

# A COMMITMENT TO SUSTAINABILITY

DATE OF ISSUE: NOVEMBER 2020



Being a responsible business and a good corporate citizen is one important way we can help ensure the games industry has a long-term, sustainable and vibrant future.

These disclosures have been updated for Aristocrat's 2020 financial year and contain information current as at 30 September 2020.

Aristocrat's sustainability disclosures are based around the environmental, social, and governance issues that are considered most relevant and meaningful to our business and stakeholders. They also reflect our values, our company mission to Bring Joy to Life through the Power of Play, and our broader commitment to transparency. A detailed materiality assessment helped us to shape our sustainability agenda and the scope of our disclosures. This assessment is undertaken periodically, with the next review scheduled to be conducted in the 2021 financial year.

In addition to the sustainability priorities addressed below, we have also included disclosures on Aristocrat's response to the COVID-19 pandemic.



## ARISTOCRAT'S SUSTAINABILITY PRIORITIES

- Employee Relations
- Diversity Inclusion
- Society & Community
- Corporate Governance
- Responsible Gameplay
- Regulatory & Compliance
- Environment & Energy
- Ethical Sourcing

Our disclosures are mapped to the United Nations' Sustainability Development Goals (SDGs), and while we support all of the SDGs, we have identified nine goals that align closely with our business. Aristocrat is committed to these goals and using them as a guide in framing our strategy and setting our priorities.

# RESPONSIBLE GAMEPLAY



Responsible Gameplay (RG) is core to Aristocrat's values, and mission to 'bring joy to life through the power of play'

For millennia, people all over the world have played games as a source of fun and recreation. In modern society, game play remains something that many people enjoy. Aristocrat offers two main types of games:

- Social or digital games, which are video games played on devices such as mobile phones, or desktops; and
- Real money, gambling games which are played in regulated environments such as a casino or club.

Aristocrat's gambling games are distinct and highly regulated because they offer players the opportunity to:

- stake real money;
- in a game of chance; and to
- win real money.

Aristocrat's video games, in contrast, do not offer customers the opportunity to win real money or anything of value.

Aristocrat strongly supports having rigorous rules in place that strive to ensure every aspect of the design and operation of gambling games and video games are appropriate, transparent and fair, and gives players, customers and the community confidence that this is so.

Upholding the rules and promoting responsible gameplay more generally is one of Aristocrat's most fundamental obligations. It's a major way that we deliver our company mission to Bring Joy to Life through the Power of Play and is a tangible demonstration of our 'Good Business, Good Citizen' value. We believe it's also key to ensuring we can continue to grow our business, attract and retain great talent, and promote a sustainable games industry that's welcome in the community.

## What does Responsible Gameplay mean?

Aristocrat believes that responsible gameplay is characterised by the following criteria:

- The player is playing for pleasure or entertainment;
- The player is exercising control over their play, and any associated spending and
- The play activity occurs in balance with other activities in their lives.

With respect to excessive gameplay, we are constantly striving to learn more. We know that it is a complex issue, and we know that there is no single, simple solution. But as an industry leader, we believe that we have an important part to play, including in terms of responsible game and product design, upholding applicable rules and regulations that apply to our games, supporting research, and encouraging and adopting best practice standards in consultation with our stakeholders.

Aristocrat strives to make a genuine and active contribution by taking steps to promote responsible gameplay across three pillars we summarise as 'comply, empower and improve'.



# RESPONSIBLE GAMEPLAY

## THREE PILLARS OF ARISTOCRAT'S APPROACH EMPLOYEE FLEXIBILITY AND LIFE BALANCE

Aristocrat's approach to promoting responsible gameplay is built on three pillars: rigorous compliance with the rules, a focus on empowerment and education, and an ongoing effort to improve our products and environment over time.

### COMPLY

- This means compliance with relevant rules, regulations and legislation. Whether that's about data protection, privacy and platform rules for our video games, or technical standards, licensing and game regulations in our gambling games, Aristocrat works hard to comply with the laws applicable to our business.
- Aristocrat designs products in line with our values. Our games are designed to offer great entertainment experiences to a broad range of players. Product development across our business is robustly governed and informed by our Responsible Gameplay Policy.

### EMPOWER

- Aristocrat strives to empower people to make informed choices about gameplay. Across our portfolio, we're doing more to educate and empower, because we believe player choice and empowerment is fundamental to satisfied customers and a vibrant business and industry.
- This includes delivering more training for our employees, providing players with clear information on the way our games work, investing in responsible gameplay features, and providing options that give more choice and information to players.

### IMPROVE

- Through our membership in key industry associations, we encourage our industry to be open and proactive in responding to community concerns about responsible gameplay.
- We advocate and adopt best practice standards in our own business, we invest in responsible gameplay product innovation and we contribute financially to research done by academic institutions in the US and Australia to enhance the evidence base and promote better understanding of issues relating to excessive gameplay.
- In our gambling business, we're also active in partnering with our business customers to deliver and improve their own venue based responsible gaming initiatives.

A dedicated RG team operates within our Group Corporate Affairs function and reports regularly to our Executive Leadership and Board.

## PRIORITIES

Our priorities are formally overseen and reviewed by the Responsible Gameplay Steering Committee chaired by our CEO, Trevor Croker. In 2020, we also established a Responsible Gameplay Digital Taskforce which is focused on executing initiatives to keep our video games products at or beyond industry best practice in RG.

Our priorities change over time as we make progress and as new challenges emerge. More detail on our priorities and progress throughout the 2020 financial year is set out below.

### Employee Training, Product Development Charter and Marketing Guidelines

Mandatory responsible gameplay training was deployed across our business in 2020. The course content aims to help employees understand what responsible gameplay is, their role in supporting RG and raising awareness of Aristocrat's commitment so we can continue to grow our business and promote a sustainable games industry. Approximately 99% of eligible employees completed the training, which has also been included in mandatory training for new hires.

# RESPONSIBLE GAMEPLAY

During the year, we launched an RG portal to provide a one stop shop for resources on responsible gameplay. The portal is continuously updated with new content and promoted regularly to our employees.

Building on the launch of a Product Development Charter in 2019, in 2020 we also developed updated Marketing Guidelines for our Gaming business. The Guidelines are designed to ensure our game, product development, marketing, and legal teams have what they need to ensure that our marketing is always consistent with our Responsible Gameplay Policy. Specifically, this means that we:

- empower players with sufficient information to help them make informed choices;
- ensure that game rules and instructions are clear to players;
- do not mislead, trick or encourage excessive gameplay; and
- find ways of going 'beyond compliance' to positively promote responsible gameplay.

In the coming year, we will develop a second set of Marketing Guidelines focused on our Digital business.

## Informing Gaming Machine Players

During 2020, Aristocrat created a further two player information videos in a series designed to help players make informed choices and contribute to busting myths about how gaming machines work. The new videos explain what "return to player" means and how bets work on multi-line gaming machines. These complement the first video which was launched in 2019, explaining the odds of winning a jackpot.

The videos have generated positive feedback from staff, industry groups and customers, as a result of which Aristocrat is planning to create further videos in the year ahead.



## Age minimums for social casino-style games

Aristocrat's product portfolio includes free-to-play social casino-style video games. All of our social casino-style video games include multiple consumer touchpoints which make clear they are intended only for adult players (18+). These touchpoints include messages on landing pages, in platform storefronts, and on the Product Madness and Big Fish websites. We are also working with our industry associations and platform providers to encourage broader uptake of our proactive approach, and the adoption of consistent age-rating of social casino-style video games across the industry.

## Increasing transparency for digital game players

We continue to take proactive steps to promote transparency in our video games. An example of this can be seen with Product Madness, Big Fish and Plarium all adopting harmonised disclosure guidelines for loot box mechanics which were rolled out across all portfolios in 2020. Loot boxes contain in-game items varying in rarity (and unknown to the player before the loot box is opened) and can only be accessed through earning points or paying a fee.

## "Player Power" Resources for Video Game Players

Over the course of 2020, Aristocrat took a number of steps to further empower and inform players of our social casino-style video games. These included:

- The introduction of in-app "Responsible Play" player resources, including tips on managing in-game experiences, self-help materials and instructions on our policy for instituting self-bans;
- Unifying customer service policy and governance across Big Fish and Product Madness; and
- Unifying procedures for player self-bans, including the introduction of a ban policy.

Further player information and empowerment initiatives are planned for 2021, to expand account management options for players and continue to lead the industry.

# RESPONSIBLE GAMEPLAY

## Contribution to research

Aristocrat has provided research funding to the University of Sydney's Gambling Treatment and Research Clinic to explore best practices relating to the deployment of responsible gambling initiatives. Aristocrat has also provided funding to the International Center for Responsible Gaming and the Nevada Council of Problem Gambling in the US. For video games, Aristocrat has been a long-time contributor to research conducted by the International Social Games Association to help build a robust fact base and support informed debate and effective policy-making in this field.

## Commitment to innovation

Aristocrat has a strong reputation for its investment in the development and testing of responsible gaming features, beginning with the 'Bluegum' product in 2013 which trialled various features including a charity meter and alarm clock. In partnership with key customers and with the support of regulators, Aristocrat continues to develop and test options in our Gaming business that are aimed at empowering players and supporting our responsible gameplay commitments. This includes pre-commitment and self-exclusion functionality in our systems business and new measures to support payment modernisation initiatives in key markets.

## Industry leadership

Aristocrat is a bronze donor to the National Center for Responsible Gaming (NCRG), a US charitable organisation dedicated to increasing understanding of gambling disorders and youth gambling, and to finding effective treatments.

Aristocrat is also a member of The American Gaming Association (AGA), the leading national trade group representing the US gaming industry. In January 2020, our CEO Trevor Croker was appointed Chair of the AGA for a two-year term. Aristocrat remains closely involved with the AGA's Responsible Gaming Task Force which is focused on elevating responsible gameplay as a key priority for the industry, advocating for policy that protects consumers, and facilitating innovation.

Aristocrat is also a member of the Australasian Gaming Council (AGC) and sits on the AGC's Board. The AGC works to promote a sustainable industry that delivers entertainment and economic benefits while promoting gambling education, responsible gaming awareness, research and evidence-based policy.

Aristocrat is also a founding member of the International Social Games Association (ISGA). We are represented on the ISGA's Board, and we proactively support the work of the organisation, including research on video games and the development of best practices for the industry.

## Raising awareness with employees

Our commitment to responsible gameplay goes to the heart of our values and is also critical to our vision of a sustainable and vibrant gaming industry that is welcome in the community. Each year in September and October we recognise major responsible gaming weeks in the US and Australia with a program of employee events.

In 2020, our program for Responsible Gaming Education Week in the US included a panel session featuring guest speaker Constance Jones, the Director of Responsible Gaming from the Association of Gaming Equipment Manufacturers (AGEM). The session was attended by around 150 employees and generated lively discussion. We were also proud to have our responsible gameplay initiatives cited in an article to mark the week, published by the

[American Gaming Association](#).

In 2020, we also marked Responsible Gambling Awareness and GambleAware Weeks in Australia. A Panel Discussion featuring a number of industry leaders and key customers was attended by over 250 employees and focused on best practice in responsible gaming across Australian markets.

# DIVERSITY & INCLUSION



We believe an inclusive organisation is fundamental to developing organisational resilience, capability, and performance. We aim to create an environment where individual differences are valued, and all employees have the opportunity to realise their potential and contribute to Aristocrat's success. D&I at Aristocrat encompasses not only gender but also LGBTQIA+, age/generation, international experience, and ethnicity attributes.

## OUR POLICY

In 2020, Aristocrat appointed a specialist D&I enterprise leader and other dedicated staff, as part of stepping up our D&I effort globally and ensuring active regional engagement and execution. We are focused on improving our People & Culture practices from the perspectives of gender equality, diversity, and inclusion in recruitment, promotion, development, and remuneration.

In addition to upholding our legal obligations with respect to non-discrimination and employee rights, Aristocrat also adheres to a global Diversity & Inclusion Policy, which was updated in June 2020. The purpose of this policy is to articulate our commitment to creating a culture of inclusion, collaboration, respect, and a genuine sense of belonging. It sets out what is expected from employees. The policy aligns and complies with Recommendation 1.5 of the ASX 4th Edition.

**Our policy aims to promote diversity and inclusion through the following actions:**

- attracting and retaining team members with a diverse mix of skills and experience;
- setting measurable objectives for gender diversity and assessing progress annually;
- encouraging and supporting flexible working arrangements, where practicable;
- reviewing processes and systems on an ongoing basis to identify any significant trends or biases and developing actions to mitigate these;
- ongoing enhancement of the inclusion strategy, which aims to promote all areas of diversity and establish measurable Objectives and Key Results (OKRs) for initiatives and programs as they are developed; and
- demonstrating zero tolerance towards behaviour that is inconsistent with this policy.



# DIVERSITY & INCLUSION

## Everyone at Aristocrat has a part to play in creating a diverse and inclusive business:

**ALL EMPLOYEES:** Value and respect the differences in others and speak up about behaviour that is not consistent with the policy.

**LEADERS:** Role model and encourage behaviour consistent with our values and ways of working. Contribute to continuous improvement in our culture, as well as actively balancing the needs of team members and the business when applying the policy.

**CEO AND EXECUTIVE LEADERSHIP:** Responsible for our inclusion strategy. Provide strategic guidance on implementation, monitor progress, report to the Board, and act as ambassadors to drive inclusion across the organisation.

**BOARD:** Attract and maintain a Board of Directors which has an appropriate mix of skills, experience, and diversity and is responsible for governance, setting measurable objectives for achieving gender diversity and monitoring progress towards achieving them, disclosures, and oversight of the inclusion strategy.

Three out of seven members of Aristocrat's Board of Directors are women (43%), along with four of our ten executive leadership team members (40%). In 2020, Aristocrat was recognised as a top performer in the Chief Executive Women ASX200 Senior Executive Census for having a Group Executive team that is 40% female.

Senior leaders including the CEO and Executive team set annual Objectives and Key Results (OKRs) that incorporate diversity and inclusion goals. The Executive team regularly reviews diversity and inclusion scorecards at the organisation and business unit level and is responsible for achieving delivery.



Targets linked to OKRs are effective in driving gender diversity. Organisations that keep score are increasing gender diversity between 1% - 4% annually (WGEA)



Significant correlation exists between a more diverse leadership team and financial outperformance (McKinsey Report, 2018)

## STRATEGIC PRIORITIES

Aristocrat's Diversity & Inclusion strategy is tightly aligned to the company's growth strategy and values. Our D&I priorities map to the current and emerging needs of Aristocrat's workforce and encompass building inclusion capabilities, flexibility (activity-based working), gender diversity, and cultural diversity. We integrate leading inclusion and diversity practices into our core processes and operations, to help foster a diverse and inclusive organisation and drive Aristocrat's success.

## FOCUS AREAS

### INCLUSIVE WORKPLACES

Aristocrat is committed to creating environments where individuals of all backgrounds can succeed.

During 2020, employees were invited to participate in the learning challenge "Allyship in Action". The challenge consisted of 12 learning modules covering a wide range of topics designed to help cultivate inclusive environments. In addition, an Allyship Guide was created to support employees in becoming effective allies.

In 2020, Aristocrat's executive leadership team and a number of other senior leaders also completed formal inclusion and diversity training.

# DIVERSITY & INCLUSION

## UNCONSCIOUS BIAS TRAINING

In 2020, we launched an online course and microsite focused on recognizing and reducing Unconscious Bias. Completion of this training is mandatory for all people leaders, Directors, and People & Culture team members globally. The training is aimed at increasing awareness of how our unconscious biases affect our decisions and enabling self-discovery to drive change.

## GENDER EQUALITY

Increasing the representation of women in all levels of management will remain one of our strategic priorities on an ongoing basis.

In 2020, we further refined our recruitment and selection practices to ensure diversity amongst candidate shortlists and interview panels, with the intention of reducing the potential for bias and promoting diversity.

Additionally, Aristocrat expanded support for employees with caring or family responsibilities, including by introducing on-site childcare at some of our worksites, encouraging flexible work practices, designating parent and breastfeeding rooms at our worksites and introducing targeted communication mechanisms, including a Keeping in Touch program for employees on parental leave. We also undertake an annual remuneration analysis to identify and address any gender pay gaps, and identify talented women through the talent and succession process. Aristocrat also targets high potential women for leadership development to enable them to progress in their careers with us.

In 2020, Aristocrat's Board of Directors approved the following measurable objectives for gender diversity:

- The composition of the Board should be no less than 30% of its Directors of each gender;
- The composition of ESC should no less than 30% of its leaders of each gender; and
- The composition of the Aristocrat Group should be no less than 30% of each gender.

As a "relevant employer" under the Australian Workplace Gender Equality Act 2012 (WGEA), Aristocrat has again been confirmed to be compliant with the Act in 2020 and demonstrated an increase of 0.5 percentage points in female employees from the previous reporting period to 24.9% in 2019/20.

## WOMEN IN THE GAMING INDUSTRY

To help female employees build their personal brand, skills, and networks, Aristocrat supports associations that promote women in our industry. Peak bodies supported by Aristocrat include Global Gaming Women based in the US, and Women in Gaming and Hospitality Australasia.

## GLOBAL GAMING WOMEN (GGW)

GGW was established by the American Gaming Association to create networking opportunities for women in the gaming industry. It is now an independent charitable organisation which, in addition to networking events, delivers learning and development programs and events that support the development of female executives.

As a long-term member and sponsor of GGW, Aristocrat has one senior female employee, Chris Hill, Chief Legal Officer, serving on the GGW Board. We contribute strongly to the direction and strategy of GGW, including through leadership roles on the Strategic Planning Committee, Membership Committee and Education Committee, and through the position of Senior Advisor to the GGW Board.

During 2020, Aristocrat contributed to a series of GGW initiatives including sponsorship of the GGW Virtual Master Class webinar series in lieu of in-person events which were cancelled due to COVID-19.

In 2020, Aristocrat launched its first GGW Leadership Foundations Program, with a cohort of 46 women from our Gaming business nominated by their leaders to participate. The program is designed to increase business acumen and develop leadership skills in women who have demonstrated high potential in the company. Since inception, ten participants in this program have been promoted internally.

# DIVERSITY & INCLUSION

Aristocrat's Cath Burns was recognised as a GGW Trailblazer in 2020. Cath is our Executive Vice President of Customer Experience and presented on the topic of using curiosity and questions to foster discovery, growth and connection. Megan Sleik, Aristocrat's Director of Marketing in the Americas, was nominated for GGW's Emerging Leaders of Gaming '40 Under 40' Class of 2020. This program recognises young women who are making a significant impact in the gaming industry in the US.

## WOMEN IN GAMING AND HOSPITALITY AUSTRALASIA (WGHA)

With Aristocrat and The Star Entertainment Group as founding partners, WGHA launched in May 2017, and is the only body in Australasia dedicated to developing, connecting and empowering women working in the gaming and hospitality industries. WGHA delivers education, mentorship and networking opportunities, and is an Australian registered charity.

Two senior Aristocrat employees serve on the WGHA Board, including Christie Roser (Chief People & Culture Officer) who was appointed Chair in November 2019. We have been proud to contribute to the direction and strategy of WGHA, including the launch of a pilot program, 'Rapid Advice', which provided opportunities for participants to upskill in the areas of leadership and public speaking. Prior to COVID-19, in 2020 WGHA held six networking and educational events in Sydney, Melbourne, Brisbane and Auckland.



# DIVERSITY & INCLUSION

## INTERNATIONAL WOMEN'S DAY

Aristocrat celebrates International Women's Day each year to acknowledge the achievements and contributions of women to our business. IWD's theme for 2020 was 'Each for Equal' and the push to build a gender-equal world. Women from across Aristocrat's global business came together to create an engaging video marking the day.



Many offices held their own special events including:

- a presentation in Sydney by Janine Garner on powerful networking, collaboration and unleashing leadership brilliance, followed by a panel discussion with leaders, including Aristocrat Board Member, Kathleen Conlon;
- a morning tea in London to raise money for Macmillan Cancer Support;
- a presentation in India by Laxmi Agarwal, recipient of the International Empowerment Award from the Ministry of Women and Child Development and the International Women of Courage Award from Michelle Obama;
- a presentation in Israel by Gal Lusky who set up Israel Flying Aid which delivers lifesaving aid to communities affected by natural disasters and human conflict; and
- a presentation in Seattle by Rebekah Bastian on social impact, career navigation and corporate diversity.

Our popular mobile game Gummy Drop ran an International Women's Day event showcasing leading women throughout history from around the globe. The game featured 'influential and ground-breaking' women from history, and modern day campaigners for social justice and equality.

[See coverage of the event](#)



# DIVERSITY & INCLUSION

## AWARDS AND RECOGNITION

We were delighted to celebrate the achievements of two female employees who, along with their teams, were recipients of three prestigious EKG Slot Awards this year. The EKG Slot Awards are designed to recognise excellence in slot game development in the US casino gaming industry. Congratulations to:

- Karen Kendall and team for winning the Top Performing Core Video Reel Game for their game “Buffalo Gold” and Top Performing New Video Reel Core Game with their game “Buffalo Gold Revolution”; and
- Christmas Uberuaga and team for winning the Top Performing New Premium Game with their game “Buffalo Diamond”.

## INCLUSION AND DISABILITY

To mark National Disability Awareness Month, our US Diversity & Inclusion Council hosted an event to promote inclusion in business. Liz Jackson delivered an inspiring presentation about the design process with a disability and how people living with a disability are the original life hackers. Liz is the founder of the Disabled List, a disability design self-advocacy organisation that helps to match people living with a disability with design studios and other organisations.

## EVENTS & CELEBRATIONS

Employees bring our Diversity & Inclusion commitments to life. Local D&I Councils, operating in all regions globally, create and lead their own events and initiatives, engaging employees in ways that are meaningful and relevant to them.

### Key D&I Events celebrated in 2020

#### GLOBAL

- Christmas
- Easter
- Harmony Day
- International Women’s Day
- Remembrance and Veteran’s Day
- World Mental Health Day
- National Hispanic Heritage Month
- Native American Heritage Month
- Lunar New Year
- Mardi Gras
- Black History Month
- Asian American & Pacific Island Heritage Month
- Pride Month
- Disability Awareness Month

#### NORTH AMERICA

- Martin Luther King Day
- Independence Day
- Thanksgiving
- Canada Day

#### MEXICO

- Constitution Day
- Revolution Day

#### SPAIN

- Constitution Day
- Revolution Day

#### SWEDEN

- Midsummer Day

#### ITALY

- Liberation Day
- Republic Day

#### ISRAEL

- Yom Hazikaron
- Independence Day
- Rosh Hashana
- Yom Kippur
- Hanukkah

#### RUSSIA

- Defender of the Fatherland Day
- Russia Day

#### INDIA & SINGAPORE

- Indian Republic Day
- Independence Day
- Diwali/Deepavali
- Holi

#### JAPAN

- Constitution Day

#### AUSTRALIA

- Australia Day
- ANZAC Day

#### SOUTH AFRICA

- Freedom Day
- Heritage Day

#### NEW ZEALAND

- Waitangi Day
- ANZAC Day

#### UKRAINE

- Constitution Day
- Independence Day



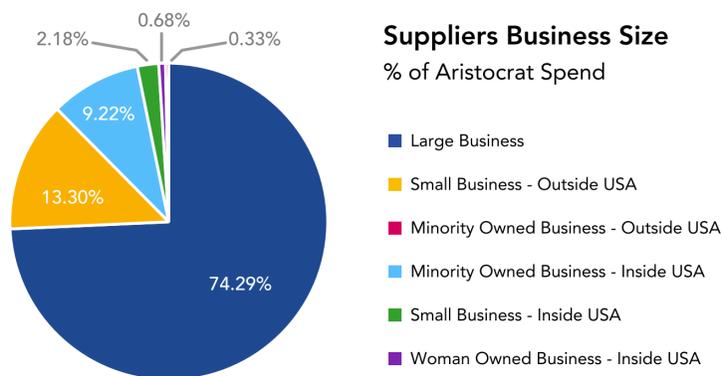
Teams are encouraged to create opportunities to celebrate local culture and foster bonds among our people. We are proud of how our employees continued to do this through 2020 – despite all of the challenges. A stand-out example is the annual Shavuot event celebrated by our Plarium team in Israel. Shavuot is the third Pilgrimage holiday, a harvest celebration, also known as the anniversary of the giving of the Torah at Sinai. As the Plarium team could not meet for their annual picnic due to COVID-19 restrictions, the festive table was taken to employees’ homes via a Zoom cooking class with top Israeli chef, Haim Cohen. Employees were surprised by the delivery of a basket of ingredients so the team could cook together in their own kitchens.

# DIVERSITY & INCLUSION

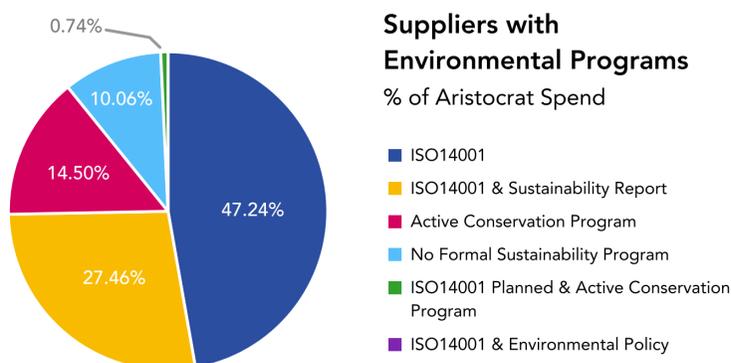
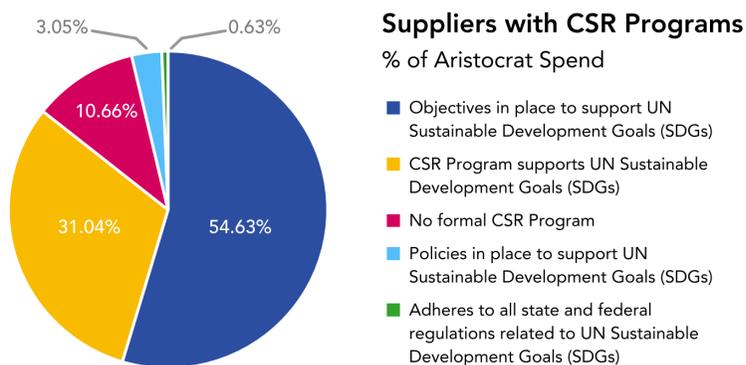
## SUPPLIER DIVERSITY

Aristocrat promotes diversity and inclusion where possible through our commercial operations. We recognise the importance of diversity in our supply chain and are proud to work with small businesses<sup>5</sup>, women-owned businesses and minority-owned businesses.

Aristocrat's supply chain utilises 74% large business and 26% small or Minority and Women-Owned Business Enterprises (MWBE) on our gaming machine products.<sup>6</sup>



We believe that working with suppliers who share our values, including “Good Business, Good Citizen” will drive greater collaboration and business performance for all. We are conducting surveys across our suppliers which include supplier diversity program requirements, and also seeking information on suppliers’ approaches to CSR, particularly Community & Society and Energy & Environment. The latest survey has been designed to map to the United Nations Sustainable Development Goals and ISO certification.



We are proud to work with umAfrika, a South African company that is majority Black-owned, having been awarded B-BBEE (Broad Based Black Economic Empowerment) Level 1 Contributor status, as measured against the Codes of Good Practice on BBEE. umAfrika is our exclusive distributor in South Africa and other Sub-Saharan and Indian Ocean countries.

<sup>5</sup> Small Business – for purposes of Aristocrat’s supplier diversity program, the term “small business” includes any company, partnership or sole trader that satisfied one or more of the following conditions in the most recent full financial year: (i) annual consolidated revenue equal to or less than USD35.5 million or AUD50 million or their equivalent in other currencies; and/or (ii) no more than 500 employees for the manufacturing sector.

<sup>6</sup> These percentages are based on data of 45 suppliers who represent the majority spend, that is, 80-85% of all spend (the key suppliers).

<sup>7</sup> Small & Minority Businesses Outside the USA 14% of Spend; Small, Minority & Women Owned Businesses Inside the USA 12% of Spend

# COMMUNITY & SOCIETY



## VOLUNTEERING AND CHARITABLE GIVING

Aristocrat encourages employees to volunteer and get engaged in their communities in ways that are meaningful to them. Most of our giving – whether that’s in terms of time given to volunteering or financial support – is led by employees and teams at the regional and local level, rather than being determined centrally. One day of paid leave annually is given to each employee to encourage participation in volunteering, and employees are empowered through the AristocratCARES program and Engagement teams to nominate and select charities for this purpose.

Although COVID-19 impacted our ability to physically participate in many events in 2020, it did not curtail employees’ enthusiasm. Many continued to participate in community events virtually or in new ways, and we are proud of their generosity and creativity.



## GLOBAL VOLUNTEER MONTH

July is Global Volunteer Month at Aristocrat, which unites employees around the world in expressing our value of ‘Good Business, Good Citizen’. While social distancing requirements meant that we were unable to offer volunteering in person, our teams were quick to identify alternative ways to contribute to our communities through remote volunteering and provision of financial assistance.

## ARISTOCRAT CARES AND ENGAGEMENT TEAMS



Aristocrat facilitates regional fundraising and volunteer initiatives throughout the year under the banner of “AristocratCARES”. Teams in each region are comprised of local employees who are passionate about contributing to their community. These teams are provided with a budget, and they take the lead in identifying and supporting causes and charities under the guidance of our Community Involvement Committees (CIC).

**During 2020, Aristocrat and our global employees directed more than AUD989,000<sup>8</sup> in donations to a wide range of charities.**

8 Conversion to AUD based on FX Average Annual Rates applicable for year ending 30/09/2020

# COMMUNITY & SOCIETY

## ORGANISATIONS SUPPORTED THROUGH EMPLOYEE DONATIONS DURING 2020:

### AMERICAS

- Spread the Word Nevada
- Burlingame Girls Softball (Plarium)
- Pets in Need (Plarium)
- Teenage Cancer Trust (Product Madness)
- Movember Foundation
- The Public Education Foundation
- American Heart Association
- Epilepsy Foundation
- Nevada Community Foundation
- Vegas PBS
- NAACP
- United Way
- Seattle Pride
- Operation Gratitude
- Skin Cancer Foundation
- Child Haven
- GameHeads (United Roots)
- Kaiser Nursing

### UKRAINE (Plarium)

- Kupiansk Children's House
- Sakhnovchina Children's House
- The Helping Center for Pregnant Women
- The Neuropsychiatric Center

### INDIA

- The Earth Saviours Foundation
- Literacy India

### AUSTRALIA

- Foodbank
- Children's Cancer Institute
- Country Women's Association
- NSW Rural Fire Service
- WIRES animal rescue charity
- Bushfire and Drought Relief

### RUSSIA (Plarium)

- Rusfond Children's Charity
- Sinyaya Ptitsa ("Blue Bird") Charity
- Krasnodog Animals Charity

### ISRAEL (Plarium)

- The Shanti House for Youth at Risk
- Elem Association
- Giving Hope
- Giving with Love
- Beit Hagalgalim
- Pitchon Lev
- Israel Gay Youth
- No2Violence
- Elia
- Shavot Association

### EMEA

- Macmillan Cancer Relief

## CHARITIES SUPPORTED THROUGH EMPLOYEE VOLUNTEERING DURING 2020:

### AMERICAS

- Cerebral Palsy Alliance, STEPtember
- Spread The Word: Donation of books to children in Nevada
- Communities In Schools
- Sanford, MI Disaster Relief
- Cure 4 Kids
- Epilepsy Foundation 2020
- Vegas PBS
- Homeless Hygiene Drive and Support
- American Heart Association
- Teacher Exchange Appreciation Night
- Project Homeless Connect
- Literacy India
- Setu Foundation
- IGDA Seattle Game Development Career Night
- Social Justice Volunteering
- Northwest Harvest

### ASIAPAC

- Madalena Elderly Home
- Children's Museum
- ECF Orphanage Home
- Fu Hong Society
- Macau Health Bureau Department (face mask drive)
- Environmental Protection Bureau (DSPA) Recycling Day
- Food Drive in partnership with City of Dreams Manila

### INDIA

- The Earth Saviours Foundation

### AUSTRALIA

- Cerebral Palsy Alliance

### UKRAINE (Plarium)

- Mission: Christmas

### RUSSIA (Plarium)

- Rusfond Children's Charity
- Sinyaya Ptitsa ("Blue Bird") Charity
- Krasnodog Animals Charity

### ISRAEL (Plarium)

- For Tu Beav – supporting small Israeli business struggling as a result of COVID-19
- For Rosh Hashana – distribution of food baskets to families in need during COVID-19

### EMEA

- Macmillan Cancer Relief

## CONGRESSIONAL COMMENDATION

Aristocrat was proud to be awarded a Congressional Commendation by US Congresswoman Dina Titus for our support of Teacher Exchange, an initiative of the Public Education Foundation in Las Vegas. Teacher Exchange brings much-needed resources to schools in the Clark County School District while helping the environment through its collection and repurposing of office supplies, books, and other materials originally headed for landfill. Our AristocratCARES team in Las Vegas was recognised for its sponsorship, which helped provide school supplies to 400 local teachers.

## BUSINESS-LED GIVING

While most community giving at Aristocrat is employee-led, our businesses also actively support worthy causes, including cause related marketing initiatives, long-term partnership agreements or simply giving in the context of special events. Below are examples of business-led giving initiatives championed by Aristocrat in 2020.

# COMMUNITY & SOCIETY

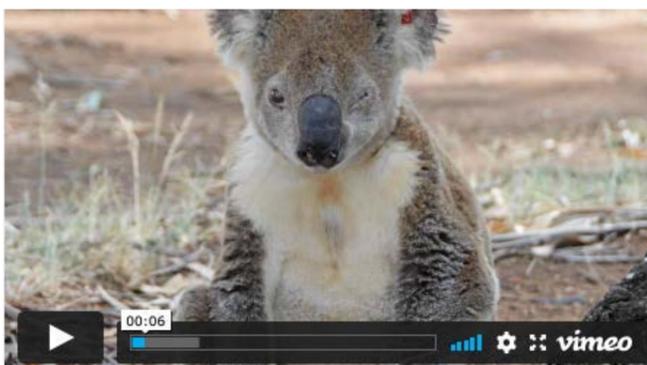
## SPOTLIGHT ON

### BUSHFIRE AND DROUGHT RELIEF SUPPORT

2020 was a difficult year for Australian communities impacted by bushfires and drought. In support of bushfire recovery efforts, Aristocrat made a AUD250,000 donation to bushfire and drought relief in partnership with Clubs NSW, a key customer body that represents over 1200 local clubs in our largest Australian market. Australian employees also raised funds and made additional donations of AUD20,000 to Foodbank and AUD20,000 to the Country Women's Association, with the business contributing a further AUD10,000 in recognition of our employees' generosity.

We also supported farming families in drought and those in bushfire affected areas through a Christmas food drive run by employees.

Our Aristocrat team in the US also got involved, by adopting 18 koalas through the Koala Preservation Society of NSW Inc. Our Koala Class of 2020 can be seen in this video



"This has been a challenging time for the communities affected by catastrophic bushfires and drought, particularly in New South Wales and Queensland where the majority of our people and customers live and work. We are proud to be partnering with a major customer organisation in Clubs NSW, and joining with our local employees and other charities, to make a contribution and help those affected."

– David Ronson Managing Director of Aristocrat Asia Pacific

## SPOTLIGHT ON

### BROTHERS OSBORNE MUSIC EVENT (US)

A first-of-its-kind collaborative initiative between our US Gaming and video games businesses, this special live-streamed entertainment event featured the Grammy-nominated country duo Brothers Osborne. The event was hosted by Aristocrat and presented under the banner of our popular game brand, Lightning Link. The event was free to watch, but attendees were invited to donate to ACM Lifting Lives. This organisation is the charitable arm of the US Academy of Country Music, which supports good causes including those in the industry who have been impacted by COVID-19. Thousands of fans tuned in to watch<sup>9</sup>, with USD 20,000 raised for ACM Lifting Lives.

<sup>9</sup> More than 15,000 YouTube views were recorded.

## SPOTLIGHT ON

### COVID-19 AND COMMUNITY CARE (ASIA)

In response to the demand for PPE in Macau in the early months of the COVID-19 pandemic, Aristocrat donated 50,000 surgical masks to the Macau SAR government to help alleviate the shortage. The masks were presented to Secretary for Social Affairs and Culture, Ms. Ao leong U, and were allocated to the Health Bureau, the Education and Youth Affairs Bureau, and the Higher Education Bureau for distribution to frontline staff and schools in need.

Media coverage of this initiative can be viewed here:

[Aristocrat donates surgical masks to Macau SAR government](#)  
[Aristocrat donates 50,000 face masks to Macau community](#)  
[Aristocrat Macau donates surgical masks to government](#)

In the Philippines, Aristocrat partnered with the City of Dreams Casino to donate 1,700 food packages to medical sites across ten hospitals and medical centres. These were distributed to staff, families and the local communities in the area of Paranaque, Manila, providing essentials such as pasta, rice, canned fish and meat during the country-wide lockdown. Aristocrat's Good Business, Good Citizen value was also highlighted in an article published in

[Inside Asian Gaming \(IAG\).](#)

# COMMUNITY & SOCIETY

## SPOTLIGHT ON

### GUARDIAN ANGEL (INDIA)

Guardian Angel is Aristocrat India's local sponsorship program. In 2020, Guardian Angel partnered with Literacy India to sponsor the education of 76 underprivileged children – including by funding teacher support, textbooks, stationery, uniforms and classroom consumables.

## SPOTLIGHT ON

### CEREBRAL PALSY ALLIANCE (AUSTRALIA AND ISRAEL)

Aristocrat has supported Cerebral Palsy Alliance (CPA) for over a decade through donations, fundraising and employee volunteering. Since 2009 Aristocrat has contributed more than AUD2,500,000 to support the vital work of CPA.

COVID-19 has presented new challenges to services being offered by CPA, including the need to suspend all face-to-face therapy services, pivoting these to an online Telepractice platform. Aristocrat responded to an urgent appeal to provide Telepractice Starter Kits to families in need by making a financial donation of AUD10,000. Each kit contained a tablet, data pack, specialist equipment such as adaptive toys, as well as training and support resources.

[More information on this initiative can be found here](#)

The annual CPA STEPtember fundraiser is an event supported by Aristocrat for many years. This year, 488 employees across our US, India, UK and Australia businesses stepped up to raise funds for children and adults living with cerebral palsy, walking 10,000 steps for 28 days and raising AUD 20,894. We were honoured once again to sponsor and host a themed CPA Christmas Party for the children and families of CPA Australia.

In Israel, the Plarium team again supported Beit Hagalalim, a local charity that supports people living with cerebral palsy. Plarium is proud to have sponsored Beit Hagalalim for four years.

## SPOTLIGHT ON

### NATIONAL BREAST CANCER FOUNDATION (US)

Our Big Fish business supported the National Breast Cancer Foundation (NBCF) with its "play for a cause" campaign again this year, with special NBCF-branded in-game events being created across several of Big Fish's most popular free-to-play titles. Additionally, employees rallied together to assemble Hope Kits for 300 breast cancer patients, accompanied by handwritten cards with employees' messages, giving hope and heart to the recipients.

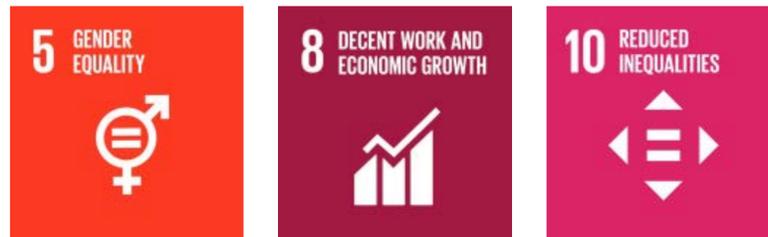
Watch this video to learn more about this campaign:



## INDUSTRY COLLABORATION

Aristocrat is proud to be a member of the Nevada Resort Association's Corporate Social Responsibility (CSR) Coalition, working together with other industry members to contribute to the community, including in the areas of homelessness, human trafficking and food insecurity/reducing food waste. In 2020, Aristocrat employees served on the Homelessness Working Group and the Anti-trafficking Working Group.

# EMPLOYEE RELATIONS



Aristocrat’s employees are the heart of our business, and we strive to attract, motivate and retain the brightest talents in our industries. We’re always looking for opportunities to strengthen our culture, lift engagement and strengthen our employee value proposition. Our business is diverse but is united by four shared values: All About the Player, Collective Brilliance, Talent Unleashed and Good Business, Good Citizen.



## CULTURE AND ENGAGEMENT

Aristocrat invests strongly in culture-building and the engagement of our people, which has been instrumental in delivering our track record of growth as well as in tackling the challenges presented throughout 2020.

Measuring, growing and maintaining engagement has been a key priority for Aristocrat, particularly as we navigated the impacts and uncertainties of COVID-19.

Frequent employee pulse surveys were conducted during the year, allowing us to respond quickly to feedback – including with more activities and initiatives where supported by employees. Overall engagement stood at 8.8 (out of 10) in May, and 8.5 in August 2020, with an aggregated participation rate of 85% across our global team. Employee comments were particularly valuable (with over 21,000 comments submitted to the end of August 2020) and helped local teams continue to refine their engagement efforts.

Supporting our “Talent Unleashed” value, and in response to survey feedback, Aristocrat updated and enhanced its Flexible Working Policy during the year. The new policy aims to embrace and encourage flexible work options, including long-term remote working where desired. We also established comprehensive and practical Return to Work principles for all Aristocrat locations and entities. The principles require compliance with regional guidelines and regulations relating to COVID-19 while also empowering local leaders to take account of the needs of each team and location. They are designed to provide clarity and give confidence to our people, and their leaders, as we contemplate a broader return to physical office spaces in the months ahead.

Also in response to survey feedback, teams created a raft of additional communications events and channels to ensure remote workers remained connected and informed. These included regular regional virtual town halls presented by senior leaders, new online communication portals, employee Apps and online social events.

As a business, we were also clear in prioritising our people through the COVID-19 period. For example, we did not immediately stand down (furlough) staff, and we brought staff back to work as quickly as possible. We also made available financial support to impacted employees, together with a suite of mental, physical and broader wellbeing resources.

As a thank you to employees, and in recognition of their commitment to the company and their colleagues during COVID-19, discretionary payments were made to staff who were impacted by furlough/stand down and reduced hours/remuneration.

# EMPLOYEE RELATIONS

## ATTRACTING AND RETAINING TALENT

Aristocrat's 'Talent Unleashed' value underlines the priority we attach to attracting and retaining great people across our global business and supporting them to unleash their full potential. We strive to build a reputation as an employer of choice, successfully competing for and retaining the best talent in the industries in which we operate.

In 2020, Aristocrat was again recognised as one of the top 25 Information Technology and Business Process Management Companies to work for in India. This award included a citation for our commitment to supporting employees' development at every stage in their careers. We are proud of this recognition and of the contribution of the people who lead and work within our India business.



We were also delighted that our Summerlin office in Las Vegas was recognised as a Top Workplace in Nevada for 2020 following an extensive employee survey conducted by The Las Vegas Review-Journal and Business Press.

Aristocrat's LinkedIn Life page continues to garner strong engagement, helping to share who we are, what it's like to work at Aristocrat, and to talk about our culture and values with a broader candidate audience. Our presence on [LinkedIn Life](#) also enables us to provide information about our graduate program and community contributions, among other highlights.

Between 2018 and 2020, Aristocrat also invested in the redesign and refurbishment of many of our major office spaces – including in Las Vegas, Sydney, and Seattle – to encourage collaboration, increase amenity and reflect the changing needs of our employees. Employee impressions of our Las Vegas office were highlighted in this [VegasInc article](#)

## EDUCATIONAL PARTNERSHIPS AND COLLABORATIONS

Aristocrat's educational partnerships aim to help cultivate local talent and attract a diverse mix of prospective graduates and interns to our business. Across major markets, Aristocrat is involved in various partnerships to encourage participation in STEM subjects, computer programming, art and animation, and to highlight career opportunities in our industry.

We continued to focus on diversity in our graduate and internship programs in the gaming business. During 2020, 29% of graduates and 50% of interns placed were female. We were pleased to have achieved a 50% female result for the first time, and aim to build on this progress in future years. Results over the past three years are set out below.

	2018	2019	2020
Graduates	29%	33%	29%
Interns	50%	33%	50%

# EMPLOYEE RELATIONS

## {CODE} PROJECT

The {code} Project (Community Outreach to Develop Excellence) was launched by our Las Vegas employees in 2018. The program strives to improve local students' attainment in science and technology and benefit students and the broader Clark County community<sup>2</sup>. During 2020, virtual panels were conducted with teachers, featuring employees who have expertise in particular areas such as IT and art/animation. Future topics planned include App development, careers and international business. Three Aristocrat employees also serve on the County School District's Work-Based Learning Advisory Committee.

<sup>2</sup> Our Las Vegas offices are located within Clark County, Nevada

*The {code}Project curriculum is based on three overarching pillars – Technology, Leadership and Creativity*



## DYVOSVIT SCHOOL

Our Plarium team in Ukraine shared their world-leading experience in video games with students of the Dyvosvit boarding school for gifted children in Liubotyn. Ten employees from our Kharkiv office spent time talking with the children about working in the video games industry, skills required, study options and opportunities. This was the second time our team visited the school to present, sharing experience across a range of disciplines including game design, development, art, animation, project co-ordination, engineering and customer support.

## TRIBAL SCHOLARSHIP AND EDUCATION

As part of contributing to the advancement of tribal customer communities in the US, Aristocrat launched a tribal internship program in 2018. The program was promoted through the American Indian Science and Engineering Society (AISES), and two interns have so far participated in the program. In 2020, Aristocrat's VGT business was again included in the AISES Winds of Change Top 50 STEM Workplaces. The citation recognises VGT for its support for workplace diversity and Indigenous STEM professionals.

## EMPLOYEE TRAINING AND DEVELOPMENT

*We believe that investing in talent and development is vital to sustainable business growth and success.*

During 2020, Aristocrat continued to invest in programs to develop both individual contributors and our leaders. Our programs focus in particular on supporting employee wellbeing, development of personal and professional skills, mastering essential management best practices and accelerating leadership readiness.

The Aristocrat Leadership Academy (ALA) was launched in late 2019, with a specific focus on developing high potential leaders. To date, 45 leaders have been assessed through the program, received executive coaching and tailored development plans to support their leadership learning. The ALA also provides leaders with training focused on Executive Development, with over 15 courses offered. The most popular selections this year were Accelerating Change Readiness & Agility, Fostering Inclusion & Diversity, Leading & Managing Globally, Leading Innovative Change, Leading Through Personal Excellence and Leading with Data & Analytics.

# EMPLOYEE RELATIONS

In 2020, we added a foundational leadership development program to the ALA, with 62 leaders undertaking this training. An enhanced suite of leadership resources and tools was also launched.

A refreshed People & Culture portal launched in 2020, featuring onboarding toolkits and resources to support engagement, mentoring, recognition and a wellbeing portal for all employees. Through a partnership with LinkedIn Learning, employees were also offered comprehensive on-demand learning options to ensure their growth and development continued despite remote working arrangements. This resource was welcomed by our global business with 55% of eligible employees enrolling (around 2,800 employees).

To further support our enterprise Diversity & Inclusion efforts, all people leaders and individual contributors at Director level and above (around 1,000 employees), completed Unconscious Bias training in 2020. More information can be found in the disclosures section dedicated to Diversity & Inclusion.

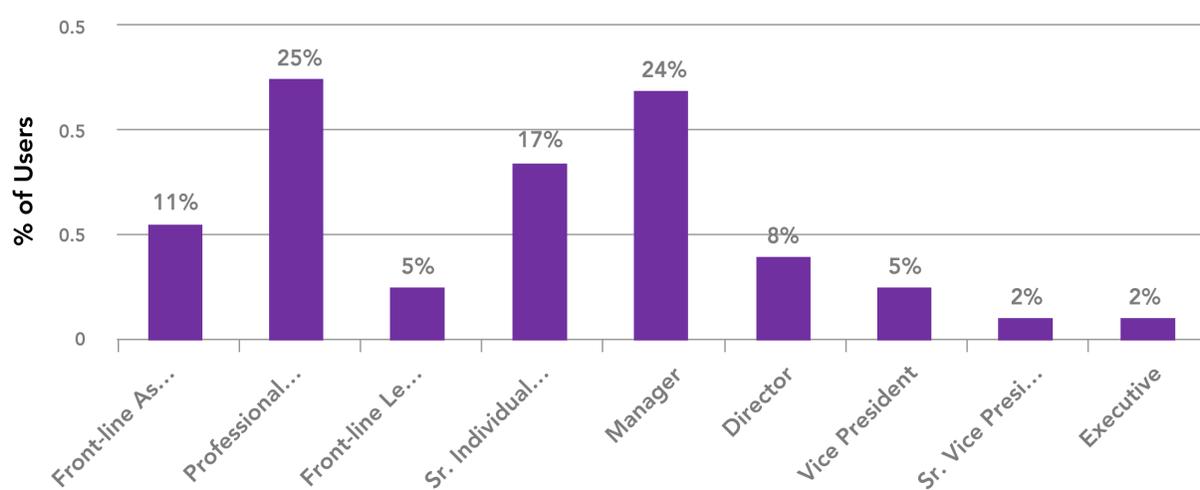
We also introduced a coaching program for Sustainability leaders throughout the global business. This program is designed to guide leaders through sustainability scenarios that deepen their knowledge, develop core competencies and their ability to recognise opportunities for improvement. Twenty leaders have completed the program, with representation across our Sales, Global Supply Chain, Finance, Design & Development, People & Culture, IT, Program Management, Sourcing & Procurement, Regulatory Compliance, Corporate Affairs, Learning Solutions and Work Health & Safety teams.

## MENTORING

Aristocrat strives to nurture the talents of all employees and provide the right environment and opportunities for them to grow. Our online mentoring program, GotMentoring, helps provide these opportunities and create a culture of inclusion and belonging.

Since launching in August 2019, 775 employees have participated in the program as mentors, mentees or both. GotMentoring enables all employees globally to match and partner with mentors who meet their specific development needs. The platform enables employees to take full ownership of the direction of their mentoring relationships, create development plans, join mentoring circles and share resources.

Surveys conducted showed 98% of users were satisfied with the program and their mentoring connection. 45% of mentoring engagements involved participants of different ethnicities, 39% of different genders and 88% at different job levels.



The graph illustrates the diversity of mentoring relationships across different job levels

GotMentoring has been particularly valuable for many participating employees during a time of social distancing and isolation due to COVID-19. Mentoring programs are a proven method to support diversity and inclusion goals, close the opportunity gap and retain staff; all of which are important priorities for Aristocrat.

# EMPLOYEE RELATIONS

## EMPLOYEES WHO INNOVATE

Aristocrat fosters innovation across all parts of our business.

Our passion for innovation in game design is world-famous. In 2020, we were thrilled that our teams were recognised with a host of awards during the year.

### GAMING PORTFOLIO

Aristocrat was the most-awarded major gaming supplier in the 2020 Global Gaming Awards. We were named overall Land Based Industry Supplier of the Year (for the second year in a row) and were also recognised for Land Based Product of the Year for the MarsXTM cabinet, as well as Slot of the Year for Dollar StormTM. We were also honoured to receive three prestigious EKG Awards this year – the Top Performing Core Video Reel Game for “Buffalo Gold”, Top Performing New Video Reel Core Game for “Buffalo Gold Revolution” and Top Performing New Premium Game for “Buffalo Diamond”.

We also celebrated with the High Roller Games (HRG) studio for their performance in the North American gaming market. In a key industry survey<sup>3</sup>, HRG held an astonishing 14 of the top 25 spots in the premium leased games category – including all of the top four games. This is an industry-first accomplishment and something that further underlines the incredible depth of creative talent we have at Aristocrat.

Aristocrat awards “Patent of the Year” and “Invention of the Quarter” prizes, which embody our Collective Brilliance value and are considered to be a high honour for creative teams. Participants in the Patent Program are eligible for financial incentives, reflecting the company’s strong commitment to cultivating innovation and building the patent portfolio that underpins our sustainable success. We are looking forward to launching a reinvigorated Patent Awards Program in 2021.

3 Eilers-Fantini August 2020 Game Performance Report

### CORPORATE

The spirit of innovation is also embraced throughout other parts of our business and an example of this is “Finnovate”, an initiative of our global Finance department. Each month, employees are encouraged to present innovative ideas with the best of these being developed and implemented. An example is the creation of a robot to automate specific finance processes, freeing up team members, and increasing speed and efficiency.

For this innovation and our broader work on intelligent automation, Aristocrat received an award at Blue Prism’s Excellence in Connected-Robotic Process Automation Awards, 2020. We were named “RPA Newcomer of the Year” for the APAC region. In 2020, there were over 187 entries from across the globe, and winners were selected by a panel comprising industry professionals, thought leaders, and previous winners.



# EMPLOYEE RELATIONS

## EMPLOYEE FLEXIBILITY AND LIFE BALANCE

Aristocrat encourages flexible working arrangements and seeks to accommodate employees' preferences wherever possible while meeting business requirements.

We believe flexible working arrangements can deliver a raft of benefits to employees, teams, and the company, and are committed to giving employees and leaders the guidance they need to make full and effective use of these options. Embracing flexible working is part of ensuring we continue to attract and retain great talent in our organisation, and is a demonstration of our 'Talent Unleashed' value. Flexible and family-friendly work practices will also help Aristocrat maintain a diverse and adaptive workforce to power our growth.

Our Flexible Working Policy was updated in 2020, partly in response to COVID-19.

## ENHANCING EMPLOYEE BENEFITS

Every year Aristocrat undertakes an extensive review of our benefit offerings. We gather benchmarking and trend data to ensure we are offering competitive packages to attract and retain the most talented employees.

Aristocrat's innovative employee share program, SuperShare, was launched in 2019. The program was named Best International Share Plan at the Employee Ownership Australia Awards in 2019. The plan was recognised for its generous matching conditions and flexibility, making it possible for more employees to participate in the program and share in the company's success as owners. In September 2020 the scheme was further enhanced to provide a greater relative discount to employees, with more than 20% of eligible employees participating in the scheme in its first year of operation.

## WORKPLACE HEALTH, SAFETY AND WELLBEING

Workplace health and safety and the wellbeing of our people is Aristocrat's highest priority. Our approach to Health, Safety & Environment (HSE) is one of continuous improvement.

In meeting our obligations, Aristocrat:

- ensures that it is maintaining a safe working environment;
- ensures that maintenance of plant and structures is completed;
- ensures maintenance of safe systems of work;
- ensures the safe use of, handling and storing of plant, structures and substances;
- provides safety information, training and supervision to all workers;
- provides adequate facilities for the welfare of workers when working, including wellness rooms and fitness centres; and
- supports workers to prevent injury through training and education on identifying and reporting incidents of all types.

During 2020, Aristocrat commenced significant work to improve our Health, Safety and Environmental Management System to cover all operations and locations globally. The project spans three phases with work to be delivered across several years. Our first priority has involved a rebuild of our global HSE Management System. To ensure group-wide application, the structure of the management system follows the International standards ISO 45001: Occupational Health and Safety Management Systems and ISO 14001: Environmental Management System.

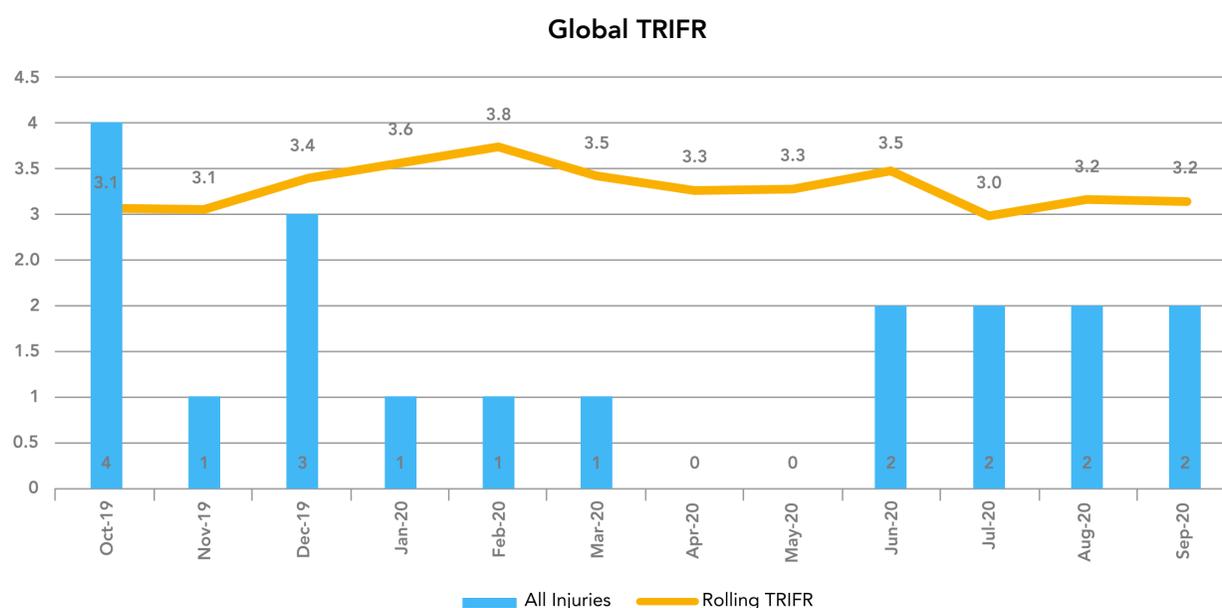
Two new global HSE policies have also been rolled out during 2020. These demonstrate our strong commitment to addressing HSE issues and establish the framework for the actions required by all employees and external partners to uphold our commitments. In addition, a comprehensive handbook is available to all employees via a new HSE portal. This includes a Global HSE Legal Register which details relevant legislation in every jurisdiction Aristocrat operates in.

The Global Health, Safety, and Environmental Management System (GHSEMS) provides all subsidiaries and operations of Aristocrat with a common approach to ensuring a secure, injury-free, healthy environment for all people entering our workplaces, and employees visiting other sites.

# EMPLOYEE RELATIONS

Pivotal to the success of the project is the strengthening of HSE capabilities throughout the organisation and creating an HSE culture. Aristocrat has three safety qualified employees, who are supported by regional safety committees. As we continue to enhance our systems and processes, we will also improve and streamline reporting across all locations and subsidiaries of Aristocrat.

Over 2020, Aristocrat has seen a stabilisation in the global TRIFR (Total Recordable Injury Frequency Rate). The TRIFR indicator has improved 15% year on year, reducing from 3.75 in FY19 to 3.16 in 2020.



TRIFR – the total number of global recordable injuries recorded across all Aristocrat companies and subsidiaries per 1,000,000 hours worked. TRIFR includes total recordable injuries, including fatalities, lost time injuries, restricted work cases, and medical treatment only events.

## WELLBEING PROGRAMS

As the impact of COVID-19 became clear over the year, Aristocrat recognised the need to boost its wellbeing efforts; including through the launch of a dedicated wellbeing portal.

The portal, accessible by all employees, offers a host of tools, programs and resources to help employees to stay connected and resilient. Aristocrat is focused on supporting employees across five areas:

- **Mental and physical** – We provide resources to help employees stay physically active and mentally strong, including an Employee Assistance Program (EAP) offering free, confidential counselling, and programs to help manage stress and anxiety, and create healthy sleep, nutrition and exercise habits. Following a successful pilot, Aristocrat also introduced 'Wellness Fridays' encouraging employees to log off early on Fridays (subject to operational requirements) to enjoy more personal time and focus on their health and wellbeing.
- **Career** – We provide access to a broad range of LinkedIn Learning courses to give employees the ability to keep learning and developing at their own pace – wherever they are.
- **Social** – We provide resources and opportunity to help employees stay connected while working remotely.
- **Financial** – We made available financial assistance under the AristocratCARES Employee Relief Fund to any employee who suffered financial hardship as a result of the impact of COVID-19 on themselves or their families. Over \$1 million (AUD)<sup>4</sup> in grants were provided to more than 600 employees who applied for support; and
- **Community** – We provided tips and options to help others in the communities in which we live and work.

<sup>4</sup> Conversion from USD to AUD based on FX average annual rates applicable for year ending 30/09/2020

# EMPLOYEE RELATIONS

## WELLNESS WEEK

In 2020, a dedicated Wellness Week recognised the importance of wellbeing and provided an opportunity to keep mental health and related issues front of mind.

A centrepiece of the week – RUOK? Day- was celebrated across our global business for the first time. Programs were held to mark RUOK? Day across many parts of the business, with excellent attendance and positive feedback from employees.

### RUOK? DAY 2020 Global Event Recap



13 events over a 24hr period **1804 participants**

Workshops, Key Notes, Exercise Classes, Reflection time, Check ins, Catch ups.

Over 1130 employees participating in INDIA and APAC events alone

Over 674 employee registered for the USA events

#### **ASIA PACIFIC**

**Mark Wales, Resilience Keynote** – 230 attendees

**Meditation Session** – 30 attendees

**Yoga Class** – 30 attendees

**Chelsea Pottenger from EQ minds / RUOK Ambassador workshop** – 170 employees

#### **INDIA**

**Mindfulness Session** - hosted by one of the disciples of the Sadhguru foundation. Attended by 300 + employees

**R U OK Check-in** – Informal opportunity for teammates to check-in on each other

**Speaker session by Dr. Vikram Patel** who spoke about Mental Health. Attended by 370 employees.

#### **AMERICAS**

**Meditation & Chair Yoga with Betsy Dickinson** – 146 attendees

**Mental Wellness in the Workplace Featuring Guest Speaker: Renée West** – 240 attendees

**Mindfulness with UNLV Professor, Dr. Donna Costa** – 240 attendees

**Walking Hour!**

**Pilates with Erin Kim** – 48 attendees

**Check in time with co-workers**

In 2020, Aristocrat also launched a new Family and Domestic Violence Policy to help keep employees safe within our workplaces and encourage employees at risk of or experiencing family and domestic violence to seek support. The Policy details support mechanisms available for all employees affected by family and domestic violence and sets out steps for managers and colleagues to best support staff in these situations.

## EMPLOYEE SUPPORT DURING COVID-19

Regional teams were supported to implement COVID-19 safe workplace arrangements across our global footprint. This included:

- the implementation of all appropriate safety protocols;
- maintaining adequate supplies of PPE; and
- monitoring employees who undertook COVID-19 testing and providing the local Crisis Management Team (CMT) with comprehensive updates on employee health.

In conjunction with Group Risk, HSE specialists have undertaken compliance audits of facilities to ensure that they are COVID-19 compliant to the standards set out by both local authorities and Aristocrat.

# CORPORATE GOVERNANCE & CYBERSECURITY

Aristocrat strives to continually strengthen our corporate governance regime, consistent with our values, obligations, and stakeholder expectations. In particular, we work to ensure full compliance with our Constitution, the Australian Corporations Act, ASX Listing Rules, and other relevant regulations.

## BOARD INDEPENDENCE AND FOCUS

Aristocrat has an independent Board of Directors committed to good corporate governance. The Board assesses annually whether each of the Non-Executive Directors is independent and, in making such an assessment, consideration is given to whether the Non-Executive Director satisfies Aristocrat's criteria for independence as set out in the Board Charter. During the 2020 financial year, the Board undertook this assessment and concluded that each Non-Executive Director is independent.

Aristocrat's Board is focused on effective oversight of the business, including through its committees and sub-committees. The Board maintains a sound and transparent governance framework with corporate governance issues being a standing agenda item for all Board meetings.

The Board determines the management policies of Aristocrat, and delegates decision-making authority to senior management to conduct business operations in accordance with Aristocrat's governance principles and framework.

## KEY FOCUS AREAS DURING 2020

Key areas of governance focus for the Board during the 2020 financial year included:

- Continued strengthening of Aristocrat's risk management framework and governance to support achievement of business objectives, including risk-based identification of environmental, social and governance (ESG) issues, responsible gameplay and other sustainability priorities;
- Refreshing the Board's escalation policy to ensure alignment between Board and management on the types of material incidents that should be escalated; and
- Building on the global implementation of whistleblower frameworks and policies, and overseeing and monitoring the whistleblower program for continued compliance to provide a robust and trusted framework.

## CORPORATE GOVERNANCE

Aristocrat was an early adopter of the ASX Corporate Governance Principles and Recommendations 4th Edition (ASX Principles), and has endorsed and followed the 4th Edition of the ASX Principles throughout the 2020 financial year. The 2020 Corporate Governance Statement sets out key features of our governance framework and compliance with the ASX Principles.

Our Group CEO has a specific ESG deliverable in his performance commitments for 2020, which encompasses all of our material ESG priority issues, including Corporate Governance. Relevant executives have analogous ESG commitments. Performance against these is reviewed periodically and measured formally on an annual basis.

Further information about Aristocrat's approach to corporate governance can be found in our Corporate Governance Statement.

## CYBERSECURITY

Aristocrat takes an enterprise-wide view of our cyber risks and mitigation strategies in recognition of the escalating and increasingly sophisticated cyber threats faced by all businesses and individuals. Aristocrat's Global Information Security (GIS) Policy has been benchmarked against industry standards and supplemented with a GIS Acceptable Use Policy to make employees' responsibilities easier to understand.

In 2020, as part of our ongoing commitment to protect our customers, partners, and employees, we delivered improvements with regard to third-party security reviews, application scanning, policy exceptions and phishing simulations to increase employee awareness. Additionally, we increased our focus on managing the transfer of our most sensitive data within and outside our company, as well as further restricting our highest levels of system access.

# CORPORATE GOVERNANCE & CYBERSECURITY

We have also strengthened our clear-web and dark-web threat intelligence capabilities, to help proactively identify and manage potential issues. These include the impersonation of executives and the presence or misuse of sensitive documents or employee credentials.

We believe that raising awareness and creating a culture of cybersecurity among employees delivers a range of critical business benefits. These include a reduction in the likelihood of successful attacks and data breaches, increased regulatory compliance, fewer infections and less disruption, reducing insurance exposure, and cost and benefits that come from the adoption of best practice data governance structures.

During 2020, leveraging the pivot to remote working across our global staff, we rolled out an education campaign to encourage good security habits and ensure cyber risks remained front of mind. We also maintained a comprehensive employee training program<sup>1</sup> with manager level dashboarding and topic assessments. To date, 147,000 security awareness training modules have been assigned to our employees, with a completion rate of 82% (compared with 75% in 2019) which exceeds the applicable industry standard.

Also, to coincide with National Cybersecurity Awareness Month (NCSAM) in the United States, we conducted an internal global 'refresher' campaign throughout October. Practical tips were shared across a range of topics including:

- Mobile phone security;
- Password security;
- Social media security; and
- Privacy protection.

Continuing to increase our capability and build a cyber-aware culture will continue to be an enterprise priority for Aristocrat going forward.

<sup>1</sup> Employee cyber security training program commenced in December 2018

## GENERAL DATA PROTECTION REGULATION (GDPR)

Aristocrat and its operating businesses have taken steps to ensure we are and remain compliant with the EU's GDPR legislation which became enforceable in May 2018. We continue to monitor GDPR legislation compliance with our Gaming and Digital businesses through regular meetings and reviews with our internal and external lawyers, continuing education sessions, privacy forums, and tracking internal and external enquiries regarding GDPR.

## CRISIS MANAGEMENT

Our Crisis Management Program is reviewed periodically to ensure it addresses new threats and identifies potential exposures. Central and regional Crisis Management Teams (CMT) are equipped with in-depth training on managing human impacts (employees and community), company reputation and corporate assets, authority, and resources. They are empowered to make decisions in any crisis and provide direction and guidance to response teams and the wider organisation.

Our response to COVID-19 demonstrated the efficacy of our Crisis Management infrastructure. Within days of the first venue shutdowns in North America and Australia in March, a network of cross-functional CMTs had been coalesced in each key Aristocrat location around the world, under the guidance of a Group CMT. The CMTs worked quickly to ensure employees' health was protected, and that they were supported to pivot to remote working arrangements with negligible business disruption.

Communication was critical during this period. To supplement increased communications from local leaders and CMTs, regional Crisis Communication Portals were created in a number of locations. The portals were designed as a 'one stop shop' for the latest advice from local authorities, company news, emergency contacts and other tools to assist employees to navigate the period. CMTs were also instrumental in developing COVID-safe return to work plans, aligned to Aristocrat's global policies, as well as to local government guidelines and regulations. The tireless commitment of the CMTs throughout this period has been an inspiring demonstration of our value of 'Collective Brilliance' for all Aristocrat people.

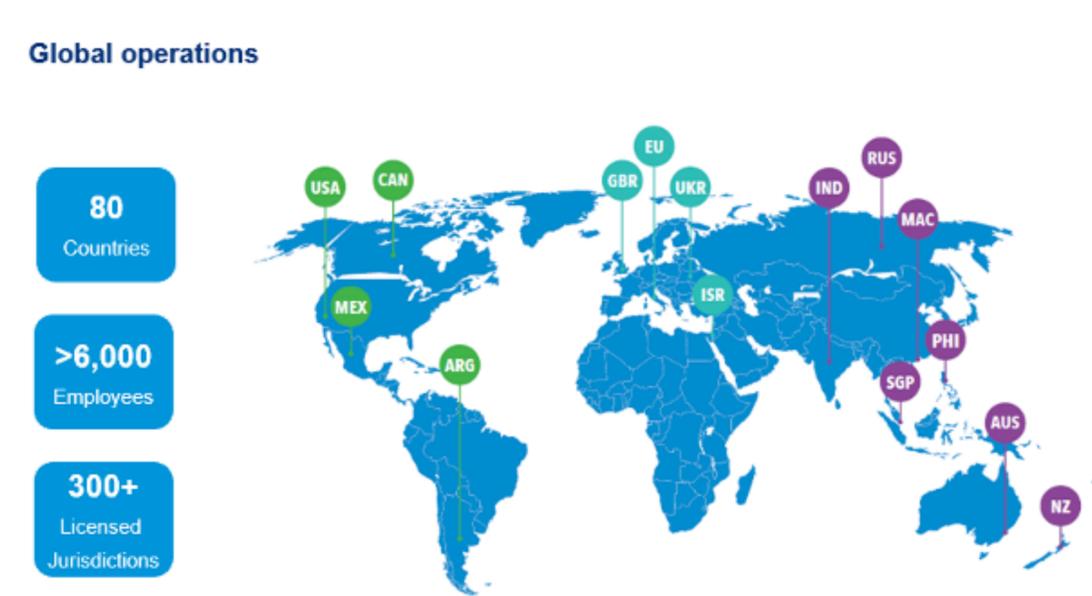
# CORPORATE GOVERNANCE & CYBERSECURITY

## LICENSING AND COMPLIANCE

Aristocrat takes a scrupulous approach to compliance and probity. Demonstrating the highest levels of integrity is not only core to our values but also critical in ensuring we maintain our licenses around the world.

In 2020, Aristocrat Leisure Limited and 19 of our subsidiaries were licensed in 336 gaming jurisdictions globally. In total, the business holds 602 gaming licenses, which authorise us to design, develop, manufacture, sell, install and maintain gaming equipment.

Aristocrat requires around 500 key employees to confirm compliance with the conditions relevant to them every quarter. A rigorous follow-up process ensures 100% completion each quarter. Any disclosures made by employees are followed up by Aristocrat's internal Compliance team as appropriate, and any ongoing non-compliance is reported to the Board's Regulatory and Compliance Committee.



## ANTI-BRIBERY AND CORRUPTION

Aristocrat is committed to maintaining the highest levels of integrity and ethical behaviour and we have a zero-tolerance approach to acts of bribery or corruption. We require compliance with all anti-bribery and corruption laws in all markets and jurisdictions in which we operate. Our Anti-Bribery and Corruption (ABAC) Compliance Program comprises a global ABAC Policy that covers the giving, agreeing to receive, or offering of a bribe, requesting, agreeing to receive, or accepting a bribe, bribing public officials, and failing to prevent bribery.

In addition, we mandate comprehensive compliance training for all members of the Aristocrat Board, executive leadership team, Group Risk and Audit team (globally) all sales employees (globally), and some manufacturing and procurement teams. Major distributor partners must also undertake the same face to face online training sessions (run by external legal counsel) and we are considering other opportunities to broaden the reach of this training.

Aristocrat also maintains an independent communication channel (whistle-blower program) for employees to report suspected acts of bribery and corruption.

# ENERGY & ENVIRONMENT

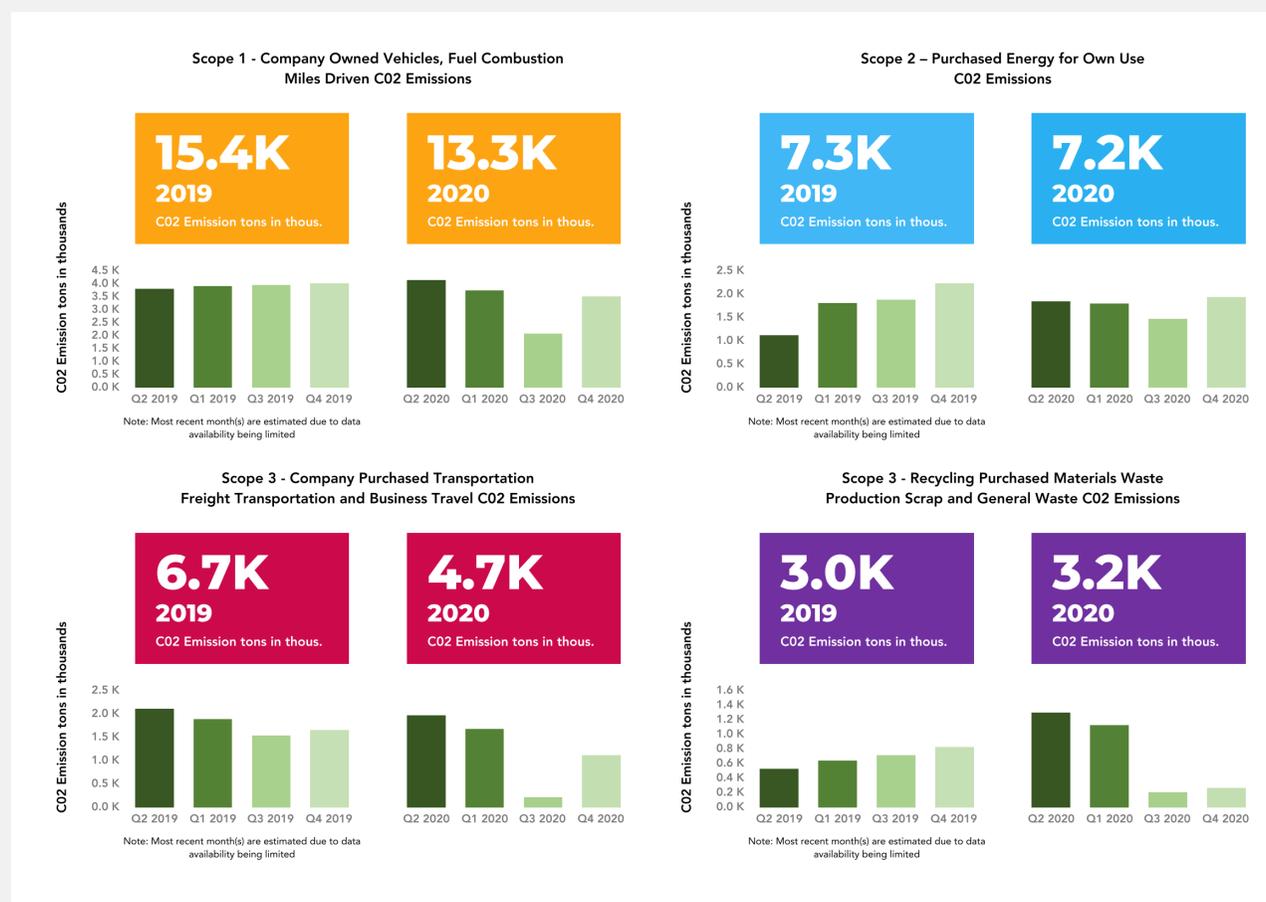


Aristocrat is focused on embedding environmental considerations within our global supply chain and other core business operations.

## MEASURING WHAT MATTERS

Key environmental focus areas at Aristocrat include product design and development (hardware and software), waste and recycling, transport (freight, company vehicles), travel (air travel and hotel stays), energy and water consumption.

In 2020, Aristocrat expanded the tracking and evaluation of our carbon emissions, increasing the scope of data collected to establish baseline data on carbon emission volumes<sup>11</sup> to include transport<sup>12</sup>, travel<sup>13</sup> and recycling<sup>14</sup> for the largest part of our operations in Australia and North America<sup>15</sup>. Tracking will be extended to other key locations in 2021.



16

The chart illustrates Aristocrat's carbon emissions data collected for 2020.

We are in the early stages of our journey in terms of understanding our environmental impact and performance, and driving improvements in line with opportunities.

We made good progress in 2020 and are committed to making further progress over time, supported by continuous improvement in our data capturing arrangements. We are also sharing our approach to sustainability with customers and suppliers to create greater transparency around our priorities and expectations, while actively learning from others.

<sup>11</sup> The electricity, transport, travel, and company vehicle usage metrics encompass data from our five largest facilities which includes Summerlin, Birtcher, Greystanes, Pinnacle, and Tulsa. Electricity data is the only line item at Greystanes for this reporting period with data set looking to be expanded in the future.

<sup>12</sup> Includes use of company vehicles and purchased freight transportation services.

<sup>13</sup> Includes air travel, hotel stays and car rental days.

<sup>14</sup> Includes recycling of the primary production facilities including Greystanes, Birtcher, and Tulsa. Additional site information is being collected and will be included in future reporting.

<sup>15</sup> Data has been collected from October 2019 – September 2020 only. Most recent month(s) are estimated due to data availability being limited.

<sup>16</sup> Increase in Scope 3 Recycling is due to changes in process mandated by the regulator (Liquor and Gaming NSW) in relation to approvals required prior to disposal of Electronic Gaming Machines.

## PRODUCT DESIGN AND PROCUREMENT

We continue to review product design practices, including hardware and software development, to embed sustainable design and procurement principles where possible.

For example, our investment in 3D printers for product development and in-house prototyping is delivering a number of time and cost efficiencies, along with significant reductions in shipping requirements, fuel consumption, packaging, waste and energy consumption.

We have also introduced a new power supply with our Gen 9 gaming machine electronics platform which will be used for all future gaming machine cabinets globally. Our Gen 8 power supply is rated 80+White for efficiency; our Gen 9 improves this to 80+Silver<sup>17</sup>. This means each gaming machine on a venue floor will use less power; our cabinets will run cooler and this in turn will improve the lifespan of electrical components, as heat is the main driver of component failure.

17 The "white" rating means the power supply is 80% efficient which also means there is 20% waste (or energy loss in the performance when running at 100% capacity, fully loaded). The "silver" rating means the power supply is 85% efficient when running at 100% capacity, fully loaded. Our power supply measurements show 88% efficiency which falls just short of "gold" classification, which is 90% efficient. \*\*Waste is also translated as heat in our gaming machine cabinets.

Energy efficiency improvements in our Gen 9 gaming machine cabinets will save enough electricity every year to power over 500 homes.

## RESPONSIBLE RECYCLING AND WASTE MANAGEMENT

In 2020, we installed recycling and compactor machines for polypropylene, polyethylene and polystyrene at our Birtcher integration facility in the US.

The process extrudes the foam into compressed bricks; reducing their volume for subsequent on-sale to a recycling vendor. Our goal is to send zero polypropylene, polyethylene and polystyrene waste to landfill, reducing our Scope 3 emissions. We have also installed a cardboard auger, enabling us to compact cardboard and recycle these materials locally.

At our Franklin, Tennessee facility in the US, we designed a reusable pallet for gaming machines that can be used through the value stream, all the way to the end customer. Trials of the pallet are being conducted with a view to reducing waste and achieving greater efficiencies in transportation.

## TASKFORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES (TCFD)

The Taskforce on Climate-Related Financial Disclosures (TCFD) is a non-profit group that aims to encourage companies to develop voluntary, consistent climate-related financial risk disclosures and provide these publicly. The TCFD Recommendations span four thematic areas of governance, strategy, risk management, metrics and targets.

As part of its commitment to consider the TCFD Recommendations (Recommendations), Aristocrat has reviewed the Recommendations and substantively assessed a broad range of climate-related risks and opportunities relevant to the business during 2020. Specifically, we considered various scenarios and assessed potential capital and financial risk, as well as other risks and opportunities, that could flow from the impact of climate change on Aristocrat's business.

While residual risks were not assessed to be at a level that could significantly impact the business at this time, this remains under active and periodic review. Where identified, climate related risks are managed and mitigated through Aristocrat's enterprise risk management processes, which explicitly encompasses climate related risks and opportunities. These risks are also considered as part of core business processes, including strategy development and Business Continuity Planning. Aristocrat undertakes a materiality assessment to identify ESG issues relevant to the business on a periodic basis, and environmental issues are considered as part of this assessment.

Aristocrat has adopted a phased approach to expanding climate-related disclosures, with improvements being driven over three years (detail is set out below). Our initial focus is on Risk Management, Governance and Strategy disclosures. Aristocrat's response to the TCFD Recommendations is also published in the Financial Statements section of the Annual Report for the 2020 financial year.

# ENERGY & ENVIRONMENT

## A Phased Plan to Expand Climate Disclosures

2020	2021	2022
<p><b>Governance:</b> Describe Board and Management accountability and oversight of climate related risks and opportunities.</p> <p><b>Strategy:</b> Complete high-level assessment of relevant physical, transition and liability risks and opportunities over the short, medium and long term.</p> <p><b>Risk Management:</b> Ensure Enterprise Risk Management (ERM) strategy and framework appropriately considers climate change.</p> <p><b>Risk Management:</b> Capture climate related risks / opportunities and mitigation plans in Aristocrat's ERM process.</p> <p><b>Metrics &amp; Targets:</b> Begin disclosure of scope 1, 2 and 3 (where relevant) GHG emissions, and drive ongoing improvement.</p>	<p><b>Strategy:</b> Apply climate scenarios to test resilience of Aristocrat's strategy</p> <p><b>Strategy:</b> Describe climate related risks and opportunities identified, and any impact of these on strategy and financial planning.</p> <p><b>Risk Management:</b> Describe Aristocrat's processes for identifying, assessing and managing climate related risks and opportunities and how they are integrated into the ERM process.</p>	<p><b>Metrics &amp; Targets:</b> Evaluate and disclose metrics and targets for assessing climate related risks and opportunities (with consideration of strategy and risk management processes).</p> <p><b>Metrics &amp; Targets:</b> Describe metrics and targets used by Aristocrat to manage climate related risks and opportunities and performance against targets.</p>

## EMPLOYEE-LED ACTIVITIES

Our employees are passionate about the environment and this is demonstrated through the multiple employee-led activities that take place across our global business.

For example, as part of their relocation to a new office space, our team in Franklin, Tennessee donated more than 4 tonnes of goods to non-profit organisations and repurposed more than 50 tons of office furniture and fittings. Donations were made to two divisions of Metro Nashville Public Schools which serves over 86,000 students in the Nashville area, including printers, laptops, desktops, LCD monitors, display stands, chairs and office supplies.

Employees in our India business eliminated single-use plastic cutlery and plastic water bottles from their offices, as well as segregating waste and switching to bio-degradable bin liners.

Plarium employees led a number of initiatives throughout 2020, including implementing a recycling program for paper, plastic, batteries and tetra packs, planting trees and removing rubbish from a local river.



# ENERGY & ENVIRONMENT

## BUILDINGS AND OPERATIONS

### AWARD-WINNING SPACES TO WORK

In 2019, Aristocrat's campus in Summerlin, Las Vegas was awarded Leadership in Energy and Environmental Design (LEED) accreditation, an internationally recognised green building certification program.

In 2020, we won Silver in the Sydney Design Awards for our North Ryde Pinnacle building refurbishment. This award celebrates excellence in design and creativity and acknowledges the dramatic transformation of our Sydney Corporate offices to create a fun, engaging, and inspiring environment where our teams can collaborate and do their best work.

### ENVIRONMENTAL CONSIDERATIONS - COVID-19

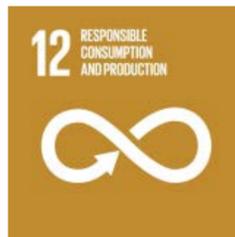
Responding to COVID-19 has presented new challenges in addressing environmental impact, particularly having regard to the use of cleaning chemicals and other health supplies such as personal soaps, sanitisers and face masks. We have protected the health of our employees through the adoption of cleaning and disinfection procedures and the provision of hand hygiene products and face masks to meet government and health authority guidelines. To minimise environmental impact, we have taken the following steps:

- **Fabric masks:** We sourced 8000 reusable fabric masks for employees, saving a significant number of disposable masks from being discarded into landfill;
- **Eye protection:** We sourced and made available reusable eye protection for employees where needed;
- **Cleaning supplies:** Disinfectants, sanitisers and general cleaning supplies have been selected for efficacy, reduced environmental impact and meeting recommendations of the US Department of Labor Occupational Safety and Health Administration, the US Environmental Protection Agency, Safe Work Australia and Good Environmental Choice Australi

Please also refer to the Environmental Regulation statement in the Directors' Report for the 2020 financial year



# ETHICAL SOURCING



Aristocrat is committed to ensuring that working conditions in its operations and supply chains are safe, that all workers are treated with respect and dignity. We also require that business operations are environmentally responsible and conducted ethically in line with applicable laws, and in a manner that meets appropriate community and societal standards.

The past year has brought with it exceptional challenges across procurement and supply chains due to COVID-19. Aristocrat has taken action to maintain business continuity, mitigate supply chain risks and further reinforce our approach to adopting responsible business practices.

As part of our business continuity process, we are continually engaging and communicating with our suppliers regarding their financial health and capacity to provide services and deliver our products on time.

## CONTINUOUS IMPROVEMENT WITH OUR SUPPLIERS

To ensure our standards are met, and with a view to continuous improvement in the way we work with our suppliers, in 2019 we began updating our supply chain contracts to require suppliers to comply with all applicable Modern Slavery, Human Rights, Conflict Minerals and related laws. Contracts have been updated on a priority basis, with supplier criticality and contract duration being key considerations.

Throughout 2020, we have updated these provisions in key agreements with our strategic suppliers and incorporated additional requirements to reflect best business practices and legal developments. Updated provisions also include ethical sourcing and anti-bribery clauses. As part of our due diligence process, we are continually and actively communicating with suppliers regarding our requirements and monitoring their compliance with our agreements.

## CONFLICT MINERAL SOURCING

Aristocrat complies with all applicable Conflict Minerals regulations, including the US Dodd Frank Act (Section 1502), and the EU's Regulation 2017/821 concerning minerals originating from conflict zones and high-risk areas. We require our suppliers to also:

- supply conflict-free materials and products;
- respond to requests for information on sources of supply; and
- perform due diligence on their own suppliers and sources of materials for products to be supplied to Aristocrat.

## EMPLOYEE AWARENESS AND TRAINING

To raise awareness with employees, we have developed a Modern Slavery and Human Trafficking Training Course tailored to our business. This training comprises two modules: the first aimed at all employees, serving as an introduction to what modern slavery is, what signs to look for, and what employees should do if they observe or suspect it is occurring. The second is aimed at employees working in our Global Supply Chain, Procurement, People & Culture, Design & Development functions, and other employees who have direct engagement with suppliers. The content aims to educate and upskill these supplier facing employees to understand our ethical sourcing obligations and commitments, as well as providing guidelines on how to effectively partner with and assess suppliers to drive improvements.

# ETHICAL SOURCING

The rollout of module one is expected to commence at the end of 2020 and module two during 2021.

In 2020, we published our Supplier Code of Conduct which reflects our company values and captures our ethical sourcing principles, reinforcing our commitment to conducting business with the highest levels of integrity and in compliance with both the letter and spirit of applicable laws and expectations.

In tandem with supplier contracts, the Supplier Code of Conduct places obligations on suppliers based on the modern slavery legislation in Australia and the United Kingdom, the Responsible Business Alliance Code of Conduct, and other international standards. Suppliers are required to adhere to the principles set out in the Supplier Code of Conduct and Aristocrat will assess a supplier's performance and commitment to compliance when making sourcing decisions, including the selection, retention, and termination of suppliers.

Our goal is to work with suppliers to improve conditions through communications, training, monitoring and follow-up assessments and we place an obligation on suppliers to cooperate with us to identify and mitigate sourcing risks and remediate potential violations in their supply chains.

[View our Supplier Code of Conduct](#)

## HUMAN RIGHTS AND MODERN SLAVERY

In 2020, Aristocrat had no major suppliers that were located in the "highest prevalence" countries reported in the 2018 Global Slavery Index (GSI).

Suppliers in territories that are reported by the GSI to have a "higher prevalence" of modern slavery and human trafficking are required by Aristocrat to complete a Modern Slavery Survey, introduced in 2020, which is aimed at ensuring suppliers:

- maintain policies and procedures to safeguard key human rights, including freedom from discrimination, child and forced labour;
- treat their employees and contractors with dignity and respect; and
- provide safe working conditions, reasonable working hours and fair remuneration.

We phased the release of the Modern Slavery Survey based on geographic and social risk factors. Phase 1 (higher risk) has been completed and phases 2 and 3 (lower risk) are planned for completion in December 2020, and January 2021 respectively.

[Read our UK<sup>10</sup> Modern Slavery Statement](#)

Aristocrat requires suppliers to provide periodic self-assessments to ensure human rights violations are not occurring within their operations. The specific nature of due diligence undertaken for each supplier has evolved to reflect emerging

- the use of contracted workers or other sub-suppliers;
- the availability of workers to support increased business or order volumes;
- the recognition of labour union representation;
- compliance with regulations relating to child labour, forced labour, health and safety, working hours, compensation, freedom of association and collective bargaining, and abuse;
- the availability of employee reporting and whistle-blowing policies; and
- protection against fire and other hazards.

The COVID-19 pandemic has prevented the Global Supply Chain (GSC) team from conducting on-site supplier audit visits during 2020. We intend to resume the regular program of on-site visits when government guidance allows and travel restrictions are lifted.

<sup>10</sup> TISCreport, an accredited B Corp social enterprise, has assessed our latest UK Modern Slavery Statement and confirmed it has passed all technical compliance checks, with Aristocrat Technologies Europe Limited being in the top 6% of companies in scope for Section 54 in meeting the minimum criteria in 2020. TISCreport is not affiliated to UK Government but reports regularly to the Home Office Transparency in Supply Chains Modern Slavery Strategy and Implementation Group.

# RESPONSE TO COVID-19

COVID-19 has created significant challenges for many people, businesses and communities around the world – and that includes Aristocrat and our employees. While the pandemic has brought many changes, it hasn't changed what's great about Aristocrat's business and culture. Care for each other, a passion for our customers and the drive to be the best we can be continues to unite us. The contributions and commitment of every team member to see us through the challenges has been an inspiring demonstration of our value of 'Collective Brilliance' in action.

Aristocrat took early, comprehensive steps to position the company to emerge strongly from the challenges presented by COVID-19. Formation of Local Crisis Management Teams (CMTs) and Response Teams enabled rapid response and recovery plans to be formulated, these being centred around key controllables:

- people first: acting quickly and comprehensively to protect the health and wellbeing of all employees, customers and suppliers;
- customers & product: continuing to invest behind our strategic advantages in product and customer service in the Gaming business, and game development and marketing in our video games business; and
- optimising liquidity and protecting our robust financial fundamentals.

Further information on our COVID-19 response can be found in our Annual Report for the 2020 financial year.

## PEOPLE FIRST

Our top priority was and remains people; specifically the health and wellbeing of employees, families, customers and suppliers. Over 99% of Aristocrat's global workforce pivoted to remote working through March and April 2020. The company has provided all affected employees with appropriate transition assistance, access to paid leave, counselling and assistance accessing government support where available.

With a material impact on global Gaming revenue stemming from the global shutdown of venues through March and April, the business made the difficult decision to permanently remove or temporarily stand down/furlough a number of roles across our global operations. The balance of our non-Digital staff was asked to accept temporary cuts to base pay ranging from 10-20% based on pay level, and the higher expectations we have of leaders. Our Executive leaders and Board members took a 20% cut, while our CEO took a 30% cut to base pay. Pay cuts were applied for 6 months, with normal pay restored on 1 October 2020. In making these difficult decisions, we adopted an approach that strived to maximise opportunity and preserve jobs for our people over the long term, spread the burden equitably, and provide as much support as possible throughout.

As part of our response to the impacts of COVID-19, Aristocrat launched a Wellbeing Portal, offering a range of programs and tools to support good mental and physical health, offer employees learning options, encourage financial health, and assist people to stay connected.



# RESPONSE TO COVID-19

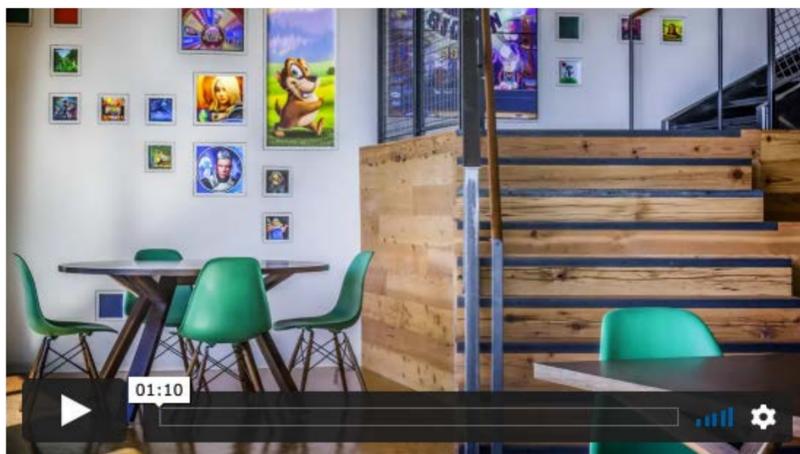
One important initiative launched via the Wellbeing Portal was the AristocratCARES Employee Relief Fund. This company-sponsored fund provided cash grants of up to USD1000, AUD1500, and GBP750 (or local value equivalent) to employees (including those temporarily stood down or furloughed) experiencing financial hardship due to the pandemic. This initiative was funded through a company contribution, including a percentage of the savings generated by cuts to executive salaries and Board fees as well as generous contributions from employees through donations of annual leave/PTO and payroll deductions.

Another resource made available to employees was free enrolment in RestoreResilience. RestoreResilience is a twelve-week telehealth program designed to help employees build mental and physical resilience during challenging times. The program provides access to a health coach who creates a personalised program specific to the employee's needs, which may include guided meditations, exercises and nutritional advice to support mental, emotional, and physical health, and access to an online community to maintain a connection with others and access to group online coaching. 430 employees signed up for this program during 2020.

We are proud of how our teams have come together to support each other during the pandemic. One example comes from our Summerlin team in Las Vegas, which launched an Employee Care Package Donation Drive. This practical program collected donations of household staples such as non-perishable foods, toiletries and cleaning supplies, and made them available to local colleagues in need.

Enhanced information security, asset protection measures and cybersecurity training were also launched during the period to assist employees to work remotely with confidence and with minimal loss of productivity.

Our Digital businesses also pulled together to support each other – and the community – through the pandemic. We participated in #PlayApartTogether, a World Health Organisation (WHO) and video game industry campaign that leaned into the power of games as a means to connect while sharing important health and safety messages to millions of players around the world in the fight against COVID-19. Product Madness, Plarium, and Big Fish were proud to support this effort across some of our most popular games:



More information on our People First priority can be found in the [Employee Relations](#) section of our disclosures.