SCIENTIFIC GAMES

SCIENTIFIC GAMES INTERNATIONAL LTD

Gender Pay Gap Reporting

April 2022

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.

We currently employ 392 people in Leeds.

Gender Pay Gap Requirements

All UK companies with over 250 employees are required to report their gender pay gap on an annual basis. This is a measure of the difference between all males' and females' average pay across the organisation.

Scientific Games International Ltd increased its headcount significantly from 219 people on 5th April 2021 to 339 people on 5th April 2022, triggering our requirement to report our gender pay gap for the first time.

Understanding Gender Pay Gap Reporting

The gender pay gap measures the difference between males' and females' average pay (excluding overtime). This is different to equal pay, which is the legal requirement to give males and females equal pay if they are employed to do like 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 all of the hourly rates of pay of male and female employees, and then 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 of 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 bonus paid within the 12-month period from 6th April 2021 to 5th April 2022. 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 are excluded each year due to 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.

Results

Gender Pay Gap

18.6%

Mean Gender Pay Gap

The difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees.

14.6%

Median Gender Pay Gap

The difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees.

5.9%

Median Bonus Gap

The difference between the median bonus pay paid to male relevant employees and that paid to female relevant employees.

7.7%

Mean Bonus Gap

The difference between the mean bonus pay paid to male relevant employees and that paid to female relevant employees.

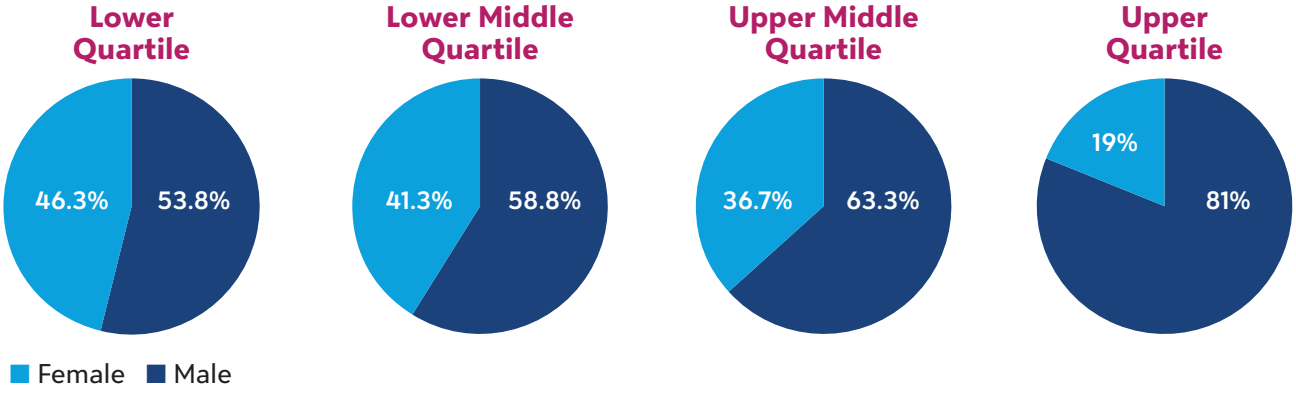
78.6% MALE

74.6% FEMALE

Bonus Proportions

The proportions of male and female relevant employees who were paid bonus pay during the relevant period.

Quartile Pay Bands



Analysis of results

The median and mean pay gap for Scientific Games International Ltd is large, and above the average for the UK. The highest earners are predominantly male.

The print industry has traditionally been a male-dominated industry, as is manufacturing and engineering. These skilled roles are male dominated in Scientific Games today. Our current headcount is male-dominated, with 65% male employees and 35% female employees. However, an analysis of starters and leavers from April 2022 to today, shows a more even distribution of new recruits. During the period, 54% of all leavers were female and 42% of all starters were female. Expanding the workforce from 2021 has offered an opportunity to recruit more females, whereas previously there was a low staff turnover with few opportunities to recruit. Females in the manufacturing site have also been offered the same opportunities to train up to cover and acquire more skilled work, such as operating machinery. However, these roles remain male-dominated today, despite this.

Scientific Games has 24 part-time employees, including three males. There is only one female part-timer in a managerial role.

What are we doing to address our gender pay gap?

This is our first year of reporting. Our recent expansion in headcount has allowed us an opportunity to even up the numbers of males and females employed.

We need to look at why female manufacturing employees are not acquiring the more highly skilled roles available in machine operating, whether they are participating in the training on offer or being rejected for the roles when they come up and why.

Administrative/office-based roles are often compatible with part-time work and job sharing. Job sharing is also possible for manufacturing roles. Despite this, there are a low number of part-time workers, who are predominantly female. We need to examine our flexible working policies to see whether they are working well here and whether we can expand flexible roles as a way to increase female employment.

The Print and Engineering teams are very male-dominated. We are planning apprenticeships in these areas in the future and need to partner with appropriate organisations to ensure such opportunities are attractive to females.

We should also look at the low representation of female workers in the higher-paid quartiles and examine whether these employees are being precluded from higher-paid, more senior roles. Scientific Games International Ltd is committed to reporting on an annual basis on what the Company is doing to reduce the gender pay gap and the progress it is making. I confirm that the information contained within this report is accurate.

Katherine Clark
HUMAN RESOURCES MANAGER
Scientific Games International Ltd

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