gaming (ICRG), formerly National Center for Responsible Gaming (NCRG), which is devoted to funding research that helps increase understanding of gambling and finds effective methods of treatment for the disorder. The Center of Excellence ensures that high-quality research - not bias or political expediency - determines the steps to regulate sports betting.



IGT is a member of the Responsibility Committee of the American Gaming Association (AGA), the U.S.-based national trade group representing commercial and tribal casino operators, suppliers and other entities affiliated with the gaming industry.



#### ONGOING PARTNERSHIP BETWEEN NORTHSTAR NEW JERSEY AND THE COUNCIL ON COMPULSIVE GAMBLING OF NEW JERSEY

Northstar New Jersey (NSNJ) has an ongoing partnership with the Council on Compulsive Gambling of New Jersey (CCGNJ). The CCGNJ helps NSNJ and the NJ Lottery remain impactful and relevant in their RG programming, advertising and outreach. The CCGNJ regularly provides NSNJ with background information, research and data to ensure NSNJ's advertising campaigns reach those most in need.



IGT is an associate member of the North American Association of State and Provincial Lotteries (NASPL). Its mission is to assemble and disseminate information and benefits of state and provincial lottery organizations through education and communications and, where appropriate, publicly advocate its positions on matters of general policy.



IGT is a member of the European Association for the Study of Gambling (EASG), and attends its bi-annual Conference on Gambling Studies and Policy Issues. The association provides a forum for the systematic study, discussion and dissemination of knowledge about all matters related to the study of gambling in Europe.



IGT is a voting member of the Association of Gaming Equipment Manufacturers (AGEM). The voting members are limited only to companies that hold or have an application pending for a manufacturer and/or distributor license in a regulated gaming jurisdiction, and whose principal business is manufacturing or distributing gaming devices, gaming systems and/or gaming equipment. Voting members represent a true "who's who" of companies dedicated to the advancement of technology and innovation that drives the global gaming industry forward. IGT has also taken a leadership position with AGEM's board of directors. IGT's Luke Orchard, Senior Vice President, Chief Compliance and Risk Management Officer, became President of AGEM in 2019 after previously serving as Vice President.



## Educating

As an employer in more than 50 countries, IGT designs training courses that ensure employees of all levels and responsibilities have the appropriate RG skills to manage their daily activities. IGT has created several employee-focused training courses to consistently uphold a balanced and responsible approach to gambling to ensure long-term value creation.

These courses are regularly scheduled for all employees and new hires to encourage growth in an ethical and responsible manner. Courses are designed to educate approximately 12,000 employees worldwide at all levels and responsibilities about IGT's commitment to RG, and highlight the consumer protections built into IGT's various gaming platforms.

## SPECIFIC TRAINING FOR RETAILERS IN ITALY

*Lottomatica provides a training course on responsible gaming exclusively for retailers. The course can be accessed through the retailers' portal and is divided into modules focused on the ban on gambling by individuals under 18, as well as problem gambling. Each module features a situation that could happen at the point of sale and explains the correct behavior for managing critical situations, such as preventing a minor from gambling. The course provides evidence and expert advice on how to manage the most difficult situations, with explanations of current regulations. Upon passing the final test, retailers receive a certificate that can be displayed at the point of sale.*

Courses are offered in two categories:

- general awareness of RG, which targets all employees; and
- tailored RG courses designed for employees working in more specific roles within the Company, such as the GAPP (Game Awareness in Player Protection) training for Lottery and Digital Game Designers, and the B2C Contact Center training dedicated to employees answering to players on behalf of customers.

In addition to training, the Reno Airport Casino, operated by IGT, participates in the Nevada Council on Compulsive Gambling's When the Fun Stops Program and makes resources available to employees and customers concerned about problem gambling.

## GAME AWARENESS IN PLAYER PROTECTION TRAINING AND WORKSHOP FOR GAME DESIGNERS

In 2019, IGT's RG program focused on game design; understanding who and what job types should ultimately understand the basic mechanics of the games; and how certain characteristics of game design can impact individuals who are at risk of problem gambling, or actively engaging in disordered gambling. While much of the focus thus far has been on safer strategies for operators as they interact with consumers, RG planning should start even before players begin interacting with operators and their products. The games themselves also influence the players' safer gambling journey. As a result, content developers and suppliers have a much bigger role to play in ensuring safer and responsible gambling. Indeed, a game designer's education is key in incorporating RG into products in accordance with the overall goals of IGT's RG efforts.

The Game Awareness in Player Protection (GAPP) training has been developed in partnership with Dr. Jonathan Parke to help those working in the gaming industry promote a better understanding of product-related risks, and consider opportunities to develop safer and more sustainable games. IGT is the first gaming company worldwide to adopt this program, and is committed to ensuring that it has a positive impact.

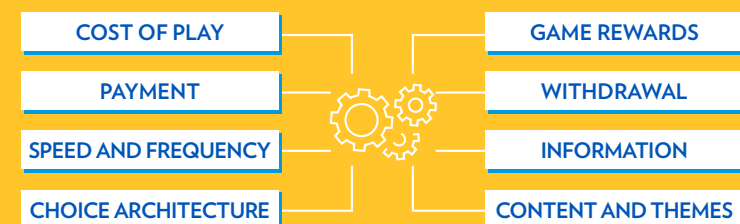
The learning objectives of the GAPP course include:

- designing responsible games and gaming environments;
- discussing safer gambling options with operators and/or customers; and
- engaging with regulators by demonstrating some understanding of how products may influence problem gambling to help better shape effective and fair regulatory policies.

In 2019, a workshop titled "A theory of change for managing product risk in gambling game design and the role of education" provided critical insights to help develop risk-reduction strategies in game design that are useful, realistic, sustainable over the long term, and open to evaluation, while seeking to balance restrictions affecting game appeal.

The workshop aimed at the following objectives:

- seek input from game designers, who are the most significantly involved and affected by future changes to regulation and codes of practice;
- understand how game designers' insight, skills and concerns can be considered to influence safer game design, both in terms of developing games, but also to encourage fair and proportionate regulation and codes of practice;
- get input regarding the GAPP course and how it can be improved; and
- understand broader needs, challenges and opportunities.



## THE ADVERTISING AND MARKETING CODE OF PRINCIPLES

*The code applies to all media and/or channels for marketing and/or advertising, including, but not limited to, tradeshow, direct mail, email or SMS messaging, outdoor, on-property, radio, television, film, mobile devices, print including sales brochures, and the internet. These procedures meet and exceed best practices in the industry.*

*The process is verified through a member of the lottery or gaming advertising team, who sends any external-facing advertisement or related material to the Corporate Social Responsibility (CSR) team for review prior to being released. A member of the CSR team provides input, and if there are no changes, the design moves forward. Should there be issues, the material will go back to editing, and will then go through the process again for approval.*

### Communicating GRI: 103-3

Promoting RG features and behaviors is an essential part of IGT's communication efforts within and outside the organization, as well as an integral part of its RG programs and initiatives, including this report. Corporate literature, also available on IGT's digital channels, provides employees and external visitors with comprehensive information on RG features and updates. IGT has a long-established Advertising and Marketing Code of Principles that ensures all promotional activity follows solid standards of responsible marketing.

IGT has joined forces with some of the most reputable organizations dedicated to RG awareness, such as the National Council on Problem Gambling (NCPG), which promotes Problem Gambling Awareness Month, and American Gaming Association (AGA), which carries out the Responsible Gaming Education Week campaign.



### JOINING FORCES WITH THE NATIONAL COUNCIL ON PROBLEM GAMBLING FOR PROBLEM GAMBLING AWARENESS MONTH

*To emphasize the importance of RG to all employees globally, each year IGT participates in the National Council on Problem Gambling's (NCPG) national observance of Problem Gambling Awareness Month (PGAM), a grassroots campaign held every March. The campaign is supported by NCPG state affiliates, organizational and individual members, state health agencies, gambling companies, recovery groups, and a wide range of healthcare organizations and providers. This national campaign aims at increasing public awareness of problem gambling and the availability of prevention, treatment and recovery services, and encouraging healthcare providers to screen clients for problem gambling.*

*In 2019, IGT promoted PGAM on social media (both internal and external) through videos featuring interviews with prominent IGT managers involved in CSR and problem gambling-related activities. In the videos, managers showed their appreciation for customers' positive feedback about IGT's problem gambling features, and shared their pride in dealing with such an important aspect of the gaming business. PGAM also aligns with IGT's adoption of the United Nation's Sustainable Development Goals (SDGs). The campaign provided an opportunity to share IGT's commitment to SDG n.3, "Ensure healthy lives and promote well-being for all at all ages," as problem gambling can affect players' quality of life.*



Jennifer Seymour,  
VP Product Marketing,  
Central Systems and Back-Office  
Applications



## PARTNERING WITH AMERICAN GAMING ASSOCIATION FOR RESPONSIBLE GAMING EDUCATION WEEK

IGT proudly supports the American Gaming Association's (AGA) annual Responsible Gaming Education Week (RGEW). This dedicated week provides an opportunity to showcase the industry's year-round effort to promote RG programs and is an important part of the industry's steadfast commitment to advocating for RG.

Every year, IGT joins with the AGA and casino operators throughout the U.S. to increase awareness of responsible gaming among gaming employees, casino customers and the general public.

In September 2019, in support to that year's RGEW, IGT subject-matter experts representing different business operations created a short campaign in its internal social media to raise awareness about its commitments and programs. The campaign consisted of a series of five social media posts highlighting IGT efforts on RG.

## COMMITMENT TO RG AT IGT NORTHSTAR NEW JERSEY

*The main focus for 2019 was the re-certification of its Level 4 WLA Responsible Gaming Framework. Additional achievements for the year include:*

- *increased messaging to players and retailers through quarterly print ads and new displays of RG advertisements, videos and messaging via digital ads, radio live reads, and television commercials;*

- *development of templates for social media posts that include images to boldly display the Lottery's "Not 18 Yet? No Bet.";*
- *reinforcement of the minimum age requirement in the Retailer Focus, a monthly retailer newsletter, reminding them of the law, how to prevent underage players, and using a vending machine shut-off device. This is reinforced through a mystery shopper program conducted by the Lottery's security to ensure adherence to best practices;*

- *ongoing implementation of safeguards where minors are unable to view Facebook and Instagram posts from the Lottery, or even see the Lottery's page; and*
- *fraud mitigation measures that include information on Player Security concerning scams and their warning signs. The Lottery also spreads messages via social media, RG advertisements and its website with tips on how to play responsibly and be informed.*

## Demonstrating

IGT is committed to maintaining its position as a leader in the gaming and technology business by providing advanced RG features embedded in all product verticals offered to customers and players worldwide.

## LOTTERY

For over 30 years, IGT has built RG features throughout its product offerings that address the needs of lottery customers, retailers and players. These features are built to ensure operational control over

components that address processing, reporting, security, and retailer management. Most importantly, they support customers with implementing socially responsible gaming structures and play styles.

IGT uses TouchPoints, which are hardware and software products used to engage players in the retailer environment, to implement responsible gaming features. TouchPoints, both retailer- and player-facing, can read personal identification cards containing a bar code (like a

driver's license), which provide lottery customers with reliable age-verification technology at the retail level. Trim kits on the self-service devices can be used to clearly identify that a player must be 18 years of age or older to play. Beyond age reminders, IGT encourages lotteries to place RG labeling on all lottery solutions seen by the public. These labels include key information, such as a phone number for players seeking RG assistance.

All TouchPoints to IGT's central system include sophisticated fraud detection

reporting and RG features. The most recent solution, called Connected Play, includes RG settings that are applied in the retail environment, expanding on their initial application in digital environments. Connected Play offers further innovation in retail to address RG at both the terminal and self-service terminal. If the player is playing from a mobile wallet balance and hits their wagering limit for the given period, the wager will be rejected. This serves as a “reality check” on the player’s spending, which

has not been possible in retail before.

The point-of-access at the retailer setting plays a critical role in the way IGT incorporates RG parameters into its systems. The age-verification process becomes even more critical with self-service devices. To address underage play, lottery customers can require players to scan their driver’s license or government ID card in each transaction on self-service devices. In the event driver’s license age verification is not used, retailers can remotely

disable the machines. A notification of the minimum age to purchase can be displayed on the self-service screen. IGT’s multimedia digital signage and player-facing ticket checkers also provide an opportunity for the lottery to promote RG messages and encourage players to play responsibly.

Because IGT has specific knowledge and expertise through its work with lotteries in the U.S. and around the world, the Company can offer lottery customers technical assistance in RG programs as requested. IGT offers customer-driven solutions that protect and serve players using best practices to produce and distribute RG tools and materials for retailers and consumers.

#### GAMING

Previously, casino operators regarded RG as something likely to impact their business from a compliance and regulatory perspective, but they have gained an appreciation for gambling safety and the corresponding increase in confidence among their players. Over time, the scope of RG has evolved, likely because more regulators are promoting responsible gaming as social responsibility has become an important feature in meeting customers’ and players’ expectations.

For several years, IGT has included RG features in casino systems products



so that customers can offer RG options to their players. IGT systems RG technology is comprehensive and serves two main purposes: protection of players, and regulatory compliance.

#### CASINO SYSTEMS

IGT has integrated the RG module into its flagship casino systems portfolio (the IGT ADVANTAGE™ product suite) to help customers offer RG options to their players. Since ADVANTAGE is a B2B product, IGT's interaction is

only with casino operators, and not directly with players. However, embedding systems-based RG features helps casino operators check people at the entrances of their premises and prevent minors from entering. In addition, it allows IGT to raise customer awareness about RG features: e.g., limitation on time played, amount wagered, amount loss, games played, and number of visits. All these features can be set for different periods of time and different actions can be triggered when limits are reached.



#### VIDEO LOTTERY

IGT has developed its RG technology for Video Lottery Terminals (VLTs) based on extensive research with lottery operators, players, and in consultation with experts in the field of problem gambling. The RG tools are designed to enhance player education and self-awareness, with the main objective of helping players make informed choices.

IGT's solution for the distributed market is the most comprehensive one in the industry today, as it consists of a wide selection of different RG features that are offered to players.

#### VIDEO LOTTERY SYSTEM

The INTELLIGENT™ core central system includes system-supported RG features. This solution manages video gaming operations, system administration, game accounting, and monitoring and metering of VLTs in distributed and venue environments, or a combination of both. INTELLIGENT was built on more than 20 years' experience operating stable and secure central system platforms that manage tens of thousands of VLTs in thousands of retail sites.



## INTELLIGEN SYSTEM-SUPPORTED RESPONSIBLE GAMING FEATURES

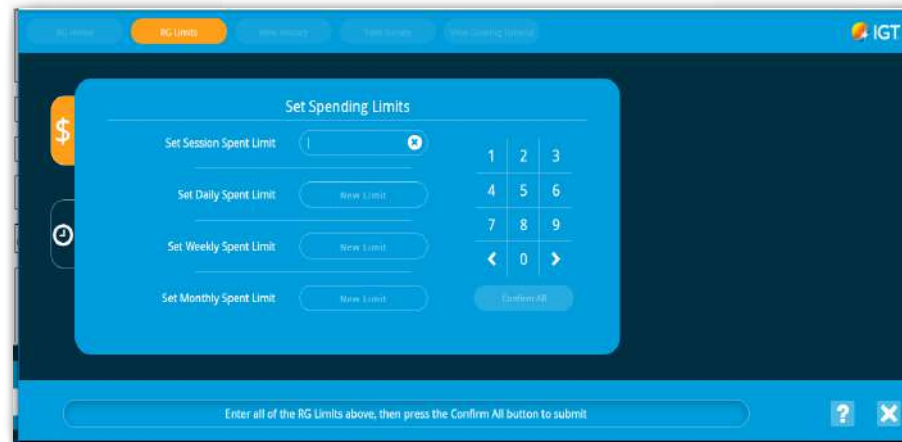
*The INTELLIGEN system offers a number of value-added modules, including an RG application. The video lottery central system enables a card-based program that requires a player to register and validate their ID with the retailer. The system-supported RG application is focused on player education and facilitating informed choice. Its functionalities include:*

- setting of time and monetary limits for session, day, week and month;
- a Day Stop self-exclusion feature;
- a self-assessment survey; and
- spending predictions.

### VIDEO LOTTERY TERMINALS

In addition to system-supported RG features, IGT offers game-embedded RG features that are implemented on the gaming machine, including:

- access to a screen with RG information;
- a permanent clock displaying time and game/session duration;
- a credit meter showing monetary amounts;
- optional time and monetary limits for play session;
- a mandatory cash-out threshold;
- restriction of money inserted;
- an RG attract banner; and
- an age verification feature.



### DIGITAL

IGT is both an operator and a supplier of technology, offering RG solutions and tools to regulated lotteries and gaming operators around the world to promote healthy, moderate RG. Its global position, and the very nature of the industry in which it operates, means that social responsibility is invested in and nurtured as a strategic asset that will ensure IGT's long-term sustainability.

To prevent addictive play and ensure compliance with regulations stipulated by gaming regulatory agencies, IGT's proprietary Player Account Management (PAM) system PlayCommand™ includes RG functionalities, such as setting of general and individual wager limits, loss limits and deposit limits, and self-exclusion. All financial limits are designed so that the player is not permitted to exceed the set limit. The platform allows operators to set global maximum and global default limits, which apply to



all players. RG limits can also be set at the individual player level and be edited to adjust to the individual's needs; however, individual limits cannot exceed the global maximum values.

PlayCommand offers a diverse and progressive mix of RG tools. To place limits on gaming behavior and monitor playing habits, these RG settings can be established by the following:

- **Lottery Users:** a customer can establish minimum, maximum, and default RG settings for player accounts, selecting which combination of limits should be enforced. For each limit selected (e.g., financial and session time), a default, minimum, and maximum value can be set.

The default is the limit for a new player. No player can increase their limit to a value above the maximum; and

- **Players:** Players use the player portal or mobile app to view and configure their limits. Players can reduce the value of any of their limits at any time if they wish to restrict their gaming behavior; such a change is effective immediately. If a player wishes to increase the value of a limit, the change is not immediately effective while a cooling-off or "buffer" period is enforced. The period is a configurable number of hours (dependent on legislation and operator choice) between the request being made and coming into force. Again, it is not possible to increase the value past the maximum limit specified by the customer.

Types of RG controls available to both players and authorized customer users include:

- **Financial Limits:** Limits on deposits, losses, and game transactions, each of which can be configured with a maximum limit per day, week, month or year. Customers can select which combination of limits should be enforced. For each limit selected, a default and a maximum value can be set;
- **Session Time Limits:** PlayCommand supports time limits to help players and lotteries track and set limits on the amount of time spent playing. Players are kept apprised of their time and limits (e.g., the portal shows how long they have been logged in; individual games show the duration

that a game session has been open);

- **Reality Check:** This message warns players when they have been playing for a self-defined amount of time; and
- **Exclusion Periods:** Lotteries may require that certain players be excluded, and players might have the need to cut themselves off from gaming temporarily or permanently, regardless of the status of any limits. Once excluded, a player is unable to log in and wager until the exclusion expires. On the back-office administration screens used by an operations team, the player is shown as excluded, along with the date on which their exclusion will expire.



## PLAYER PROTECTION TOOLS WITHIN IGT PLAYDIGITAL™

For customers who offer digital gaming services, IGT has implemented a range of player-protection tools on its PlayDigital demo portal, [www.igtplaydigital.com](http://www.igtplaydigital.com), where B2B customers can see the applications that can be embedded into their websites. Operators can implement these features and functionalities to comply with their market rules and regulations, or to exceed existing requirements. The online player-protection tools have been designed to provide operators with baseline features and functionality that can give players easy access to features such as:

- **Gambling Risk Test:** A self-assessment tool to help players establish their current situation. The higher the score, the more

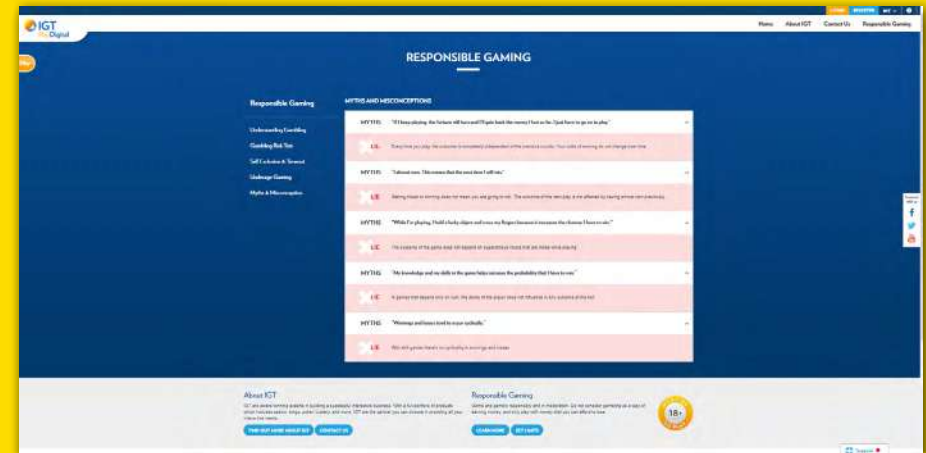
likely it is that their gambling may be a problem;

- **Self-Exclusion and Timeout:** Players can choose a timeout, which allows for a short break from gambling by blocking their account for 24 hours, 48 hours, seven days, or 30 days. Players also have an option to choose self-exclusion, a formal process whereby a request is made to prevent any access to the online account for a period of six months to permanently;
- **Setting of Financial Limits:** Such limits can be set by the players themselves, or by customer support agents. The limits are on deposits, losses, and game transactions, each of which can be configured with a maximum limit per day, week, month or year;
- **Game Limits:** Players can select their daily deposit and daily, weekly, and monthly game

limits. By completing the fields, players activate automatic checks performed by the system. Once completed, their behavior regarding deposits and play can be monitored;

- **My Financial Transactions:** Ability to view the date, amount, type of transaction made, description, and game details;

- **Game Transactions:** Ability to view Game Name, Session ID, Start Date, End Date, Duration, Wager Amount, Win Amount, and Status; and
- **Myths and Misconceptions:** A list of common myths that players can look through for clarification and better understanding of gambling.



## SPORTS BETTING

For account-level monitoring, IGT PlaySports provides tools to allow operators to see betting patterns within player accounts. Most regulated betting markets enable some

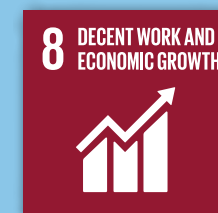
form of account-based sports betting, whereby players create an account to place wagers. The account links information about the wagering activity and wagering history to an individual. Within any IGT PlayDigital installation,

account-level monitoring is performed both within the IGT Sports Betting system and within the PAM system, whether the PAM is IGT PlayCommand or a third-party system. Attributes like geographic grouping

and financial patterns are all monitored from within the PAM. The PAM also features Know Your Customer, a process of verifying player identity, assessing potential risks, and monitoring transactions.



# 6



## SUPPORTING OUR COMMUNITIES



*I love IGT's global volunteering activities. Our site takes part in each and every one. We are happy that our employees are so engaged in the program and our community.*

Natalia Smrckova Horvathova  
Business Analyst  
Bratislava, Slovakia





# Supporting Our Communities

One way that IGT creates value within our operating locations is by engaging with local non-profits through volunteering, sponsorships, and partnerships. This is reflected in our global commitment to the United Nation's Sustainable Development Goals (SDGs). IGT promotes educational programs in communities where the Company operates, and contributes to the development of adequate livelihood opportunities for people living in low-income communities. This helps foster equal access to opportunities, and encourages local economic development.

IGT engages in a broad spectrum of community involvement and employee

engagement initiatives that embrace a breadth of causes. It accomplishes this through corporate giving, corporate sponsorships, and employee-driven programs. To provide a consistent effort globally, our Community Ambassador program facilitates community engagement efforts for employees in their local areas. Volunteering can be done as a group or individually. In 2019, more than 1,700 IGT employees volunteered using the IGT employee volunteer program, accounting for over 9,260 paid working hours in various projects around the world.

## CONTRIBUTING TO THE UNITED NATIONS' SUSTAINABLE DEVELOPMENT GOALS (SDGs)



Volunteerism, financial support, and global campaigns benefitting charitable organizations contribute to the fulfilment of SDG Target 1.2, "By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions." This translates into supporting organizations that develop adequate, affordable and accessible goods, services and livelihood opportunities for people living in poverty and in low income communities.



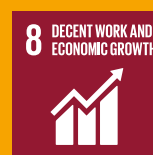
Volunteerism and financial support to organizations that improve the access to medicine and healthcare services contribute to SDG Target 3.4, "By 2030, reduce by one-third premature mortality from non-communicable diseases through prevention and treatment and promote mental health well-being;" and SDG Target 3.5: "Strengthen the prevention and treatment of substance abuse, including narcotic drug abuse and harmful use of alcohol."



Addressing educational challenges in core business operations by means of supporting educational and training programs, and engaging in partnerships with the public sector and educational organizations contribute to SDG Target 4.1, "By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes."



Promoting women in leadership by working toward SDG Target 5.5, "Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life."



Encouraging existing efforts to ensure equal access to opportunities for occupational development in local communities of operation, contributes to SDG Target 8.6, "By 2020, substantially reduce the proportion of youth not in employment, education or training".



Reducing inequalities with efforts aimed at supporting SDG Target 10.2, "By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status."





As part of a continuous improvement process, IGT is committed to revising the process for evaluating charitable and funding requests to align with the SDGs for operating year 2020. Because IGT's values are reflected in the SDGs the Company has adopted, it is a natural evolution of the charitable giving program to incorporate the SDGs into our processes and procedures. By 2021, IGT plans to take this continuous improvement a step further and develop a procedure and social assessment tool to be piloted at a minimum of one After School Advantage (ASA) lab. This assessment tool will provide data as we strive to determine the impact of the ASA program and correlate it to the degree of contribution toward the related SDG.

### Corporate-driven Activities



IGT supports charitable giving and community engagement through a variety of organizations that can be categorized into the three areas: education, social service, and culture. Recipient organizations are non-profits and registered charities supported through a financial contribution, in-kind donation, or through one of IGT's employee-driven programs. Community projects supported through IGT's global charitable giving program are reviewed and approved by the IGT Social Impact Committee (SIC).

IGT created the SIC to oversee the complexity of planning and carrying out charitable initiatives involving people and communities from countries and regions across the world. SIC members are executive leaders within IGT representing key business areas. To qualify for financial support, charities must be a verifiable, non-profit, tax-exempt, and/or registered charity or public service organization, and must comply with all applicable laws, including jurisdictional laws regulating charitable donations and sponsorships. IGT does not support pageants, contests, or individuals, nor capital campaigns. The organization

must also align with IGT's giving priorities, which are the Company's adopted SDGs. The SIC reviews charitable requests quarterly, at a minimum, to assess progress toward meeting the Company's philanthropic goals, as well as to ensure consistency and compliance with corporate objectives. IGT's SIC Guidelines require that all approved charitable requests align with the Company's overall CSR strategy. The SIC ensures the appropriate governance of charitable spending and corporate values by providing transparency and accountability to the many stakeholders interested in IGT's charitable giving efforts.

## IGT RECOGNIZED AS CHAMPION FOR CHILDREN

In 2019, IGT received Rhode Island Hospital's 2019 Corporate Champion Award. The honor, bestowed during an annual awards dinner at the Rhode Island Convention Center, recognized the Company for its dedication to Rhode Island Hospital and Hasbro Children's Hospital. The partner facilities are in Providence, just a few miles from IGT Center.

"IGT has been an incredible supporter of Hasbro Children's Hospital and its mission," said Tracey Wallace, vice president of pediatric services for the hospital. "They have stepped up with supporting the Hasbro Children's Hospital Ball every year and are one of the most generous organizations. They have provided support from not only their sponsorships but they have encouraged other corporate sponsors to follow their lead."

The annual ball is a fundraiser supporting patient services, educational programs and innovative research to ensure children receive the best possible

medical care. This 2019 event, which celebrated the Hasbro Children's Hospital's 25th anniversary, raised \$1.1 million.

"We think it's very important to support Hasbro Children's Hospital," said Jay Gendron, COO, Lottery. "IGT is a major employer in the state of Rhode Island. We have over 1,000 employees and many of our employees use Hasbro Children's Hospital, so it is important to have quality health

care, and they do a fantastic job."

Bob Vincent, IGT Global Solutions Chairman, accepted the award on behalf of the Company. He and his wife, Grace, are longtime chairs of the fundraiser ball.

"When I look at everything that goes on at Hasbro, the kind of care that's given and the kind of people that are there and dedicated to it, what we do is pretty modest, and very easy," Bob said.



Featured in the photo: Jay Gendron, COO Lottery; Wendy Montgomery, SVP Global Brand, Marketing, and Communications; Bob Vincent, Chairman IGT Global Solutions; Kim Barker Lee, VP Diversity and Inclusion

## INDIANAPOLIS URBAN LEAGUE

*IGT Indiana sponsored the Indianapolis Urban League's Equal Opportunity Day Luncheon. The Indianapolis Urban League was founded in the fall of 1965 as a non-profit, non-partisan, interracial community-based social service/civil rights organization. The local affiliate is one of over 90 National Urban League affiliates. At the luncheon, we celebrated the successes of students entering college and individuals completing the Urban League's workforce development programs. Guest speaker Chef Jeff Henderson shared his story of transforming from prisoner to chef and inspirational speaker.*



*Featured in the photo: Constantinos DaFoulas, Senior Finance Director (WaterFire Salute to Veterans, November 2019)*



*IGT Employees volunteering at WaterFire November 2019*

## SUPPORTING MILITARY VETERANS

In November 2019, IGT promoted its support for the IGT Veterans DIG by participating in the WaterFire Salute to veterans. Three IGT Veterans served as torchbearers, while other employees volunteered with the IGT-sponsored event. Nathaniel Worley, Vice President of Marketing, volunteered at the water basin, and had this to say about his experience: "The WaterFire event honoring veterans was very moving for me, especially the parade of veterans from all service branches and all eras. Although I didn't serve, my father and his family all served, so I have enormous respect for veterans. I thought this event did a great job of celebrating all people who have made the sacrifice to serve, as well as to honor their families. It was stirring and beautiful and I was very happy to be asked. It makes me very proud that IGT is committed to veterans who work for us."

## IGT TITLE SPONSOR OF THE PROVIDENCE DOWNTOWN 5K

The Providence Downtown 5k is Rhode Island's largest running event and oldest road race. The race is for families and individuals of all ages and abilities. As a long-time supporter of the Providence Downtown 5k, IGT stepped up in 2019 to become the title sponsor. Employees were invited to participate along with their families. The amazing turnout was a win all the way around.



*Featured in the photo: IGT's employees participating in the PROVIDENCE DOWNTOWN 5K.*

## IGT SUPPORTS PRIDE

With the new PRIDE at IGT DIG, IGT showed its support by sponsoring PRIDE events around the world. Employees in Rome, Mexico City, Polk County (FL), Austin, Providence, Reno, and Las Vegas gathered to celebrate pluralism, respect, integrity, diversity, and égalité (equality).



*Featured in the photo: IGT's employees participating in the Austin PRIDE Celebration*





## AFTER SCHOOL ADVANTAGE PROGRAM



The After School Advantage (ASA) program is IGT's flagship community initiative, devoted to providing young people in communities where the Company operates with access to technology in a safe, nurturing after-school environment, while promoting opportunities for digital learning. IGT's ASA program creates shared value in providing non-profit community agencies and public schools with digital learning centers, addressing the increased digital learning needs of today's young people.

Each digital learning center is unique in its design and is specific to each organization's needs. IGT is refreshing the program to improve technical literacy and to align with

the UN's SDGs, which support inclusive and equitable quality education and future employment with an emphasis on Science, Technology, Engineering, Arts, and Math (STEAM), and which cultivates workforce development skills in young people. IGT believes this STEAM focus will enhance global competitiveness and better serve the future employment needs of communities.

The ASA program has been implemented throughout North America, South America, Latin America, and the Caribbean. Since the launch of the ASA program on April 14, 1999, IGT has installed more than 300 digital learning centers in customers' communities. IGT employees volunteer their time and technology skills to restore and establish each computer lab.



ASA LABS TO DATE

2019 ASA LAB OPENINGS

## IGT'S AFTER SCHOOL ADVANTAGE IS MAKING A DIFFERENCE IN JAMAICA

IGT Jamaica's ASA Centers, including four Women's Centre of Jamaica Foundation (WCJF) sites, have benefited from recent improvements. Staff from IGT's technology department visited the ASA Centre at SOS Stony Hill Children's Village to update the computers previously donated by IGT Jamaica. These upgrades provide

opportunities for staff to interact with students and share information on a range of technology-related topics.

Mary's Child, operated by Mustard Seed Communities, also received additional supplies in 2019 and moved ahead with business process outsourcing (BPO) training in January 2020. The young women at Mary's Child, normally stay for short periods with their babies before moving back to their families and continuing their education.

WCJF in Spanish Town saw all the younger students passing the Grade Nine Achievement test and placing in high schools, mostly at the ninth grade level. The new students also received a special National Heroes assignment. At the Savanna-la-Mar Women's Centre, students have benefited from the ASA Center since the introduction of the Virtual Delivery Interface program for Caribbean Secondary Education Certificate (CSEC) students, who are now the primary users of the ASA Center. Computers are used

for research, and for the lower school's computer studies classes.

At the Women's Center in Mandeville, the ASA Center is used mainly for research for school assignments, and for IT classes. Every term, a trainer from the Frederick Douglass Center visits the ASA Centre to train students in the Microsoft Digital Literacy Program. To date, 27 students have received certification, which is expected to lead to greater employment opportunities.



Featured in the photo: Rackeisha Dunn, Guidance Counsellor, WCJF; Women's Centre of Jamaica Foundation/WCJF's students; Debbie Green, General Manager, IGT Jamaica (right)

## Community Ambassadors

IGT's Community Ambassadors is a group of nearly 100 IGT employees from around the world who share a passion for their communities and supporting good causes. The group has three primary goals:

- improving communication throughout the Company about community-focused activities around the world;
- ensuring such community engagement activities are visible and well represented; and
- providing office locations around the world with information about IGT Employee Giving programs.

In addition to creating local opportunities, the Community Ambassadors participate in key corporate-wide community engagement campaigns throughout the year, including Global Giving Week, Global Book Collection, Global Food Collection, and Holiday Giving. In each of these campaigns, the local Community Ambassador is responsible for organizing the event, choosing the donor organization, creating awareness, and encouraging participation. Without the Community Ambassadors, we could not have such successful global campaigns.

## GLOBAL GIVING WEEK A DAY FOR DOING

With the aim of carrying out a global program involving employees in volunteer efforts in their local communities, the "IGT Global Giving Week – A Day for Doing" is a set period when employees are encouraged to take a paid day off to participate in their local community as volunteers for a qualified non-profit organization, tax-exempt entity, or registered charity of their choosing. More than 700 employees from IGT's locations all over the world participated in the 2019 initiative, totaling more than 3,550 hours volunteered. The non-profit/registered charity that had the largest IGT's volunteer team received a monetary donation following the volunteer week.

- California: San Francisco's employees divided and conquered between sorting six tons of food at the San Francisco-Marin Food Bank and preparing 200 bagged lunches for the Society of Saint Vincent de Paul.
- Missouri: IGT employees assisted the Samaritan Center Food Bank by loading and delivering grocery bags to recipients and their families, some of whom endured downpours to collect their food.
- Nevada: Reno's employees helped to beautify the city by picking up trash at a local playground.
- New Jersey: In Egg Harbor, employees volunteered at a food bank collecting and delivering a sizable donation of canned goods and other non-perishable food. They also pitched in at the site by organizing, sorting and boxing packages to be distributed throughout the community. Other employees in the Garden State embraced Global Giving Week by assisting furrier community members. They rounded up dog food, cat food, cat litter and toys for a local animal shelter and, after delivering the items, ensured its residents had a healthy bit of exercise via brisk walks and quite a few rounds of fetch.
- Oklahoma: The Food Bank of Eastern Oklahoma received assistance from volunteers who packed cereal and dry goods.
- Texas: Our biggest group of employees volunteering for a single organization tackled several projects for the state's parks and wildlife department. Their efforts included rebuilding a retaining wall at Palo Duro Canyon State Park, cleaning up public restrooms at Big Spring State Park, staining a large bird house at San Angelo State



Park, collecting litter at Franklin Mountains State Park, planting shrubbery at Sheldon Lake State Park, and painting directional signs at Palmetto State Park.

- India: The IGT's India employees extended help and support to those affected by flooding. They partnered with The Robin Hood Army, a volunteer-based organization that works to get surplus food from restaurants to the less fortunate in cities across India and 12 other countries. IGT's employees were able to use employee donations to put together essential items for community members affected by the floods.
- Italy: More than 300 Lottomatica employees in Italy participated. The opportunity of volunteering for a day with an organization that was familiar to many due to personal experience, generated great awareness and participation. Many employees regularly volunteer with some of those organizations, and others were inspired by the enthusiasm of their colleagues. Lottomatica participants turned the occasion into an opportunity for fostering team spirit. The occasion was celebrated with a commemorative "volunteer for a day" printed T-shirt.



*San Francisco, CA, U.S.*



*Hyderabad, INDIA*



*Rome, ITALY*



*Tulsa, OK, U.S.*



*Egg Harbor, NJ, U.S.*



*Reno, NV, U.S.*



## BOOK COLLECTION 2019

IGT offices around the globe participated in a Book Collection Challenge, collecting more than 6,100 books and donating them to local charitable organizations in the U.K., Florida, India, Italy, Michigan, Nevada, Rhode Island, Minnesota, California, Tennessee, Virginia, and Washington. This was the first challenge aimed at literacy and it supports SDG Goal 4, Quality Education. In Rhode Island, IGT donated books to Books are Wings then furthered supported with sponsorship of their Gift of Literacy event.

## AMBASSADOR VOLUNTEERING INITIATIVES

### MUSCULAR DYSTROPHY ASSOCIATION - HALLOWEEN FAMILY FUN EVENT

The IGT Egg Harbor, NJ office hosted the Muscular Dystrophy Association Halloween Party yearly event. IGT employees and family members volunteered their time to host the party with the goal of providing a fun and exciting event for all children and their families.

### WATFORD VOLUNTEER INITIATIVES

IGT staff in Watford, U.K. engaged in a Christmas fundraising event for the Save the Children charity, walking the runway in Christmas jumpers and sharing cake and coffee in the office.

### CHILDREN'S CABINET SPONSOR A FAMILY

IGT Reno took part in the annual holiday initiative with the Children's Cabinet, sponsoring Northern Nevada families in need around the holiday season. IGT employees supported over 30 local families, totaling over 125 individuals. A large group of employees came together on December 4, 2019 to wrap all the donated gifts and delivered them to the Children's Cabinet.

### IGT NEW YORK WORKFORCE INITIATIVE AND WOMEN'S PROGRAM

Staff at the IGT site in Schenectady, NY supported programs that helped individuals in need. The programs focused on specific women's issues, men re-entering the community from incarceration or rehabilitation, and children in need at Christmas.

### IGT INDIANA SPRING PARTY

In collaboration with a local association, IGT Indiana engaged in physical and arts activities involving individuals with intellectual disabilities at Noble Services of Indiana.

### STANDARD CHARTERED GREAT CITY RACE

A team from IGT London, U.K., competed in the Standard Chartered Great City Race, a unique 5k corporate running challenge that takes place in London. The team event featured runners from the Accounting, Banking, Media, Insurance and Legal sectors. The official race beneficiary for the Standard Chartered Great City Race was Futuremakers, a global initiative to tackle inequality and promote greater economic inclusion for young people.

**PROJECT MARILYN**

Las Vegas, NV employees donated items through the month of October 2019 and worked together to create 120 hygiene packets for homeless women in their community through Project Marilyn.

**GIVING TREE PROGRAM**

IGT San Francisco invited employees to participate in the St. Vincent de Paul Giving Tree program, with the goal of providing gifts to children and family members who do not have the means to buy gifts during the Christmas holidays. Employees picked up labels with details of the gift needed, purchased and wrapped the gift, and then returned it to St. Vincent de Paul to be shared with children and families in time for the holidays.

**CHRISTMAS ARRIVES EARLY  
FOR CHILDREN IN COLOMBIA**

In Colombia, IGT employees helped make children's Christmas holiday dreams come true at the "Dream Star" event held at Fundación Bella Flor in Bogota. Volunteers and their co-workers supported the foundation by collecting and donating new clothes for 78 of the foundation's children.

**SMART PUPS ASSISTANCE  
CHARITY LUNCHEON**

Smart Pups Assistance, a not-for-profit organization based on the Sunshine Coast in Queensland, Australia, provides assistance dogs to children with special needs. This organization is not government funded, so it relies on money raised by the community via charity events and monetary donations. IGT employees attended the luncheon and showed their support for the cause.

**HELP IN THE NETHERLANDS**

The North Cape organization provides shelter and support for families, stabilizing the housing crisis and working toward suitable housing. IGT employees assisted with a project featuring a recovery-oriented approach, where every family maintains control of their own life and is guided by a personal counselor. For example, the project offered support finding schools for the children and applying for benefits, while also paying attention to parenting issues and language problems. During this project around 20-25 children who live at the Salvation Army location and in the neighborhood visited the NEMO museum where they enjoyed experiments and interactive activities.

**POSITIVELY KIDS HOLIDAY  
SPONSORSHIP**

Members of the Las Vegas Global Order Management Scheduling Installation team sponsored 40 kids for the holidays with Positively Kids. The organization's mission is to meet the growing need for specialized care for medically fragile and/or developmentally delayed children in Southern Nevada.



## SUPPORTING THOSE IN NEED IN SLOVAKIA

IGT Slovakia employees took part in several Christmas charity donations. During two weeks in December they collected winter clothes, warm blankets, towels and food. The overwhelming collection was donated to the Roman Catholic Archdiocese of Bratislava, which then distributed the items to people in need.

“Everybody was so engaged, and we have collected a lot of things, more than expected, to help people in need. We will continue collections like this during the whole of the year, and we plan to organize volunteering events for the employees as well,” said Olga Peciarová, People & Transformation Partner, IGT Slovakia.

IGT Slovakia employees also decided to support the Lion's Club Bratislava. The Lion's Club is the biggest charitable organization in the world, with more than 1.3 million members and a presence in 200 countries.

IGT employee Mojmir Šťastný is a member of the club and sells Christmas tea and punch each year at the Bratislava Christmas market to support blind and visually impaired people in Slovakia.



Featured in the photo: Jana Marošová, Mariana Sandorová, Olga Ondrejková, Mojmir Šťastný, Natália Horváthová



## PROJECT GENERATION CULTURE

*The emerging challenges taken on by Project Generation Culture include the future of young generations and the public-private synergy of development projects, particularly in the area of culture. The project is designed and supported by Il Gioco del Lotto in collaboration with the Ministry for Arts, Culture, and Tourism (MiBACT), together with Arte Lavoro e Servizi (ALES) and LUISS Business School.*

*Italian artistic and cultural heritage represents an opportunity for economic growth for the country and can become an attractive working area for youth. By offering 100 young talents the opportunity to develop new cultural skills to access the job market, the*

*project is establishing a valuable network between institutions, universities, territories, and corporations, which will help cultural institutions innovate their offering through the youths' contribution.*

*A scholarship for new graduates granted six weeks of attendance and approximately 200 classroom hours of higher training at the LUISS Business School, one of Europe's most prestigious management schools. Training included Digital Cultural Heritage, Arts and Culture Marketing, Entrepreneurship and Culture, Cultural Project Management, and Workshop and Skills Improvements. 200 successful graduates (50 for each edition) under the age of 27 were selected among the 2,381 applications through a public announcement. Upon completion of the training, some of the most important cultural institutions across the country welcomed these young people for a six-month paid internship.*

# VINCERE DA GRANDI

## VINCERE DA GRANDI (WINNING BIG) IN ITALY

Petty crime, hardship, and drug addiction are among the many issues that youths may be faced with in some suburbs and provinces of Italian cities. But sports have succeeded in breaking barriers where least expected, carrying a message of hope disguised as a tennis racket, a karate belt, a swimming cap or a football.

The Vincere da Grandi project aims at offering an educational and emotional experience to youths ages five to 14 living in difficult areas. Youths participate in sports training led by highly skilled staff, attend sports events, and meet accomplished sports champions. Thanks to collaboration with the Italian Olympic Committee (CONI), since 2015 the project has demonstrated how cooperation between public and private entities can make a difference.

One of the distinct elements of the project is represented by the

educational setting and the top-quality sports facilities where activities are carried out with a multidisciplinary approach. Federal instructors and former athletes lead the youths and set examples on and off the field. With this project, Lottomatica turns sports into a tool for social inclusion, reaffirming the right for all to practice sports.

The project has involved over 1,000 youths in seven cities across Italy. In 2019, two more sites were included, with the participation of the Olympic boxing champion Clemente Russo and the construction of a modern polyfunctional sports center in an area formerly hit by the 2016 earthquake. In two locations, the project has successfully piloted the involvement of families in sports programs to help defeat youth crime and intolerance.

## VOLLEYRÒ

*Volleyball has a history of successful integration and social progress, as witnessed by Volleyrò Castel de' Pazzi (Rome - Italy) sports club, which has promoted youth development with volleyball at amateur and competitive levels for over 40 years. More than 500 girls are divided in 20 teams competing in all youth divisions. On top of being the most winning club in Italy in women's competitions, Volleyrò has launched an amazing number of national team players while supporting many athletes living in difficult situations. Thanks to Volleyrò, a girl like Bintou Diop from Senegal has succeeded in becoming the best player at the latest under-18 national finals.*

*Lottomatica supports the club's programs at the sports facility and two annexed guesthouses, where girls can study and practice following a growth path in education and sport.*

## Employee-driven Engagement Activities

IGT encourages its employees to be actively engaged with organizations in the community. IGT's Employee-driven programs reflect the Company's values, and provide employees the opportunity to give back to their local communities while having the flexibility to choose individual interests and passions. In 2019, a total of 1,716 employees volunteered 9,264 hours. The Matching Gifts, Day Off for Volunteerism, and Dollars for Doers programs embody the Company's commitment to social programs that positively impact our communities around the world.





### MATCHING GIFTS

The Employee Matching Gifts Program is designed to honor the diversity of our employees' charitable giving by supporting a broad spectrum of non-profit, charitable organizations. The minimum gift eligible for matching is US\$25, up to a maximum of US\$100 per calendar year.



### DOLLARS FOR DOERS

Employees who volunteer 25 hours or more during the year to a specific charitable organization may apply for grants from the IGT Dollars for Doers Program. Through this program, IGT will provide a grant to that organization.



### DAY OFF FOR VOLUNTEERISM

IGT recognizes the value of giving back and supporting the communities where employees live and work. The purpose of IGT's Day Off for Volunteerism is to allow IGT employees to share in that effort by supporting and recognizing employee volunteer activities that serve our communities. The program provides employees one scheduled paid workday off.

### DOLLARS FOR DOERS: TORONTO CAT RESCUE

Toronto Cat Rescue (TCR) is a registered charity whose mandate is to help cats in shelters that are too young, old, shy or sick to be adopted from that formal environment. The charity uses foster homes to help the cats heal and thrive until they can be adopted into their forever homes.

"I have been involved in TCR for almost five years, first as a foster parent, but then as a Foster Coordinator, where I support over 40 foster homes. I guide other foster parents from the moment they pick up their foster cat to finalizing the adoption. I triage basic health issues and provide training on how to deal with behavioral issues and overall cat care. As a foster parent, I specialize in some of the hardest foster cats we have, whether it's a cat who is extremely shy or scared, or cats who have shown aggressive behavior. I find both roles very rewarding, as it's wonderful to see a cat who has always been scared of humans go over to

someone to be petted; or when I help a foster parent, who knows very little, understand what it takes to help the cat adjust. Both roles make the world a bit of a brighter place." –Konzelman, Senior SQA Engineer, Toronto



*Huggy the Cat fostered by IGT employee Amanda Konzelman*

## DOLLARS FOR DOERS: SWIFT KIDS GEORGIA

*"Swift Kids is a fun, flexible running program designed to get kids ages four to 12 active, and promote a healthy lifestyle through a running-based program in the community. At the end of each session we all participate in an USA Track & Field sanctioned 5k. I've been a volunteer coach in the program for six years working with the four- to six-year-olds. It's been very rewarding to*

*see the progress everyone has made — me included. Most of the kids I began with have continued the program and moved up into the older groups. Sometimes herding 22 four-to-six-year olds can be challenging, but the smiles and laughter (even when we have to run hill repeats) always make up for it."* – Wendy Stillion, Principal Software Engineer, Georgia



## DOLLARS FOR DOERS: ASSOCIAZIONE DOMUS BERNADETTE ONLUS ROME, ITALY

The central objective of Associazione Domus Bernadette Onlus is to assist individuals in reaching their full potential through the care of emotional development and expression and control of feelings. They also teach constructive objectives and strengthening of self-esteem through personal discovery. Federico Aristotile volunteers throughout the year in various capacities, such as painting, cleaning, and maintaining technology equipment.

"I was very pleased to know that our contribution, in addition to enhancing the spaces of the family home, has allowed the organization to receive very useful funds for activities and material for the community, and I am even more happy that IGT has these social and solidarity initiatives that are very close to my heart." – Federico Aristotile, CRM Development, Lottomatica (Italy).

## DOLLARS FOR DOERS: WORLD MEDICAL AID ONLUS ODV TARQUINIA

World Medical Aid Onlus ODV Tarquinia is a non-governmental entity that focuses its efforts on ophthalmology. The organization provides vision related to medical care and surgery to individuals in poverty stricken countries across the globe. Tiziano Brodolini chose to volunteer with this organization based in his hometown of Tarquinia, Italy. Tiziano was able to use photography skills to document the work of the organization for social media and other publications to help spread awareness of the organization and its good works. Regarding the experience, Tiziano said, "Seeing that a child is healed, with a simple 3 euros ointment/cream, and having the chance to watch his mother face for the first time in three years after the operation, is priceless." – Tiziano Brodolini, Business Monitoring & Process, Lottomatica (Italy).

## A LIFE-CHANGING EXPERIENCE

*Sometimes life takes unexpected turns. Stacy Hinz, administrative assistant at IGT's office in Madison, Wisconsin, never expected that one of her volunteering deeds could affect her life so deeply. By chance, Stacy found out that IGT's Global Giving Week time coincided with an initiative organized by Special Spaces, a non-profit organization that facilitates bedroom makeovers for children battling life-threatening illnesses. She joined in and traveled 80 miles to help a handful of volunteers assemble furniture, mount shelves, install doors and hang decorations. The effort gave a 16-year-old boy fighting cancer the grown-up space he had long wanted. The room even included a small refrigerator and voice-activated lights. The team finished its day by revealing the new room to the teenager and his family, and the entire family's tears of joy made Stacy discover a whole new way of giving back. Stacy's skill and enthusiasm were highly appreciated by Special Spaces, and she is committed to working with them again to launch new projects in Madison.*

## VOLUNTEERING AUTUMN IN CZECH REPUBLIC

IGT Czech Republic got busy in autumn 2019 with three volunteer projects. In the outskirts of Prague, IGT volunteers built a brand-new shelter for wild sheep and goats. These beloved animals are tireless gardeners of the suburban woods and fundamental elements of biodiversity in the area. Later in the season, it was time to join the efforts of volunteers from all over the country for the conservation of the Josefov Fortress, a jewel of the Czech Republic historical heritage built in 1880 by Emperor Joseph II. Just in time for Christmas, IGT volunteers opened their hearts and collected books, clothing, cosmetics and toys for disadvantaged families in need, bringing a smile to the little ones.

## DOLOMITI FOR DUCHENNE

Two Lottomatica employees participated in the Dolomiti for Duchenne mountain bike race, a three-day event up and down the wonderful Dolomiti mountain range in northern Italy. The event supports Parent

Project Onlus, the association of young patients and parents suffering from Duchenne and Becker muscular dystrophy, rare genetic conditions typically diagnosed in infancy. Dolomiti for Duchenne is the final leg of the Dys-Trophy Tour, a circuit of mountain bike events organized across Italy.



## A NEW HOME IN BEIJING FOR CHILDREN IN NEED

IGT employees at the China Research and Development Center (CRDC) have volunteered at the 365 Kids Home, a caring place in Beijing that provides living space and rehabilitation services for children suffering from brain-related conditions. Since the original building of 365 Kids Home was about to face demolition, CRDC helped to find a spacious and bright villa in Changping, Beijing, as a new home for the children. CRDC applied donations to buy new beds and other furniture.

Five CRDC engineers volunteered to install new beds and, a group of eight CRDC volunteers went to Changping to accompany hearing-impaired children for cake and a biscuit-baking activity. These children came with their parents from all over China for cochlear surgery and rehabilitation in Beijing. Due to their parents' financial constraints, eating cakes and biscuits is also a rare opportunity for these kids. While the biscuits were baking in the oven, volunteers assisted children with happily spreading frosting on the prepared cake slabs and adding sliced fruit on top.



## CELEBRATING VALUED PARTNERS

*In 2018, gross tribal gaming revenues across the United States topped \$33.7 billion, according to the National Indian Gaming Commission. That's a 4.1 percent jump from 2017 and the highest in Indian gaming history. With over 280 tribes in 400 different locations, and 28 states with Indian gaming operations encompassing roughly 470 casinos, IGT recognizes the*

*importance of supporting its Native American customer base. But behind these numbers are people - nearly 6.8 million of them, according to the U.S. Census Bureau - and they represent a rich, centuries-spanning culture.*

*That is why in October 2019, IGT senior leaders in Reno, NV, organized IGT's first Tribal Culture and Business Appreciation Event. The event, open to all of IGT Reno's approximately 1,700 employees, started on the campus' front steps*

*with remarks from U.S. Rep. Mark Amodei and a singing, dancing and drumming demonstration by the Reno-Sparks Indian Colony. About 350 employees then moved inside for presentations by distinguished speakers who talked about the history, challenges, evolution and misconceptions about tribal gaming, and tribal gaming's benefits to Indian Country including increasing employment opportunities, additional education funding, improved housing and expanded business partnerships.*



*Featured in the photo: In the left back row: Marco Tasso, SVP Global Manufacturing, Operations and Services; Renato Ascoli, CEO of Global Gaming; and members of the Tribal community with IGT employees. Nick Khin, Chief Operating Officer, Gaming, appears at far right in the back row*

# 7

## FOSTERING SUSTAINABLE OPERATIONS







*I think the meaning of Sustainability for our future will absolutely coincide with a preservation of the environment and the human community. Business should find a new way to be performed in order to re-create a harmonious balance between economy and the planet.*

Maria Grazia Chimenz  
CSR Specialist  
Rome, Italy

#### WE ARE COLLABORATIVE

Consideriamo prioritari i **bisogni dei nostri clienti** e ci impegniamo nel creare partnership durature e sostenibili sia all'interno che all'esterno dell'azienda. Ricerchiamo continuamente **nuove opportunità** attraverso la collaborazione, l'attenzione alle esigenze degli altri, sviluppando, **mantenendo** e **consolidando** relazioni di valore.

WE ARE IGT

## Fostering Sustainable Operations

### Growing with Our Supply Chain GRI: 102-9

Manufacturing and provision of gaming products are carried out with the collaboration of many vendors and suppliers. In adopting progressively stricter sustainability practices, IGT is constantly fine-tuning the selection process applied to the supply chain in order to ensure continuous improvement in corporate activities. IGT expects suppliers to join the effort at the global level by adhering to mandatory corporate policies and practices.

In 2019, IGT's supply chain consisted of more than 10,000 vendors worldwide, in both direct and indirect supply categories. "Indirect" supplies include technology, computers, hardware, software, networking equipment,

communications services, and standard Maintenance, Repair, and Operations (MRO) commodities that are purchased to support the Company's customer-facing deliveries, as well as its internal infrastructure. "Direct" supplies support the manufacturing of IGT products that are delivered as part of IGT's customer-facing solutions.

IGT purchases most of the parts, components, and sub-assemblies necessary for manufacturing its terminals and slot machines from outside sources. It outsources the entire manufacturing and assembly of certain lottery terminals to a single supplier, while other products have portions outsourced to multiple qualified suppliers. Local suppliers are based in the U.S. and Italy, where the majority of employees are located and the

greater portion of revenues are generated.

Sound business relations with suppliers play a key role in IGT's ability to support customers' requirements, as they are essential to maintaining a dependable, competent source of supply for the uninterrupted flow of quality goods and services. The goal is to improve and enhance relationships with those suppliers who are committed to total quality and continuous improvement.

### Selecting Our Vendors GRI: 103-3; 308-1; 414-1

IGT works with suppliers that are selected to ensure high-quality goods and services, and meet high economic, ethical, and socio-environmental principles according to five informal, strategic requirements:

- capability;
- competency;
- compliance (quality);
- value; and
- support.

IGT uses a cross-functional internal team to select suppliers by conducting due diligence taking into account the quality of the goods and services supplied, the capacity to adapt to the delivery deadlines requested, the costs, financial stability, and to minimize corruption risk of the supplier.

Suppliers are subject to certifications required by law and periodic inspections and visits. Even the most important suppliers (custom orders or original components) are subject

## IGT'S SUPPLIER CODE OF CONDUCT



IGT's Supplier Code of Conduct outlines IGT's expectations regarding business ethics and regulatory compliance, human rights and labor practices, environmental regulations and protection, responsible mineral sourcing, health and safety, and confidential and proprietary information. It has been sent to a number of selected existing suppliers and forms part of

the on-boarding process for new suppliers.

Pursuant to the Supplier Code, suppliers are prevented from:

- participating in or benefitting from any form of forced labor; and
- impairing employee rights, including data protection rights.

Suppliers are also required to inform IGT of any potential violation of the code. In the event of a violation, the concerned supplier shall commit to a remediation plan.

Suppliers that are in or controlled by the laws of so-called "developing countries" are subject to human rights

compliance screening using the principles expressed in the "United Nations International Bill of Human Rights." Original Equipment Manufacturer (OEM) suppliers are visited to check their compliance with rules regarding social and environmental responsibility, in addition to quality, costs, capitalization, and other financial checks.

to periodic inspections of their quality programs and the updating of the certifications. The possession of ISO (International Organization for Standardization) quality certifications is a criterion of priority selection for all direct suppliers. IGT requires the suppliers to certify compliance with the European Union Directive on Restrictions on Use of Hazardous Substances in Electrical and Electronic Equipment (2011/65/EU).

IGT requires suppliers to acknowledge that they share the commitments listed in the

Supplier Code of Conduct which outlines IGT's expectations regarding the workplace standards, labor, business and environmental practices of its suppliers, along with their parent entities, subsidiaries, affiliates, subcontractors, and others who are within their supply chain.

IGT's procurement departments adhere to their respective ISO documents that outline the supplier engagement process, including a supplier questionnaire, commodity team responsibilities, classification of strategic suppliers, and first article submissions.

By working with IGT's quality engineering department, IGT's procurement team monitors suppliers' quality and metrics. By using advanced inspection equipment, onsite audit reviews, and timely communication techniques, quality engineering ensures that suppliers have the data required to manufacture raw material that meets IGT's needs at the point of use. This helps IGT meet its customers' expectations for quality, cost, and delivery.

IGT expects suppliers to effectively assess, select, develop,

and monitor their material sources and subcontractors according to IGT's Supplier Code of Conduct, as well as jurisdictional, and environmental policies and regulations. Depending on the jurisdiction, the use of local or small businesses, businesses owned by women, minorities, persons with disabilities, military veterans and LGBTQ persons, is considered when making sourcing decisions. IGT retains the right to use alternate suppliers if an existing supplier is unwilling or unable to comply with IGT's policy.



## QUALIFIED MINORITY BUSINESS ENTERPRISES

In the U.S., IGT works with top-quality suppliers, including suppliers classified as Qualified Minority Business Enterprises,

especially in the lottery and instant ticket printing businesses. To be identified as a Qualified Minority Business Enterprise, a public agency must certify that the supplier is owned (at least 51%) by one or more of the following:

- women;
- disabled veterans; or
- other minority group members.

Typically, in U.S. lottery competitive procurements, the Request for Proposal (RFP) includes an obligation to allocate a share (approximately 10%, usually) of the total budget to Qualified Minority Business Enterprises, thus allowing lotteries to contribute to the generation and distribution of economic value. In another approach, the RFP awards additional points to a proposal if a share of the total budget is allocated to Qualified Minority Business Enterprises.

## Environmental Assessment of Our Suppliers

IGT designs and manufactures products that are environmentally compliant for the jurisdictions where IGT places those products. IGT's Environmental Compliance Policy encompasses IGT product processes including design, source to procurement, warehousing, manufacturing, reconditioning, and delivery. The IGT process suggests reasonable measures

to determine environmental compliance of existing products, convert non-compliant products to meet environmental compliance requirements, and keep environmental compliance on an on-going basis.

IGT, in collaboration with its suppliers management teams, carries out environmental assessments which are more intense for suppliers in high-risk, loosely regulated jurisdictions.

When visiting suppliers in high-risk regions, members of the supplier management and/or the quality engineering team will conduct informal assessments of environmental conditions. The team will observe if appropriate licensing from the local government is in place. Special attention is paid to waste management processes from industrial processes that produce hazardous solid waste like the chroming, plating and painting processes. Preventative maintenance

(PM) procedures and schedules are observed on related equipment to confirm that PM schedules support hazardous liquid containment integrity of the mentioned processes.

Observable exceptions to standards are communicated and discussed with the supplier on the spot for correction. Exception conditions are then noted in the supplier visit report, to be verified upon next visit, and information is shared with the Operations team for additional follow up.

GRI: 103-3

## IGT'S ZERO-TOLERANCE APPROACH TO MODERN SLAVERY



*The Company is committed to acting ethically and with integrity in all its business dealings and relationships by implementing and enforcing effective systems and controls to reduce the risk of modern slavery from occurring in its business or supply chains.*

*IGT is committed to working toward the goal of eliminating any possible breaches of human rights through its supply chain.*

### Respecting Human Rights in the Supply Chain

In line with the core value of being responsible, IGT strives to carry out steps to protect human rights, both in its business and along its supply chain. IGT adheres to the principles set by the 1998 International Labor Organization Declaration on Fundamental Principles and Rights at Work in the countries where it operates.

As one of its Corporate Social Responsibility (CSR) initiatives, IGT is working toward eliminating the risks of human rights violations related to its global operations.

In 2019, IGT introduced new vendor management and purchase management processes, whereby non-SA8000\* certified potential suppliers in Italy are required to complete human rights questionnaires that include questions on the supplier's stance on child labor, forced

labor, freedom of association, discrimination, health and safety and migrant worker practices. Questionnaires are, in certain cases, followed by one-to-one meetings or on-site audits.

IGT published its first Modern Slavery Act statement in June 2017 (which covered the financial year ended December 31, 2016) and, since then, has increased its efforts by raising awareness of modern slavery among its suppliers. The statement discloses the steps IGT has taken during each financial year and planned for the next one to ensure that modern slavery is not taking place in any of its supply chains or parts of the business. All IGT's Modern Slavery Act statements are available at [www.igt.com/explore-igt/about-igt/global-responsibility/our-corporate-citizenship](http://www.igt.com/explore-igt/about-igt/global-responsibility/our-corporate-citizenship).

In the first months of 2020, IGT (Australia) Pty Limited

and its wholly owned subsidiary, International Game Technology (NZ) Limited, conducted an analysis of the processes that were in place in 2019 to ensure modern slavery is not taking place in any of its supply chains nor any part of its business. This is required by law in Australia, but the efforts referenced in the statement demonstrate IGT's commitment to preventing modern slavery in its supply chains in all jurisdictions in which it operates.

IGT continues to strengthen its approach in managing the risk of modern slavery within its business and responding to changing risks, including monitoring modern slavery risks related to its global operations.

\* SA8000 applies a management-systems approach to social performance and addresses human rights issues that permits certified companies to monitor their social performance over time.



## Conflict Minerals

IGT complies with Rule 13p-1 under the Securities Exchange Act of 1934, as amended (the “Rule”), adopted by the U.S. Securities and Exchange Commission. This Rule requires the implementation of reporting and disclosing procedures regarding conflict minerals. Conflict minerals – which include tantalum, tin, tungsten, and gold – are defined as those originating in the Democratic Republic of Congo (DRC) or adjoining countries, determined by the U.S. Secretary of State to finance conflict in the DRC or adjoining countries and therefore enabling armed groups to commit, contribute to, or benefit from serious violations of human rights, violations of international humanitarian law, or violations amounting to crimes under international law.

Since certain minerals are required to manufacture land-based machine products (including, but not limited to, slot machines, video poker machines, video lottery terminals, electronic or video bingo machines, lottery terminals, instant ticket vending machines, and ticket scanners), we must diligently eliminate conflict minerals in this process. IGT has implemented policies and procedures, including to prepare its annual conflict minerals report, to ensure the minerals IGT and its suppliers use are DRC-conflict-free and that IGT complies with the Rule.

IGT developed its policies, procedures, and processes following the third edition of the Organization for Economic Cooperation and Development’s (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (2016), and its related supplements. IGT’s procedures include:

- defining suppliers that are affected by conflict minerals;
- identifying risks;
- communicating supplier responsibilities;
- establishing and using a cross-functional team to complete all parts of the reporting process;
- collecting necessary information; and
- maintaining records of activity, responses, and conclusions.

IGT has established a cross-functional team to comply with the related Rule. The team’s duties are to:

- identify which suppliers provide IGT with products containing conflict minerals;
- distribute a conflict minerals letter with an environmental policy and the Responsible Minerals Initiative’s (RMI) Conflict Mineral Reporting Template to all suppliers determined to be in scope;

- track which suppliers have responded to outreach, and retain the completed RMI Reporting Template and policies;
- review the responses and conduct further diligence if warranted;
- maintain smelter information from suppliers, and check smelter identification against the Compliant Smelter & Refiners list (at [www.conflictreesourcing.org](http://www.conflictreesourcing.org)) and the Smelter Reference list in the current RMI Reporting Template; and
- report IGT’s due diligence process and compliance obligations to senior management annually.

To identify relevant suppliers subject to due diligence, IGT reviewed the 582 suppliers where more than 95% of the Company’s direct material spend occurred in 2019. IGT then removed suppliers that do not sell the Company 3TG (gold, tin, tantalum, tungsten). If there was uncertainty, the supplier was considered in scope. As a result, IGT identified 43 suppliers subject to further due diligence.

## CONFLICT MINERALS DILIGENCE PROGRAM AND DUE DILIGENCE PROCESS

IGT established a due diligence program based on procedures and tools provided by the:

- Organization for Economic Cooperation and Development (OECD);
- Electronic Industry Citizenship Coalition (EICC); and
- Global e-Sustainability Initiative (GeSI).

The Responsible Minerals Initiative (RMI), an entity founded by members of the EICC and GeSi, provides a Conflict Minerals Reporting Template. The template standardizes the way in which

country-of-origin, smelter, and refinery information is reported, and facilitates the transfer of this information through the supply chain. IGT requests that in-scope suppliers contributing to 95% of IGT's direct material spend and whose products contain conflict minerals use the template to convey the required information to the Company.

IGT also requests that its suppliers:

- adopt a conflict mineral policy with the RMI's Conflict-Free Smelter Program (CFSP) assessment protocols, and
- establish their own due diligence program to ensure their own suppliers are CFSP-compliant and provide a detailed report to IGT on that effort.

## REASONABLE COUNTRY OF ORIGIN INQUIRY (RCOI)

The Responsible Minerals Initiative's (RMI's) Conflict-Free Smelter Program (CFSP) audits smelters and refineries to identify those that are Democratic Republic of Congo-conflict free. As part of the RCOI process, IGT adopted the RMI approach and traced the origin of conflict minerals by identifying smelters, refineries or recyclers, and scrap supplier sources. IGT used the RMI and its CFSP to trace the conflict minerals back to the mine of origin. As some suppliers source material from sub-suppliers, IGT has determined that it may take time for some suppliers to verify the origin of conflict minerals (directly or indirectly) as required by the RCOI.

## Caring for the Environment

GRI: 103-3

### Our approach

As a global company, IGT is committed to complying with accepted environmental practices, including the promise to meet or exceed applicable legal and certification requirements. The Company strives to continually improve its environmental management systems and reduce its environmental impact. Effective and reliable monitoring systems allow IGT to assess its progress reaching these goals.

The Company's activities that could potentially affect the environment include hardware and software implementation, research and development, warehousing, and administrative tasks. IGT's industrial activities include printing in Lakeland, Florida and Tito Scalo, Italy, and assembly in Reno, Nevada.

The potential environmental impact on IGT facilities are related to:

GRI: 103-3; 306-2

- Energy consumption: energy is used in fuel for heating, and for company cars and trucks; electricity and natural gas are used for offices and manufacturing and printing activities; and propane is used for warehouse activities.
- Emissions: energy use has a direct and indirect impact on emissions, as does the transportation of goods by service providers.

- Waste production: assembling and printing processes do not generate a significant amount of waste. Generally, the waste produced in these processes is not hazardous, and is mostly sent for recycling, consistent with corporate policies.
- Material consumption: IGT's facility in Reno, Nevada, assembles sub-products provided by suppliers, having an indirect impact on material consumption. IGT's printing facilities use paper and inks, having a direct impact on material consumption.
- Sub-processes: the potential indirect impact can be significant for some sub-product assembly

processes in Reno, Nevada, (such as chroming); the suppliers used for such processes are periodically monitored via on-site inspections to verify their compliance with regulations.

Since 2016, IGT has been using an internal, web-based tool to collect environmental data from sites all over the world. The tool has systemized and harmonized the data collection process, giving a more comprehensive overview of the Company's environmental impacts. The Company has constantly improved this tool to increase the number of small sites reporting on their environmental performance. The number of sites required to provide data increased between 2017 and

2018 (from 145 sites to 229), settling at 227 sites in 2019. Of the latter, more than 70% (165 sites) have provided information on their environmental impact related to the reporting year.

IGT is committed to improving the data gathering and consolidation process for all sites, ensuring that in-scope locations provide accurate data. In order to appraise natural gas and electricity consumption, and related emissions of all active locations in 2019, those offices unable to provide exact data estimated the average emissions per square meter.

Due to the consequently different reporting boundary, the 2018 environmental data is compared with both 2019 and adjusted 2019

## A PRINCIPLED APPROACH TO CONSERVATION

IGT's approach to environmental activities is guided by the following principles:

- setting and regularly assessing goals for improving environmental performance;
- following operating guidelines that protect the environment, employees' health, and the integrity of communities influenced by the Company's operations;
- complying with current regulations at all levels;

- applying principles for ongoing improvement of pollution prevention;
- reducing the environmental impact of production processes in an economically effective way;
- sharing information about the environmental impact of its business performance in a transparent manner; and
- guaranteeing that staff have the skills and resources needed to achieve the established environmental goals.

figures. The latter only considers the impacts of sites within the 2018 boundary to ensure the most accurate comparability of IGT environmental performance over the years. Also, only with reference to water consumption and waste production, small offices unable to provide actual data (whose consumption is, for example, included in the rent on a flat-rate basis) are included by means of a per capita estimate.

IGT is committed to improving its environmental performance by implementing Environmental Management Systems (EMSs) certified according to the ISO 14001 Standard, which are in place in the following company sites:

- Lakeland, Florida
- Rome, Italy
- Reno, Nevada

In addition, Tito Scalo in Italy has an environmental policy inspired by principles of ISO 14001 Standard.

The ISO 14001 Standard helps companies to:

## ENVIRONMENTAL CERTIFICATION GRI: 103-3; 306-2

The ISO 14001 Environmental Certification relates to the management of major environmental issues (energy consumption, waste production and management, office paper consumption, and supply management with environmental impact), the limitation of harmful substances, and the maintenance of information technology (IT) facilities.

The main actions taken at sites with an active ISO 14001 Environmental

Management Systems (EMSs) are:

- complete compliance with applicable environmental provisions of state and federal laws;
- specific improvements in printing facilities such as reduction of solvent-related air emissions;
- reduction of paper consumption through implementing software to measure employee paper use and a process to monitor the quantity of printed copies;
- reduction of energy consumption through replacing air conditioning

systems; adopting more efficient technology platforms, installing air conditioning fan coil sensors, replacing windows, and substituting fluorescent tubes with LED lights;

- reduction of water consumption;
- increased recycling; and
- extensive food waste composting at Rhode Island facilities.

- improve resource efficiency;
- reduce waste;
- drive down costs;
- provide assurance that environmental impact is being measured;
- gain competitive advantage in terms of supply chain design;

- increase new business opportunities;
- meet legal obligations;
- increase stakeholder and customer trust;
- improve overall environmental impact; and
- manage environmental obligations with consistency.

## SITE-SPECIFIC SUSTAINABILITY COMMITTEE IN ITALY

*In Italy, Lottomatica has established a Sustainability Committee to achieve objectives in economic, environmental, and social sustainability. The Committee is composed of representatives of all functions dealing with execution of sustainability initiatives, with the duty of identifying potential links between prioritized activities and goals, as well as projects that may help pursue the Company's sustainability vision.*

## Energy Consumption and Emissions

### ENERGY CONSUMPTION

GRI: 103-3; 302-1; 302-4

Reducing energy consumption is a priority for the Company. IGT's direct energy consumption mainly concerns heating fuel (primarily natural gas) and corporate fleet (cars and small trucks). In case of a power-outage emergency, fuel is used for back-up electrical supply. The indirect consumption of energy includes electric consumption for

offices, data centers, manufacturing, and printing. Considering the same

reporting boundary, the Company's consumption in 2019 has slightly

decreased compared with the previous year.

### ENERGY CONSUMPTION IN GIGAJOULE (GJ)

	2019	2019 ADJUSTED	2018	2017
Natural gas	131,289	123,809	110,526	57,724
Electricity	418,920	392,387	405,029	378,814
Gasoline (fleet)	298,879	298,879	316,857	323,081
Diesel consumption for vehicles and generators	40,204	40,201	41,987	29,797
Liquefied petroleum gas (LPG)	27	26	290	354
Propane	321	321	270	492
<b>Total energy consumption</b>	<b>889,640</b>	<b>855,624</b>	<b>874,399</b>	<b>790,262</b>

## REDUCING THE ENVIRONMENTAL IMPACT AT IGT FACILITIES AROUND THE WORLD

In 2019, IGT offices and facilities worldwide implemented initiatives at the local level to reduce the Company's environmental impact. Some examples are:

- Las Vegas, Nevada: by implementing practical lighting schedules, the site saved 251,000 kWh between November 2018 and November 2019;
- Reno, Nevada: the office worked on:
  - the replacement of heating and cooling units to reduce the amount of outside air introduced into the building for heating and cooling;
  - CO2 monitoring to reduce outside air introduced into the building for heating and cooling; and

- the continued implementation of indoor LED lighting projects.

These initiatives resulted in 1,802,662 kWh of total estimated energy savings. Moreover, other sustainability activities were carried out at the Reno facility to reduce CO2 emissions, recycle materials and reduce the use of non-recyclable materials.

- Northeast Returns Hub: this project provides the return of shipped electronic gaming machine (EGM) materials to the regional hub to be consolidated and then shipped in full truckload quantities to Reno. The aim of the project is reducing the number of trucks travelling to Reno. A reduction of 18 truckloads, 45,708 miles and 26,600 liters of fuel was

achieved. This resulted in reduction of more than 71 tons of CO2 emissions.

- Outbound Load Consolidation: IGT combined shipments where permitted by local jurisdictional regulations to reduce the number of truck movements. This resulted in a reduction of 47 truckloads and an estimated reduction of around 120 tons of CO2 emissions;
- Reno – Las Vegas insourcing: this project allowed IGT to move materials between Reno and Las Vegas, consolidating customer shipments and suppliers' raw material and resulting in a reduction of 338 truckloads. The estimated saving in terms of CO2 emissions is around 240 tons.

These initiatives contributed to reducing IGT's environmental impact in terms of CO2 emissions by saving about 1,134 tons of CO2, equivalent to the CO2 emissions generated by charging 144,616,962 smartphones. Moreover, the following initiatives were carried out in order to improve the environmental performances of Reno site:

- Improved corrugated baler: a new high-powered corrugated cardboard baler was installed in 2019 in the Reno site that created 573 bales (286 tons) of recyclable material;
- Expanded polystyrene: polystyrene from suppliers' packaging was put into a compressor to create 30 tons of recyclable material.



IGT has earned Leadership in Energy and Environmental Design Certification for its Reno facility, and an ISO 50001 Energy Management Systems certification in Rome for improving energy management

In addition to the initiatives carried out in Las Vegas and Reno, Nevada, IGT offices located in more than 20 countries have implemented specific actions to improve energy efficiency, thus reducing the total energy consumption both in facilities and warehouses. Most of these offices are in North America and the Caribbean; the others are equally distributed throughout South Africa, the Philippines, China and Australia. The main activities were related to the installation of new LED lights, motion sensors for switching on lights, thermostats and higher energy class air conditioners. Several IGT offices also held internal meetings to raise awareness about energy saving with an invitation to turn off the lights and all electrical devices if not strictly necessary, especially at night or during weekends.

#### LEADERSHIP IN ENERGY AND ENVIRONMENTAL DESIGN (LEED) CERTIFICATION

The Reno facility has LEED Gold certification, awarded by the United States Green Building Council. In 2015, the Reno facility was certified LEED Gold until 2025, which is expected to generate tax savings of \$1.5 million over 10 years. IGT Reno operates as Nevada's first Gold-certified facility, combining offices, data processing, and manufacturing activities under the LEED "Existing Buildings: Operations & Maintenance" distinction. The Reno facility operates with less water and energy, reducing greenhouse gas emissions and, as a bonus, saving costs.

The benchmarks met by the Reno office to earn LEED certification include:

- eliminating over 1,500 tons of greenhouse gas (GHG) emissions annually from commuting employees by providing a fitness center, cafeteria, and on-site childcare services;
- diverting 71% of waste from the landfill through IGT Reno's extensive waste management program;
- finishing in the 35th percentile above the national median for energy efficiency performance;
- installing efficient water fixtures that have decreased water usage by 15%;
- reducing water used for irrigation by 50% from initial design;
- purchasing energy-efficient electrical and electronic equipment, high-recycled-content furniture, and low-mercury fluorescent lamps along with converting 90% lighting to LED;
- converting all hydraulic trash compactors to auger compactors, reducing the number of hauls per year by 15%, further reducing GHG emissions; and
- achieving a 30% reduction in energy from a compressed air retrofit.

#### ISO 50001 CERTIFICATION

*Since 2011, IGT has implemented an ISO 50001-certified Energy Management System (EMS) at its Rome, Italy location. The ISO 50001 certification specifies requirements to establish, implement, maintain, and improve an EMS that enables an organization to follow a systematic approach to continually improving energy performance, including energy efficiency, energy use, and energy consumption. Also, ISO 50001 certification requirements for energy use and consumption include measurement, documentation, reporting, design, and procurement practices for equipment, systems processes, and personnel who contribute to energy performance.*

## EMISSIONS

GRI: 103-3; 305-1; 305-2; 305-3; 305-5

The GHG emissions produced by IGT activities are caused by fuel and electrical consumption, and transportation of goods and people. GHG emissions are divided into three categories:

- **Scope I emissions:** These refer to fuel consumption (natural gas and Liquefied Petroleum Gas [LPG] for heating; diesel consumption for generators; and diesel and gasoline consumption for vehicles such as fleet cars and small trucks), and fugitive emissions from refrigerant gases. Many of IGT's U.S. contracts require the Company to install, maintain, and service lottery equipment throughout the country. The fleet comprises gasoline and diesel-powered service vans, as well as sales force vehicles, and company cars. IGT continues to focus on driver behavior by addressing fuel consumption affected by idle time, rapid acceleration, and cargo weight. In addition, the Company strives to keep its fleet appropriately sized for

specific contractual needs and territorial requirements.

- **Scope II emissions:** These refer entirely to electrical consumption. IGT, beyond its commitment to reduce energy consumption, strives to use green energy where suitable.
- **Scope III emissions:** These derive from paper consumption (both for office and production use), shipments of IGT goods by third parties, and business travel. In 2019, IGT continued a strategy in Italy aimed at increasing shipping efficiency by preventing vans from leaving when not fully loaded,

and reorganizing routes and deliveries.

Within the same reporting boundary compared to 2018, Scope I emissions have decreased by 13% and Scope II emissions have decreased by 12%. The decrease in CO<sub>2</sub> Scope II location-based emissions, despite coverage of 100% of the perimeter, is mainly due to the update of the emission factors. The increase in Scope III emissions (up 59% compared to 2018) is mainly due to the improvement in the methodologies used for collecting paper consumption data, and to increased delivery activities.

At IGT's Lakeland, Florida facility, a GHG emissions reduction program details the most energy-efficient ways to run the printing press, including:

- using natural gas to dry ink;
- using better operating practices, such as shutting down the ink-dryers when it does not impact quality and reducing downtime as operating efficiencies increase;
- using faster-drying inks; and
- eliminating propane-driven forklifts.

## GREENHOUSE GAS (GHG) EMISSIONS (Tons)

	2019	2019 ADJUSTED	2018	2017
Scope I	32,219	31,794	36,514	27,784
Scope II*	46,378	42,091	47,941	46,028
Scope III	56,221	55,649	34,937	37,886

\* In 2019, Scope II emissions based on market-based methodology amounted to 56,221 tons of CO<sub>2</sub>. The methodology used for GHG calculation is based on voluntary and mandatory GHG reporting guidance issued by the U.K. Department for Environment, Food & Rural Affairs (DEFRA). Fuels and operations were factored in through the DEFRA conversion protocol within the reporting methodology. GHG emissions related to electricity were computed according to the emission factors (EFs) issued by the International Energy Agency (IEA), except for U.S. states that were referenced according to state-based U.S. Environmental Protection Agency EFs. For those countries where IEA EFs were not available, conversion rates followed the Institute for Global Environmental Strategies EFs.



## ZERO-IMPACT EVENTS IN LOTTOMATICA

In 2019, Lottomatica started a collaboration with LifeGate, a company with 20 years of experience in disseminating new business and consumption models, to organize two corporate events – the Italy Region Meeting in Rome and the Sales Meeting in Naples. The events followed the guidelines of “Impatto Zero” (Zero-Impact), the LifeGate project implementing the aims of the Kyoto Protocol: compensation of CO<sub>2</sub> emissions by

means of carbon credits generated by initiatives to create and protect growing forests, or related to energy efficiency. The collaboration involved the compensation of CO<sub>2</sub> emissions generated by the event, offset by tree planting and seeding and forest protection activities. LifeGate estimated the environmental impact including energy consumption, logistics, communication materials, waste, and travelling. In total, the two events generated about 23,000 kg of CO<sub>2</sub> emissions, which were compensated with carbon credits issued in a year from the creation and protection of about 47,100 m<sup>2</sup> of growing forest areas in Parco Lombardo del Ticino, within the reservoir Bosco Siro in Pavia province.

**LOTTOMATICA**

ha compensato 18.194 kg di CO<sub>2</sub> generati dall'Evento  
Italy Region Meeting (presso La Nuvola - Roma Convention Center- 16 dicembre 2019)  
mediante crediti di carbonio prodotti in un anno da interventi  
di creazione e tutela di 36.388 mq di aree boschive in crescita nel Parco del Ticino.

Attestato n. 65502349-1  
Valido fino al 16 dicembre 2020  
Emesso il 16 dicembre 2019

In collaborazione con:

## ENVIRONMENTALLY FRIENDLY TEXTILE FLOORING IN ITALY

Thanks to a group of in-house architects, who paid special attention to research on new materials, hundreds of gaming halls across Italy were designed according to the environmental impact of some materials and their manufacturing processes. For many years, Lottomatica designed the flooring of gaming halls using a special carpeting manufactured by the Dutch company Interface, one the world's largest manufacturers of textile flooring. This result in the retirement of 102 metric tons of carbon dioxide, equivalent of the emissions from a car traveling 401,575 kilometres .

### Carbon Neutral Floors™

GreenTile | LVT | Stone | Rubber

"Through Interface's Carbon Neutral Floors program..."

**LOTTOMATICA**

Footprint:  
9,138 square metres  
of carpet modular flooring.

This will result in the retirement of  
102 metric tons of carbon dioxide  
Equivalent of the emissions from a car traveling  
401,575 kilometres!

By choosing into Carbon Neutral Floors you have ensured that there is less carbon in  
our atmosphere and we're a step closer to creating a greener life for all.

Signature: [Signature]  
Date: 01-December-2019  
Certificate Number: EM02122020-0302

APEX  
Interface's Carbon Neutral Floors program is certified by APEX.

"Positive impact" Better products. Happier people. Healthier planet.

CLIMATE TAKE BACK

## MYSELF, THE NEW ENVIRONMENTALLY FRIENDLY CUSTOMER SERVICE IN ITALY

The project MySelf aims at optimizing the number of technical interventions by service staff at points of sale. By

revising the customer service process, Lottomatica has succeeded in improving remote troubleshooting of all terminals installed at the points of sale. The consequent reduction of field interventions in 2019 has lowered emissions through reduced environmental impacts:

about **64 tons** of **CO<sub>2</sub>** saved from logistics, equivalent to the **CO<sub>2</sub>** generated from heating nine **60 m<sup>2</sup>** apartments



about **173 kg** of **NO<sub>x</sub>** (nitrogen oxide, a hazardous air pollutant), equivalent to the emissions generated by six Milan-Rome commercial flights



about **0.2 kg** of **SO<sub>x</sub>** (sulfur oxide, responsible for various respiratory and skin diseases), equivalent to the emissions generated by the two-month energy consumptions of an average Italian family



about **12 kg** of **PM<sub>10</sub>** (inhalable particulate matter often correlated with respiratory diseases)



Lottomatica will soon make self-assistance and self-governance systems available to B2B clients across multiple channels, including web, mobile apps, and game terminals, and using Interactive Voice Response (IVR) by means of chat/chatbot and voice assistance.

In 2020, Lottomatica identified the following milestones:

- release of the first version of the app introducing self-assistance and proactive notification;
- 5% decrease in CO<sub>2</sub> emissions deriving from fewer technicians dispatched; and
- further decrease in CO<sub>2</sub> and other emissions due to fewer interventions at the points of sale.

## OTHER EMISSIONS

IGT's production processes do not have a significant impact on the atmosphere. The only significant emissions are volatile organic compounds (VOCs) resulting from printing activities, and very low emissions of ozone-depleting substances for cooling systems at various sites (both production and office sites). The printing facilities in Lakeland, Florida and Tito Scalo, Italy, as well as the Reno, Nevada manufacturing facility, adopted a similar approach to VOCs, ensuring the monitoring activities are compliant with law, and staying significantly below the limits set by local authorities.

In 2019, VOC emissions from printing activities in Lakeland dropped by 7% compared to 2018. The other printing plant located in Tito Scalo constantly monitors VOC emissions while fully complying with stringent Italian regulations. In 2019, VOC emissions amounted to 122 tons.

## VOC EMISSION PROGRAM AT LAKELAND PRINTING FACILITY

At IGT's Lakeland, Florida printing facility, a three-year Volatile Organic Compound (VOC) emission reduction program was implemented to eliminate all solvent inks from IGT processes. Thanks to this program, IGT won the category of

Sustainability Programs in the 2019 Flexographic Technical Association (FTA) Sustainability Excellence Award competition. The transition covered about a two-year period, with 2018 as the first operating year using an all water-based system. IGT developed a suitable all water-based product and completed the internal testing to ensure the required two-year-plus shelf life of instant tickets, resulting in a

significant reduction of VOC output. In 2019, IGT continued this initiative by implementing one of the world's first water-wash plate manufacturing processes for flexographic printing, which resulted in exceeding the annual threshold target by 69.1%. This activity has made the plant a safer place to work, with positive impacts on the environment and employees' well-being.



From left to right: Amy Pettis, Robert Anderson, and Hector Elias with the award

## Waste, Water and Material Consumption

WASTE GRI: 103-3; 306-2

Most of IGT's waste is produced at the Company's manufacturing and printing plants. Each plant is committed to improving its environmental performance, including waste management. In 2019, IGT produced more than 13,900 tons of waste, of which 94% was non-hazardous and 6% was hazardous.

The increase in 2019 waste production data (up 25% compared to the previous year) is mainly due to the fact that many

IGT sites worldwide disposed old gaming machines, and has made an estimate of waste produced by sites unable to provide actual data (e.g., sites where waste management is carried out by the landlord).

IGT's manufacturing facility in Reno, Nevada complies with the Restriction of Hazardous Substances (RoHS) and is registered as a Small Quantity Generator of hazardous waste. Since 2017, the Reno facility has diverted 80% of waste by using

multiple balers to segregate waste streams. IGT's Reno office is making a continuous effort to eliminate the majority of expanded polystyrene cups used at the office coffee stations, and has supplied each employee with a reusable coffee mug.

WASTE (Tons)								
	2019		2019 ADJUSTED		2018		2017	
	Waste Sent to Recovery, Reuse and Recycling	Waste Sent to Landfill	Waste Sent to Recovery, Reuse and Recycling	Waste Sent to Landfill	Waste Sent to Recovery, Reuse and Recycling	Waste Sent to Landfill	Waste Sent to Recovery, Reuse and Recycling	Waste Sent to Landfill
Non-hazardous waste	10,628	2,495	10,628	2,495	7,094	2,425	6,929	2,605
Hazardous waste*	450	339	450	339	54	1,545	19	23,718

\* During 2019, a recycling program related to electronic waste was developed at the Santiago site (Chile). Under the program, 21.47 tons of electronic waste - consisting of obsolete lottery project equipment - have been recycled in certified recycling centers.



#### WATER GRI: 103-3; 301-1; 303-1

All IGT facilities – except the printing facilities – receive water from local municipal sources. Water is primarily used in cafeterias and washrooms, as well as for office purposes and silkscreen printing activities. Consequently, IGT is not a major user of municipal water. IGT does not currently reuse or recycle water in its facilities.

Regarding consumption, 84% of water used comes from water utilities provider, and 16%

is reclaimed water. More than 99% of wastewater is discharged through the local municipal water systems for treatment, and a little less than 1% into different wastewater plants. Considering the same reporting boundary, in 2019, water consumption increased by about 6% compared to the previous year. This slight increase mainly arises from estimated consumption of water by those sites that were not able to provide actual data.

#### WATER CONSUMPTION AND DISCHARGE (m³)

	2019	2019 ADJUSTED	2018	2017
Consumption	324,332	324,332	306,122	200,340
Discharge	179,193	179,193	179,423	143,243

#### MATERIAL CONSUMPTION

GRI: 301-1

IGT uses a variety of raw materials to assemble gaming devices (e.g., metals, wood, plastics, glass, electronic components, and Liquid Crystal Display [LCD] screens). IGT's main manufacturing and production facility is in Reno, Nevada, with approximately 594,000 square feet dedicated to product development, warehousing, shipping, and receiving.

Manufacturing operations in IGT primarily involve the configuration and assembly of electronic components, cables, harnesses, video monitors, and prefabricated parts purchased from outside sources. IGT designs and manufactures

products that are compliant with all regulations of the jurisdictions where IGT places products. For example, in compliance with the European Union Directive on Restrictions on Use of Hazardous Substances in Electrical and Electronic Equipment (2011/65/EU) (RoHS), IGT manufactures RoHS-compliant machines for European distribution.

Although IGT is not required to do so, manufacturing includes many parts that meet or exceed the RoHS standards in machines for the U.S. and countries outside the E.U.. Moreover, IGT machines comply with the European Waste Electrical and Electronic Equipment (WEEE) Directive (2012/19/EU) on recycling. Recycling symbols may be present on some parts, but they are not required by IGT.

GRI: 301-1

## PURCHASED MATERIALS (Tons)

IGT uses a variety of non-renewable materials, such as raw materials (e.g., metals, wood), semi-manufactured materials (e.g., assemblies and electronic components), and other materials (e.g., cardboard for packaging, paper, plastic, toners, and inks).

	2019	2019 ADJUSTED	2018	2017
Electronic components (including monitors), Cables and Assemblies	1,771	1,771	2,288	2,398
Plastics (including packaging and foams) <sup>1</sup>	1,171	1,168	492	907
Metals	4,577	4,577	4,692	6,440
Wood	628	628	572	643
PAPER <sup>2</sup>				
Cardboard for packaging	992	992	432	421
Office paper	628	551	110	84
of which FSC <sup>3</sup> -certified	112	112	29	9
Paper for lottery ticket <sup>4</sup>	19,980	19,980	14,350	28,447
Toner and liquid inks	1,603	1,603	1,766	1,761

<sup>1</sup> The increase in IGT plastic consumption is mainly related to the improvement in the methodologies used for collecting data. A detailed mapping of the Italian branch plastic consumption has been carried out by the Sustainability Committee in 2019 and completed in the first quarter of 2020. In particular, Lottomatica plastic consumption in 2019 equals to almost 577 tons.

<sup>2</sup> The increase in IGT paper consumption is mainly attributable to the improvement in the methodologies used for collecting data. A detailed mapping of the Italian branch paper consumption has been carried out by the Sustainability Committee in 2019 and completed in the first quarter of 2020. In particular, Lottomatica paper consumption related to cardboard, office and lottery ticket in 2019 equals to 1,042 tons, while the total paper consumption in 2019 for all the offices and sites included in the Lottomatica perimeter equals to 11,257 tons. This data includes office paper, paper used by printing office, paper for packaging, marketing and communications, paper used in the canteen, products, lottery tickets and rolls.

<sup>3</sup> FSC: Forest Stewardship Council

<sup>4</sup> This includes the consumption of paper used for machine testing at the Reno facility.

Most materials purchased were used at IGT's Reno facility for assembling Instant Ticket Vending Machines (ITVMs), EGMs, and packaging. In 2019, about 12,000 ITVMs and 44,000 EGMs were assembled at this facility. Below is the consumption of materials used, expressed as a percentage of the total material consumed by the Company:

- 99% of electronic components;
- 48% of plastics; and
- 99% of metals.

There is also significant paper, toner, and ink consumption in IGT offices and at instant ticket printing facilities. A large portion includes packaging, most of which involves cardboard and paper. IGT's printing presses in

Florida are servo-driven and can be operated solely on water-based ink systems. The servo-driven press optimizes job changeover times, minimizes material waste, and offers high print quality.

The Company relies heavily on the supply of paper for instant tickets production and is committed to reducing the impact of paper consumption on natural resources. This is in line with the commitments of its major paper suppliers, which abide by several environmental standards. The Forest Stewardship Council (FSC), Sustainability Forest Initiative (SFI), and Program for the Endorsement of Forest Certification (PEFC) promote sustainable forest management, reforestation, and continuous improvement of standards and practices to certify environmentally responsible paper-sourcing processes.

#### MACHINE END-OF-LIFE MANAGEMENT

GRI: 301-1

The Reno facility manufactures two types of machines: ITVMs and EGMs. ITVM maintenance and replacement programs vary depending on the lottery contracts. The ITVMs' end-of-life treatment is determined by each jurisdiction's regulations, and these machines are not returned to the Reno facility. EGMs, conversely, can be sold or rented. In the latter case, rented EGMs in the U.S. are returned to the Reno site to undergo reconditioning or updating (software or hardware). Older or outdated machines are scrapped, and components that cannot be reused are delivered to providers of disposal services.

Unlike in previous years, in 2019 returned EGMs and parts from customers' property (casinos<sup>x</sup>) have no longer been shipped directly back to the Reno site.

A regional product returns hub was established in Egg Harbor, New Jersey to consolidate all Northeast U.S. returns to the Reno site.

In 2019, IGT continued to carry out gaming equipment refurbishment (mostly in the U.S.), with an annual volume of 4,269 units, amounting to 9.8% of the total EGMs assembled in 2019.

Outside of the U.S., machine end-of-life management is handled according to local regulations on reuse, recycling, and waste reduction.



# APPENDIX





# Appendix

## Methodological Note

GRI: 102-1; 102-46; 102-47

This Sustainability Report is issued by International Game Technology PLC and its subsidiaries (or “IGT” or the “Parent Company”) unless otherwise stated to disclose its sustainability performance and to preserve an important communication channel with its stakeholders.

## Identifying Material Aspects

and Boundaries GRI: 102-46;

102-47; 103-1

### MATERIALITY DEFINITION PROCESS

The subjects covered in this report have been identified through a materiality definition process that IGT uses to identify the most relevant economic, environmental, and social topics for the

Company. The Global Reporting Initiative (GRI) Sustainability Reporting Standards require this report to include information related to topics deemed material – those that reflect significant impact for the organization from economic, environmental, and social viewpoints and that substantially influence stakeholders’ assessments and decisions. The material topics were examined in four phases: identification, prioritization (and determination of the materiality), validation, and review.

In the identification phase, all topics were considered according to their impact, regardless of whether they occurred inside or outside the organization.

Topics were identified as relevant for IGT by qualitatively assessing their economic, environmental, and social impact, as well as

taking into account Company initiatives, procedures, policies, and functions.

External relevance was determined by considering the main categories of stakeholder and business impacts at local, regional, and global levels. For this report, some proxy data have been used to measure the topics’ relevance in stakeholders’ assessments and decisions. In particular, the following analysis has been conducted:

- benchmark analysis: reviewed 29 sustainability and social responsibility reports and similar sources of publicly available information from IGT’s competitors, in order to identify the most widely discussed sustainability issues;
- media analysis: reviewed publicly available articles

related to relevant sustainability areas in order to identify the impact of public opinion and the media;

- sector trend analysis: reviewed key sustainability documents published by key international sustainability organizations, and documents produced by specific sector associations and organizations (e.g., gaming sector outlook studies published by leading international consulting firms; Sustainability Accounting Standards Board Materiality Map for the “Casinos & Gaming” and “Software & IT Services” sectors);
- sustainability macro trends worldwide: reviewed documents and reports

of the most relevant and influential non-governmental organizations, policymakers, and stock exchanges on a global level, in order to identify the primary sustainability issues at the international level; and

- customer and investor Environmental, Social, Governance (ESG) issues analysis: reviewed documents and specific ESG questionnaires submitted to IGT in 2019 to identify the main sustainability issues on which customers and investors focus their attention.

The analysis in the table identifies the boundaries of relevant topics where impacts (linked to each topic that may occur inside or outside the organization - as stated by the GRI Standards) might occur, both within and outside IGT.

IGT Relevant Topic	Related Topic-Specific GRI Standards	Relevance within the Organization	Relevance outside the Organization
Business Ethics	Anti-Corruption, Anti-Competitive Behavior	●	
Climate Change	Energy, Emissions	●	●
Innovation and Digital Transformation	-	●	
Support for Local Communities	Economic Performance	●	
Product Stewardship	Customer Health and Safety, Marketing and Labeling, Materials	●	●
Responsible Supply Chain Management	Procurement Practices, Child Labor, Forced or Compulsory Labor	●	
Diversity and Inclusion	Diversity and Equal Opportunity, Non-Discrimination	●	●
Talent Attraction and Retention	Employment, Training and Education	●	●
Safe Work Conditions	Occupational Health and Safety	●	●
Data Privacy and Security	Customer Privacy	●	●

In the second phase, the economic, environmental, and social significance was prioritized, as well as the subsequent influence on stakeholders' assessments and decisions. Based on the principles of materiality and stakeholder inclusiveness, this phase was divided into two parts.

The first part identified a topic's significance according to its influence on stakeholder assessments and decisions, and its impact on stakeholder perceptions and expectations.

The second part identified a topic's significance related to IGT's performance, considering:

- topic's significance for IGT, considering economic, environmental, and social impact in relation to the topic;
- the potential risk/opportunity (financial, reputational, etc.) for the Company as represented by the topic; and
- the significance as it relates to the success of the Company's business strategy.

The topics are presented in the summary matrix reported on page 66 according to their external and internal relevance.

In this matrix, a threshold was defined to identify material topics reported by IGT. Consistent with the GRI precautionary principle, all relevant topics have been considered material.

In line with previous reporting years, IGT publishes other GRI disclosures not directly related to material topics. Those disclosures include:

- effluents and waste;
- water;
- public policy; and
- socioeconomic compliance.

**Report Profile** GRI: 102-1; 102-48; 102-50; 102-52

#### BOUNDARY AND REPORTING PERIOD

This is the Sustainability Report published by International Game Technology PLC and

its subsidiaries covering fiscal year 2019 (January 1, 2019 – December 31, 2019).

The economic, social and environmental information reported, refers to all the entities included in the Consolidated Financial Statement of IGT PLC as of December 31, 2019.

In 2016, IGT implemented an internal web-based tool to collect environmental impact data from its sites all over the world. The tool has systemized and harmonized the data collection process, giving a more comprehensive overview of the Company's environmental impact. The number of sites involved in the data collection increased over two years (145 in 2017 and 229 in 2018), and stabilized in 2019 with 227 sites involved, covering 100% of IGT's active locations in 2019.

With reference to those offices that were unable to provide electricity and natural gas consumption data for 2019, an estimate<sup>(1)</sup> has been made to calculate greenhouse-gas-

related (GHG) emissions across 100% of IGT locations active in 2019. Due to the estimate, 2018 environmental data are compared with both 2019 figures and adjusted<sup>(2)</sup> 2019 figures, in order to ensure accurate comparisons of IGT environmental performance during those years.

For a better understanding of the Company and its business, please refer to International Game Technology PLC's Annual Report and Accounts 2019 and to International Game Technology PLC's 2019 Form 20-F as of December 31, 2019.

This report describes activities, initiatives and significant events that took place in 2019, as well as comparative data related to 2018 and 2017, where available.

- 1) Electricity and natural gas estimation is based on an average emission per square meter
- 2) "Adjusted 2019 figures" do not include estimates for those offices unable to provide electricity and natural gas data



## PREPARATION PRINCIPLES GRI: 102-54

This report has been prepared in accordance with the GRI Standards: Core option.

The content index is shown on page 176.

Based on the current coverage of both “Universal Standards” and “Topic-Specific Standards” linked to material topics, this report has been prepared in accordance with the GRI Standards, “Core option.”

## SOURCES AND DATA GATHERING SYSTEMS

The contents of this report are based on the results of the stakeholder engagement survey, which involves both external stakeholders and corporate functions. Data sources include internal documents, market surveys, and other official sources indicated in the report. Financial and economic data and information relate to Form 20-F IGT PLC. and its subsidiaries for the financial year ended on December 31, 2019<sup>(3)</sup>.

## ASSURANCE PROCESS

This report has been verified by Ernest & Young (EY), an independent auditor, which carried out a limited assurance engagement, according to International Standard on Assurance Engagements (ISAE) 3000 (revised) criteria.

## REPORT STRUCTURE GRI: 102-53

The document is made up of seven sections and an appendix:

1. “About IGT” provides an overview about IGT’s business and main activities, and a description of governance bodies’ structure and responsibilities;
2. “Activities” describes the international gaming space in which the Company operates, as well as the Company’s products and services, its relationship with customers, and IGT’s commitment to pursuing innovation;
3. “Commitment to Sustainable Growth” describes

IGT’s Corporate Social Responsibility Pillars, its commitments to the United Nations Global Compact and Sustainable Development Goals, and its approach to stakeholder engagement. It also shows IGT’s materiality matrix and its generated value;

4. “Valuing Our People” provides an overview of IGT’s workforce and the Company’s commitment to fostering a positive climate and engaging with its employees;
5. “Advancing Responsibility” provides an overview of the Company’s commitment to Responsible Gaming and how it is reflected across the Company’s people, products and processes;
6. “Supporting Our Communities” evaluates the Company’s initiatives on behalf of the community; and
7. “Fostering Sustainable Operations” provides a description of the Company’s supply chain and related

activities to ensure its sustainability. It also illustrates the Company’s environmental impact and efforts to reduce it.

The challenge posed by the COVID-19 pandemic, and the actions taken by IGT in response, are separately described in “Taking on the Challenge of COVID-19” section of this report. In addition, in the appendices of the document, both Universal and Topic-Specific GRI Standards are reported within the content index in accordance with the Core option of the GRI Sustainability Reporting Standards.

This report is published in English at [igt.com/sustainabilityreport](http://igt.com/sustainabilityreport).

More information and in-depth analysis about topics disclosed in the report can be requested via email at [sustainability@igt.com](mailto:sustainability@igt.com)

3) *The financial information is presented in U.S. dollars, unless otherwise specified. Any references to “\$” refer to the currency of the United States of America (or “U.S.”).*



## Social KPIs GRI: 102-8; 403-2; 404-1; 405-1

### Disclosure 102-8 Information on employees and other workers

2019				2018		
Employees by employment contract, by gender	Men	Women	Total	Men	Women	Total
Permanent contracts	8,129	3,662	11,791	8,234	3,719	11,953
Temporary contracts	83	48	131	81	66	147

2019				2018		
Employees by region, by gender	Men	Women	Total	Men	Women	Total
U.S.	4,404	1,998	6,402	4,476	2,079	6,555
ITALY	1,145	648	1,793	1,141	628	1,769
Rest of the world	2,663	1,064	3,727	2,698	1,078	3,776
Total	8,212	3,710	11,922	8,315	3,785	12,100

2019				2018		
Employees by employment type, by gender	Men	Women	Total	Men	Women	Total
Employees on full-time contract	7,945	3,542	11,487	8,126	3,653	11,779
Employees on part-time contract	267	168	435	189	132	321

## Disclosure 401-1 New employee hires and employee turnover

Age group	2019				2018			
	New Employee Hires		Employee Turnover		New Employee Hires		Employee Turnover	
	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)
Up to 30	590	45	475	36	658	48	472	35
30-50	593	9	789	11	619	9	823	11
Over 50	145	4	337	9	147	4	301	9
Total	1,328	11	1,601	13	1,424	12	1,596	13

	2019				2018			
	New Employee Hires		Employee Turnover		New Employee Hires		Employee Turnover	
	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)
U.S.	824	13	1,009	16	978	15	1,019	16
ITALY	105	6	107	6	64	4	35	2
Rest of the world	399	11	485	13	382	10	542	14
Total	1,328	11	1,601	13	1,424	12	1,596	13

	2019				2018			
	New Employee Hires		Employee Turnover		New Employee Hires		Employee Turnover	
	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)	Number	Rate (%)
Male	851	10	1,014	12	901	11	1,020	12
Female	477	13	587	16	523	14	576	15
Total	1,328	11	1,601	13	1,424	12	1,596	13

## Disclosure 404-1 Average hours of training per year per employee

Professional Category	No. of unique participants*	2019						2018					
		Total training hours			Average number of trining hours			Total training hours			Average number of trining hours**		
		Men	Woman	Tot	Man	Woman	Tot	Man	Women	Tot	Men	Women	Tot
Senior Management	681	2,845	1,012	3,857	5.78	6.36	5.92	3,624	1,033	4,657	7.71	6.66	7.45
Middle Management	1,624	18,134	7,031	25,165	16.78	15.42	16.37	13,677	6,241	19,918	13.00	14.18	13.35
Office staff and workers	10,017	41,156	17,618	58,774	6.20	5.69	6.04	47,860	21,223	69,083	7.05	6.65	6.92
Total	12,322	62,135	25,661	87,796	7.57	6.92	7.36	65,162	28,497	93,659	7.84	7.53	7.74

\* The number of participants is higher then the total number of employees because also separations are included in the training participant data

\*\* The average number of training hours has been calculated basing on the total number of employees, per employee categories, as of December 31, 2019

## Disclosure 405-1 Diversity of governance bodies and employees

### Number of employees per employee category, gender and age group

Category	2019									2018								
	Up to 30			30-50			Over 50			Up to 30			30-50			Over 50		
	Men	Women	Tot	Men	Women	Tot	Men	Women	Tot	Men	Women	Tot	Men	Women	Tot	Men	Women	Tot
Senior Management	-	-	-	226	92	318	266	67	333	-	-	-	227	96	323	243	59	302
Middle Managment	34	15	49	671	299	970	376	142	518	21	9	30	676	311	987	355	120	475
Office staff & workers	997	474	1,471	3,681	1,732	5,413	1,961	889	2,850	900	434	1,334	4,041	1,865	5,906	1,852	891	2,743
Total	1,031	489	1,520	4,578	2,123	6,701	2,603	1,098	3,701	921	443	1,364	4,944	2,272	7,216	2,450	1,070	3,520

### Percentage of employees per employee category, gender and age group

Category	2019									2018								
	Up to 30			30-50			Over 50			Up to 30			30-50			Over 50		
	Men	Women	Tot	Men	Women	Tot	Men	Women	Tot	Men	Women	Tot	Men	Women	Tot	Men	Women	Tot
Senior Management	-	-	-	34.7	14.1	48.8	40.9	10.3	51.2	-	-	-	36.3	15.4	51.7	38.9	9.4	48.3
Middle Managment	2.2	1.0	3.2	43.7	19.5	63.1	24.5	9.2	33.7	1.4	0.6	2.0	45.3	20.8	66.2	23.8	8.0	31.8
Office staff & workers	10.2	4.9	15.1	37.8	17.8	55.6	20.1	9.1	29.3	9.0	4.3	13.4	40.5	18.7	59.2	18.6	8.9	27.5

### Number and percentage of individuals within the organization's governance bodies per gender and age group

Gender	2019								2018							
	Up to 30		30-50		Over 50				Up to 30		30-50		Over 50			
	Number	%	Number	%	Number	%			Number	%	Number	%	Number	%		
Man	-	-	1	8	11	85			-	-	1	7	11	79		
Woman	-	-	-	-	1	8			-	-	-	-	2	14		

## Disclosure 403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities

2019				2018		
US				US		
Rate	Men	Women	Total	Men	Women	Total
Injury Rate (IR)	1.56	1.56	1.56	0.67	0.67	0.67
Lost Day Rate (LDR)	19.01	19.01	15.70	18.49	19.64	18.84
Absentee rate (AR)	0.76	0.76	0.63	0.74	0.79	0.75

2019 and 2018 U.S. data by gender have been estimated on the basis of the total number of employees

The significant increase in the number of U.S. work injuries 2019 compared to 2018 is due to the fact that 2019 data refers to all the injuries reported rather than just OSHA recordable (as done in 2018)

2019				2018		
Italy				Italy		
Rate	Men	Women	Total	Men	Women	Total
Injury Rate (IR)	1.81	2.09	1.90	1.21	1.62	1.35
Lost Day Rate (LDR)	15.39	61.99	31.92	18.87	28.25	22.15
Absentee rate (AR)	25.1	32.9	27.8	23.88	29.07	25.69

2019				2018		
Rest of the world*				Rest of the world		
Rate	Men	Women	Total	Men	Women	Total
Injury Rate (IR)	1.32	0.63	1.11	0.73	-	0.58
Lost Day Rate (LDR)	7.00	0.43	12.91	0.56	-	0.43
Absentee rate (AR)	8.68	13.27	29.70	9.26	14.88	10.48

\* The 2019 perimeter includes the same countries involved in the 2018 reporting calculations, and the following new countries: Canada, China, Colombia, Costa Rica, Poland, Serbia, South Africa.



Rate*	2019			2018		
	IGT Total			IGT Total		
	Men	Women	Total	Men	Women	Total
Injury Rate (IR)	1.54	1.45	1.51	0.77	0.78	0.77
Lost Day Rate (LDR)	15.95	23.21	18.30	16.39	19.80	17.42
Absentee rate (AR)	6.56	9.76	7.60	5.61	7.68	6,24

\* Calculation methodologies:

- the injury rate is the ratio between the total number of accidents and the total number of hours worked multiplied by 200,000;
- the lost day rate is the ratio between the total number of days lost for injury and the total number of hours scheduled to be worked multiplied by 200,000;
- the absentee rate is the ratio between the total number of days of absence during the reporting period and the total number of days scheduled to be worked in the same period multiplied by 1,000.

## Independent Auditors' Report GRI: 102-56

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## International Game Technology PLC

Independent auditors' report on the  
"Sustainability Report 2019"



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## Independent auditors' report on the "Sustainability Report 2019"

To the Board of Directors of  
International Game Technology PLC

We have been appointed to carry out a limited assurance engagement on the "Sustainability Report 2019" (hereinafter "Sustainability Report") of International Game Technology PLC and its subsidiaries (hereinafter also the "IGT Group" or "IGT") for the year ended on December 31, 2019.

### Directors' responsibility on the Sustainability Report

The Directors of IGT are responsible for the preparation of the Sustainability Report in accordance with the "*Global Reporting Initiative Sustainability Reporting Standards*", issued by GRI - *Global Reporting Initiative* ("GRI Standards"), as described in the paragraph "Methodological note" of the Sustainability Report.

The Directors are also responsible for that part of internal control that they consider necessary in order to allow the preparation of a Sustainability Report that is free from material misstatements caused by fraud or not-intentional behaviors or events.

The Directors are also responsible for defining the IGT's commitments regarding the sustainability performance, as well as for the identification of the stakeholders and of the significant matters to report.

### Auditors' independence and quality control

We are independent in accordance with the ethics and independence principles of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, based on fundamental principles of integrity, objectivity, professional competence and diligence, confidentiality and professional behavior.

Our audit firm applies the International Standard on Quality Control 1 (ISQC Italia 1) and, as a result, maintains a quality control system that includes documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable laws and regulations.

EY S.p.A.  
Sede Legale: Via Lombardia, 31 - 00187 Roma  
Capitale Sociale Euro 2.525.000,00 i.v.  
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### Auditors' responsibility

It is our responsibility to express, on the basis of the procedures performed, a conclusion about the compliance of the Sustainability Report with the requirements of the GRI Standards. Our work has been performed in accordance with the principle of "International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information" (hereinafter "ISAE 3000 Revised"), issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. This principle requires the planning and execution of procedures in order to obtain a limited assurance that the Sustainability Report is free from material misstatements.

Therefore, the extent of work performed in our examination was lower than that required for a full examination according to the ISAE 3000 Revised ("reasonable assurance engagement") and, hence, it does not provide assurance that we have become aware of all significant matters and events that would be identified during a reasonable assurance engagement.

The procedures performed on the Sustainability Report were based on our professional judgment and included inquiries, primarily with company's personnel responsible for the preparation of the information included in the Sustainability Report, documents analysis, recalculations and other procedures in order to obtain evidences considered appropriate.

In particular, we have performed the following procedures:

- a) analysis of the process relating to the definition of material aspects included in the Sustainability Report, with reference to the criteria applied to identify priorities for the different stakeholders' categories and to the internal validation of the process outcomes;
- b) comparison of economic and financial data and information included in the Sustainability Report with those included in the IGT's Annual Report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934 for the fiscal year ended December 31, 2019 on which other auditor issued the auditors' report, dated March 3, 2020;
- c) understanding of the processes that lead to the generation, detection and management of significant qualitative and quantitative information included in the Sustainability Report.  
In particular, we have conducted interviews and discussions with the management of the IGT Group (in Italy and in the United States) and the personnel of Lottomatica Holding S.r.l. and of the Poland subsidiaries of International Game Technology PLC, and we have performed limited documentary evidence procedures, in order to collect information about the processes and procedures



that support the collection, aggregation, processing and transmission of data and information to the department responsible for the preparation of the Sustainability Report.

Furthermore, for significant information, considering the IGT Group's activities and characteristics:

- at Group level
  - i. with reference to the qualitative information included in the Sustainability Report, we carried out inquiries and acquired supporting documentation to verify its consistency with the available evidence;
  - ii. with reference to quantitative information, we have performed both analytical procedures and limited assurance procedures to ascertain on a sample basis the correct aggregation of data.
- for Lottomatica Holding S.r.l. (Rome, Italy) and Poland subsidiaries of International Game Technology PLC (Warsaw, Poland), that we have selected based on their activities and relevance to the consolidated performance indicators; we have carried out interviews during which we have had discussions with management and have obtained evidence about the appropriate application of the procedures and the calculation methods used to determine the indicators.

### Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the "Sustainability Report 2019" of IGT Group for the year ended on December 31, 2019 has not been prepared, in all material aspects, in accordance with the requirements of the GRI Standards, as described in the paragraph "Methodological note" of the Sustainability Report.

Rome, 23 October 2020

EY S.p.A.



Filippo Maria Aleandri  
(Auditor)



For the GRI Content Index Service, GRI Services reviewed that the GRI content index is clearly presented and the references for all disclosures included align with the appropriate sections in the body of the report.



## GRI Content Index GRI 102-55

GRI STANDARD	DISCLOSURE	PAGE NUMBER AND/OR URL AND/OR DIRECT ANSWERS	OMISSION
<b>GRI 101: Foundation 2016</b>			
<b>GRI 102: GENERAL DISCLOSURES 2016</b>			
<b>ORGANIZATIONAL PROFILE</b>			
	102-1 Name of the organization	Appendix - Methodological Note pg. 162	
	102-2 Activities, brands, products, and services	Activities - Products and Services pg. 28	
	102-3 Location of headquarters	About IGT - Profile pg. 18	
	102-4 Location of operations	Global Footprint pg. 14	
	102-5 Ownership and legal form	Please refer to 2019 Annual Report Form 20-F (pg. 68)	
	102-6 Markets served	Activities - Products and Services pg. 28	
	102-7 Scale of the organization	About IGT pg. 18	
	102-8 Information on employees and other workers	Appendix - Social KPIs pg. 166	
	102-9 Supply chain	Fostering Sustainable Operations - Growing with Our Supply Chain pg. 142	
	102-10 Significant changes to the organization and its supply chain	In 2019, there has not been any change in capital structure: (please refer to 2019 Annual Report Form 20-F - pg. 68), operations, or supply chain.	
	102-11 Precautionary Principle or approach	Commitment to Sustainable Growth - Corporate Social Responsibility Priorities and Commitments pg. 54	
	102-12 External initiatives	Commitment to Sustainable Growth - Corporate Social Responsibility Priorities and Commitments pg. 54 Advancing Responsibility - Promoting Responsible Gaming pg. 106	
	102-13 Membership of associations	Commitment to Sustainable Growth - Corporate Social Responsibility Priorities and Commitments pg. 54 Advancing Responsibility - Promoting Responsible Gaming pg. 106	
<b>STRATEGY</b>			
	102-14 Statement from senior decision-maker	Letter from the CEO pg. 4	
<b>ETHICS AND INTEGRITY</b>			
	102-16 Values, principles, standards, and norms of behavior	Advancing Responsibility - Operating with Integrity pg. 104 Please also refer to IGT's Code of Ethics for Principal Executive Officer and Senior Financial Officers: <a href="https://igt.gcs-web.com/static-files/98276ad3-c948-4495-8374-a8a5b8ab4eb2">https://igt.gcs-web.com/static-files/98276ad3-c948-4495-8374-a8a5b8ab4eb2</a>	

GRI STANDARD	DISCLOSURE	PAGE NUMBER AND/OR URL AND/OR DIRECT ANSWERS	OMISSION
GOVERNANCE			
	102-18 Governance structure	About IGT pg. 19 Please refer to 2019 Annual Report Form 20-F (pg. 68)	
STAKEHOLDER ENGAGEMENT			
	102-40 List of stakeholder groups	Commitment to Sustainable Growth - Stakeholder Relationships and Engagement pg. 58	
	102-41 Collective bargaining agreements	Valuing Our People - Fostering a Positive Organizational Climate pg. 73	
	102-42 Identifying and selecting stakeholders	Commitment to Sustainable Growth - Stakeholder Relationships and Engagement pg. 58	
	102-43 Approach to stakeholder	Commitment to Sustainable Growth - Stakeholder Relationships and Engagement pg. 58	
	102-44 Key topics and concerns raised	Commitment to Sustainable Growth - Stakeholder Relationships and Engagement pg. 58	
REPORTING PRACTICE			
	102-45 Entities included in the consolidated financial statements	Please refer to 2019 UK Annual Report and Accounts (pg. 132)	
	102-46 Defining report content and topic Boundaries	Appendix - Methodological Note pg. 162	
	102-47 List of material topics	Appendix - Methodological Note pg. 162	
	102-48 Restatements of information	Appendix - Methodological Note pg. 164	
	102-49 Changes in reporting	Commitment to Sustainable Growth - Materiality Analysis pg. 65	
	102-50 Reporting period	Appendix - Methodological Note pg. 164	
	102-51 Date of most recent report	Previous edition of Sustainability Report was published in 2019	
	102-52 Reporting cycle	Appendix - Methodological Note pg. 164	
	102-53 Contact point for questions regarding the report	Appendix - Methodological Note pg. 165	
	102-54 Claims of reporting in accordance with the GRI Standards	Appendix - Methodological Note pg. 165	
	102-55 GRI Content Index	GRI Content Index pg. 176	
	102-56 External assurance	Independent Auditor's Report pg. 172	

GRI STANDARD	DISCLOSURE	PAGE NUMBER AND/OR URL AND/OR DIRECT ANSWERS	OMISSION
<b>GRI SERIES 200: ECONOMIC TOPICS</b>			
<b>ECONOMIC PERFORMANCE</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Commitment to Sustainable Growth - Materiality Analysis pg. 65 Appendix - Methodological Note pg. 162	
	103-2 The management approach and its components	Commitment to Sustainable Growth - Materiality Analysis pg. 65	
	103-3 Evaluation of the management approach	Commitment to Sustainable Growth - Direct Economic Value Generated and Distributed pg. 67	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Commitment to Sustainable Growth - Direct Economic Value Generated and Distributed pg. 67	
<b>ANTI-CORRUPTION</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Commitment to Sustainable Growth - Materiality Analysis pg. 65 Appendix - Methodological Note pg. 162	
	103-2 The management approach and its components	Commitment to Sustainable Growth - Materiality Analysis pg. 65  Please also refer to IGT's Anti-Corruption Compliance and Ethics Policy ( <a href="https://www.igt.com/en/explore-igt/about-igt/compliance">https://www.igt.com/en/explore-igt/about-igt/compliance</a> )	
	103-3 Evaluation of the management approach	Advancing Responsibility - Operating with Integrity pg. 104	
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	During 2019 there were no cases of corruption within the IGT Group	
<b>ANTI-COMPETITIVE BEHAVIOR</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Commitment to Sustainable Growth - Materiality Analysis pg. 65 Appendix - Methodological Note pg. 162	
	103-2 The management approach and its components	Commitment to Sustainable Growth - Materiality Analysis pg. 65	
	103-3 Evaluation of the management approach	Advancing Responsibility - Operating with Integrity pg. 104	
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Advancing Responsibility - Operating with Integrity pg. 104	

GRI STANDARD	DISCLOSURE	PAGE NUMBER AND/OR URL AND/OR DIRECT ANSWERS	OMISSION
<b>GRI SERIES 300: ENVIRONMENTAL TOPICS</b>			
<b>MATERIALS</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Commitment to Sustainable Growth - Materiality Analysis pg. 65 Appendix - Methodological Note pg. 162	
	103-2 The management approach and its components	Commitment to Sustainable Growth - Materiality Analysis pg. 65	
	103-3 Evaluation of the management approach	Fostering Sustainable Operations - Caring for the Environment pgs. 147, 148, 149	
GRI 301: Materials 2016	301-1 Materials used by weight and volume	Fostering Sustainable Operations - Caring for the Environment pg. 156	
<b>ENERGY</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Commitment to Sustainable Growth - Materiality Analysis pg. 65 Appendix - Methodological Note pg. 162	
	103-2 The management approach and its components	Commitment to Sustainable Growth - Materiality Analysis pg. 65	
	103-3 Evaluation of the management approach	Fostering Sustainable Operations - Caring for the Environment pgs. 147; 150	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Fostering Sustainable Operations - Caring for the Environment pg. 150	
	302-4 Reduction of energy consumption	Fostering Sustainable Operations - Caring for the Environment pg. 150	
<b>WATER</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Commitment to Sustainable Growth - Materiality Analysis pg. 65 Appendix - Methodological Note pg. 162	
	103-2 The management approach and its components	Commitment to Sustainable Growth - Materiality Analysis pg. 65	
	103-3 Evaluation of the management approach	Fostering Sustainable Operations - Caring for the Environment pgs. 147; 156	
GRI 303: Water 2016	303-1 Water withdrawal by source	Fostering Sustainable Operations - Caring for the Environment pg. 156	

GRI STANDARD	DISCLOSURE	PAGE NUMBER AND/OR URL AND/OR DIRECT ANSWERS	OMISSION
<b>EMISSIONS</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Commitment to Sustainable Growth - Materiality Analysis pg. 65 Appendix - Methodological Note pg. 162	
	103-2 The management approach and its components	Commitment to Sustainable Growth - Materiality Analysis pg. 65	
	103-3 Evaluation of the management approach	Fostering Sustainable Operations - Caring for the Environment pgs. 147, 148, 149; 152	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Fostering Sustainable Operations - Caring for the Environment pg. 152	
	305-2 Energy indirect (Scope 2) GHG emissions	Fostering Sustainable Operations - Caring for the Environment pg. 152	
	305-3 Other indirect (Scope 3) GHG emissions	Fostering Sustainable Operations - Caring for the Environment pg. 152	
	305-5 Reduction of GHG emissions	Fostering Sustainable Operations - Caring for the Environment pg. 152	
<b>EFFLUENTS AND WASTE</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Commitment to Sustainable Growth - Materiality Analysis pg. 65 Appendix - Methodological Note pg. 162	
	103-2 The management approach and its components	Commitment to Sustainable Growth - Materiality Analysis pg. 65	
	103-3 Evaluation of the management approach	Fostering Sustainable Operations - Caring for the Environment pgs. 147; 155	
GRI 306: Effluents and Waste 2016	306-2 Waste by type and disposal method	Fostering Sustainable Operations - Caring for the Environment pgs. 148, 149; 155	
<b>SUPPLIER ENVIRONMENTAL ASSESSMENT</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Commitment to Sustainable Growth - Materiality Analysis pg. 65 Appendix - Methodological Note pg. 162	
	103-2 The management approach and its components	Commitment to Sustainable Growth - Materiality Analysis pg. 65	
	103-3 Evaluation of the management approach	Fostering Sustainable Operations - Growing with Our Supply Chain pg. 142	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Fostering Sustainable Operations - Growing with Our Supply Chain pg. 142	



GRI STANDARD	DISCLOSURE	PAGE NUMBER AND/OR URL AND/OR DIRECT ANSWERS	OMISSION
<b>GRI SERIES 400: SOCIAL TOPICS</b>			
<b>EMPLOYMENT</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Commitment to Sustainable Growth - Materiality Analysis pg. 65 Appendix - Methodological Note pg. 162	
	103-2 The management approach and its components	Commitment to Sustainable Growth - Materiality Analysis pg. 65	
	103-3 Evaluation of the management approach	Valuing Our People - Fostering a Positive Organizational Climate pg. 71	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Appendix - Social KPIs pg. 167	
<b>OCCUPATIONAL HEALTH AND SAFETY</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Commitment to Sustainable Growth - Materiality Analysis pg. 65 Appendix - Methodological Note pg. 162	
	103-2 The management approach and its components	Commitment to Sustainable Growth - Materiality Analysis pg. 65	
	103-3 Evaluation of the management approach	Valuing Our People - Fostering a Positive Organizational Climate pgs. 71, 72	
GRI 403: Occupational Health and Safety 2016	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Appendix - Social KPIs pgs. 166; 170	Reason of the omission: information unavailable. Health and safety data are not gathered for the entire reporting scope because of information system constraints. IGT is committed to provide a full coverage of H&S data in the next years: improvement in the data collection system has been already made during 2019, resulting in +8 countries reporting on their H&S performance compared to 2018

GRI STANDARD	DISCLOSURE	PAGE NUMBER AND/OR URL AND/OR DIRECT ANSWERS	OMISSION
<b>TRAINING AND EDUCATION</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Commitment to Sustainable Growth - Materiality Analysis pg. 65 Appendix - Methodological Note pg. 162	
	103-2 The management approach and its components	Commitment to Sustainable Growth - Materiality Analysis pg. 65	
	103-3 Evaluation of the management approach	Valuing Our People - Engaging Our Employees pg. 84	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Appendix - Social KPIs pgs. 166; 168	
<b>DIVERSITY AND EQUAL OPPORTUNITY</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Commitment to Sustainable Growth - Materiality Analysis pg. 65 Appendix - Methodological Note pg. 162	
	103-2 The management approach and its components	Commitment to Sustainable Growth - Materiality Analysis pg. 65	
	103-3 Evaluation of the management approach	Valuing Our People - Fostering a Positive Organizational Climate pgs. 71; 75	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Appendix - Social KPIs pgs. 166; 169 Valuing Our People - Fostering a Positive Organizational Climate pg. 75	
<b>NON DISCRIMINATION</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Commitment to Sustainable Growth - Materiality Analysis - pg. 65 Appendix - Methodological Note pg. 162	
	103-2 The management approach and its components	Commitment to Sustainable Growth - Materiality Analysis pg. 65	
	103-3 Evaluation of the management approach	Valuing Our People - Fostering a Positive Organizational Climate pgs. 71; 75	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	During 2019 there was one confirmed case of discrimination within the IGT Group, case has been investigated by P&T department and action have been taken for remediation, which resulted in lay-off	

GRI STANDARD	DISCLOSURE	PAGE NUMBER AND/OR URL AND/OR DIRECT ANSWERS	OMISSION
<b>CHILD LABOR</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Commitment to Sustainable Growth - Materiality Analysis pg. 65 Appendix - Methodological Note pg. 162	
	103-2 The management approach and its components	Commitment to Sustainable Growth - Materiality Analysis pg. 65 Please also refer to IGT's Modern Slavery Act Statement 2019 ( <a href="http://www.igt.com">www.igt.com</a> )	
	103-3 Evaluation of the management approach	Valuing Our People - Fostering a Positive Organizational Climate pgs. 71; 73 Fostering Sustainable Operations - Growing with Our Supply Chain pgs. 142; 145 Please also refer to IGT's Modern Slavery Act Statement 2019 ( <a href="http://www.igt.com">www.igt.com</a> )	
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	No situations at risk of violation of child labour regulations were identified within IGT Group during 2019	
<b>FORCED LABOR</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Commitment to Sustainable Growth - Materiality Analysis pg. 65 Appendix - Methodological Note pg. 162	
	103-2 The management approach and its components	Commitment to Sustainable Growth - Materiality Analysis pg. 65 Please also refer to IGT's Modern Slavery Act Statement 2019 ( <a href="http://www.igt.com">www.igt.com</a> )	
	103-3 Evaluation of the management approach	Valuing Our People - Fostering a Positive Organizational Climate pgs. 71; 73 Fostering Sustainable Operations - Growing with Our Supply Chain pgs. 142; 145 Please also refer to IGT's Modern Slavery Act Statement 2019 ( <a href="http://www.igt.com">www.igt.com</a> )	
GRI 409: Forced and Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	No situations at risk of violation of forced labour regulations were identified within IGT Group during 2019	
<b>SUPPLIER SOCIAL ASSESSMENT</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Commitment to Sustainable Growth - Materiality Analysis pg. 65 Appendix - Methodological Note pg. 162	
	103-2 The management approach and its components	Commitment to Sustainable Growth - Materiality Analysis pg. 65	
	103-3 Evaluation of the management approach	Fostering Sustainable Operations - Growing with Our Supply Chain pg. 142	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Fostering Sustainable Operations - Growing with Our Supply Chain pg. 142	

GRI STANDARD	DISCLOSURE	PAGE NUMBER AND/OR URL AND/OR DIRECT ANSWERS	OMISSION
<b>PUBLIC POLICY</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Commitment to Sustainable Growth - Materiality Analysis pg. 65 Appendix - Methodological Note pg. 162	
	103-2 The management approach and its components	Commitment to Sustainable Growth - Materiality Analysis pg.65 Please also refer to IGT's Anti-Corruption Compliance and Ethics Policy ( <a href="https://www.igt.com/en/explore-igt/about-igt/compliance">https://www.igt.com/en/explore-igt/about-igt/compliance</a> )	
	103-3 Evaluation of the management approach	Activities - Regulatory Framework and Regulatory Changes pg. 24	
GRI 415: Public Policy 2016	415-1 Political contributions	Please refer to 2019 UK Annual Report and Accounts (pg. 65)	
<b>CUSTOMER HEALTH AND SAFETY</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Commitment to Sustainable Growth - Materiality Analysis pg. 65 Appendix - Methodological Note pg. 162	
	103-2 The management approach and its components	Commitment to sustainable growth - Materiality Analysis pg. 65	
	103-3 Evaluation of the management approach	Advancing Responsibility - Protecting People, Products and Processes pgs. 94; 103	
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	All IGT products are certified for design and manufacturing compliance to applicable environmental, health and safety requirements	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	During 2019 there were no cases of non-compliance regarding the health and safety impacts of products and services	
<b>MARKETING AND LABELING</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Commitment to Sustainable Growth - Materiality Analysis pg. 65 Appendix - Methodological Note pg. 162	
	103-2 The management approach and its components	Commitment to Sustainable Growth - Materiality Analysis pg. 65	
	103-3 Evaluation of the management approach	Advancing Responsibility - Promoting Responsible Gaming pgs. 106; 114	
GRI 417: Marketing and Labeling 2016	417-2 Incidents of concerning product and service information and labeling	During 2019 there were no cases of non-compliance concerning product and service information and labelling	
	417-3 Incidents of non-compliance concerning marketing communications	During 2019 there were no cases of non-compliance regarding marketing communications	

GRI STANDARD	DISCLOSURE	PAGE NUMBER AND/OR URL AND/OR DIRECT ANSWERS	OMISSION
<b>CUSTOMER PRIVACY</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Commitment to Sustainable Growth - Materiality Analysis pg. 65 Appendix - Methodological Note pg. 162	
	103-2 The management approach and its components	Commitment to Sustainable Growth - Materiality Analysis pg. 65	
	103-3 Evaluation of the management approach	Advancing Responsibility - Protecting People, Products and Processes pgs. 94; 96	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	During 2019 there were no cases of customer privacy violation or losses of customer data	
<b>SOCIOECONOMIC COMPLIANCE</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Commitment to Sustainable Growth- Materiality Analysis pg. 65 Appendix - Methodological Note pg. 162	
	103-2 The management approach and its components	Commitment to Sustainable Growth - Materiality Analysis pg. 65	
	103-3 Evaluation of the management approach	Advancing Responsibility - Operating with Integrity pg. 104	
GRI 419: Socioeconomic compliance 2016	419-1 Socioeconomic Compliance	During 2019 there were no instances of non-compliance with social and economic laws and regulations	
<b>INNOVATION AND DIGITALIZATION</b>			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Commitment to Sustainable Growth - Materiality Analysis pg. 65 Appendix - Methodological Note pg. 162	
	103-2 The management approach and its components	Commitment to Sustainable Growth - Materiality Analysis pg. 65	
	103-3 Evaluation of the management approach	Activities - Leading innovation pg. 44  IGT constantly monitors effectiveness of its approach to ensure its research & development investments, as the Company is fully aware that only the development of new products and services can guarantee to maintain the leader position in the gaming business. In the last year, economic resources dedicated to R&D activities have grown more and more	



## United Nations Global Compact (UNGC) Table

UNGC AREAS	UNGC PRINCIPLES	IGT SUSTAINABILITY PRIORITIES
HUMAN RIGHTS	1. Business should support and respect the protection of internationally proclaimed human rights	VALUING OUR PEOPLE FOSTERING SUSTAINABLE OPERATIONS SUPPORTING OUR COMMUNITIES
	2. Make sure that they are not complicit in human rights abuses	FOSTERING SUSTAINABLE OPERATIONS
LABOR	3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	VALUING OUR PEOPLE
	4. The elimination of all forms of forced and compulsory labor	VALUING OUR PEOPLE FOSTERING SUSTAINABLE OPERATIONS
	5. The effective abolition of child labor	VALUING OUR PEOPLE FOSTERING SUSTAINABLE OPERATIONS
	6. The elimination of discrimination in respect of employment and occupation	VALUING OUR PEOPLE
ENVIRONMENT	7. Businesses should support a precautionary approach to environmental challenges	FOSTERING SUSTAINABLE OPERATIONS
	8. Undertake initiatives to promote greater environmental responsibility	FOSTERING SUSTAINABLE OPERATIONS
	9. Encourage the development and diffusion of environmentally friendly technologies	FOSTERING SUSTAINABLE OPERATIONS
ANTI-CORRUPTION	10. Businesses should work against corruption in all its forms, including extortion and bribery	ADVANCING RESPONSIBILITY

## CAUTIONARY NOTE

This report contains forward-looking statements (including within the meaning of the Private Securities Litigation Reform Act of 1995) concerning International Game Technology PLC and its consolidated subsidiaries (the “Company”) and other matters. These include statements regarding the Company’s sustainability targets, goals, commitments and programs, other business plans, initiatives and objectives, which are based on current beliefs of the management of the Company as well as expectations of, assumptions made by, and information currently available to, such management. Further, these statements may include standards of measurement and performance that are either developing or are based on assumptions.

These statements are typically accompanied by words such as “aim,” “anticipate,” “aspire,” “believe,” “plan,” “could,” “would,” “should,” “shall,” “continue,” “estimate,” “expect,” “forecast,” “future,” “guidance,” “hope,” “intend,” “may,” “will,” “possible,” “potential,” “predict,” “project” or the negative or other variations of them. These forward-looking statements speak only as of the date on which such statements are made and are subject to various risks, uncertainties, changes in circumstances and other factors, many of which are outside the Company’s control. Should one or more of these risks, uncertainties, changes in circumstances or other factors materialize, or should any of the underlying assumptions prove incorrect, actual results, including the achievement of targets, goals or commitments may differ materially from those predicted in the forward-looking statements. Therefore, you should not place undue reliance on such statements.

Factors that could cause actual results to differ materially from those in the forward-looking statements include (but are not limited to) the uncertainty of the duration, extent and effects of the COVID-19 pandemic and the response of governments, including government-mandated property closures and travel restrictions, and other third parties on the Company’s business, results of operations, cash flows, liquidity and development prospects and the factors and risks described in the Company’s annual report on Form 20-F for the financial year ended December 31, 2019 and other documents filed from time to time with the U.S. Security and Exchange Commission (SEC), which are available on the SEC’s website at [www.sec.gov](http://www.sec.gov) and on the investor relations section of the Company’s website at [www.IGT.com](http://www.IGT.com). Except as required under applicable law, the Company does not assume any obligation to update these forward-looking statements. You should carefully consider these factors and other risks and uncertainties that affect the Company’s business. The Company cannot guarantee that the results, targets, goals, achievements and other projections reflected or implied by any forward-looking statement will be realized or, even if substantially realized, that those results will have the forecasted or expected consequences and effects. All forward-looking statements contained in this report are qualified in their entirety by this cautionary statement.

Information in this report is presented as of December 31, 2019, unless otherwise stated, and should not be relied upon as representing developments subsequent to that date. We disclaim any obligation to update such information for any subsequent date, including as a result of new information, future events or otherwise. Consequently, you should not rely on the information in this report as current or accurate for any date beyond December 31, 2019, unless otherwise stated.

Should you have any questions or comments arising from IGT Sustainability Report 2019, please write to us at the following addresses:

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