



SCIENTIFIC GAMES INTERNATIONAL LTD

Gender Pay Gap Reporting

April 2024

About Us

Scientific Games International Ltd is a subsidiary of the US corporation Scientific Games. Based in Leeds, UK, Scientific Games International Ltd manufactures and supplies instant lottery scratchcards to customers in the UK and Europe.

At the time of our snapshot date of 5th April 2024, we employ a total of 435 employees. We employ 392 people in our manufacturing plant in Leeds, in a variety of roles including print, packaging, engineering and office-based roles, such as programming, graphic design and finance. We also employ 36 people in our UK Distribution Centre in Warrington, UK, serving The National Lottery retailers in support of Allwyn UK's, the operator of the Lottery's fourth license, vision for growth. Roles in Warrington include Warehouse Operatives employed in packing and sorting roles, and Customer Services Specialists who support the national network of instant ticket retailers. As Scientific Games' sole UK entity, we also employ a small number of remote workers who report into other divisions of our global parent organisation, including Digital and International Lottery Systems. Those remote employees are included in our gender pay gap reporting.

Gender Pay Gap Requirements

All UK companies with more than 250 employees are required to report their gender pay gap on an annual basis. This is a measure of the difference between the average pay of all male and female employees across the organisation. This is our third year of reporting.

Understanding Gender Pay Gap Reporting

The gender pay gap measures the difference between the average pay of male and female employees, excluding overtime. This is distinct from equal pay, which legally mandates that men and women receive the same pay for equivalent work.

It is important for businesses to examine their gender pay gap because it reduces women's lifetime earnings, as well as their pensions. This is one of the significant causes of poverty in later life for women. Reasons for the gap can be complex and are deep-rooted in society. By acknowledging and publicly sharing gender pay gap information, UK businesses are able to examine the reasons behind it and look at ways of narrowing the gap.

How are the mean and median pay gaps calculated?

The mean pay gap is calculated by adding together the hourly rates of pay of male and female employees and dividing the total by the number of members of that group. The gap is the difference between the two figures, expressed as a percentage of male earnings. Very high or low figures can affect the calculation.

The median pay gap is calculated by ordering all the male and female hourly rates of pay from lowest to highest. The gap is the difference between the middle value in each group, expressed as a percentage of male earnings.

How is the bonus gap calculated?

The mean and median bonus gaps are calculated in the same way as the gender pay gaps, using actual bonuses paid within the 12-month period from 6th April 2023 to 5th April 2024. We also report the number of male and female colleagues receiving a bonus (as a percentage of the total male and female population). All employees are eligible for a bonus payment in some form, but some may be excluded based on their start date with the company.

How are the pay quartiles calculated?

Pay quartiles are calculated by dividing all hourly rates paid across the business, from lowest to highest, into four equal-sized groups of employees. We then calculate the percentage of males and females in each group.

Results

Gender Pay Gap

Mean Gender Pay Gap

The difference between the mean hourly rate of pay for male full-pay relevant employees and that of female full-pay relevant employees has decreased slightly from 2023 to 2024.



Median Gender Pay Gap

The difference between the median hourly rate of pay for male full-pay relevant employees and that of female full-pay relevant employees has increased from 2023 to 2024.



Mean Bonus Gap

The difference between the mean bonus pay paid to male-relevant employees and that paid to female-relevant employees is larger in 2024 due to the timing of some bonus payments to certain employees.



Median Bonus Gap

The difference between the median bonus pay paid to male-relevant employees and that paid to female-relevant employees. As above, this is due to the timing of some bonus payments to certain employees.



Quartile Pay Bands

The below charts represent proportions of male and female full-pay relevant employees in the lower, lower middle, upper middle and upper quartile pay bands.

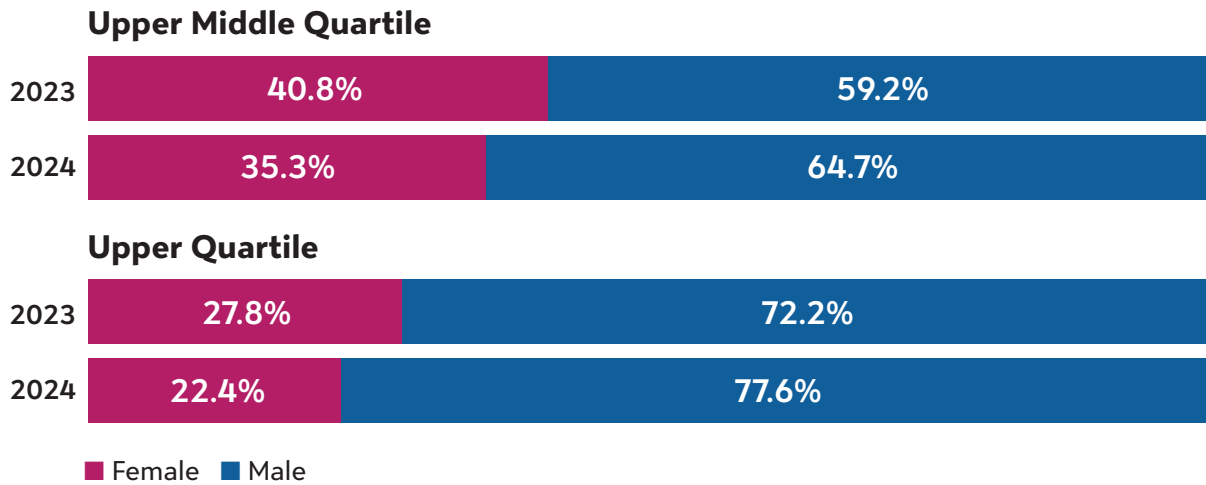
Lower Quartile



Lower Middle Quartile



■ Female ■ Male



Analysis of results

The median and mean pay gap for Scientific Games International Ltd has reduced. However, it is still above the average gender pay gap of 7.0% in the UK. The mean bonus gap has remained the same, but the median bonus gap has reduced.

The ongoing gender pay gap continues to be due to the higher number of male employees in a traditionally male-dominated industry. The skilled roles in print, machine operating and engineering remain male-dominated today, as do the majority of managerial positions.

However, although there continues to be a low representation of females in the higher-paid quartiles, there has been some increase in both the upper and upper middle quartiles. This is due to promotions and pay increases for female employees during 2023.

What are we doing to address our gender pay gap?

During 2025, we will be launching apprenticeship training for existing employees in Lean Manufacturing techniques. This is available to all shopfloor employees initially, and we will consider rolling out to other departments in the future, depending on the success of the program. The program itself will give employees new knowledge and skills to improve their work tasks, working in small cohorts. The training will take place during work time. It is hoped that this will empower all employees in the program to grow, including our female employees who may then be positioned to advance within the organisation.

We continue to benchmark our current salaries against market rates to ensure we remain competitive.

Job vacancies continue to be advertised internally and externally to allow current employees the opportunity to progress.

We acknowledge that reducing our gender pay gap is an ongoing effort, and we remain committed to continuous improvement. Scientific Games International Ltd is committed to reporting on an annual basis on what we are doing to reduce the gender pay gap and the progress we are making. I confirm that the information contained within this report is accurate.

Katherine Clark

HUMAN RESOURCES DIRECTOR

Scientific Games International Ltd

