FUTURE FORWARD AND PURPOSE DRIVEN

The impacts of the pandemic brought with them a new set of opportunities, risks, and consumer expectations. IGT provides an update on how the company is staying ahead of the challenges and operating responsibly to support customers.

Among other award-winning initiatives, the **company's North American printing facility in Lakeland, Florida,** was recognized for the second time with an **FTA Sustainability Excellence Award,** given to companies that show their commitment to developing sustainable package-printing solutions. In this and other ways, the Lakeland operation enables lottery customers to **participate in a sustainably minded instant-ticket supply chain.**









The pandemic spurred a time of reassessment for businesses, individuals, and communities, as health concerns collided with financial and social ones for people around the world. Unsurprisingly, the broader relationship between business and society is receiving greater public attention as well.

Global consumer trends agency Foresight Factory, IGT's longtime partner, projects that "with COVID-19 contained, climate change will become the dominant global threat" and, importantly, "it will increasingly be viewed as a social issue." Tackling climate change is increasingly a goal for governments as well as consumers.

Through the efforts of employees around the world, IGT works to ensure that responsible and sustainable practices are woven into the fabric of its day-to-day operations. Now entering its 14th year of publishing a sustainability report, the company has been at the forefront in recognizing the interests of a broad range of stakeholders and providing an externally audited document that details the company's sustainability strategy and related data.

Over the past year, IGT has been cited within and beyond the industry for various aspects of its longstanding commitment to social responsibility. Among many distinctions:

- IGT was selected as one of only 325 companies across 50 industries included in the 2020 **Bloomberg Gender Equality Index,** which recognizes companies that are committed to advancing women's equality.
- The gaming industry's **All-In Diversity Project** celebrated IGT as a sector leader in making progress toward inclusion in the workplace.

- Last year, IGT qualified as an Outperformer with **Sustainalytics** and in 2021 was ranked second in the industry by this leading independent global provider of environmental, social, and corporate governance (ESG) ratings to investors.
- **Morgan Stanley Capital Investment (MSCI)** ratings aim to measure a company's resilience to long-term ESG risks. Companies are scored on an industry-relative AAA-CCC scale across the most relevant Key Issues based on a company's business model. **IGT's rating is at AA,** and with regard to the Casino & Gaming sector it has been ranked among the group of the best performers.

DIRECT & INDIRECT BENEFITS

The benefits of IGT's sustainable approach extend to lottery customers and players.

To cite just one example, some lotteries view the value chain holistically and want to have **options as to how their instant tickets are produced and distributed.**

They can participate in a supply chain with environmentally friendly practices that may also be important to their players, such as managing waste or incorporating environmentally friendly materials in the manufacture of scratch tickets.

"Across sectors, green claims are becoming an issue," notes **IGT's CSR Senior Manager, Stefania Colombo.** "To be realistic and make solid progress on commitments is a step-by-step process."

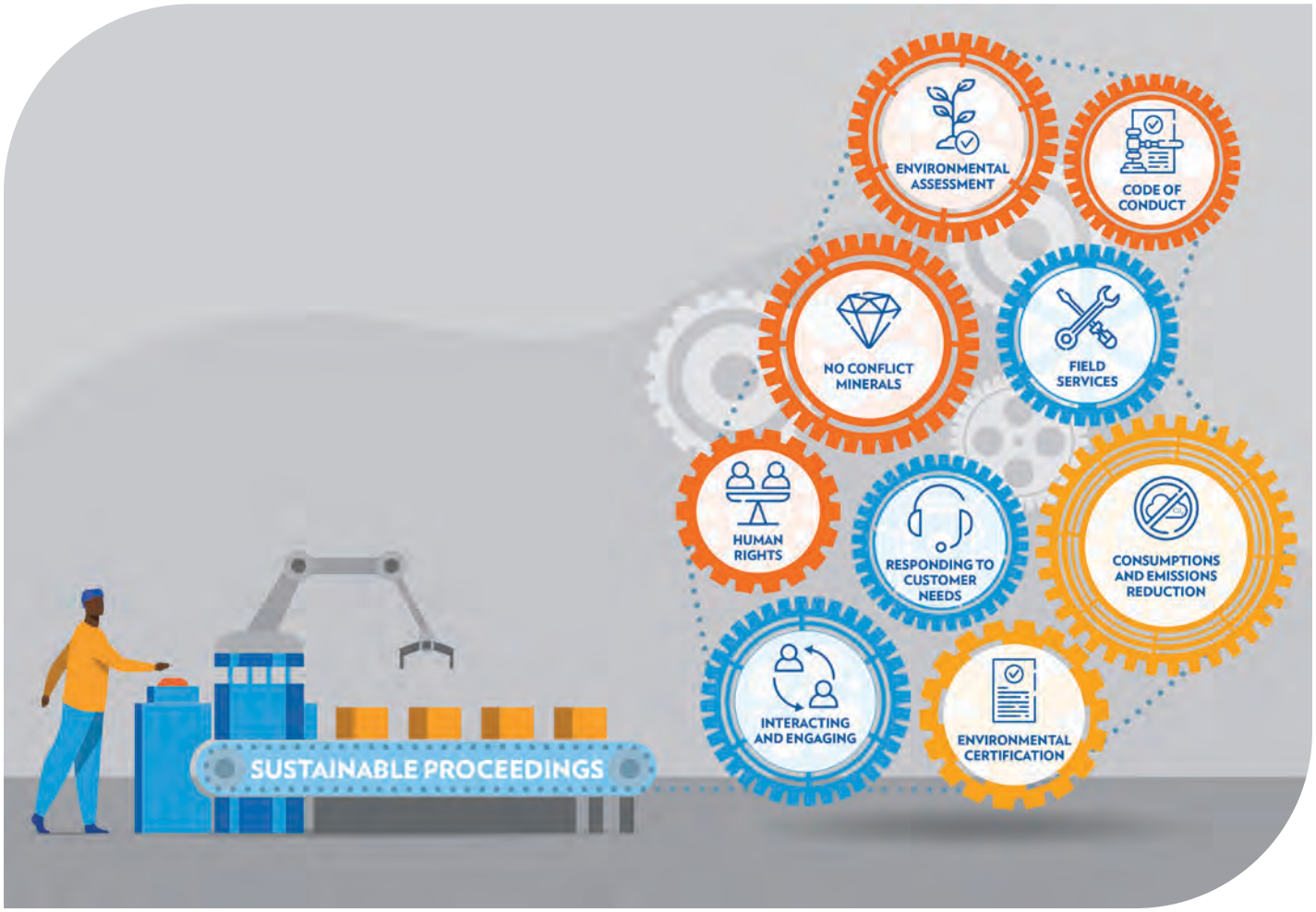
Having stepped up several years ago with a series of initiatives, I**GT's North American printing facility in Lakeland, Florida,** has won two environmental awards in recognition of some of its many sustainable practices:

WATER-BASED PRINTING PROCESS

In 2019, the printing facility in Lakeland started using **a full water-based printing process,** which removed the majority of solvents used in the process, thereby removing air pollutants and volatile organic compounds.

In recognition of this program, IGT won the category of Sustainability Programs in the **2019 FTA Sustainability Excellence Award.**

The program was completed in 2020 with a separate process that removes all solvents from **the plate manufacturing process.** IGT partnered with Kodak to design, alpha, and beta test the process prior to release. It required the development of new plate material that is water-wash compatible and the design of a water-wash system that removes the material not imaged via an aqueous solution containing no solvents.







Scenes from IGT's award-wining North American printing facility in Lakeland, Florida. A range of environmentally friendly practices at this facility allow customers to participate in a sustainably minded supply chain.

Renewing the facility and significantly reducing pollutants has made the plant a safer place to work, with positive impacts on both the environment and employee' well-being.

RECYCLING & WASTE RECLAMATION

In 2020, the Lakeland facility partnered with a waste processing company to reduce the waste sent to landfills, with the goal of reducing the facility's community and local wildlife exposure to environmental issues, reducing the generation of greenhouse gas, and mitigating groundwater contamination from its waste stream.

A significant amount of paper dust is created during the production and packaging of scratch-off tickets, which is then compacted and extruded. While traditional recycling markets are not interested in compacted dust, IGT's program partner NuCycle fully utilizes the compacted dust by combining it with other combustible products to produce an energy-dense, highly engineered fuel product called **EnviroFuelcubes (EFCs),** a valid alternative fuel source in the energy-intensive industrial manufacturing and utility power-generation sectors.

But that's just one small piece of the NuCycle program. It also provides for **the conversion of all the other manufacturing waste,** including the plastic buckets and lids that house materials, the packaging waste, any damaged wood pallets and crates, the plate material, film material, roll cores and protectors, roll plugs, and shrink-wrap waste.

The **landfill waste reduction program** at Lakeland targets the production of landfill waste at less than 3% annually. In 2020, the program removed more than seven million pounds of waste from landfills, of which more than one million pounds was used to make alternative fuel.

In 2021, IGT again won an **FTA Sustainability Excellence Award,** in recognition of the landfill reduction program with NuCycle.

FSC PAPER

IGT relies heavily on the supply of paper for instant ticket production. The company works to reduce the impact of paper consumption on natural resources in line with the commitments of its major paper suppliers, which abide by several environmental standards. These include the **Forest Stewardship Council® (FSC),** a global, not-for-profit organization which defines standards based on agreed principles for responsible forest stewardship.

The Lakeland facility is certified by a third-party registrar as an FSC Chain or Custody certified facility for paper products. "We exist to serve the needs of our customers, and operating under the FSC certification meets an important need," notes **Keith Cash, IGT Vice President Global Instant Tickets,** and IGT promotes and encourages this use.

REDUCING PLASTICS

To reduce the quantity of plastic pails used to print custom/Pantone Matching System colors, IGT has installed an ink color-match and mixing center on site in Lakeland. This program has greatly reduced the quantity of plastic pails used by IGT's ink suppliers and reduced ink waste, because **the ink is mixed only according to the specific needs of the business product.**

The Lakeland printing facility also has an extensive recycling program in place, whereby **all wastepaper from the printing process is recycled.** For IGT, these steps are only one part of a larger focus on Fostering Sustainable Operations. "By having flexibility and an environmental focus at our printing facilities in Lakeland, our customers have options as to how their tickets are made. It's a good message to consumers that the instant ticket in their hand came from a sustainably minded supply chain," says Keith Cash.

A COMPREHENSIVE REVIEW

IGT's annual sustainability report provides a detailed account of many other aspects of the company's CSR approach. The most recent report, released in July, demonstrates that while the world changed in 2020, IGT's positive momentum and commitment to sustainable growth did not. Like lotteries worldwide, the company thrived through its ability to embrace change and demonstrate immense flexibility to support employees and customers.

During this time, IGT continued to develop specific targets and initiatives that contribute to the achievement of the nine out of 17 **Sustainable Development Goals** (SDGs) that the company has identified as areas of focus within the 2030 **United Nations Agenda for Sustainable Development.** The approach involves seven working groups comprised of different IGT departments.

IGT has also aligned its sustainability initiatives with the **United Nations Global Compact** (UNGC), the largest corporate responsibility initiative in the world for the development, implementation, and disclosure of responsible corporate policies and practices.

And IGT continues to develop **Responsible Gaming** solutions that meet and exceed the requirements of various jurisdictions, achieving recertifications and recognition from organizations such as the World Lotteries Association and the Global Gambling Guidance Group. In October 2021, **Jade Luchauer, IGT Corporate Social Responsibility Manager,** received a **Global Regulatory Award** for her outstanding individual contributions to Responsible Gaming. With direct oversight of IGT's Responsible Gaming and Community programs, Luchauer views each program and policy as a stepping-stone for continuous improvement. Among many accomplishments in the past year was her leadership in creating a new governance structure to guide IGT's Responsible Gaming efforts, significantly enhancing the company's Responsible Gaming practices while positively impacting the gaming industry.



IGT's framework for corporate social responsibility is grounded in the company's values and is focused on nine of the United Nations' Sustainable Development Goals. These goals are integrated into the company's four strategic priorities: Valuing and Protecting Our People, Advancing Responsibility, Supporting Our Communities, and Fostering Sustainable Operations.



In late October, IGT released its global **Responsible Gaming Policy.** The policy was created to transparently inform and educate all relevant stakeholders about the company's worldwide programs and solutions designed to promote fair play and comply with requirements and regulations on Responsible Gaming in all jurisdictions in which IGT operates.

"Our customers and employees care a lot about sustainability – it's not an academic exercise," says **Jay Gendron, IGT Chief Operating Officer Lottery.** "Customers come to us and ask us to demonstrate our leadership and commitment. And with about 11,000 employees operating in more than 100 countries, our sustainability practices are also supported by those strong relationships with our people, customers, and suppliers around the world. Customers – and players – can be confident in our values and our approach as we continue to deliver outstanding customer service, goods and services." ■

Explore IGT's most recent Sustainability Report online now.

