

Sustainability Report

2024





Acknowledgement of Country

The Lottery Corporation's operations and retail network span seven states and territories, with products sold across urban, regional and remote communities. We acknowledge the Traditional Custodians of the many lands on which we operate and distribute our products, recognise their connection to country, thank them for their continued care and custodianship, and pay our respects to Elders, past and present.

The Lottery Corporation is at the beginning of our reconciliation journey, and we recognise that we have an important part to play to advance reconciliation and strengthen relationships between Aboriginal and Torres Strait Islander peoples and non-Indigenous peoples.

Artist Acknowledgement

Ruwi Prangwuthi (Ngarrindjeri Land fresh water) by Johanna Gregory

We commissioned this beautiful artwork from Johanna Gregory, a young Indigenous artist and past student of our community partner, the Stars Foundation.

Launching The Lottery Corporation in 2022, we wanted to acknowledge Australia's Traditional Custodians and the artwork that Johanna – who paints under the name Wunbirri – created for us accompanies our Acknowledgement of Country on our website and is on many of our documents.

The physical artwork hangs in our Brisbane office.

Johanna says the work captures the generosity of nature and giving back – a theme which resonates across our Company.

"As a river is what is generous for us as a people, we respect its nature to feed us and provide ongoing life," she said.

"We are fortunate to be blessed with fresh and saltwater ecosystems...and as people tending to the land we must give back what we take."



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About this Report

Reporting Scope

This Sustainability Report covers the financial year 1 July 2023 to 30 June 2024 for The Lottery Corporation Limited (ASX: TLC) and its subsidiaries (together, the Group), unless otherwise stated.

In this report, the terms 'The Lottery Corporation', 'TLC', 'the Group', 'the Company', 'our business', 'organisation', 'we', 'us', 'our' and 'ourselves' refer to The Lottery Corporation Limited and its subsidiaries.

This report is designed to be read in conjunction with The Lottery Corporation's 2024 Annual Report and Corporate Governance Statement which are published on our website. The contents of this report has been approved by The Lottery Corporation Board.

Reporting Approach

This report focuses on the topics that matter most to our stakeholders and our business, as determined through our 2023 materiality assessment, found on page 3 in our FY24 Sustainability Supplement. For each topic we have provided an overview of our approach and performance over the reporting period, with the aim of providing a clear view of how we are addressing our most material topics.

This report has been prepared in reference to the Global Reporting Initiative (GRI 2021) standards. Our FY24 Sustainability Supplement includes the GRI Content Index for this report. The data contained in this report has not been the subject of an independent assurance review.

Forward-looking Statements

This report contains forward-looking statements in relation to the Group, including statements regarding the Group's intent, belief, targets, objectives, initiatives, commitments and/or current expectations with respect to the Group's business and operations and its sustainability strategy.

While this information, including relevant sustainability-related targets and metrics, has been prepared by the Company in good faith, the Company does not give any assurance that relevant targets and metrics will be achieved, or that relevant assumptions in this Sustainability Report will prove to be correct. The forward-looking information contained in this Sustainability Report is subject to known and unknown risks and uncertainties and, in many cases, is subject to important factors outside the control of the Company and should be read in conjunction with the material risks of the Group, as outlined on pages 24-29 of our Annual Report.

Any targets, metrics, methodologies and assumptions in this Sustainability Report are subject to change and may be revised from time to time. In particular, climate science and climate-related reporting accounting standards and legal requirements are continuously evolving. Accordingly, the Company's climate-related strategies, targets, metrics and associated disclosures may be revised in the future to take into account the evolving legislative and regulatory landscape.

Feedback

If you'd like to get in touch in relation to this report, please email enquiries@thelotterycorporation.com. Alternatively, you can call +61 (0)7 3001 9300.

A Message from our Chairman and CEO



We are pleased to present The Lottery Corporation's first standalone Sustainability Report.

The Lottery Corporation's purpose is to create positive impacts for the communities in which we operate, for our customers and for our shareholders.

As well as being the right thing to do, operating responsibly helps create long-term value. It makes the Group more resilient and strengthens our ability to deliver sustainable financial returns.

Our sustainability strategy supports our Group strategy (details of which are set out in the Annual Report on pages 21-23) and is based on four pillars:

- Operating our business and products responsibly
- Supporting our community
- Nurturing our people
- Reducing our environmental footprint.

This report sets out the progress we have made against our sustainability strategy in 2023/24, how we are managing risks and capturing opportunities in each strategy pillar and how we intend to build on this in the future.

The equivalent of one in two adult Australians purchases a lottery ticket each year. Our most material Environmental, Social and Governance (ESG) risk relates to the responsible delivery of our products and customer care.

For most people, playing The Lottery Corporation's games is an entertaining experience; however, for a very small percentage of people playing can become a problem.

To mitigate these impacts, we prioritise the delivery of a Responsible Play Program. You can read more about the program in this report.

Our industry-leading approach to responsible play has been recognised by the World Lottery Association (WLA). We have held Level 4 accreditation – the highest rating achievable – against the WLA Responsible Gaming Framework (RGF) since 2017 and were re-certified in June 2024.

The WLA RGF is internationally recognised as the benchmark for responsible gaming within the lotteries industry. Level 4 re-certification recognises our commitment to responsible gaming and demonstrated year-on-year improvement of our program.

The nature of The Lottery Corporation's operations means that we have a low environmental footprint relative to many other large ASX-listed companies. That said, we are intent on minimising our carbon footprint and playing our role as the Australian economy moves to a carbon neutral future. The Lottery Corporation is also working towards preparedness for the proposed mandatory climate-related financial disclosure regime that is under consideration by the federal parliament and scheduled to be introduced from 1 January 2025.

Lotteries in Australia and around the world have been intrinsically linked to funding good causes. In addition to the substantial proceeds generated for governments by lottery duties and taxes, we were pleased to financially make a difference to many charitable organisations in health, medical research, disaster relief and other fields.

Building better communities is also important to our employees. In the year, we continued progressing initiatives to foster diversity, inclusion, equity and belonging. Our aim is to have a high performing environment and one which celebrates and encourages the unique attributes of our employees.

Australians have enjoyed playing lotteries for more than a century as part of a proven model that supports small business and communities.

We look forward to keeping you informed about our ESG priorities and progress.



Doug McTaggart
Chairman



Sue van der Merwe
Managing Director and
Chief Executive Officer

What's in a Typical Ticket?

More than 90% of an entry into Australia's official lotteries is returned to players or the community

For our lotteries products, the vast majority of turnover goes back to Australian communities – to our winners, large and small, to our retail partners, to the broader community through our taxes paid and other contributions. The figure below shows the average distribution of a typical draw game lottery ticket such as Powerball® or Oz Lotto®⁽ⁱ⁾.

Ticket Entry is comprised of the following four components⁽ⁱⁱ⁾:



60.0% distributed in prizes to winners.



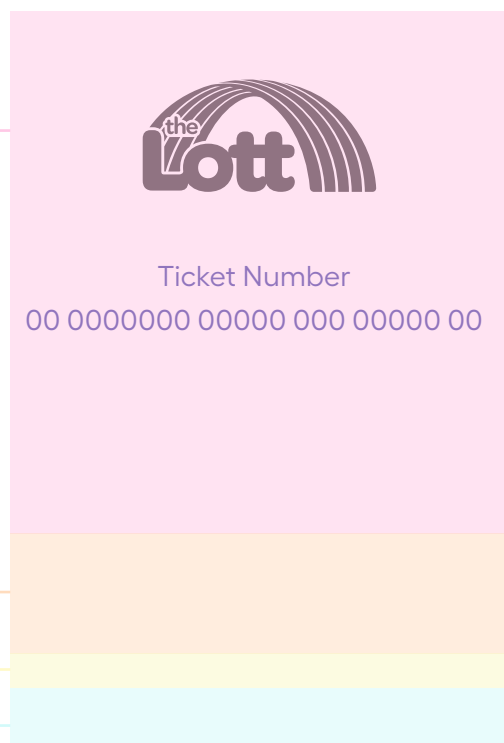
27.0% paid in lottery taxes to state and territory governments and other taxes, levies. Excludes corporate tax paid to Federal Government



4.8% paid in goods and services tax (GST)



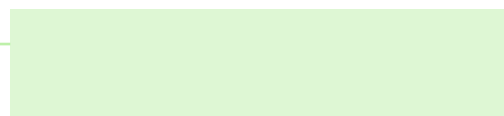
8.2% The Lottery Corporation game margin⁽ⁱⁱⁱ⁾



Commission is added on top of the price of a lottery ticket



12.3% paid in commissions to distribution partners (newsagents, lottery agents, convenience stores, fuel etc)^(iv)



(i) The figure illustrates the agreed distribution of ticket entry proceeds from the retail sale of our major draw game lottery tickets. These distributions are agreed with respective State Governments with whom The Lottery Corporation holds licences and the above depiction is a blended average across all licensed jurisdictions (i.e. lottery tax rates differ across the states).

(ii) The percentages in the figure total 112.3%, as commissions (12.3%) are added on top of the price of a lottery ticket and do not impact allocations to prizes and state taxes.

(iii) The Lottery Corporation game margin from a typical ticket covers wages and salaries, other operating expenses, corporate tax paid to Federal Government and dividends to shareholders.

(iv) Commissions sold on entries through digital channels are paid to the selling party or retained by The Lottery Corporation where sold directly by The Lottery Corporation.

Our Journey

Although The Lottery Corporation is only two years young as a standalone business, our products are more than 140 years old. And while our first sustainability strategy was developed only a year ago, social and community purpose has always been part of our DNA, from the early origins of lotteries in funding the Sydney Opera House and the Sydney Harbour Bridge, to our commitments today to give back to community through our partners, reduce our environmental footprint, and protect our players from gambling harm.

We've been at the heart of the Australian lottery industry since 1881, and our journey as The Lottery Corporation is only just beginning...





Tatts Group, which already operated lotteries in VIC, TAS and the NT, acquires QLD's Golden Casket, NSW Lotteries and SA Lotteries. This consolidation results in Tatts Group operating lotteries in all Australian states and territories excluding WA.

2007-2012

2005-2007



Tattersall's lists on the ASX in 2005, becoming the Tatts Group Limited in 2007.

1991



Keno is introduced for the first time in NSW registered clubs.

1981

The Australian Lottery Bloc commenced, combining the prize pools of lottery games in VIC, TAS, the ACT, the NT, SA and WA.



Drawing of the first Golden Casket in QLD.



Tattersall's licensed to operate in VIC.

1917

1931

1954

1967



First lottery drawn in NSW.



First lottery drawn in SA.

1900s



State-run lotteries offering cash prizes emerge across Australia. Proceeds fund important community services such as hospitals and iconic infrastructure including the Sydney Harbour Bridge and heritage-listed Sydney Opera House.



The first Tattersall's public sweep on the Sydney Cup is organised by George Adams. By 1896, Tattersall's Sweeps began selling tickets across Australia.

1881

Who We Are



The Lottery Corporation Limited is the driving force behind Australia's leading lottery and Keno games and one of the best-performing lottery businesses in the world⁽ⁱ⁾.

We operate a diversified and balanced portfolio of high-profile brands under exclusive and/or long-dated licences and approvals.

Customer-led convenience is central to our unique omni-channel offering. We bring Australia's largest lottery games to an estimated 10 million active Lotteries customers⁽ⁱⁱ⁾.

We operate through more than 7,200 retail points of distribution⁽ⁱⁱⁱ⁾ and have well developed digital channels across web and mobile.

We have a proud history of delivering life-changing wins to our customers and making a meaningful difference in our communities.

The Lottery Corporation has low capital intensity and highly defensive characteristics including strong cashflow generation.

More information can be found at:
www.thelotterycorporation.com

(i) The Lottery Corporation has the third-highest draw lottery game sales per capita. Source: La Fleur's Almanac 2024 (Lotto and spiel).

(ii) Active customer numbers based on Roy Morgan Gambling Monitor, April 2023 – March 2024. Based on percentage of respondents who had purchased a lottery product over the last 12 months in The Lottery Corporation's jurisdictions of operations (ex. WA), and weighted against the Australian adult population as at March 2024, based on Australian Bureau of Statistics monthly estimates.

(iii) As at 30 June 2024. Comprised of 3,858 Lotteries outlets and 3,354 Keno venues.

Our Vision, Purpose and Principles

Our vision is to be the world's best lottery operator.

We already have many of the things needed to be the world's best. We have a strong business with well-known brands. We hold key licences and are trusted by governments and stakeholders. And importantly, we have a strong reputation in Australia and internationally.

Our purpose is to create positive impacts.

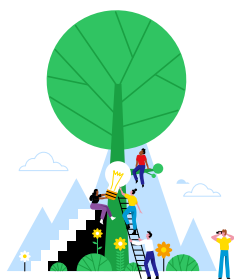
We create positive impacts every day, through prizes paid to winners, commissions paid to small businesses, taxes and duties paid to state, territory and federal governments, and contributions to charitable and community partners. Our purpose drives us to enhance our positive impact, for customers, shareholders, and our community.

Our principles

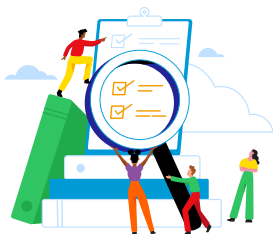
What matters most to us is that together we:



Create joyful moments



Dare to find a better way



Are accountable and transparent



Nurture the uniqueness of our people



CIO Awards

Our vision, purpose and principles guide our teams.

One example is our Chief Information Officer Loren Somerville's annual CIO Awards acknowledging Technology team members who model our principles in their work and behaviour.

Nominated by peers and judged by Loren and Technology General Managers, there is a winner and runner-up in each category – Creating Joyful Moments, Being Accountable and Transparent, Nurturing the Uniqueness of Our People and Daring to Find a Better Way which was won in January 2024 by Senior Security Engineer Jade Hughes (pictured above with Loren).

A Year in Review

\$1.9b

**Paid in state Lotteries
& Keno taxes**



71%

**Employee
Engagement**



\$3.3m

**Raised for Charities through our
support of the 50-50 Foundation**

**World Lottery
Association
LEVEL 4
Responsible Gaming
Accreditation
Retained**



40.4%

**Women in Senior
Leadership**

A Year in Review



Made a record

320+

Lotteries & Keno Millionaires

who collectively took home more than \$1.6b⁽ⁱ⁾

\$725m

Paid in Commissions to Retail Partners



\$5.0m

Total Community Contributions

8.64%

Keno Responsible Play Early Intervention Communications⁽ⁱⁱ⁾



0.88%

Lottery Responsible Play Early Intervention Communications⁽ⁱⁱⁱ⁾



(i) Prizes paid in the Saturday lotto, Monday & Wednesday lotto, Weekday Windfall lottery, Oz Lotto®, Powerball®, Set for Life®, Super 66®, Lotto Strike®, Instant Scratch-Its® tickets, and Keno games in FY24 Australia-wide (ex. WA).

(ii) Total number of Keno early intervention communications delivered to customers as a proportion of total active online Keno customers.

(iii) Total number of Lotteries early intervention communications delivered to customers as a proportion of total active registered Lottery customers.

Reporting What Matters

The Lottery Corporation's first materiality assessment as a new entity was completed in March 2023 and enabled us to better understand topics that most affect, or have the potential to affect, our ability to create value for our stakeholders.

The assessment was informed by an initial desktop review and subsequent workshops, stakeholder interviews and surveys over a four-month period. A materiality assessment methodology was developed to inform the scoring of topics and creation of a materiality matrix, drawing on The Lottery Corporation's existing risk framework and stakeholder prioritisation.

The assessment has helped us to identify risks and opportunities and define the priorities of our first sustainability strategy.

Detailed information on these topics, as well as how we are managing them, can be found throughout this report. For our material topics please see our Sustainability Supplement.

Our materiality assessment is performed every two years and will be refreshed in FY25.

Materiality Assessment Key Themes

The materiality assessment identified 26 material topics that revealed key themes:

Responsible Play

As a company operating in the gambling sector, responsible gambling and caring for customers were identified as central to our sustainability.

Security

Cyber security and data privacy and protection were in heightened focus for external stakeholders and for ourselves in the current landscape.

Community contribution

Connection and contribution to community through our retail and venue networks, corporate giving and charitable games is seen as part of the fabric of The Lottery Corporation.

Our People

Our people are integral to our business. Attraction, retention, engagement and health, safety and wellbeing are ongoing areas of focus for our team, whilst embracing uniqueness and diversity.

Ethical and Responsible Business

Whilst our environmental footprint is small, action on climate was an expectation as an ethical and responsible business.

United Nations Sustainable Development Goals

Sustainable Development Goals (SDGs) are a set of 17 interconnected goals that form a global benchmark for achieving a sustainable future for all.

In FY24 we mapped our material topics against the SDGs to determine which goals our organisation is able to materially contribute to, considering our key risks and opportunities across our value chain. We identified seven priority SDGs to contribute to in the context of our operations and relevant regulatory requirements:

Goal 3: Good Health and Wellbeing

Goal 5: Gender Equality

Goal 8: Decent Work and Economic Growth

Goal 10: Reduced Inequalities

Goal 11: Sustainable Cities and Communities

Goal 13: Climate Action

Goal 17: Partnerships for the Goals



Our Sustainability Strategy

Our purpose is to create positive impacts. With more than 10 million customers, and products sold across metropolitan, regional and remote communities in seven states and territories, we are in a unique position to leverage our reach to deliver positive economic, social and environmental contributions through our business activities.

Our sustainability strategy sets out our ambitions for positive impact.



Operating our Business and Products Responsibly

We operate our business ethically and responsibly, helping customers to have fun while recognising our responsibility to help protect them from potential and actual harms that may arise from using our products.

Goal 1: Support our players by providing appropriate harm minimisation and responsible gambling programs reflective of the profile of our products.

Goal 2: Lay solid foundations for the protection of data.



Supporting our Community

We have an important role to play in our communities, through supporting small business and collaborating with our philanthropic and foundation partners to deliver impactful outcomes where they are needed.

Goal 3: Establish and maintain ethical and mutually beneficial partnerships.

Goal 4: Continue to support the growth of small businesses as a critical distribution channel.

Goal 5: Engage in partnerships that build resilient communities.



Nurturing our People

We strive to create a great place for our people to work, where we embrace their uniqueness, invest in their wellbeing and support their development.

Goal 6: Respect and nurture the uniqueness of our people by promoting diversity, equity, inclusion and belonging.

Goal 7: Invest in the psychological, physical and emotional wellbeing of our team members.



Reducing our Environmental Impact

We take action to reduce our impact on the environment, through our business operations and influencing value chain activities.

Goal 8: Plan to reach net zero emissions by 2030.

Goal 9: Reduce environmental impacts from our supply chain.

Goal 10: Reduce paper usage and increase recycling across our business operations.

Our sustainability strategy will be reviewed periodically, and may result in updates to our long-term goals, performance measures and targets. Our next review will be conducted in FY25.

FY24 Sustainability Performance

Our FY24 performance against our stated goals is outlined below.

Pillar	Goal	Key Performance Indicator	FY24 Target	FY24 Performance	Status
Operating our business and products responsibly	1. Support our players by providing appropriate harm minimisation and responsible gambling programs reflective of the profile of our products	Maintain WLA Responsible Gaming Framework certification	Level 4 WLA certification	Retained Level 4 WLA certification	✓
		Percentage (%) of new or reformatted games designed using Gamgard insights screening	100% ongoing	100%	✓
		Of the player activity flagged as potentially at-risk by early intervention models, the percentage (%) that is supported with an early intervention ⁽ⁱ⁾	100% ongoing	Keno: 99.6% Lotteries: 94.0% ⁽ⁱⁱ⁾	🕒
	2. Lay solid foundations for the protection of data	ISO 27001 information security management systems certification	Maintain ISO 27001 certification	Maintained ISO 27001 certification	✓
Supporting our community	3. Establish and maintain ethical and mutually beneficial partnerships	Percentage of Tier 0 ⁽ⁱⁱⁱ⁾ suppliers that have been requested to complete an annual supplier survey and sustainability assessment	100%	100%	✓
		Percentage (%) of operational outlets/venues surveyed for alignment to responsible gambling requirements as per franchise/agency agreements	100%	100%	✓
	4. Continue to support the growth of small businesses as a critical distribution channel	Commissions paid to retailers/venue partners	-	\$725m paid in total commissions; maximum commission rate for eligible Lotteries retailers increased from 10.3% to 12.3% in May 2023	✓

(i) Early intervention means attempting to contact or intervene in a registered customer's play experience within 24 hours of detecting material changes in customer play behaviour for the purpose of offering responsible gambling support.

(ii) Intervention rates for potential at-risk players were impacted in the lead up to large jackpot events during December and February. Customers with higher value spending were prioritised with calls revealing most player activity corresponded with syndicate purchases. To address these periodic peak volumes, an account suspension of 'black-rated' lotteries customers was implemented, requiring customers to call our Contact Centre to have their account reinstated.

(iii) Defined as critical suppliers who require regulatory approval.

Pillar	Goal	Key Performance Indicator	FY24 Target	FY24 Performance	Status
Supporting our community (continued)	5. Engage in partnerships that build resilient communities	Overall community contributions	> \$4m	\$5.0m total community contributions comprising: -\$1.29m through The Lottery Corporation operating expenditure -\$1.84m through unclaimed prize money -\$1.91m through state licence agreements	✔
Nurturing our people	6. Respect and nurture the uniqueness of our people by promoting diversity, equity, inclusion and belonging	Percentage of female representation at Senior Leader level	40% by 2025	40.4%	✔
		Employee engagement	>70%	71%	✔
	7. Invest in the psychological, physical and emotional wellbeing of our team members	Lost Time Injury Frequency Rate	0.0	0.0	
Reducing our environmental footprint	8. Plan to reach net zero emissions by 2030	Scope 1 and 2 (CO2e) greenhouse gas emissions	Develop 2030 Net Zero Roadmap by 2024	Net Zero Roadmap planned completion by Dec 2024	🕒
	9. Reduce environmental impacts from our supply chain	Scope 3 (CO2e) supply chain greenhouse gas emissions	Develop 2030 Net Zero Roadmap by 2024	Net Zero Roadmap planned completion by Dec 2024	🕒
	10. Reduce paper usage and increase recycling across our business operations	Percentage (%) reduction in thermal rolls and point-of-sale material deployed by The Lottery Corporation	10% reduction by 2025	First initiatives to measure and reduce paper usage implemented; reporting to commence in FY25	🕒

✔ Achieved 🕒 In progress ✘ Off track

Governance



Governance

Good corporate governance is fundamental to creating long-term value for our stakeholders. The Lottery Corporation is committed to high standards of governance, cultivating an environment of integrity, ethical conduct, and supporting effective operation and management of our business, with the tone set from the top.

Embedding sustainability in strategic decision making

In recognition of the importance of sustainability in creating enduring value for stakeholders, sustainability performance metrics are embedded in the organisation's short-term incentive (STI) plan through both key scorecard measures and an STI sustainability modifier. Remuneration of Executive Leadership Team members is linked to those measures as they are rewarded for outcomes against the Group Scorecard and sustainability metrics as part of the STI plan.

A summary of our governance framework, including roles and responsibilities, can be seen in the diagram below.



For more information on our governance framework, see our 2024 Corporate Governance Statement.

For more information on our approach to remuneration, see our 2024 Annual Report.

Ethics and Compliance

The Lottery Corporation is committed to high standards of corporate conduct, integrity, ethics and governance in our business practices.

Our Code of Conduct (Our Code) sets out expectations for the way we work, and is applicable to all employees, Directors and contractors. All employees and contractors subject to the requirements of Our Code are provided a copy as part of their onboarding process and are required to complete mandatory training on individual key aspects of Our Code upon joining The Lottery Corporation.

Conflict of Interest and Anti-Bribery, Corruption and Fraud policies also apply. These set out expectations regarding the ethical, honest and transparent conduct of business, in compliance with our policies and legal and regulatory obligations.

Non-compliance is taken seriously. A team member found to have breached these policies may be subject to disciplinary action, including termination of employment or engagement. Suspected concerns of misconduct are encouraged to be reported.

The Company's Whistleblower Policy sets out how a whistleblower report can be made, who it can be reported to, how it will be actioned and investigated, and protections and support available including under legislation.

Speak Up is a 24/7 independent, anonymous and secure service available to team members and certain other eligible stakeholders to make a whistleblower report in relation to The Lottery Corporation.

Failing to follow the expectations set out in Our Code is a serious matter, and we encourage our people to speak up if they suspect a breach.

Reports of potential breaches are investigated, with consequences depending on the nature of the breach. In FY24 five employees were terminated for serious breaches of Our Code or associated policies.

Risk Management

Risk management informs our strategic direction and supports value creation.

Our risk management framework supports effective identification, monitoring, management, reporting and oversight of risks across the organisation. The framework is based on concepts and principles identified in the Australian/New Zealand Standard on Risk Management (AS/NZS ISO 31000:2018).

The Board is responsible for reviewing and monitoring systems and frameworks for risk management (for both financial and non-financial risks), internal control and legal compliance. This includes setting the risk appetite for the Company, reviewing policies and procedures to identify the main risks associated with the Company's business, and the implementation of appropriate systems to monitor, manage effectively and report on these risks.

Sustainability aspects of our business-wide strategic risks, including responsible play, maintaining our social licence, ethical conduct and safety, are embedded in our risk taxonomy. In FY24 we revised our definition of our 'Environmental, Social and Governance' risk, one of our top risks, to include focus on our social licence in recognition of the rapidly evolving expectations of stakeholders on material ESG issues, including responsible play and climate risk.

Our approach to managing sustainability-related risks can be found in this report.



For more information on our risk management framework and governance, see our 2024 Corporate Governance Statement.

For more information on our approach to managing material risks, see our 2024 Annual Report.

Human Rights

We are committed to respecting and upholding the human rights of our people, and those who may be affected by our operations and business activities, including vulnerable or marginalised groups.

Our approach to respecting human rights is set out in our Human Rights Policy.

Managing modern slavery risks

In FY24 we continued to enhance our approach to managing modern slavery risks within our operations and value chain. During the period we:

- Rolled out our supplier modern slavery and sustainability questionnaire to all 10 of our Tier 0⁽ⁱ⁾ suppliers
- Refined our modern slavery and human rights contract clauses, incorporating them into certain standard contract templates
- Continued to manage modern slavery and labour rights risks within our retailer network through our Fair Work site surveys, mandatory for all retailers
- Launched our online modern slavery training module, mandatory for all employees and contractors.



Every financial year, we are required to identify our modern slavery risks and disclose the actions we have taken during that period to address these risks. We intend to publish our next Modern Slavery Statement by December 2024. Our current Modern Slavery Statement is available at:

www.thelotterycorporation.com/about/corporate-governance

Reconciliation

We recognise Aboriginal and Torres Strait Islander peoples as the First Australians and the Traditional Custodians of the lands where we live and work. We incorporate an Acknowledgement of Country into our larger meetings and events where appropriate to show our respect.

In FY25, we intend to launch our Reflect Reconciliation Action Plan (RAP). Through our RAP we aim to create and support more equitable outcomes for Aboriginal and Torres Strait Islander peoples. Our RAP builds on existing initiatives for our people to engage in cultural learning and awareness activities, and we will work to build authentic and mutually beneficial relationships with Aboriginal and Torres Strait Islander stakeholders, businesses and peoples. Our actions will be guided through consultation with Aboriginal and Torres Strait Islander peoples to preserve and protect cultures and customs.

Our new proposed Reflect RAP will set our targets and actions for the next year. Under the four pillars of relationships, respect, opportunities and governance, we aim to contribute to reconciliation in Australia.

(i) Defined as critical suppliers who require regulatory approval.

Tax Transparency

The Lottery Corporation maintains a high standard of tax compliance and governance and tax risk management in the jurisdictions in which we operate. The Lottery Corporation returns a substantial amount of revenue to the community through the lotteries and Keno taxes and duties levied on our products.

Our tax affairs are conducted in an open, transparent and honest manner and effective tax risk management is essential to protect The Lottery Corporation's reputation as a responsible corporate citizen.

The Lottery Corporation's tax strategy principles include:

- Complying with all statutory tax obligations, operating in good faith and with transparency
- Maximising shareholder value, while operating in accordance with the law
- Proactively managing our tax risk and tax affairs
- Maintaining professional, collaborative and open relations with tax authorities
- Considering reputation risk and stakeholder interests in assessing tax risk.

We maintain a comprehensive, Board-approved Tax Risk Management Policy, which is reviewed annually by the Tax team, while taxation matters are regularly reported to the Board Audit Committee.

The Lottery Corporation's General Manager Taxation, who reports to the Chief Financial Officer, is responsible for overseeing the Company's corporate tax obligations and compliance, tax advisory and the daily management of the tax function.

As a large taxpayer, we are under regular review by the Australian Taxation Office, and partner with them to monitor our tax profiles across direct and indirect taxes.

Public Policy Engagement

The Lottery Corporation has a Political Contributions Policy that sets out the principles that inform the Company's approach to political contributions and donations. Our public policy engagement objectives acknowledge we have a responsibility to our shareholders and stakeholders to participate in the process of public policy development.

As part of this, The Lottery Corporation holds memberships of certain political party networking forums and attends events that support political parties as they participate in the democratic system of parliamentary government in Australia. In FY24, the cost of The Lottery Corporation's memberships to political party networking and cost of attendance at relevant events was \$115,000.

The Lottery Corporation's principles around its political contributions include maintaining an honest and transparent approach; no 'cash-only' donations; and a bipartisan approach as much as practicable. Priorities include advocating for sustainable lotteries sectors across Australia, strong responsible gambling and consumer protection laws, and strategic priorities to create value for The Lottery Corporation's customers, partners, the community and shareholders. The Lottery Corporation's Political Contributions Policy is available on The Lottery Corporation's website (www.thelotterycorporation.com) under the Corporate Governance section.

Industry Associations and Memberships

As a leader in the lotteries industry, we maintain memberships or representation in industry associations and professional bodies. These memberships and associations allow us to share knowledge, learn from peers and engage with key stakeholders.

We currently maintain the following memberships and representations:

- Asia Pacific Lottery Association (APLA)
- Association for Data-driven Marketing and Advertising (ADMA)
- Australian Association of Convenience Stores (AACS)
- Australian Association of National Advertisers (AANA)
- Australian Hotels Association (AHA)
- Australian Lottery and Newsagents Association (ALNA)
- Clubs Australia
- Clubs NSW
- Clubs Queensland
- Clubs SA
- Community Clubs Victoria (CCV)
- Franchise Council of Australia (FCA)
- National Lotteries and Newsagents Association (NLNA)
- National Retail Association (NRA)
- Newsagents Association of NSW & ACT Ltd (NANA)
- Victorian Association for Newsagents (VANA)
- World Lottery Association (WLA)

Business & Product Responsibility



Responsible Play



We believe in helping our customers have fun, responsibly. This is why – through our Responsible Play Program – we seek to minimise potential harm to our customers and promote responsible play.

We are committed to responsible gambling. We do this through our established Responsible Play Program, which aims to minimise the risk of gambling harm for our customers and enable them to make informed choices.

The program is compliant with regulation and informed by research and stakeholder engagement, and comprises policies, processes, systems and tools that enable responsible play across a number of dimensions including game design, employee and retailer programs, customer education and support, and advertising.

The Lottery Corporation's portfolio is made up of Lotteries, Instant Scratch-Its® tickets and Keno (in-venue and online). Our online Keno product carries higher risk of gambling harm than the other products in our portfolio. We have and will continue to focus on online Keno, especially given its risk profile, alongside monitoring compliance, effectiveness and ensuring continuous improvement of our overall Responsible Play Program.

HAVE FUN & PLAY RESPONSIBLY

18+

You must be at least 18 years of age to play our games.
Australian state and territory gambling laws prohibit the participation of minors and intoxicated people in lotteries.

Need more information?
Head to thelott.com for more information on our commitment to responsible play or to view our Responsible Gambling Code of Conduct, Game Rules, or Complaints Handling Charter.

Help is available

For free and confidential support call the Gambling Helpline 1800 858 858 Available 24/7

Contact us at The Lott:
Responsible Play Liaison Officer 1300 138 132
Gambling Contact Officer (ACT only) 1300 882 296

March 2024

the Lott
Official Home of Australia's Lotteries

by **Tatts** **NSW Lotteries** **Golden Casket** **SA Lotteries**

In June 2024, The Lottery Corporation was re-certified by the World Lottery Association, retaining the Level 4 Responsible Gaming Framework certification (the highest available), that we have held since 2017.

The certification, which assessed our Responsible Play Program and activities against 10 elements of the WLA's Responsible Gaming Framework, recognises our ongoing commitment to customer protection and continuous improvement.

Responsible Play Governance

Governance and oversight of our Responsible Play Program is provided through our Responsible Play Committee (RP Committee). The RP Committee is chaired by our Chief Commercial Officer and membership comprises executive team members and senior leaders, including our Chief Legal Officer, Chief Customer & Marketing Officer, Chief Channel Officer, Executive General Manager Risk & Compliance and General Manager Corporate Affairs. Meeting monthly, the RP Committee is accountable for:

- Monitoring compliance with key responsible gambling obligations
- Overseeing the effectiveness of the Responsible Play Program and initiatives throughout the business, including the prioritisation and status of Customer Care Roadmap initiatives
- Promoting a strong culture for responsible gambling outcomes that align with our vision, purpose and principles.

Updates on the status of the Responsible Play Program are provided to the Board Risk & Compliance Committee on a quarterly basis.

The Responsible Play Program is operationalised across our business divisions through our senior leaders, who are responsible for management of day-to-day

activities and delivery of projects. Progress is monitored monthly through our Responsible Play Forum (RP Forum), with general performance and matters of significance reported to our RP Committee.

Our Commitment to Responsible Play

Our commitment to responsible play is built into our policies and procedures, and drives decision making across our business. We operate in accordance with our Responsible Gambling Codes of Conduct/Practice and applicable state and territory legislative requirements, and support an approach that aims to go beyond regulatory compliance.

Our materiality assessment identified responsible gambling as a key ESG focus area for the Company and our stakeholders. We are continuously improving our approach and investing in people, processes and systems as we seek to minimise the risk of gambling harm.

In FY24 we invested in research to better understand gambling harm in our markets, strengthened interventions for identified potential high-risk players, self-regulated through advertising and marketing restrictions to reduce exposure to minors and vulnerable groups, and uplifted training for our retail outlets and our own people.

Our commitment to responsible play starts with our people.

All our employees are required to undertake Responsible Gambling (RG) online training, initially as part of induction and annually thereafter. Employees in our Contact Centre and Marketing and Retail teams also complete specialist RG training.

In addition to mandatory training, we engage with employees to raise awareness and understanding of gambling risks and harm through our internal communication channels, awareness sessions with guest speakers with lived experience of gambling harm run by gambling support service providers such as Relationships Australia, and activities during Gambling Harm Awareness Weeks.

Customer Care Roadmap

Improvements to our Responsible Play Program are outlined in our Customer Care Roadmap, informed by research and engagement with customers, retailers, regulators, industry and community partners. FY24 concluded year two of our three-year roadmap.

Key activities delivered in FY24 included:

- Level 4 re-certification of our Responsible Play Program by the World Lottery Association against its Responsible Gaming Framework
- Ongoing development of online Keno customer support tools, with mandatory online Keno spend limits planned for implementation in FY25 (pending regulatory approvals)
- Leveraged our research insights to better inform our customer support investment and priorities
- Enhanced our player interventions and enhanced our use of data analytics to help identify customers showing potential signs of gambling harm

- Strengthened our Marketing and Advertising Code to include further restrictions to reduce exposure to minors and vulnerable groups
- Uplifted lotteries responsible gambling materials, including signage and brochures to assist customers in better understanding our games and associated risks
- Improved governance processes over customer incidents and complaints for Keno
- Uplifted and rolled out staff and franchisee responsible gambling training.

These initiatives are part of our continuous improvement approach to our Responsible Play Program, and build on the existing processes, tools and systems we have in place to support our customers.

Caring for Customers

Our Customer Care Mission and Principles guide our approach to responsible play and are entrenched in our business, culturally, strategically and in our day-to-day operations.

Customer Care Mission

Care for our customers to shape our industry for the better.

Customer Care Principles



Enable informed choice

We distribute 'helpful yet human' educational messages along with legally required messages, to give our customers the right information at the right time to make their own individual decisions.



Create tools that care

We develop gambling management tools designed to minimise harm and enable our customers to make informed choices. From implementing self-service tools, to AI that helps us better understand our customers and our business - our commitment goes both ways.



Respect the customer decision

Our customers are adults, and we respect their freedom to make their own choices, except in specific situations where individual safety is compromised.



Interact responsibly

We equip our people with the training to know when and how they should interact with customers, from providing customers with helpful self-service tools online, to knowing when to step in and address high risk behaviour in a retail location.



Analyse customer behaviour

We unlock insights that help us understand the impact our products, services and experiences have on our customers. We use technology and human sourced data, and we use it with integrity to further benefit our customers - and our business.



Customer care by design

We always put our customers first, especially when designing new products. From a fresh idea to product design and implementation, customer needs are central to everything we do. That's why our products support our customers, and our business.



Provide a safety net

We endeavour to protect our customers and minimise harm. We do this by placing restrictions and exclusions on our products and services when either a customer informs us they wish to self-exclude or when our analysis indicates the customer is displaying signs they are at risk of experiencing gambling harm.

We recognise that all forms of gambling, even lower-risk products such as lotteries and Instant Scratch-Its® tickets, have the potential to cause harm. That's why we invest in research to better understand gambling risk within our product portfolio, embed design features into our games that encourage responsible play, and continuously improve our online and retail systems and tools to minimise the risk of potential harm to our customers.

Online and registered retail lotteries customers and online Keno customers can implement tools to manage their play. Additionally, we monitor activity for these customers through our early intervention monitoring systems and apply interventions when potential at-risk behaviour is detected.

For our unregistered retail lotteries, in-venue Keno and Instant Scratch-Its® tickets customers who purchase our products in retail outlets, we encourage responsible play through in-store materials and signage. We also monitor compliance through retailer audits, and require mandatory retailer responsible gambling training. All retailers and their staff must comply with the requirements of our Responsible Play Program and the applicable Responsible Gambling Code of Conduct.

Our Games - By Design

Gamgard Game Design Assessment

Since 2017, we have used the Gamgard game design assessment tool to assess the risk of games in our portfolio. It was originally developed in the UK in 2006 by psychologists with expertise in gaming, gambling and behavioural addiction, with input from a 20-person international advisory committee comprising responsible gaming researchers and clinicians. The tool has been continuously improved in the years since, with Gamgard Version 3.0 in place since 2016.

Gamgard assesses games based on 10 structural and situational characteristics or 'risk factors' that have been observed to influence player behaviour and potentially increase risk of gambling harm, and four responsible gaming features, which have been observed to reduce risk of gambling harm. Games are categorised into Very Low, Low, Medium, High and Very High Risk for vulnerable players. Game risk can be decreased by addressing any of the game risk factors or implementing responsible gaming features.

Gamgard Assessment Factors

Gamgard Game Risk factors

1. Event frequency: the average time taken to purchase a game, get the result and purchase the game again
2. Multi-game/stake opportunities: the opportunity to play multiple games/stakes at the same time
3. Variable/fixed stake size: the extent to which a player can determine the stake size
4. Prizeback percentage: the average percentage of the stake that is paid back in winnings
5. Jackpot size: this is the largest amount of money that a player believes that they can possibly win
6. Near win opportunities: intentionally manufactured instances when the player believes that they nearly won
7. Continuity of play: how long the game can be played without a mandatory break occurring
8. Accessibility points: ease by which a player can access a game
9. Payment options: type of payment used to gamble and ease of use
10. Illusion of control elements: any elements that may suggest that there is skill involved.

Gamgard Responsible Gaming Features

1. Pop-up reminders: any kind of pop-up that reminds a player how long they have been playing a game
2. Player-defined spend, loss or deposit limits: features which enable a player to define limits within a specified time period
3. Player-defined time limits: feature which enable a player to define limits on the amount of time spend playing within a specified time period
4. Behavioural feedback tools: when players are given continuous feedback concerning any negative changes to their patterns of playing behaviour.

Gamgard assessed game risk for vulnerable players across The Lottery Corporation’s portfolio

Lotteries	Instant Scratch-Its® tickets	In-venue Keno	Online Keno
77.8%⁽ⁱ⁾ share of Company turnover	4.7%⁽ⁱ⁾ share of Company turnover	15.1%⁽ⁱ⁾ share of Company turnover	2.3%⁽ⁱ⁾ share of Company turnover
Low (21-40)	Medium (41-60)	Medium (41-60)	High (61-80)
Our lotteries products have an average rating of low across our portfolio of games (Powerball®, Oz Lotto®, Lucky Lotteries, Super 66®, Set for Life®, Saturday lotto and Weekday Windfall lottery). Limited frequency of events and low prizeback percentage in comparison to other games of chance drives the low rating.	Instant Scratch-Its® tickets have an average rating of medium across all games. The ability for customers to make multiple purchases, play more frequently and near wins opportunities drive Instant Scratch-Its® medium rating for vulnerable players.	Keno in-venue has a rating of medium, with high event frequency and continuity of play, where customers are able to play continuously within venue operating hours contributing to the medium rating for vulnerable players.	Online Keno has a rating of high. Event frequency, continuity of play and accessibility of play, where players can access games online, largely contribute to the high rating for vulnerable players. Note: In FY25, planned implementation of mandatory spend limits for all Keno digital players (see page 29 for more information) is expected to reduce the game rating to the upper end of the medium bracket.

Gamgard Risk Ratings identifying risk of gambling harm based on game design for games of chance. A rating above 60 is classified as high risk. Games in blue denote products in The Lottery Corporation's portfolio.



⁽ⁱ⁾ Percentages do not add to 100 due to rounding.



Weekday Windfall lottery– Responsible play considerations in new game development

The evolution of our portfolio of games is a key part of ensuring we’re giving customers a compelling offer. In May 2024, we brought the Weekday Windfall lottery to market – a major refresh of Monday & Wednesday lotto, with the addition of a Friday draw. The new-look Weekday Windfall lottery has a stronger value proposition – with \$1 million for up to six winners three times a week, compared to the previous \$1 million for up to four winners twice a week.

As with all lottery game enhancements and Instant Scratch-Its® tickets, Weekday Windfall lottery went through our rigorous responsible play assessment, including the Gamgard tool. Gamgard’s evaluation rated Weekday Windfall lottery a score of ‘30’ and therefore assessed it as ‘low risk’ for vulnerable players. This was in line with the assessment of the former Monday & Wednesday lotto game.

Adding responsible gaming features to our higher-risk products

Online Keno is the highest-risk product for vulnerable players within our product portfolio. In FY24, we worked to identify risk factors and responsible play features that could be implemented in addition to existing controls to help minimise risk of gambling harm.

In FY25 we intend to implement mandatory spend limits for all online Keno play as a further control. All players will have a base default weekly spend limit, which can then be increased or decreased by players as required.

Increases to spend limits will be subject to a seven-day waiting period. Further controls will be applied based on the amount of the requested increase, while decreases will take effect immediately. The implementation of this design feature further strengthens the existing suite of online Keno harm minimisation measures (refer to Customer Support Tools on page 31) and is expected to reduce the Gamgard risk of online Keno from high to medium overall.

Other responsible gaming features will be considered as part of our Customer Care Roadmap in FY25.

Retail and Venue Partners

Retail and venue partners, who connect directly with our customers, play a critical role in promoting responsible play and minimising the risk of gambling harm. We work closely with our partners, providing education and training on gambling harm, responsible play, and The Lottery Corporation's regulatory and legislative requirements to help provide a safe and secure environment for our retail customers.

Compliance Audits

Our retail and venue partners are required to undertake mandatory audits to support compliance with our requirements, including responsible play. Audits are conducted on-site by an independent third-party provider against site survey standards applicable to that jurisdiction. Audits are undertaken annually for Keno venue partners and every quarter for lotteries/Instant Scratch-Its® tickets retail partners (two third-party on-site audits and two self-assessed audits per year).

Both Keno and lotteries site survey standards assess compliance with responsible play and gambling harm minimisation measures, including responsible play signage requirements (for example, visibility and availability of responsible play guides and brochures), preventing sale of products to minors, identifying signs of potential problem gambling, and tools (see page 31 for more information) and support available to customers and retail/venue staff through The Lottery Corporation and external providers.

Retail and venue partners are required to rectify any identified non-compliance as part of a post-audit action plan. Non-compliance with responsible gambling obligations may impact the overall remuneration a retail partner receives from The Lottery Corporation. Serious misconduct may result in partners being removed from our network.

Training

It is mandatory for retailers and venue partners within our network to complete The Lottery Corporation's Responsible Play training annually in all jurisdictions except for South Australia, where the requirement under that licence is to complete separate similar training modules within a specified timeframe.

Our Responsible Play training modules, revised in FY24, cover gambling harm, including identifying signs of harm and responding to customers displaying indicators of gambling harm, managing and recording gambling incidents, and promoting responsible play. The new modules will be rolled out in early FY25. Overdue training can impact partner performance ratings if not completed.














"The Lottery Corporation provides guidance and education to our staff on what to do to promote responsible play, the requirements on things like signage and how to identify signs of potential problem gambling. It is crucial to provide our customers with a safe, secure and friendly environment to play our games in."

Michael Li, Nextra Post Office, Brisbane

Customer Support Tools

We have a range of tools available to assist our customers in managing their play behaviour, whether they purchase products in store or online.

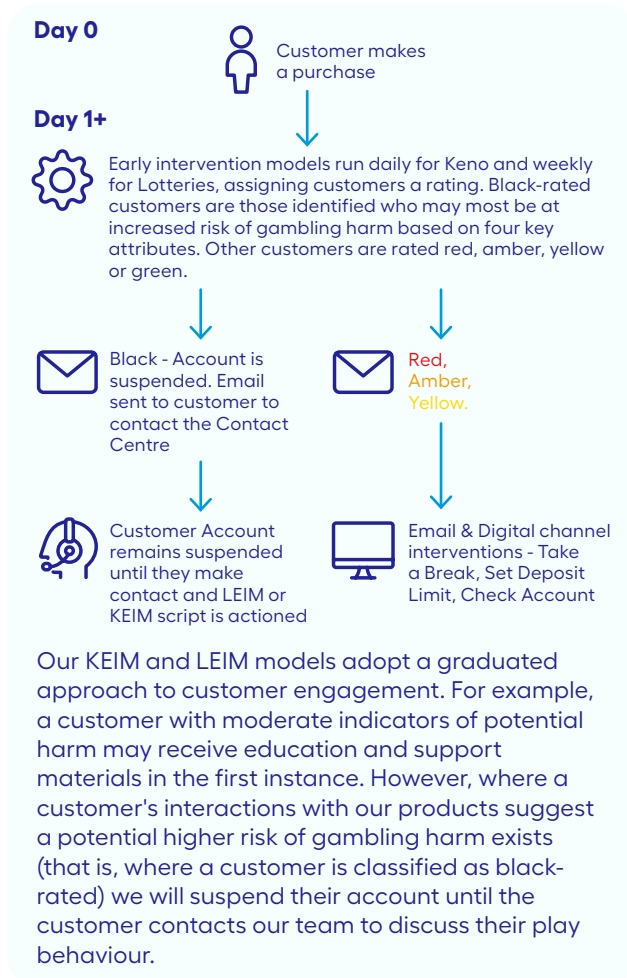
Lotteries	
	<p>Identity Verification All online customers are required to provide proof of identify and age verification. Retailers are required to seek identification from customers who appear to be under the age of 25.</p>
	<p>Self-exclusion Our online self-exclusion program enables players to self-exclude from online purchasing by following the online account self-exclusion process or calling the Contact Centre. Player account deactivation occurs immediately and lasts for a minimum of 180 days. Self-excluded players are unsubscribed from direct marketing/notifications from The Lott. Customers can self-exclude from purchasing products in store by following the relevant barring/exclusion process in their jurisdiction.</p>
	<p>Pre-Commitment A weekly spend limit is automatically implemented for all online customer accounts to minimise the risk of excessive spending. Decreases to spend limits can be set at any time by players through their online account, and are applied instantly. Increases to spend limits require a seven-day waiting period to take effect.</p>
	<p>Marketing opt out Customers can opt out of receiving lottery communications online or by calling our Contact Centre.</p>
Instant Scratch-Its® tickets	
	<p>Identity Verification Instant Scratch-Its® tickets are only available for purchase in-store by customers aged 18 years or older. Retailers are required to seek identification from customers who appear to be under the age of 25.</p>
	<p>Self-exclusion Customers can self-exclude from purchasing Instant Scratch-Its® products in-store by following the relevant barring/exclusion process in their jurisdiction.</p>
Keno	
	<p>Identity Verification All registered customers are required to provide proof of identify and age verification. Venues are required to seek identification from customers who appear to be under the age of 25.</p>
	<p>Self-exclusion Our online self-exclusion program enables players to self-exclude from online Keno by following the online account self-exclusion process, calling the Contact Centre, or completing and submitting a self-exclusion form via the contact form on the Keno website. Player account deactivation for the nominated period occurs once the request is processed. Once the nominated exclusion period has lapsed, players are required to apply in writing to have the self-exclusion lifted and are required to comply with any regulatory requirements established in their residential jurisdiction. Requests are reviewed and may be declined at The Lottery Corporation's discretion. Customers can self-exclude from purchasing products in-store by following the relevant barring/exclusion process in their jurisdiction.</p>
	<p>Pre-Commitment Online players can opt to set a deposit limit, limiting the maximum amount they can deposit into their account over a 1, 7, 14 or 28-day period. Once set, players can change these limits, with decreases applied instantly, and increases requiring a seven-day waiting period to take effect.</p>
	<p>Marketing opt out Customers can opt out of receiving Keno communications online or by calling our Contact Centre.</p>
	<p>Take a break The 'Take a Break' feature enables players to suspend accounts for 1, 7, 30, 90 or 180 days, either through their online accounts or by calling the Contact Centre. After expiration of the break period, players can access their account and recommence play.</p>

Early Intervention Models

Our early intervention models are tools to encourage responsible play and help minimise potential gambling harm. Both the Lotteries Early Intervention Model (LEIM) and Keno Early Intervention Model (KEIM) have been designed in partnership with behavioural scientists referencing academic research to provide early warning of potential at-risk player behaviours.

The models seek to identify changes in player behaviour across various attributes including play frequency, variability, intensity and trajectory. Once players with potential at-risk behaviours are identified, a graduated and risk-based customer intervention strategy is applied. Based on their classification, customers receive communication from The Lottery Corporation, which provides access to tools to manage play behaviour, including self-exclusion, play limits and contacts for the Gambling Help Line.

The journey for a customer through our early intervention models can be seen the diagram below.



While early intervention models will continue to evolve and improve, our current rates of player notification and intervention are consistent with respective game risk ratings. In FY24, 0.88% of active registered Lotteries customers and 8.64% of online Keno customers received an early intervention communication.

Customer Intervention Calls

Our Contact Centre staff are trained in responsible play customer conversations.

For our online Keno product, conversations with customers may result in increased customer awareness of their increasing spend, frequency or timing of play, electing to implement a customer support tool, or closing their account.

This was the case for *Customer A*, one of the black-rated customers identified through KEIM in FY24. When changes in gambling activity for *Customer A* were identified, the Contact Centre received an alert. In line with our process, *Customer A's* account was suspended, and a request made for them to make contact with the team. After a conversation with our team, the customer was made aware of the support options available and elected to close their account.

Assessing Effectiveness of our Early Intervention Models

We regularly review the models and adjust the underpinning algorithms and assumptions to better identify customers potentially at-risk of gambling harm and this information is reported on at the RP Committee and RP Forum meetings.

Contact Centre

Our Contact Centre consultants are available to answer responsible gambling enquiries weekdays from 8am to 6pm. All consultants undertake specialist training, with additional training provided to our Responsible Play Liaison Officers and Gambling Contact Officers (a certification required in the ACT).

In addition to answering inbound customer calls, our Contact Centre consultants are responsible for customer intervention calls. As part of the process, consultants document key call details and outcomes, including application of support tools such as pre-commitments, self-exclusions, account closures or referrals to gambling help support services (if required).

As part of continuous improvement, our Responsible Play team has also established monthly call calibration coaching and feedback sessions with the Contact Centre, which has resulted in script refinements to improve the customer experience.

Where queries, concerns or complaints are unable to be resolved by our Contact Centre consultants, they are escalated to our Incident Management Team (IMT).



“Being part of the Incident Management Team provides us with exposure to all types of incidents, issues and complaints, including those that relate to responsible play. Each one is unique and can involve a variety of stakeholders across multiple jurisdictions, but IMT always applies the same approach to ensure that customer service is front of mind. Ultimately, our goal is to turn a negative customer experience into a positive one, and apply learnings to develop world's best practice.”

Stephanie Sinclair, Incident Team Manager

Responsible Advertising

Our approach to responsible play extends to our marketing and advertising activities. Responsible gambling principles are part of our marketing and advertising development and approval processes, with our Responsible Play teams involved in the review of marketing concepts, campaigns, assets and new initiatives.

In FY24, we continued to focus on taking appropriate steps to ensure our advertising was not targeted to minors, and that it considered the potential effect on vulnerable and disadvantaged groups.

To that end, we have voluntarily adopted, via an updated Australian Lottery Blocs Code of Practice, the following key restrictions to our advertising practices:

- No advertising conducted in partnership with media personalities for whom minors are the primary audience
- No advertising publication in video games where age verification cannot be determined
- No advertising where horse or greyhound racing events are held
- No sponsorship of major sporting teams and/or associated venues.

These changes are now in effect for all members of the Australian Lottery Blocs, and reinforce our existing internal advertising principles to limit exposure of our products to minors.

Information Security

The protection of sensitive business information is an ever-evolving risk for most organisations. Maintaining the integrity, reliability and security of data and information is important in maintaining the trust of our customers.

The Lottery Corporation oversees a framework of security procedures and tools to protect company assets and information from a wide range of threats and to ensure the confidentiality, integrity, business continuity and resilience of the Company's critical information.

We have programs in place for data protection and cyber security and continue to invest in these areas. During the year we reviewed these programs considering changing legislative and regulatory requirements, and threat environments, and continued to execute our three-year data cyber security uplift program and data protection program which seek to uplift our maturity level. Reports to the Board Risk & Compliance Committee on the status of the program are provided quarterly.

Policies and standards

The Lottery Corporation has an Information Security Policy that defines the role team members need to play in protecting company assets and information and in meeting our legal, regulatory and contractual requirements. It covers all employees, contractors and workers engaged by third-party service providers.

The policy is applied to all The Lottery Corporation owned and/or managed data, information, processes and/or technology systems, including those hosted, managed, accessed and/or serviced by third parties. It covers company information, technology systems, services and equipment. The policy is complemented by related standards.

The Company's Privacy Policy sets out how personal information is collected, held, used and disclosed. A copy of The Lottery Corporation's Privacy Statement can be viewed at www.thelotterycorporation.com/privacy.

Certifications

The Lottery Corporation's systems and processes to manage risks related to data security comply with ISO 27001, the international standard for information security management systems.

Other certifications held are:

- Payment Card Industry Data Security Standard
- World Lottery Association Security Control Standard - the only internationally recognised security standard for the lottery sector.

Testing and simulation

The Lottery Corporation has established disaster recovery and business continuity plans to manage major technology failures, cyber security attacks and privacy breaches should they occur. Simulation exercises were held in FY24 to test these plans.

Getting the information security message out to our people

Recognising the vital role that people play in maintaining cyber security and other protections, it is mandatory for employees to complete Privacy Awareness and Information Security courses each year. Additional activities to foster and enhance a risk-aware culture in FY24 included:

- Marking Cyber Security Awareness Month in October 2023, Information Awareness Week in March 2024 and Privacy Awareness Week in May 2024 which encouraged our people to 'power up our privacy'.
- The introduction of a new way to report suspicious emails through a 'Phishing' button attached to employees' email accounts. Several phishing simulations were conducted throughout the year.
- The launch of an External AI and Online Services Guideline that applies to all external AI and online services where The Lottery Corporation doesn't have a contractual or licensing arrangement.

Our Community



Community

Our purpose is to create positive impacts. This includes for small businesses, our charity and industry partners, and the Australian community at large, while offering exciting games that can deliver life-changing wins to our customers.

We're proud to continue the strong legacy of Australian lotteries and know that contributing to the communities where we operate is important to our people, customers and the business' long-term success.

FY24 delivered growth in returns for our key stakeholders: state and territory governments, our winners, our retail network and charity partners.

\$1.9b paid in Lotteries and Keno taxes to state and territory governments

↑ 11% from FY23



\$725m paid in commissions to more than 7,200 retail network partners

↑ 20% from FY23



\$5.0m donated to charity partners

↑ 4% from FY23



Our Winners

Millions of our customers experience wins, big and small, and for some, wins can be life changing.

Our people are proud to work for a company that makes a difference to people's lives and allows them to dream.

In FY24, customers won more than \$4.4 billion in total Lotteries prize money across all divisions and all games across Australia (excluding WA). It was won across 132.8 million entries, with more than 2.5 million wins every week. There were 416 Division 1 winners and 304 millionaires made during the year across all our lottery games.

Powerball® had the biggest prizes for our customers, with more than \$754 million in Division 1 prize money won by 18 entries across The Lott's jurisdictions. Lotteries history was made in February 2024 with the record \$200 million Powerball® – the largest prize ever offered in Australia. It was shared between two Division 1-winning entries – one in New South Wales, the other in Queensland – each taking home a life-changing \$100 million.

There were more than 9.6 million tickets sold for that February draw, which captivated the nation. It delivered fantastic results for our business, retailers and customers. More than 6.7 million prizes worth more than \$140 million were won across Divisions 2-9, in addition to the mammoth \$200 million Division 1 prize.

And history was again made in May 2024 when an Adelaide man took out the entire \$150 million Powerball® jackpot to become Australia's biggest-ever single lottery winner.

However, it was Saturday lotto which made the most Division 1 winners – 256 of them taking out more than \$375 million.

Lotteries major prize winners receive a Winners' Booklet with guidance on potential next steps, including information on tax, key considerations when taking short, mid and long-term actions, and contact details for organisations such as the Australian Taxation Office, Financial Planning Association and Certified

Practising Accountants (CPA) Australia.

We also had 143 Instant Scratch-Its® tickets customers win \$12.23 million in top prize money in FY24, while Keno players in Australia's eastern states celebrated more than 91.7 million wins collectively worth more than \$1.44 billion.

During this time, Keno crowned 18 millionaires – nine from Queensland, eight from New South Wales and the ACT, and one from Tasmania – who collectively took home more than \$46.7 million.



Channel Partners

Our partner network comprises 3,858 lottery outlets and 3,354 Keno venues in Australia as at 30 June 2024. Our retail presence is one of the largest in Australia.

This network, which operates across metropolitan, regional and remote locations across our licensed state and territories, is important to our success, and in turn, to the long-term sustainability of many of our partners.

The Lottery Corporation pays product sales commissions to newsagents, lottery agents, licensed venues and other retail partners. In FY24, we paid \$725 million in commissions to Lotteries retailers and licensed venues, an increase of 20% from FY23. Maximum commission rates for eligible Lotteries retailers were increased from 10.3% to 12.3% from May 2023 for selected products.

This is a mutually beneficial arrangement, designed to encourage our retail partners to provide a positive customer experience and drive growth across both retail and digital channels.

Retail partners earn a commission on tickets and products they sell. For the jurisdictions and products in which we offer an omni-channel experience, The Lottery Corporation shares a portion of digital commissions it receives and offers sign-up bonuses to lottery retailers. It also funds digital signage equipment in retail outlets.

We monitor retailer performance across a number of dimensions, including sales, compliance with requirements, including signage, responsible play and labour rights/fair work, assessed through our retailer audits (refer to page 30 for more information on retailer audits).

We regularly engage with our retailers through our Business Development Managers, Contact Centre, quarterly meetings with our Retail Consultative Group, with membership comprised of selected retailers, associations, Retail Roadshow feedback surveys and satisfaction surveys across both lotteries and Keno.

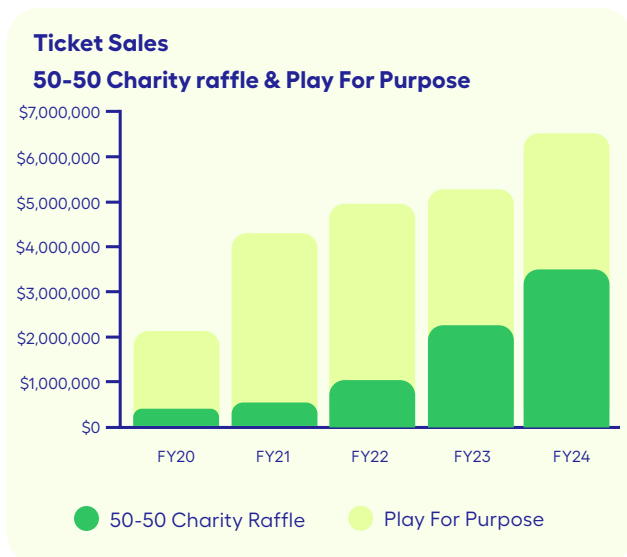


Charitable Games

The Lottery Corporation continued its support of the 50-50 Foundation, a registered charity with the Australian Charities and Not-for-profits Commission, that conducts the Play For Purpose and 50-50 Charity raffles to boost fundraising for charities and not-for-profits across Australia. Via a service agreement with the 50-50 Foundation, this includes:

- Provision of technology, including website hosting and maintenance support to facilitate ticket sales of Play For Purpose and 50-50 Charity Raffle games
- Partnership management and marketing services for cause partners
- Certain corporate services and resources required to operate the raffles, including finance, regulatory and compliance requirements, privacy, data security and responsible play, including a dedicated eight-person Charitable Games team employed by The Lottery Corporation.

In FY24, our support of the 50-50 Foundation enabled more than \$3.3 million to be raised for 600-plus charities and community organisations across Australia. Since the inception of the original partnership agreement with the Tatts Group in 2016, ticket sales for both 50-50 and Play For Purpose (introduced in 2018) have experienced year-on-year growth.



50-50 Charity Raffle

Sporting clubs and teams, events, community organisations and charities can raise funds by hosting a 50-50 Charity Raffle at an event.

It's a not-for-profit fundraising product where 50% of the prize pool raised at each raffle goes to one lucky ticket holder who is drawn at random during an event. The remaining 50% goes directly towards charitable purposes.

Tickets can be purchased online and are also sold directly to patrons by roaming volunteers with hand-held electronic devices. Every ticket transaction is electronically recorded and updated on mobile devices, as well as the 50-50 website, so that the draw can be monitored in real time.

In FY24, the 50-50 Foundation, with the support of our Charitable Games and Technology teams, developed and launched a new game mechanism called the 'Prize Guarantee Raffle' to help boost fundraising.

Based on overseas research, we invested the time and technology to help drive tickets sales and therefore funds raised with a guaranteed minimum prize jackpot.

The Brisbane Broncos National Rugby League team, a 50-50 Charity Raffle founding partner, was among the first to offer a Prize Guarantee Raffle, guaranteeing a \$50,000 prize this year. In April 2024, assisted by the new game mechanism, the club reached the milestone of more than \$3 million raised for Queensland charities via raffle ticket sales since 2013.

Through the 50-50 Charity Raffle, more than 2,800 volunteers gave 11,500-plus hours to help raise funds for good causes.



Charitable Games

Play For Purpose

Play For Purpose is a not-for-profit quarterly raffle conducted by the 50-50 Foundation that helps to raise funds for charities and other good causes across Australia. Customers can support causes close to their heart, while being in the running to win hundreds of prizes, including a \$250,000 first prize pack.

Since it began in 2018, Play For Purpose has announced more than 51,000 winners and raised more than \$9.4 million for charitable causes made possible through The Lottery Corporation support.

Tickets into each raffle are \$10, with \$5 from every ticket sold going directly to a charity or sports program of the player's choice, with the remaining \$5 used to fund prizes and administration costs.

FY24 milestones include:

- Love Your Sister reaching \$1.5 million in funds raised for cancer research through Play For Purpose (see more right)
- Clean Up Australia raising \$50,000 and Coeliac Australia reaching the \$130,000 milestone through Play For Purpose
- Starlight Children's Foundation reaching a fundraising milestone of \$240,000.



Love Your Sister

Love Your Sister was one of the charities involved in Play For Purpose's debut raffle in 2018.

Since then, it's raised more than \$1.5 million for research into precision treatment for all cancer patients through the platform, with Love Your Sister supporters also winning \$1.5 million in prizes, including the \$250,000 first prize pack, four times.

Actor and philanthropist Samuel Johnson (above), who founded the charity in 2012 after losing his sister Connie to breast cancer, said he was proud to be a small part of the solution to the big problem of finding a cure for cancer.

"You've heard me say it before but it's always worth repeating, I love, love, LOVE this raffle," Sam said. "This amazing collection of incredible, caring and dedicated humans we call our 'village' has raffled up \$1.5 million for Love Your Sister. That's life-changing stuff."

Community Contributions

Throughout the decades, lottery proceeds have funded community services such as health, education and infrastructure. We endeavour to keep that legacy going at The Lottery Corporation through our voluntary contributions, over and above our tax contributions.

Funding for community contributions comes from a range of sources, including The Lottery Corporation's operating expenditure, unclaimed lottery prize money in QLD and the NT and as part of state and territory licence agreements in the ACT, NT and QLD.

In FY24, contributions across all funding sources channelled \$5.0 million towards community partners, an increase of 4% from FY23. Voluntary contributions through our operating expenditure totalled \$1.29 million.

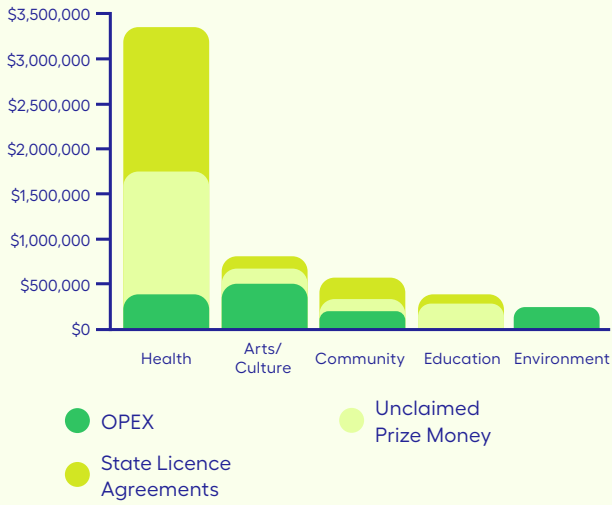
Our priorities around community contributions are aligned with our sustainability strategy and overall business strategy, and guided by customer feedback. This approach helps use our strengths, brands and team members to have the most meaningful impact on our community.

Our community partnership areas of focus include:

- Health outcomes and research
- Education outcomes that strengthen community resilience
- Current social issues (homelessness, domestic and family violence, mental health)
- Supporting communities affected by natural disaster
- Arts and culture
- Supporting the environment.



Community contributions by funding source and area of focus



Our flagship contributions in FY24 included:

- Sydney Opera House:** In July 2023, we announced a partnership that renews the historic connection between The Lott by NSW Lotteries and the Sydney Opera House as the Australian landmark celebrated its 50th year anniversary.
- Mater Foundation:** We contributed \$500,000 in unclaimed prize money from The Lott by Golden Casket towards life-saving equipment and world-leading research at Brisbane’s Mater Mothers’ Hospital. Funding was announced during the April 2024 telecast of the Nine Telethon, of which we were a broadcast partner.
- Disaster Relief Australia:** In May 2024, we donated \$200,000 to community partner DRA to fund disaster-relief efforts in Australian communities ravaged by natural disasters, such as floods or fires. It’s the fifth year of the partnership, which also sees DRA using Keno venues as operation headquarters.

We also donated more than \$31,000 through our matched fundraising program to charities close to our team members’ hearts.



Continuing a lotteries legacy

It was a full circle moment when, in July 2023, we announced a three-year partnership with the Sydney Opera House to help deliver new programs and experiences for a range of audiences and communities.

In its 50th anniversary year, the Sydney Opera House was reunited with The Lott by NSW Lotteries, which had helped fund construction of the landmark with the Opera House Lottery.

The lottery ran from 1957 to 1986 and sold more than 86 million tickets across 496 draws, raising \$102 million which helped fund most of the Opera House’s build.

“In November 1957, when customers bought tickets into the very first Opera House Lottery, I wonder if they had any inkling of the incredible masterpiece and enduring legacy they were helping to create,” our CEO Sue van der Merwe said.

“It’s impossible to imagine Australia without the Sydney Opera House. It’s Australia’s house – where the dream of an international icon and a place for everyone to connect and share meaningful experiences became a reality.

“As the official home of Australia’s lotteries, we thought it only fitting that we should continue our support of Australia’s iconic house as it embarks on its sixth successful decade.”

Our Supply Chain

We seek to establish and maintain ethical and mutually beneficial partnerships and sourcing across our operations and supply chain.

Updated in FY24, our Procurement Policy outlines our approach to sourcing, including governance, procurement principles, and source-to-contract and purchase-to-pay processes.

Our supplier program aims to build relationships with high-quality providers who have well developed processes and policies for managing the risks of corruption and bribery, modern slavery, human rights violations and significant environmental impacts within their own businesses.

In FY24, we commenced sustainability assessment surveys of all our 'Tier 0' suppliers - defined as critical suppliers who require regulatory approval - against key aspects of our procurement policies and procedures. We are continuing the review process and it is our aim to assess all Tier 0 suppliers annually.

To support the commitments outlined in our proposed Reconciliation Action Plan, in FY25 we are focused on identifying opportunities to include Aboriginal and Torres Strait Islander businesses in our supply chain and developing a business case for supplier diversity.



Our People



Our People

Our people are essential to our business and a reason why we invest heavily in capability, development and the employee experience. We know that a thriving workforce is where team members feel connected and supported, and we are focused on creating a diverse, equitable and inclusive workplace culture.

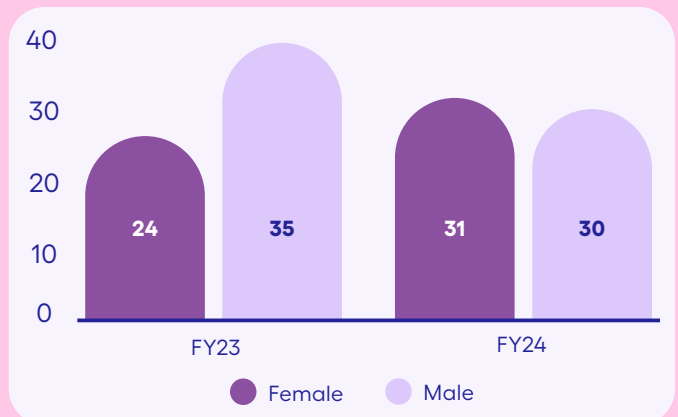
Workplace Policies

Our policies help our employees to feel safe, included and supported at work. We seek to ensure effective governance of our approach by consistently reviewing, updating and enhancing our policies to align with our principles and regulatory/legislative changes, and considering the voice of our people.

- Our **Code of Conduct** (Our Code) guides the way we work and sets out standards and expectations of team members on how we behave and how we conduct our business. Our Code is designed to support achievement of ethical, responsible and sustainable business practices.
- Our **Workplace Behaviours Policy** sets out team members' responsibilities in relation to behaviours and actions in the workplace to build a professional, safe and respectful workplace.
- Our **Remuneration Policy** outlines the principles which guide consistent, fair and equitable remuneration for our people.
- Our **Leave Policy** outlines the broad range of leave types accessible to employees, including cultural leave for permanent employees to access a paid day of leave to observe an event of cultural, ceremonial or religious significance to them, and flexi leave for permanent employees to access one paid day of leave to help balance work and personal life.
- We recognise that every family is unique. Our **Parental Leave Policy** covers parental leave, foster care, kinship care, surrogacy/adoption leave, fertility leave, leave for pregnancy loss, and illness/medical care.

Parental leave participation

Our participation rates for parental leave were largely gender balanced in FY24, with 31 women taking up leave, an increase from 24 in FY23, and 30 men, representing a decrease from 35 in FY23.



- Our **Flexible Work Policy** – Flex for Great Outcomes – outlines our flexible work practices to enable our people to balance work and life priorities.
- Our **Inclusion and Diversity Policy** sets out our approach to creating inclusion and fostering a sense of belonging where everyone is treated with respect.
- Our **Domestic and Family Violence Support Policy** sets out our support of team members who may be experiencing domestic and family violence. We create bespoke options for any impacted employee who comes forward seeking help, which could include a package of options specifically for them, including unrestricted paid leave for team members experiencing violence to seek safety and support, carer’s leave, safety plans, flexible working options (including different locations), emergency relocation, financial help, counselling and more.
- Our **Gender Affirmation Statement of Support** outlines the various programs on offer to employees such as paid leave for gender affirmation-related activities, financial allowance to support the gender affirmation process and carer’s leave to allow employees to support a member of their household who is undertaking a gender affirmation process.



Supporting all families

On 1 July 2024, we extended our **Parental Leave Policy** to make it even more accessible, with the introduction of one week’s grandparents leave for team members welcoming a grandchild, the addition of six weeks’ leave for surrogates (gestational carriers), and an increase in fertility leave from four to eight days.

The first leave approved under the extended policy was to first-time grandmother Vanessa Auret, Executive Assistant for our Channel division.

“I’m super proud to work for an organisation that dares to find a better way and evolves its policies regularly. The Lottery Corporation has an incredible parental leave policy in place, and adding grandparents leave is a wonderful update. I’m sure I won’t be the only one who’s excited by it.”

Our current Parental Leave Policy is progressive in terms of being gender neutral, flexible and without qualifying periods, offering 18 weeks of paid parental leave to all new parents regardless of gender and with no qualifying periods, as well as support for adoption, foster and kinship care, plus paid leave for pregnancy-related illness and pregnancy loss. Our extended policy enables us to provide even more ways to support working families.

A Unique Workplace Culture

At The Lottery Corporation we foster a culture where employees feel safe, included, valued and engaged. In FY24, we remained focused on the employee experience – creating a work environment that nurtures our people, supports them in balancing work and personal life, and creates more joyful moments.

Listening to our People

Building a great workplace starts with listening to our people. To help us understand the employee experience, we undertake regular employee listening through confidential surveys conducted for us by employee experience platform, Culture Amp.

In FY24, we undertook a full culture and engagement survey in September 2023, and two shorter 'Tune In' surveys in July 2023 and February 2024 to monitor key cultural trends and check in on bespoke topics.

Group-wide engagement in the February survey was 71%, an increase of 5% from the September survey.

71%

Employee Engagement

↑ 5% from Sep 23 to Feb 24



The survey results have helped shape our Culture Roadmap with a focus on:



Enabling Ways of Working



Nurturing Culture



Thriving People



Leading Teams



Connection



Lifting Performance



Amplifying Employee Recognition

Building a culture of recognition is a great way to show appreciation, gratitude and tell someone about the positive impact they've had.

Our recognition platform, Amplify, allowing peer-to-peer and leader-based recognition was actively used by more than 90% of our team in FY24, with more than 15,000 messages of appreciation shared between colleagues, more than 11 million points awarded to spend on items such as gift vouchers, clothing and retail goods, and 3.3 million points redeemed.

A new feature in FY24 was the ability to send virtual cards for events such as birthdays, welcome to the team, Diwali (above), International Women's Day and Lunar New Year, as well as congratulations for career and personal milestones.

We also embedded an Amplify 'Recognise' button in our Microsoft Outlook application toolbar, making it even easier to show appreciation to our colleagues.

We also bolstered employee connection through

- In-office celebrations for events such as Diwali, International Women's Day, new product and campaign launches, and major jackpots such as our record \$200 million Powerball® draw.
- In-office volunteering opportunities including for the Starlight Children's Foundation and the Daniel Morcombe Foundation.
- In-office presentations from our community partners such as My Room Children's Cancer Charity and Assistance Dogs Australia.



Building connections through giving back

We provide employees with one day of paid leave for volunteering activities each year, and in FY24, our team volunteer hours totalled 275, up from 177 hours in FY23.

Employees can elect to volunteer as individuals or connect with community causes with their teammates. Throughout FY24, our people volunteered their time with a range of organisations.

Matt Mecca (above right), eCommerce Manager in our Customer & Marketing team, summed up his volunteering experience:

"I volunteered with Disaster Relief Australia recently because I believe in the importance of helping others during times of crisis. It allowed me to step out of my comfort zone and challenge myself both physically and mentally. It definitely helped reinforce my beliefs in how important teamwork is in overcoming challenges."

Talent Attraction & Retention

Successfully delivering on our organisational strategy requires us to attract, retain and cultivate high performing talent.

Our Employee Value Proposition

In FY24, we launched our Employee Value Proposition (EVP) with the tagline 'share joy, spark possibilities' capturing what's great about working at The Lottery Corporation.

It was developed with an open mindset and in consultation with 60-plus employees who gave their feedback to authentically capture the experience of life at The Lottery Corporation.

We launched multiple targeted LinkedIn marketing campaigns to promote our EVP while bolstering our Contact Centre, attracting specialist technology candidates and highlighting our inclusion and diversity offering.

In FY23, our Talent team partnered with the Customer Experience experts from our Customer & Marketing division who helped us map the candidate experience we were delivering. Using feedback from successful and unsuccessful candidates, hiring managers and external partners, in FY24 we used the data to implement better internal candidate support tools and hiring manager training to make the journey from recruitment to onboarding a more positive one for both people leader and prospective employees. The Talent team continue to listen to this feedback and have maintained a strong 4.8/5 rating for candidate satisfaction with their interview experience.

This internal collaboration saw The Lottery Corporation become a finalist in the Best Candidate Experience Initiative category of the 2023 SEEK Talent Acquisition Recognition Awards in March 2024 (above).



Internal Mobility

Internal transfers and filling roles with existing team members remained an important aspect of talent retention, development and recruitment for FY24. Our team members are encouraged to apply for new roles, transfers or promotions within The Lottery Corporation, and a playbook was developed with guidance such as interview tips.

Facilitating internal moves is a great way to retain talent, provide opportunities for growth and diversification, and allow team members to progress their careers. It's also effective in retaining company knowledge and industry experience, while providing ongoing job security. Team members are encouraged to outline their ambitions, identifying opportunities and goals in formal development plans which are reviewed quarterly with their managers, and as part of ongoing conversations with senior leadership.

All internal candidates are supported by Talent Acquisition Partners through the application process. Those who are unsuccessful are offered coaching and career development opportunities.

15%

of vacant roles were filled by internal candidates



Talent Development

We invest in the development of our people to enable them to grow and succeed in their current role and beyond, which in turn helps us inspire, motivate and retain talent.

In FY24 we:

- Undertook a talent review of the General Manager population to identify high potential, with development activities mapped, discussed and implemented resulting in several role changes.
- Delivered training to General Managers, with an emphasis on creating a high-performance culture based on feedback, decisiveness, agility and curiosity.
- Developed and launched the Thrive Leadership Development Program to all employees, aligned to our corporate strategy with a mix of virtual masterclasses, LinkedIn Learning, videos and self-paced learning across three core streams:
 - **Drive** (performance edge, strategic thinking, customer excellence)
 - **Develop** (coaching, communicating, growth mindset, relationship building)
 - **Discover** (curiosity, experimentation, innovation)
- Had more than 40% of employees participate in capacity building and professional development through LinkedIn Learning. Also offered monthly LinkedIn Learning Challenges with short daily courses tailored to what's happening or being celebrated in the business, such as Pride Month.
- Continued our quarterly Essential Learning modules for all team members across all aspects of the business including responsible play, conflict of interest, modern slavery, whistleblowing and privacy. The 99% participation rate was helped by the courses being accessible by mobile device and tablet for our workforce on the road.



Belonging

Feeling a sense of belonging in the workplace is increasingly linked to better employee health and wellbeing, improved performance and decreased turnover risk. Fostering a sense of belonging starts with building a workplace culture in which every employee can bring their true selves to work and feel included and valued for their uniqueness.

Our Approach

Our approach to creating a diverse, equitable and inclusive workplace culture is set by our People and Culture team and outlined in our Belonging Strategy. Our approach sets out initiatives across three strategic pillars to influence positive outcomes for our people, with key additional initiatives for six target groups.

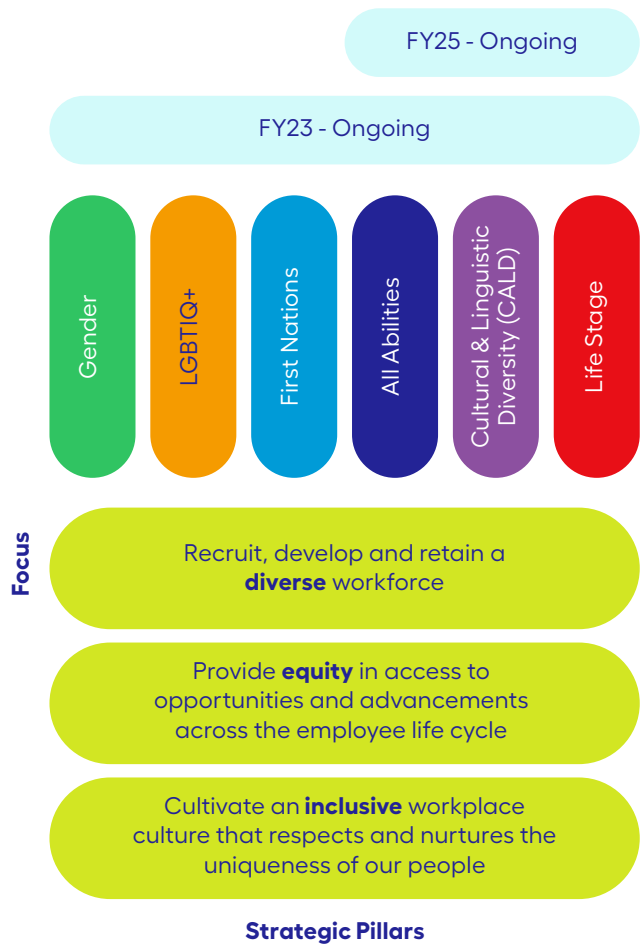
Our Executive Leadership Team is responsible for delivery of the strategy, with progress and performance reported to our People and Remuneration Committee on an annual basis.

Our people and culture policies, which include our Inclusion and Diversity Policy, and supporting policies such as our Flexible Work Policy, Domestic and Family Violence Support Policy and Parental Leave Policy assists us in delivering on our strategy.

Now in year two of our three-year strategy, we have made progress on:

- Foundation areas which ensure we have the right frameworks in place
- Key initiatives that cover the broad spectrum of workplace diversity, equity, inclusion and belonging
- Actions for groups that require targeted support.

We have established solid foundations with data collection and analysis, talent acquisition, policy development, inclusive leadership development and increased awareness through targeted learning and engagement.



Flexible Working

We recognise that the way we work to achieve great outcomes will be different for everyone. 'Flex for great outcomes', our flexible working policy, are our guidelines for creating a work experience for our people that balances company, team and individual priorities.

Our approach is guided by our Flex principles:

- We ensure best outcomes for our customers
- We think outside the square
- We trust each other to deliver
- We recognise the deep value of in-person connection
- We can all request flexibility
- We promote wellbeing
- We mitigate risk

Many team members enjoy a hybrid approach that blends working on-site and working remotely (usually from home), in a mix that fosters a culture of belonging. The mix is different for everyone depending on their role, the type of work done and access to a suitable working environment.



"Kavita and I share the responsibility of heading up the Group statutory reporting team in our Finance division. I work three days a week and Kavita does two, which allows us to balance working life as well as family commitments."

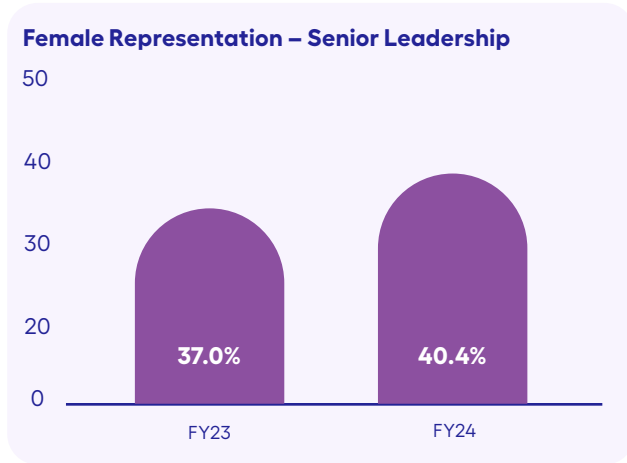
Lynne Connell, Head of Statutory Reporting & Technical Accounting

"Job sharing allows us to bring different skill sets to the table and we scale up our work days as needed during busy reporting periods. We love having that flexibility."

Kavita Parikh, Head of Statutory Reporting & Technical Accounting

Supporting Gender Equality

In FY24, The Lottery Corporation continued to work towards our 2025 gender diversity targets (40:40:20), with female representation across our Senior Leadership Team increasing to 40.4%. We maintained female representation on our Board at 43.0%.



Our gender pay gap in March 2023, as published in the Workplace Gender Equality Agency’s 2024 pay gap report was 19.8%, slightly below the Australian average of 21.7% and a decrease from our July 2022 result of 21.2%.

Our most recent analysis in 2024 showed the median pay gap between male and female employees at The Lottery Corporation for equivalent roles was 0%. Any variations at an individual level is attributable to the skills and experience of the individuals in these roles.

We continue to work towards closing our gender pay gap and promoting gender equity through:

- Offering gender-neutral access to parental leave and flexible working options to support more equal workforce participation
- Featuring inclusive language in recruitment advertising and ensuring recruitment shortlists are gender diverse
- Conducting reviews for gender bias in promotion metrics, talent and succession reviews, recruitment decisions, performance and salary reviews, and employee survey results
- Providing bespoke development for female talent through our Women's Initiative in Lottery Leadership (WILL) program.



Women’s Initiative in Lottery Leadership (WILL) program

In 2016, the World Lottery Association (WLA) started the Women’s Initiative in Lottery Leadership (WILL) program to encourage the development of more women in the industry globally.

Under the WILL banner, we’ve designed and run two successful rounds of our local development program for 32 of our female people leaders – something CEO Sue van der Merwe, a member of the WLA Executive Committee and Chairman of the Asia Pacific Lottery Association, was passionate about bringing to our region.

Our FY24 program offered 1:1 career coaching, our Thrive Leadership Development Program, a strengths assessment, a roundtable event with our female CEO, Chief People Officer and Chief Information Officer, workshops, training and networking opportunities to help foster our next generation of female senior leaders.

“Being part of FY24’s WILL program has been a powerful opportunity to hone my career direction, understand my strengths at a deeper level and increase my networking with like-minded, supportive professional women within my workplace,” Technology’s Head of Service Management Heidi Uytendaal said.

“This amazing program is truly empowering for the women of the lotteries industry and will have long-felt positive repercussions for years.”

The program will be refined and offered to a third cohort in FY25.

Celebrating Pride

We strive to create an inclusive environment where everyone can show their true colours. Our True Colours Pride network, made up of 23 LGBTIQ+ team members and allies, is a safe space where people can be heard and supported in making change. In FY24, our True Colours network went from strength to strength, developing a Pride strategy guided by Pride in Diversity, a not-for-profit employer support program for LGBTIQ+ workplace inclusion.

Our network members led Pride events for our teams across the organisation, marking events such as International Transgender Day of Visibility and Pride Month. Celebrations for Mardi Gras were a highlight, with more than 150 team members learning about the history of Mardi Gras and the LGBTIQ+ experience in Australia in a webinar conversation with Karl Zlotkowski, who co-chaired the very first Mardi Gras in 1978. The week was capped off with a Mardi Gras parade, where teams were encouraged to celebrate pride and create their own floats.



Ally Pins

We're proud of our culture that allows everyone to be their true selves and encourages a greater understanding of others.

Our Pride and Indigenous pins are a visible way to show support as an ally while our pronoun pins – launched on the International Transgender Day of Visibility in March 2024 – allow others to see our preferred title as well as signal to others that their identity is respected. They're proudly worn by many team members on lanyards or laptop bags.

All Welcome

Expect to see more than just The Lott's rainbow logo in newsagents across Australia, with our retail network able to join ACON's Welcome Here project.

In a FY24 pilot program, seven retailers registered with the project to show they're a welcoming and inclusive place for LGBTIQ+ communities by prominently displaying a Welcome Here rainbow sticker. We intend to strengthen our involvement in FY25 by covering the cost of joining packs for up to 80 outlets.

"Nurturing the uniqueness of our people is a company principle we live by every day and this wonderfully inclusive project similarly embodies that, giving brightness, safety and happiness," said Cassandra Nicholson (below right) from our Legal & Risk division, who co-leads our True Colours Pride network.



Reconciliation at Work

FY24 heralded the naming of our Indigenous inclusion network as Djari, which means 'rainbow' in Yolngu, the language of the people of the Arnhem Land.

Chaired by Incident Team Manager and proud First Nations woman Stephanie Sinclair, the network has been key in the development of our first Reconciliation Action Plan and will play a major role in implementing initiatives, as well as remaining a safe space for our First Nations team members and allies to connect and share experiences and challenges.

With an initial focus on raising awareness within the organisation, the Djari network launched its first initiative in FY24, with a 'Proudly Indigenous' email signature option, a way for First Nations people in our organisation to show their pride and raise awareness, if they choose so. The network also led company-wide conversations, including a NAIDOC Week Q&A with Shelley Ware, broadcaster and educator and a proud Yankunytjatjara and Wirangu woman, and a presentation from Andrea Goddard (middle right), Chief Executive Officer of our community partner Stars Foundation, on the work they do improving health, education and employment for young Aboriginal and Torres Strait Islander women and girls.



Training & workshops – Acknowledge This! sessions

We seek to inform and educate our people about Aboriginal and Torres Strait Islander inclusion by providing online courses and workshops, including Acknowledge This! sessions delivered to 124 team members in FY24 to deliver a more personalised Acknowledgement of Country relevant to the location of the meeting being held.

"Taking part in the Acknowledge This! workshop not only highlighted the cultural importance of incorporating Acknowledgements to Country into our business gatherings, but also gave me tools to integrate these moments in an authentic, inclusive and meaningful way that could connect to everyone in the audience," our General Manager Public Relations Matt Hart said.

"Since then, I've felt empowered to deliver more personal, relevant and respectful Acknowledgements to Country that invite everyone to take a moment to reflect on what it means for us as Australians to all gather together at that particular time and space."

Health, Safety & Wellbeing

A safe workplace is the foundation of a great employee experience and cultivating a sense of belonging. We value the physical and mental safety and wellbeing of our people and worked in FY24 to further embed our existing policies, processes, tools and training to foster a safer workplace environment.

Our approach to managing holistic safety of our people at The Lottery Corporation is set out in our Safety Management System (SMS), a suite of documents that includes policies, standards, procedures and forms. The SMS provides safety governance to help meet our obligations under relevant Australian legislation, including the Work Health and Safety Act. Our SMS is aligned with the ISO 45001 (Occupational health and safety management systems) standard.

Mental Health in the Workplace

We have in place policies and activities to mitigate the risk of psychosocial hazards in the workplace. To test their effectiveness, we conducted a psychosocial risk assessment in FY24 with a participation rate of 68%. The feedback received will be used to identify areas of improvement and developed into an action plan in FY25.

In FY24 we:

- Continued to roll out mental health first aid training, first launched in FY23, to team members to help them recognise and respond to signs of mental health issues that may arise in their teams, with further training planned for FY25
- Led communication and events across the workplace designed to raise awareness and encourage our team members to prioritise mental health, including on RU OK? Day and World Mental Health Day
- Promoted and encouraged uptake of our Wellbeing Gateway app, which allows team members and their immediate family members to access an extensive library of content, track their wellbeing, complete an assessment or wellbeing module, or chat with health professionals such as counsellors 24/7 for free and confidential advice.

Our Employee Assistance Program partners with workplace wellbeing organisation Assure. Assure's holistic approach to health and wellbeing includes mental health support, emergency counselling, team member and leader coaching, financial coaching, legal referrals, nutritional coaching, and Indigenous cultural assistance. It supports our proactive approach to workplace wellbeing.

Health & Safety

Our teams work in a mix of environments including offices, warehouses and contact centres. Some also travel regularly to connect with our retail partners. Providing a safe work environment for our people is prioritised.

In FY24, our highest health and safety risks continued to be manual handling, working with machinery and working at heights for those working in our warehouses, and road safety for our retail teams travelling regularly. Our process for managing these risks and reporting, investigating and escalating incidents is laid out in our SMS.

To help reduce the likelihood of physical injuries occurring in the workplace, we:

- conduct periodic safety and hazard reviews in each of our sites and seek to promptly remediate any issues identified
- provide periodic training to employees to enhance health and safety awareness
- conduct audits on specific hazards and risks across our sites
- conduct annual reviews of team members' remote work stations via self-assessment, with a 90% completion rate in FY24
- encourage an environment of safety reporting, with 98% of hazards reported in FY24 to our DoneSafe platform within the first 24 hours of a hazard occurring
- promote safety consultation.

0.0

Lost time injury frequency rate

unchanged from FY23



We maintained a Lost Time Injury Frequency Rate of 0.0 for FY24 (i.e. there were no lost time injuries during the financial year).

In FY25, as part of our continued work to address our most significant health and safety risks, we intend to develop and implement a new fatigue management plan for our on-the-road workforce and introduce a new safety campaign at our distribution centres.

Environment



Minimising Our Impact

We recognise that every company has a part to play in addressing climate change and leaving a positive legacy for future generations.

The nature of The Lottery Corporation's operations means our emissions footprint is small in comparison to Australia's other larger companies by market capitalisation. Our Scope 1 and 2 emissions make up 0.0007% of the total Scope 1 and 2 emissions reported by companies in the S&P/ASX50 index.⁽ⁱ⁾ This was reflected in our materiality assessment which found environmental topics (addressing climate change risks and impacts, energy management, materials management, and greenhouse gas emissions reduction) to be of lower materiality to The Lottery Corporation than other ESG topics. However, we know that our organisation, through our operations and value chain, still has an impact on our environment. We are taking action to reduce our environmental footprint – it's part of how we create positive impacts as a business.

In FY23, we established three goals related to reducing our environmental impact. These were set while we continue to enhance our approach to measuring and reducing environmental impacts in other parts of our operations and value chain.

In FY24, in preparation for proposed mandatory climate-related financial disclosures, we engaged a third-party audit and advisory company to assess The Lottery Corporation's preparedness for reporting against the International Sustainability Standards Board climate-related standards on which the Australian Sustainability Reporting Standards (Exposure Draft SR1 and SR2) are based.

The resulting recommendations were developed into an action plan. Activities planned for FY25 include:

- Assessing climate-related risks and opportunities for The Lottery Corporation and the impact of risks and opportunities over the short, medium and long term
- Conducting a climate scenario analysis against a recommended range of scenarios
- Completing our Scope 3 emissions inventory and Net Zero Roadmap.

⁽ⁱ⁾ Analysis based on Carbon Disclosure Project data, and company annual and sustainability reports. It is noted companies report under different financial years. The availability of emissions data by reporting period varies between the 2022 and 2023 calendar and financial years. Constituent companies in the S&P/ASX50 index as at 9 July 2024.



Old tech, new life

In FY24, we began a partnership with social enterprise PonyUp for Good to reuse or recycle our retired technology. PonyUp then donates 50% of profits to SecondBite, Australia's biggest fresh food charity.

In May 2024, we teamed up with PonyUp to process 166 old laptops, totalling 262kg of technology. Of this, 82.8% was reused and diverted from landfill, enabling 15,491 fresh meals to be donated through SecondBite to help people facing hunger and food insecurity.

The initiative aligned with our goal to reduce our environmental footprint. It played a small part in keeping e-waste and toxic chemicals out of landfill and waterways, with the added benefit of feeding Australians in need.

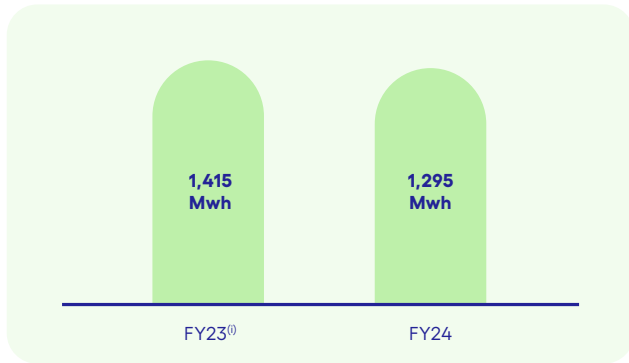
Scope 1 and 2 Emissions

This year, having materially completed separation activities following our demerger from Tabcorp, we re-established our FY23 emissions baseline for Scope 1 and 2 emissions.

Our main source of Scope 1 emissions is transport fuel. We operate a fleet of 54 vehicles utilised primarily by our Channel teams when engaging with retailers across our network. The fleet consists of sedans and small and large sport utility vehicles that use both diesel and petrol fuel. Total vehicle fuel consumption was 133,046 litres in FY24.

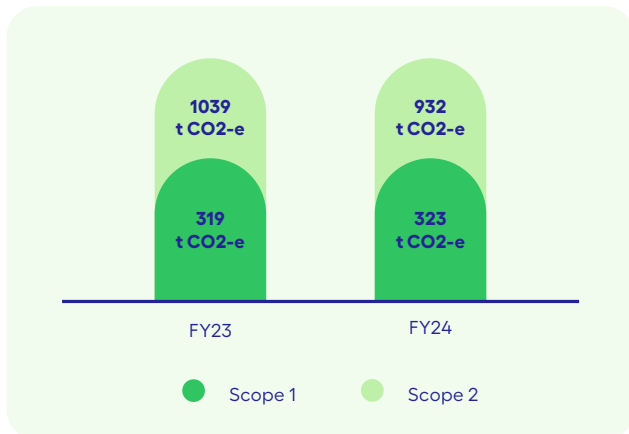
Our main source of Scope 2 emissions related to electricity consumption at our five corporate offices, two warehouse sites and one retail store, with all electricity currently sourced from the grid. Electricity consumption decreased from FY23 to FY24 due to subleasing of office space. Emissions resulting from subleased office space have been determined to be outside our Scope 2 boundary.

Electricity Consumption



Our absolute Scope 1 and 2 emissions decreased relative to our FY23 baseline, due to decreased electricity consumption.

Scope 1 and 2 Emissions



(i) FY23 electricity consumption restated due to expanded data coverage.

Scope 3 Emissions

We continued to progress our work to identify upstream and downstream Scope 3 emissions categories and build our inventory, including a focus on emissions arising from waste. We anticipate completion of our Scope 3 inventory and Net Zero Roadmap in the first half of FY25. Our Net Zero Roadmap, although focusing on Scope 1 and 2 emissions reduction initiatives, will include opportunities for reducing our Scope 3 emissions in line with our other environmental goals to reduce impacts from our supply chain by reducing paper usage and increasing recycling across our operations.



Reducing paper consumption

Lottery tickets, printed on thermal paper, contribute to our Scope 3 emissions, and over FY24, we've been identifying ways to reduce our paper usage, in line with Goal 10 of our sustainability strategy.

So we reorganised some of our tickets, cut the size of logos and barcodes and changed the layout to reduce the amount of paper we use. In February 2024, our shortened tickets made their debut.

It's just a small change that's a part of our bigger strategy to minimise our environmental impact and reduce emissions across all our scopes.

