



Ahead of the Game

SUSTAINABILITY REPORT 2016

photo:
Lorenzo Repichini
Interactive Architecture
Rome, Italy



As the world's leading gaming Company, we are focused on supporting our industry, our communities, and our world. Our best-in-class solutions respect both people and the environment, while delivering innovation and excellence to keep gaming fun for all.

photo:
Tobias Thomsch
Game Designer
Unterpremstätten, Austria



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Letter from the CEO

Dear Readers,

I am pleased to present IGT's 10th annual Sustainability Report.

In the 10 years since we have been reporting on our sustainability programs, the Company has steadily created greater value for its stakeholders. IGT has consolidated its position of being the global innovation leader in the gaming market with its Customer First approach, while fulfilling its commitments toward its people and the communities to which it belongs.

IGT is truly a global citizen. Headquartered in London, England, its operation headquarters are in Rome, Italy; Providence, Rhode Island; and Las Vegas, Nevada. It is a commercial operator and technology provider offering a full range of services across the regulated worldwide gaming markets, including lotteries, machine gaming, sports betting, and interactive. We connect to players around the world through every regulated channel, including land-based systems, internet, and mobile devices.

The Company has created value in pure economic terms, maintaining its global leadership in lottery, achieving robust same store revenue growth, and securing valuable, multi-year contracts. IGT has also made significant progress in its gaming turnaround, developing compelling new titles and hardware, in addition to expanding its international presence. With a nine percent increase in EBITDA (for the 2015/2016 year) and more than U.S. \$5 billion in revenues, shareholders and financial communities in all markets are acknowledging IGT's reliability as a business partner and profit generator.

IGT has also created value in environmental awareness and capabilities. The Company has progressively increased its commitment to minimizing its environmental impact by launching a web-based tool to optimize the environmental data collection process associated with the Carbon Disclosure Project (CDP). The CDP is a global organization that requires the largest companies in the world to disclose their greenhouse gas emissions. IGT was recognized by the CDP 2016 Climate Change Program for its commitment and actions fighting climate change. IGT scored higher than both the industry sector average and the overall score of all responding companies.

Ultimately, though, value creation at IGT is the simple result of our people's passion and commitment. We continuously provide career development programs and training sessions together with specific plans addressing diversity and cultural integration. These plans include the recent 2017 launch of the IGT Diversity Center of Expertise (COE), which develops our diversity strategy in collaboration with an employee-led Diversity Council. Our Employee Engagement Survey also helps to assess the effectiveness of our diversity and cultural integration strategies.

These results reflect our clear determination to meet our corporate stakeholders' expectations, no matter where these expectations originate. This has led to a greater capability in addressing Corporate Social Responsibility (CSR) matters, and in transparently reporting on our activities.

IGT demonstrates its commitment to ensuring the integrity of its products and services while protecting the playing public through our longstanding collaboration with the world's most important gaming trade organizations such as the World Lottery Association, European Lottery, North American Association of State and Provincial Lotteries, and American Gaming Association, which address the issues related to problem gambling. IGT is assessing its sustainability performance according to International Organization for Standardization (ISO) 26000 standards to help detect and manage CSR matters, while complying with the most stringent principles. All findings are assessed by a reputable external auditor.

Our Global Compliance and Governance Program and our Code of Conduct are the cornerstones of IGT's commitment to CSR worldwide. Furthermore, the Sustainability Report you're about to read has been edited according to the Global Reporting Initiative (GRI) Standards to transparently record our performance in CSR.

As a result, this 10th edition of the Sustainability Report represents IGT's relentless drive to create value globally, and according to a locally sustainable approach as outlined by CSR principles.

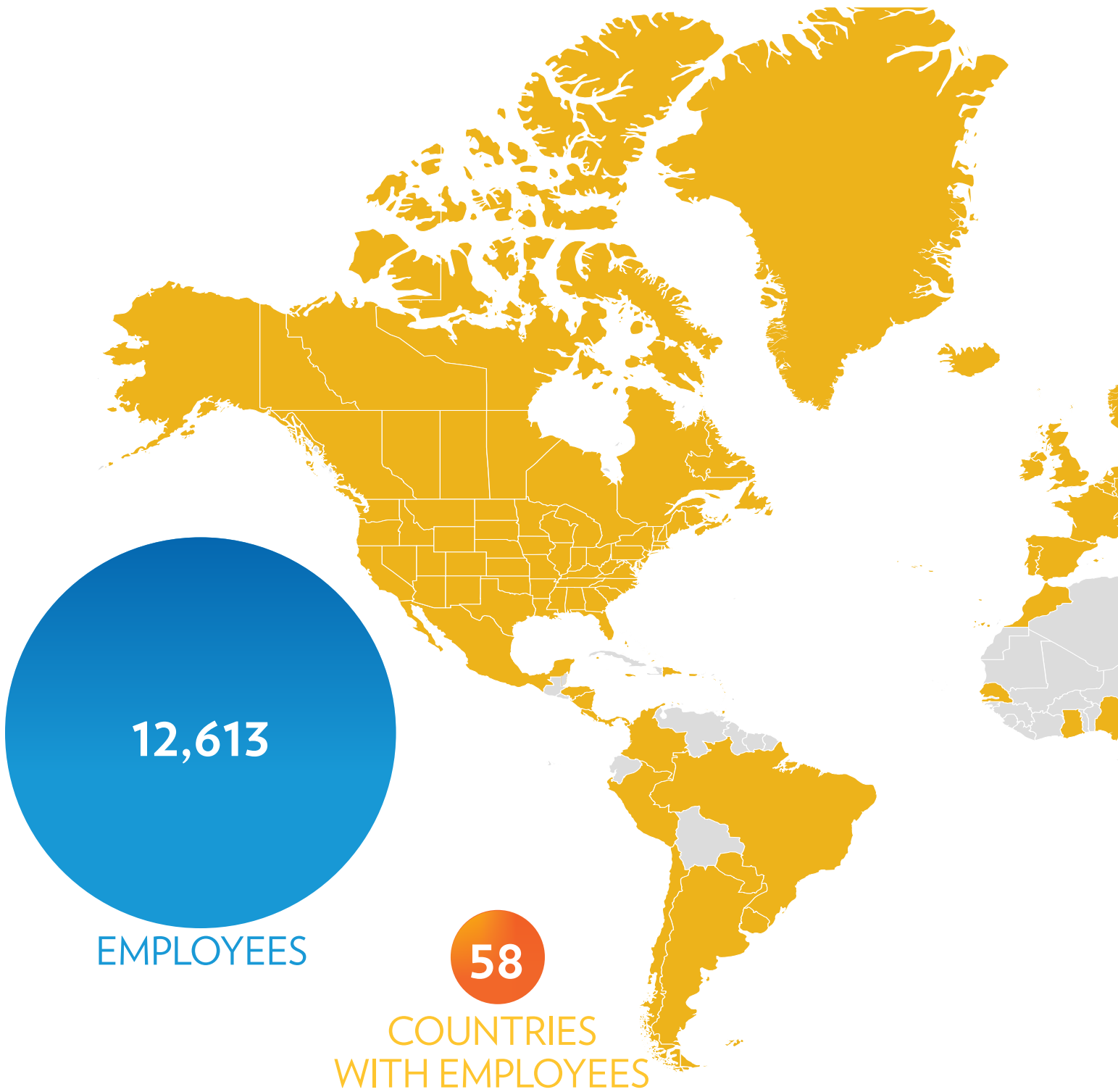
Join me in discovering the many ways IGT is adopting and strengthening its Corporate Social Responsibility practices, and fulfilling its mission of being Ahead of the Game.

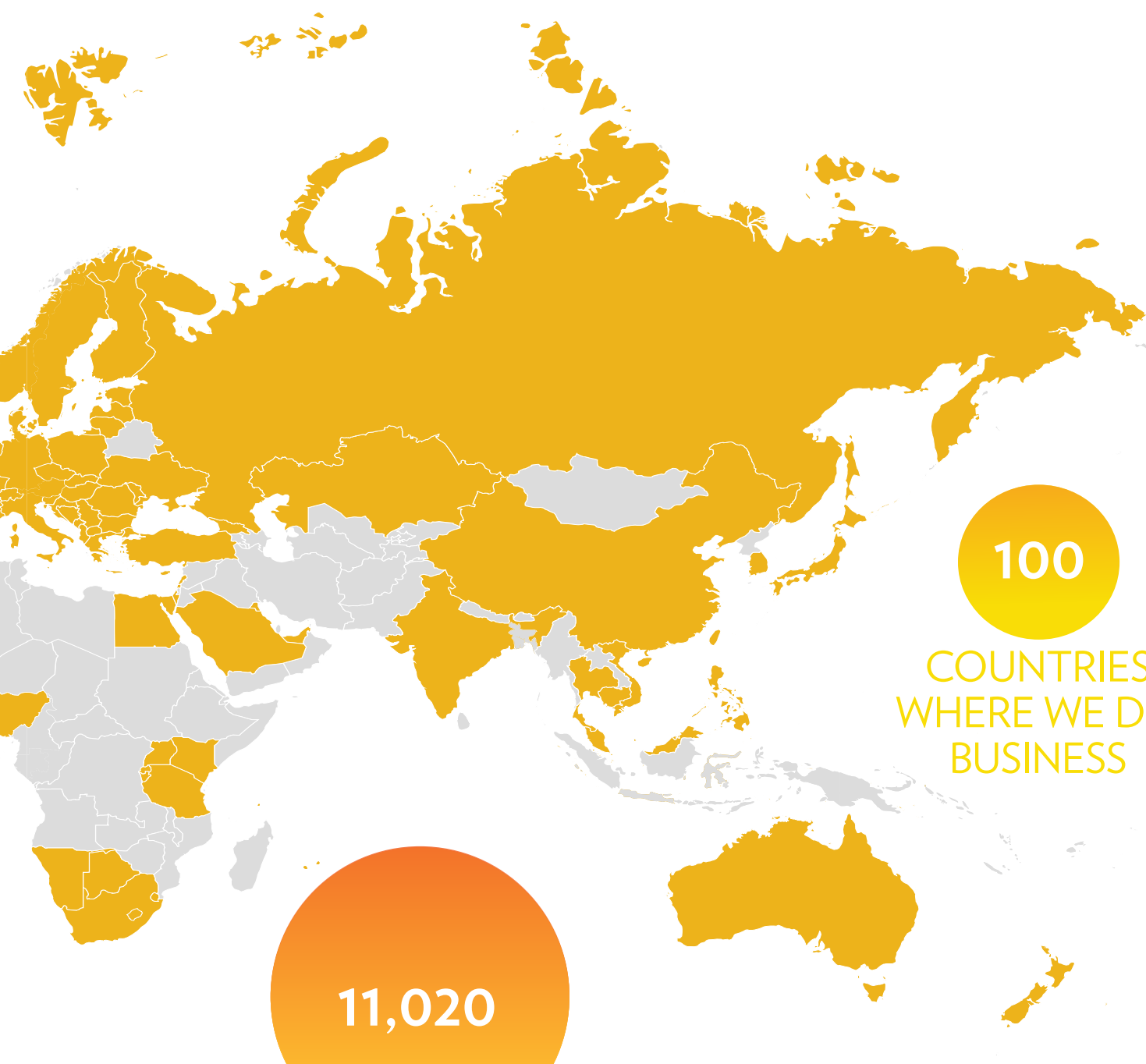
Sincerely,
Marco Sala



CEO
International Game Technology PLC

IGT Global Footprint





100

COUNTRIES
WHERE WE DO
BUSINESS

11,020

SUPPLIERS

1

About IGT

Profile

Governance

Principal Risks

Regulatory Framework

Strategic Approach to Sustainability

Generation and Distribution of Economic Value

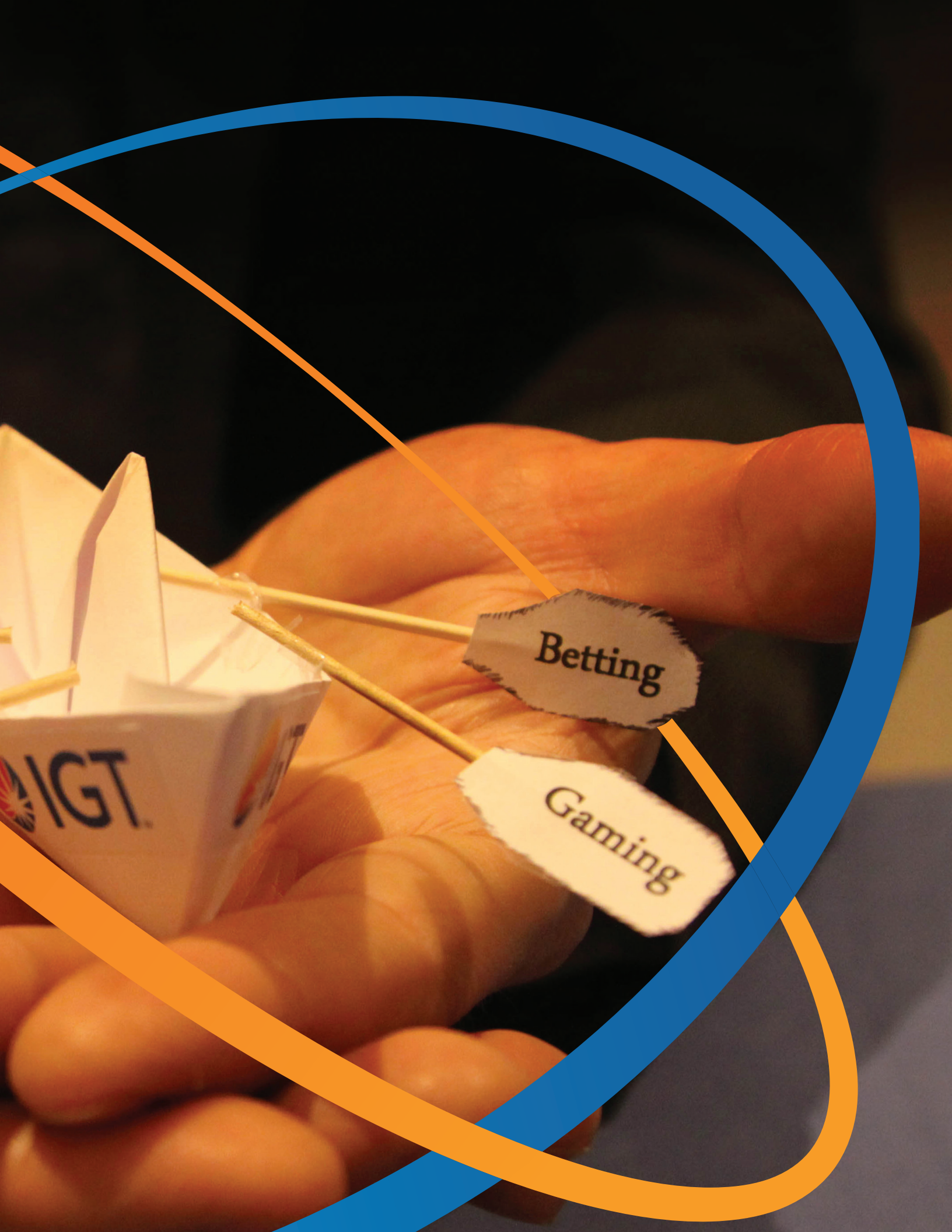
Materiality Analysis

Stakeholders Relationships and Engagement

Lottery

Interactive

photo:
Silvio Mortellaro
ICT Security Solutions and Operations
Rome, Italy



Betting

Gaming

IGT

About IGT

Profile

IGT⁽¹⁾ is the world's largest end-to-end gaming company, with leading market positions in North America and Italy and the most extensive gaming content library in the world. The Company provides and operates an integrated portfolio of innovative technology products and services across all gaming markets, including:

- lottery management services;
- online and instant lottery systems and solutions;
- instant ticket printing;
- electronic gaming machines;
- casino management systems and solutions;
- sports betting solutions, and
- interactive gaming solutions.

IGT offers business-to-consumer (B2C) and business-to-business (B2B) products and services

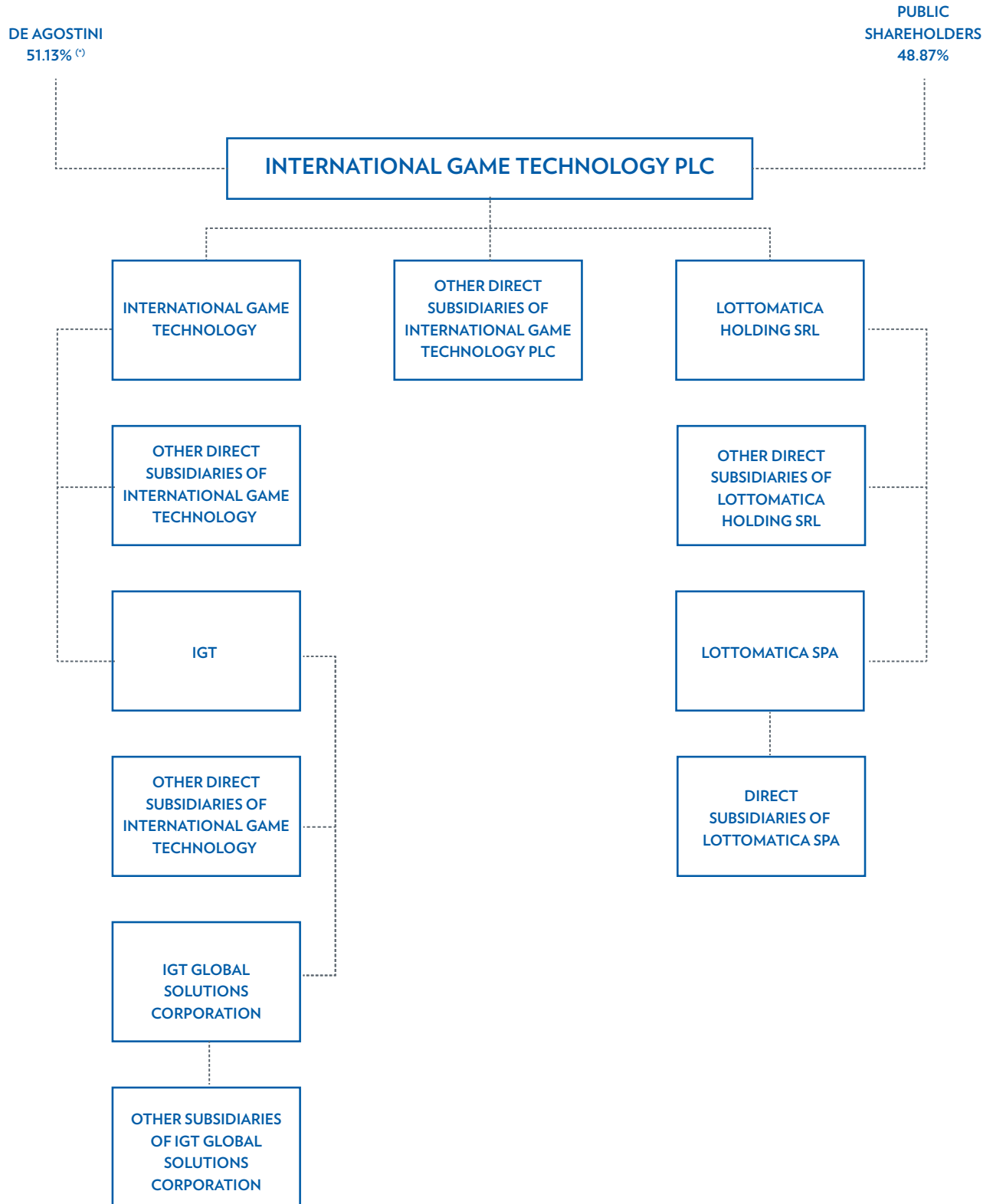
to customers in more than 100 countries.

Leveraging a wealth of premium content, substantial investment in technology, in-depth customer intelligence, and operational expertise, IGT provides its customers with leading-edge solutions that anticipate the demands of today's consumers wherever they decide to play.

IGT strives to create shareholder value by adhering to the highest levels of service, integrity, responsibility, and innovation. Social responsibility is vital, and the Company is committed to responsible gaming, giving back to the communities where it operates, and doing its part to protect the environment.

⁽¹⁾ For the purpose of this report, IGT refers to International Game Technology PLC and its subsidiaries

Diagram of IGT's parent and subsidiary companies as at December 31, 2016



(*) Accumulated shareholding of De Agostini S.p.A., which holds 46.15%, and DeA Partecipazioni S.p.A., which holds 4.98% of the Parent's ordinary shares.

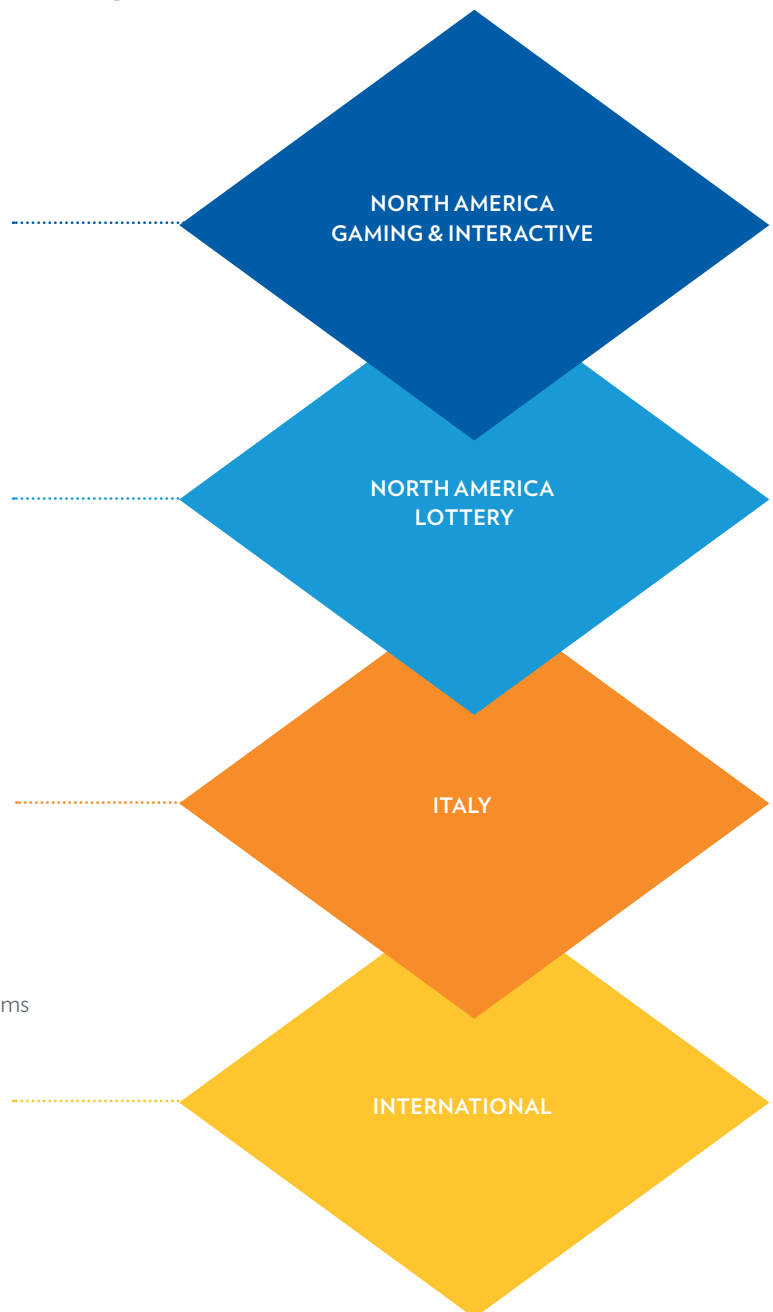
Business Segments

IGT is headquartered in London, with principal operating facilities located in Providence, Rhode Island; Las Vegas, Nevada; and Rome, Italy. The Company is organized into four business segments: North America Gaming and

Interactive, North America Lottery, Italy, and International. All four are supported by shared corporate services. Research and development and manufacturing are centralized in North America. The Company had more than 12,000 employees as of December 31, 2016.

Business Segments

- Land-based casino gaming machines
- Casino management systems
- Interactive gaming
- DoubleDown social casino app
- Commercial gaming, interactive, and social casino R&D
- Lottery systems and software
- Instant tickets
- Video Lottery Terminals (VLTs)
- Lottery facility and management services
- Lottery operators
- Interactive lottery
- Lottery R&D
- Gaming operator
- Lottery draw-base and Scratch and Win
- Gaming machines - VLT and AWP
- Sports betting
- Interactive gaming
- Commercial services
- Casino and VLT gaming machines and management systems
- Lottery systems hardware and software
- Instant tickets
- Lottery facility and management services
- Sports betting and interactive gaming
- Commercial services



North America Gaming & Interactive (NAGI)

The North America Gaming & Interactive segment is focused on the sale or lease of commercial gaming machines and software to casinos and government entities in the U.S. and Canada.

It develops, sells, and licenses casino management systems, and delivers leading games, systems, and solutions for land-based casinos, and interactive for-wager online play.

For land-based casino customers, NAGI provides leadership in the development and distribution of global premium products, including licensed content such as Wheel of Fortune® slots. NAGI also develops slot themes and video poker themes such as Game King®.

North America Lottery (NALO)

The North America Lottery segment is the Company’s lottery-product development and delivery

organization that supports IGT’s WLA customers worldwide. In North America, NALO provides end-to-end support to WLA customers, leveraging IGT’s full lottery product suite. In the U.S., it supports 39 of the nation’s 45 lotteries. NALO develops innovative, future-focused lottery solutions and performs research and development for all lottery-related products globally.

NALO earns the majority of its revenue from facilities management contracts with government entities but also earns revenue from:

- The sale or lease of lottery central system hardware and software and gaming terminals to government entities.
- The sale of physical instant tickets to government entities.
- Participation games in the form of Video Lottery Terminals (VLTs) in Rhode Island, Delaware, and New York (these are recurring revenues).

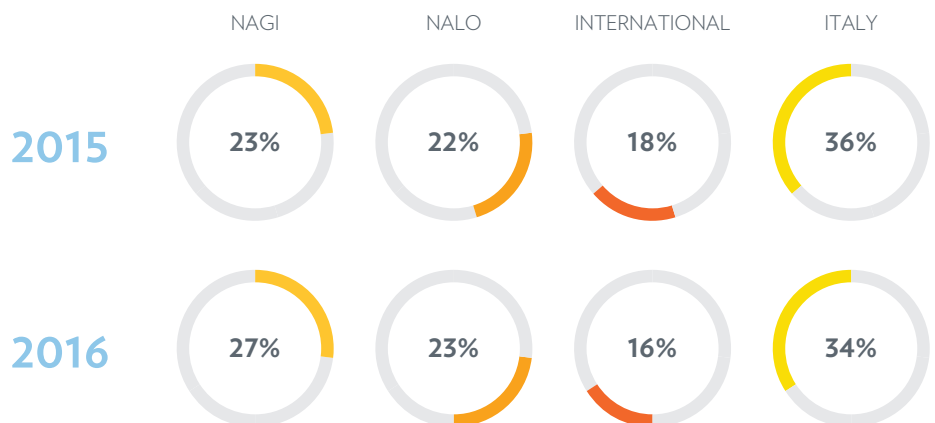
Concessions and Lottery Management Agreements

A portion of IGT’s revenues, primarily from its Italy segment, is derived from concessions or Lottery Management Agreements (LMAs). Under a typical concession, the Company manages the core lottery functions including the lottery systems and the majority of the day-to-day activities along the lottery value chain. These activities includes:

- collecting wagers,
- managing accounting and other back-office functions,
- running advertising and promotions,
- operating data transmission networks and processing centers, training staff,
- providing retailers with assistance, and
- supplying materials that support the games.

Most of the Company’s LMAs include a separate supply agreement under which the Company provides certain hardware, equipment, software, and support services. In Illinois and New Jersey, the LMA services are provided by IGT as part of a joint venture or consortium, respectively. In Indiana, they are provided indirectly through a wholly owned subsidiary of the Parent. In Italy, both lottery concessions are part of a joint venture, with the Lotto concession renewed in June 2016 and operating since November 30, 2016, and the instant ticket lottery concession (“Gratta e Vinci”) renewed in 2010.

Share of Revenue per Business Segment



International

The International segment is a global leader in delivering innovative end-to-end solutions across all channels and regulated gaming segments. It is responsible for the strategic development and operational management – across IGT’s product portfolio – of all markets in Europe (except Italy), the Middle East, Africa, Central and Latin America (including Mexico), the Caribbean, Asia Pacific, and Oceania.

In Italy, International supplies Amusement With Prize (AWP) content and commercial gaming systems and gaming machines. IGT’s global strategy capitalizes on its experience in the Italian and North American markets, while customizing products for foreign languages, unique local preferences, and regulatory requirements. International also offers a variety of interactive gaming products, including poker, casino, bingo, and mobile systems, as well as products and services to sports betting operators including both retail and full online support.

“International” earns revenue from:

- The sale, lease, or revenue share of commercial gaming machines, game software, central systems, loyalty and bonusing systems and services, field services supplied to gaming operators and government entities, as well as from the sale or hosting of real-money wagering games played over the Internet.
- The sale or lease of lottery

central system hardware and software and lottery terminals to government entities, the sale of physical instant tickets to government entities, and professional services in the form of lottery facilities-management and lottery-operation fees.

- Point-of-sale transaction processing services such as cellular phone top-ups, bill payments, and money transfers for several IGT lottery customers in Latin America and the Caribbean.

Italy

The majority of the revenue earned in the Italy segment is derived from the lottery and machine gaming concessions. The Italy segment operates and provides a full range of B2C gaming products, including:

Lottery

IGT manages instant lotteries, both on paper (e.g., Gratta e Vinci) and online, as well as fixed-odds number games (e.g., Gioco del Lotto, 10eLotto) through its subsidiaries shared with other operators. IGT has gained a unique experience in managing all of the activities along the lottery value chain, from advertising and promotions to wagers collection, paying out prizes, assisting retailers, and operating data transmission networks and processing centers. IGT operates approximately 40,000 terminals located in 34,000 Lotto retail points-of-sale and 66,000 instant ticket retail points-of-sale.

Machine Gaming

With respect to IGT's machine gaming concessions in Italy, the Company, through one of its Italian subsidiaries, directly manages stand-alone AWP and Video Lottery Terminals (VLTs) that are installed in various retail outlets and linked to a central system and to Agenzia delle Dogane e Monopoli (ADM), the Italian gaming authority. IGT operates the gaming machines system network under the Italian gaming concession and provides systems and gaming machines to other gaming machines concessionaires, either as a product sale or as part of a long-term contract. As of December 31, 2016, IGT had approximately 79,000 machines in the Italian installed base.

Sports Betting

IGT operates betting networks on sports and non-sports events (either on a parimutuel or fixed odds basis) serving approximately 1,400 corner shops and 350 retail points-of-sale, as well as online channels (Internet, mobile).

Commercial Services

IGT offers transaction processing of commercial services including bill payments, electronic tax payments, utility payments, money transfer services, fidelity card services, stamp duty services, prepaid cellular telephone recharges, prepaid cards, and retail-based programs. IGT's commercial services network comprises

approximately 70,000 points-of-sale across the nation.

Interactive

IGT provides all of the Internet games currently authorized in the Italian market, running on Internet or mobile networks, including skill games such as poker, bingo, and casino games.

IGT also operates in Italy as an online gaming concessionaire through one of its Italian concessionaires.

Governance

International Game Technology PLC (“IGT”) is a company organized under the laws of England and Wales. It qualifies as a foreign private issuer under the rules and regulations of the U.S. Securities and Exchange Commission (SEC) and the listing standards of the New York Stock Exchange (NYSE).

IGT’s Board of Directors consists of 13 directors. Eight of the directors are determined by the board to be independent under the listing standards and rules of the NYSE as required by the Company Articles (with no material relationship with IGT). IGT’s Board of Directors has determined that the members of the board meet the standards for independence set forth in the Company’s Corporate Governance Guidelines and applicable NYSE rules.

As of April 10, 2017, IGT’s directors and certain of the Company’s senior managers are as follows:

Philip G. Satre	Chairman of the Board; Director (Independent)
Patti S. Hart	Vice-Chairman of the Board; Director
Lorenzo Pellicoli	Vice-Chairman of the Board; Director
Paget L. Alves	Director (Independent)
Paolo Ceretti	Director
Alberto Dessy	Director (Independent)
Marco Drago	Director
Sir Jeremy Hanley	Director (Independent)
James F. McCann	Director (Independent)
Heather J. McGregor	Director (Independent)
Vincent L. Sadusky	Director (Independent)
Marco Sala	Director and Chief Executive Officer
Gianmario Tondato da Ruos	Director (Independent)
Renato Ascoli	Chief Executive Officer, North America Gaming and Interactive
Walter Bugno	Chief Executive Officer, International
Fabio Cairoli	Chief Executive Officer, Italy
Michael Chambrello	Chief Executive Officer, North America Lottery
Mario Di Loreto	Executive Vice President of Human Resources, Organization & Transformation
Alberto Fornaro	Executive Vice President and Chief Financial Officer
Robert Vincent	Executive Vice President for Administrative Services and External Relations
Donald R. Sweitzer (*)	Chairman, IGT Global Solutions Corporation

* Mr. Sweitzer is a consultant to the Company.

Global Compliance and Governance Committee

In accordance with various regulatory expectations and requirements, IGT established a Global Compliance and Governance Committee. All but one Member of the Committee are independent of the Company and knowledgeable in matters of gaming, regulatory processes, and lottery operations. A key tool the Committee uses for managing corporate Compliance is the Company's Global Compliance and Governance Plan (the "Plan"). The Plan provides IGT and its subsidiaries with the framework for ensuring conformity to the various compliance and regulatory requirements in its world-wide lottery, casino gaming, and gaming services business sectors. This Plan includes provisions for corporate oversight of compliance matters and establishes guidelines for administering these matters.

The Board of Directors appointed three committees, each one composed of independent members who meet the eligibility requirements of the NYSE and applicable law so they are tasked with the following duties, among others:

- The **Audit Committee** oversees the accounting and financial reporting processes, reviews the audit firm's qualifications, independence and performance. As part of its responsibility over the internal audit and risk management/ compliance activities, it also discusses the policies related to risk assessment and risk management,

the Company's major financial risk exposures and the Company's plans to monitor, control and minimize such risks and exposures;

- The **Nominating and Corporate Governance Committee** designs the Board composition and proposes nominees, leads the Board self-evaluation and the CEO emergency succession processes, monitors and periodically reassesses the Articles of Association, the Corporate Governance Guidelines, the Code of Conduct, and other governance-related policies and procedures;

- The **Compensation Committee** is in charge of the compensation guidelines, policies (including claw-back) and reporting, with specific reference to the remuneration policy and the report to be put before shareholders for approval at the annual general meeting. The Committee is also charged with the CEO succession (in non-emergencies), the review of the CEO performance and compensation, and the management development, as well as with the administration of the stock-based plans and stock ownership guidelines.

Committee structure and membership

	AUDIT COMMITTEE	COMPENSATION COMMITTEE	NOMINATING AND CORPORATE GOVERNANCE COMMITTEE
Paget Alves			
Alberto Dessy			
Sir Jeremy Hanley			
James McCann			
Heather J. McGregor			
Vincent Sadusky			
Philip Satre			
Gianmario Tondato da Ruos			

 Chairperson

 Member

*Note that Heather J. McGregor was nominated in 2017

Each committee has at least three independent members, as determined by the Board, and meets the independence and eligibility requirements of the NYSE and applicable laws. The chairperson of each committee is appointed by the Board. The charters for the Audit Committee, the Compensation Committee, and the Nominating and Corporate Governance Committee are available at www.igt.com.

Principal Risks

Due to the nature of the gaming business, IGT is exposed to risks related to regulatory issues and the general socio-economic climate. The Company operates on a global scale and navigates many different contexts and jurisdictions. It also operates in tribal jurisdictions with sovereign immunity within the U.S. Thanks to a solid corporate governance, IGT has established healthy and successful relationships with communities, as well as regulatory bodies and authorities worldwide, allowing the Company to successfully compete in the marketplace while mitigating the risks at the same time.

Economic Risks

IGT is exposed to risks associated with the performance of the global economy and the markets where it operates, including interest rate risk, foreign currency exchange rate risk, liquidity risk and credit risk. The Company's overall risk management strategy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its performance through ongoing operational and financial activities. IGT monitors and manages its exposure to such risks both centrally and at the local level, as appropriate, as part of its overall risk management program seeking to reduce the potential adverse effects on its operations and financial position. In order to mitigate the risk of disruption in systems, networks, or telecommunications due to technical failures or cyber-attacks, IGT implements and works to improve its network security measures and data protection safeguards, including a disaster recovery strategy for back office systems.

Social Risks

Economic contraction, political instability, economic uncertainty, and the perception of weak or weakening economic conditions may cause a decline in demand for gaming products and services. In addition, changes in discretionary consumer spending or consumer preferences could be driven by factors such as an unstable job market, perceived or actual disposable consumer income and wealth, or fear of war and future acts of terrorism. A significant threat for the entire gaming and betting industry arises from illegal activities, which may drain significant betting volume away from the regulated industry.

From time to time, the gaming industry is exposed to negative publicity related to gaming behavior, gaming by minors, a perceived overabundance of gaming machines in stores and other locations, risks related to online gaming, and an alleged association with money laundering. If the perception develops that the gaming industry is failing to address such concerns adequately,

“We are committed to acting with honesty and in good conscience in all business activities, whether we are dealing with government officials, customers, or any third party. No matter where our business is, IGT is committed to winning business the right way, by conducting relationships with integrity, and maintaining the highest ethical standards in all we do.”

*Marco Sala
IGT Chief Executive Officer*

the resulting political pressure may result in the industry becoming subject to increased regulation that could adversely impact the gaming business.

IGT reviews its business strategy and maintains a diverse portfolio across many regions, while remaining in communication with governments and other policy makers as appropriate in all markets where the Company operates to mitigate these social risks.

Environmental Risks

IGT is committed to reducing its environmental impact. Although the Company’s main activities lie within the service sector – a sector not as environmentally impactful as some others – IGT has adopted a risk management model to identify, evaluate, manage, and monitor the main environmental risks affecting all activities at a regional level.

IGT has implemented efficiency measures aimed at reducing energy consumption and shrinking exposure to energy and fuel cost rises. The Company has started updating its U.S. fleet with more efficient vehicles and it has implemented on-site energy-efficiency solutions. IGT has also implemented a systematic data collection process of energy and fuel consumption occurring in its offices, warehouses, and production and printing sites, to monitor consumption and environmental impact through an “environmental package” compiled by each significant site. This enables strategy updates

and timely responsive actions where predefined consumption thresholds are exceeded.

A comprehensive list of risks and their mitigation initiatives, along with other relevant information, can be found both in the SEC Form 20-F, which is submitted to the U.S. Securities and Exchange Commission by foreign companies with shares traded on a U.S. exchange and in its Annual Reports and Accounts, filed with Companies House in England, the jurisdiction of IGT’s incorporation.

Global Risk Management Corporate Policy

This policy defines the governance guidelines, the policies, and procedures of the Enterprise Risk Management (ERM) process that ensures the main risks potentially affecting the value of the Company are properly identified, assessed, treated, and monitored.

The Global Compliance and Risk Management function is responsible for compliance and risk management matters, ensuring that operational, financial, and other Company risks are properly identified, evaluated, and mitigated. The function is designed to detect and prevent violations of law, regulations and Company policies and procedures – in conjunction with the Company’s Code of Conduct – in order to reduce the likelihood of unethical activity by employees, officers, directors, agents, and consultants.

“IGT’s reputation as a responsible and ethical supplier of gaming and lottery products and services is critical to our success. Everyone at IGT must earn that reputation, every day, in the way we conduct business.”

*Neil Abrams
Senior Vice President and
General Counsel*

The Internal Controls and Risk Management System (ICRMS) consists of a set of tools, organizational structures, and corporate rules designed to ensure that the Company is managed according to its corporate objectives. IGT has updated the organizational models and its Code of Conduct in response to recent legislation, which outlines new offenses. Training for the Code of Conduct was conducted in an online module during the 2016 Code of Conduct certification process (released August 2016 and completed 100% by year end). All employees were required to participate in the training and certify that they agree to abide by the Code. Employees in Italy attended a refresher training course on the Legislative Decree n. 231/2001 – a ruling on the direct liability of companies and other legal entities for crimes committed by directors, executives, their subordinates, and other subjects acting on behalf of the legal entity (e.g. the agents), when the unlawful conduct is carried out in the interest of or to the benefit of the group company concerned.

Anti-Corruption Compliance and Ethics (ACE) Policy

In December 2016, IGT issued an anti-corruption policy to integrate the Company’s Code of Conduct and accommodate the individual needs of the Company. All IGT employees will complete a specific training course during 2017.

Under anti-corruption laws, IGT may be held liable not only for its own actions but also for the actions of third parties with whom it works, such as distributors, suppliers, subcontractors, sale agents, consultants (both government relations and others), customs clearance brokers, advisors, vendors, and joint venture partners. All directors, officers, and employees of IGT and its subsidiaries and third parties working on IGT’s behalf, must be aware of and comply with all applicable anti-corruption laws, as well as with Company policies regarding those laws.

Global compliance with anti-corruption laws, and IGT’s related policies and procedures, are fundamental cornerstones to protecting the

Company’s reputation. IGT forbids directors, officers, employees, and third parties from offering or giving to any person, or soliciting or accepting from any person, bribes, kickbacks, or any other improper benefits. IGT prohibits bribery in any form to or from any person.

In addition to complying with global anti-corruption laws and ACE Policy, the Company must also comply with local laws and regulations (which may prohibit even giving items of truly nominal value), customer policies, contractual prohibitions, and ethical rules regarding gifts, meals, entertainment, and travel in the jurisdictions where IGT is doing business.

To maintain the highest ethical standards, and to comply with global anti-corruption laws, IGT also prohibits bribery in the private sector, which is known as commercial bribery. Any business courtesy should be reasonable and for a legitimate business purpose. IGT also prohibits soliciting or accepting a bribe from a supplier or other private-sector party.

Main Regulators in the European Union and Italy

In Europe, IGT is involved in regular, constructive discourse with European Union (EU) institutions (European Commission, European Parliament, and European Council), societal stakeholders Bureau Européen des Unions de Consommateurs (the European Consumer Organization), and national regulators. IGT contributes based on existing EU and related national laws. The sustainable development of the gaming sector in Europe is built upon the primary competence of national authorities, which can guarantee public interest, certainty of the rules in a regulated system fully respecting the jurisprudence of the European Court of Justice, and confinement of illegal operator activities.

Regulatory Framework

The gaming and lottery industries are among the most highly regulated and monitored in the world, and they exist in a realm where the public interest prevails. To safeguard such public interest, governments and regulatory bodies play a key role in accordance with the primary legislative objectives of legality, security, consumer protection, fair competition, public safety, and financial and tax compliance. Proper regulatory oversight also ensures that government authorities collect the appropriate amount of gaming tax revenues to fund important government-sponsored programs and good causes.

IGT has adopted a business model that conforms to socially responsible and transparent business practices, allowing the Company to reconcile its business goals with its social and environmental objectives. IGT currently operates in more than 100 countries worldwide, where its activities are subject to extensive,

complex government regulations and substantial oversight by specialized gaming authorities and related government agencies. In some instances, regulators not only govern IGT's activities within their jurisdiction but monitor IGT activities in other jurisdictions to ensure compliance with local gaming operating standards on a global basis.

In Italy, regulation of the gaming market is within the remit of the Italian Parliament and Government, and enforced by the Customs and Monopoly Agency (Agenzia delle Dogane e dei Monopoli) at a national level. At the local level, each region can also introduce specific territorial laws based on their competencies related to public safety while individual municipalities can regulate some gaming aspects as opening hours allowed for AWP or gaming centers.

Regulatory Changes Occurred in 2016

For the purpose of reporting on regulatory changes in 2016, Italy and the United States are reviewed here as these two regions represent the most profitable markets for IGT.

Italy has a history of frequent changes to the regulatory gaming framework.

The Stability Law of 2016 established many changes for the gaming industry, summarized as follows: tax increase for gaming machines AWP, video lottery terminals (VLTs) machines and

“You have to be responsible, authentic, and collaborative in the gaming industry. You have to work with customers, regulators, and government officials. There always has to be that sense of trust, and you have to build on existing relationships to make sure you have a solid foundation.”

*Colleen Rowan
Regional Account Director*

reduction of AWP Payout); taxation based on the Gross Gaming Yield (GGY) for Betting and Interactive games; limitation for TV and radio advertising in a specific range of time. Other regulations must still be applied, for example: reduction and distribution of gaming locations, new tenders for retail betting, retail bingo and interactive gaming, technological upgrades for gaming machines (new remote AWP).

In April 2016, IGT won the Lotto tender process (the contract expires in 2025) with a consortium led by Lottomatica (61.5%) and that includes Italian Gaming Holding (IGH, 32.5%, controlled by SAZKA, the Czech Lottery, and Emma Capital Ltd), Arianna 2001 (4%, affiliated with the Italian Federation of Tobacconists), and Novomatic Italia (2%).

In the United States, the most meaningful regulatory change in 2016 was the legalization of Daily Fantasy Sports (DFS). Eight states passed laws regulating DFS: Colorado, Indiana, Massachusetts, Mississippi, Missouri, New York, Tennessee, and Virginia.

Conversely, nine states moved to stop DFS by having the state's Attorney General declared the games illegal: Alabama, Delaware, Georgia, Hawaii, Idaho, Illinois, Nevada, Texas, and Vermont. IGT's position is to encourage regulation that promotes innovation without lowering the probity standards that govern, through licensing and regulation, given that DFS systems are virtually identical to all other gaming-transaction systems (iGaming, iLottery, and traditional gaming) and have the same risks.

Transparency in Public Policy Advocacy

IGT embraces the idea that effective legislation can be implemented at the EU and national levels through a process in which a member state, before implementing any technical regulation, assesses the regulation and communicates with the European Commission about that assessment, and the European Commission, in turn,

uses a formal notification procedure to offer the member state and the economic operator guidance that is based on non-discriminatory rules and allows the operator to adapt its activities in good time.

No major amendments to legislation occurred within the EU regulatory framework in 2016.

IGT, through Lottomatica, is included in the EU Transparency Register, a public database of information about lobbying activity that aims to ensure transparency in influencing EU policy formulation and implementation. The Register is a voluntary system of registration for representatives of interested organizations. Lottomatica has committed to publish an estimate of costs associated with its public affairs activities in Brussels, ensuring full compliance with the Code of Conduct of the EU institutions. In 2016, IGT made no financial contributions to political entities in the EU or in any European country where the Company operates.

In Italy, Lottomatica has a long-standing daily relationship with the

Customs and Monopoly Agency in order to involve and update the Agency on product innovations, anticipate issues, and reconcile business needs with the evolution of the regulatory framework. Similarly, IGT meets regularly with ruling institutions to discuss problem gambling and to carry out its sponsorships of social and cultural activities.

In 2016, IGT engaged in an intense dialogue with U.S. federal and state regulatory entities on DFS and Internet wagering. Both subjects have a direct impact on IGT's U.S. business, in both the gaming and lottery sectors, and are being addressed on the federal and state levels by IGT's internal and external Government Relations resources.

Despite the DFS industry's unprecedented lobbying campaign to exclude DFS from being defined as gambling in states' laws, IGT believes that DFS is a form of Internet wagering and should be treated as such by policy makers. IGT wants to encourage a real debate about innovative content across the iGaming spectrum.

This cannot occur if the rules are changed for DFS only, without engaging in a comprehensive discussion about all iGaming options.

As far as Internet wagering is concerned, there are 21 state-regulated Internet wagering websites in the U.S. They operate in 13 states, generate tax revenue for the state, and protect players by offering age-verification and geolocation services along with financial moderators to guard against irresponsible play. The sites are regulated by federal and state law and operated as part of state government, with operations fully transparent and subject to multiple layers of government oversight.

IGT has policies and oversight in place to comply with federal, state, and local laws and regulations relating to the reporting requirements of corporate political contributions made in the U.S. IGT frequently reviews the requirements to ensure its public reports are filed accurately and appropriately.

Partnering with Worldwide Trade Associations



Founded in 1999, the World Lottery Association (WLA) is a member-based organization that advances the interests of state-authorized lotteries according to the highest standards of corporate responsibility (including the WLA Responsible Gaming Principles and Framework) and with respect for the duly authorized legal systems that determine where, and in what form, gaming products can be provided to the citizens of a particular geographical or national territory. WLA provides a unique platform for state lottery and gaming operators, from more than 80 countries on six continents, to exchange their knowledge and experience. IGT is an associate member of WLA. In addition, Lottomatica has been a member of WLA since its foundation, and Lottomatica's CEO has held a seat on the Executive Committee, which defines WLA guidelines and promotes best practices at a global level, since November 2014. The two-year appointment was reconfirmed in 2016 and will expire in 2018.



IGT is an associate member of The European Lotteries (EL), the umbrella organization of national lotteries operating games of chance for the public benefit. Launched in 1983, under Swiss law, EL brings together state-owned and private operators, both profit and non-profit, that operate on behalf of the state. Its mission is to promote the sound and sustainable gaming model for the benefit of society in line with the values of subsidiarity, precaution, solidarity, and integrity. EL is a proactive and strategic forum for reflection and discussion among members, as well as a laboratory for the design, development, and implementation of its gaming models. It promotes cooperation among members by providing them with platforms for exchange, educational offerings, and precise information. Lottomatica is a regular member and is also a member of the Executive Committee, and is committed to contributing to the definition of international standards and certifications and the drafting of guidelines and best practices to safeguard consumers and increase gaming security at all levels.



Thanks to its expertise in the management of suspicious-money detection in combatting match-fixing, Lottomatica has an active role in the non-profit Global Lottery Monitoring System (GLMS) association, mandated by the world lottery community to monitor sports betting activity for irregular betting patterns in an effort to combat corruption in sports. Built on the existing European Lottery Monitoring System (ELMS) for sports betting, which was established by the EL and has been operational in Europe since 2009, the GLMS implements the



IGT enjoys a long-standing relationship with the American Gaming Association (AGA), the premier national trade group representing the \$240 billion U.S. casino industry, which supports 1.7 million jobs in 40 states. AGA members include commercial and tribal casino operators, suppliers, and other entities affiliated with the gaming industry. With the creation of the Corporate Social Responsibility Working Group, in 2015, and the Responsible Gaming Task Force, in 2016, the mission of the AGA is to be the single most effective champion of the industry, protecting against harmful and misinformed public policies, paving a path for growth, innovation and reinvestment, removing barriers to gaming expansion, and advancing a proactive public policy agenda. AGA research brings forward data and expert perspectives to educate elected officials, community leaders, and the public at large about the U.S. gaming industry. Fact sheets, reports, white papers, and infographics address topics from social and economic impacts to employee satisfaction, industry technologies, consumer behavior, and more. Since AGA's inception, IGT has been a member and has had a representative serving on the Board of Directors/ Executive Committee and various other committees.



The Association of Gaming Equipment Manufacturers (AGEM) is a non-profit international trade association representing more than 150 manufacturers and suppliers for the gaming industry. The members of AGEM work together to create benefits for every company within the organization through good corporate citizenship, political action, regulatory influence, trade show partnerships, educational alliances, and information dissemination. AGEM has assisted regulatory agencies and participated in the legislative process to solve issues and create a business environment where AGEM members can prosper while providing a strong level of support to education and responsible gaming initiatives. IGT has been a member of AGEM since its inception and currently has a representative serving in an officer capacity on the executive committee and various other committees.

Strategic Approach to Sustainability

As a company operating on a global scale, IGT acknowledges the fundamental principles that need to guide corporate actions in the marketplace, from being a good corporate citizen to actively engaging on the local level in the jurisdictions in which the Company operates.

IGT's long-term sustainability strategy identifies three main categories:

- 1. Economic sustainability:** The generation and distribution of direct economic value consistently meet the expectations of shareholders, while creating value for all of the corporate stakeholders.
- 2. Social sustainability:** The Company works with the industry worldwide to promote responsible gaming, while supporting research and development of tools addressing problem gambling, including preventing

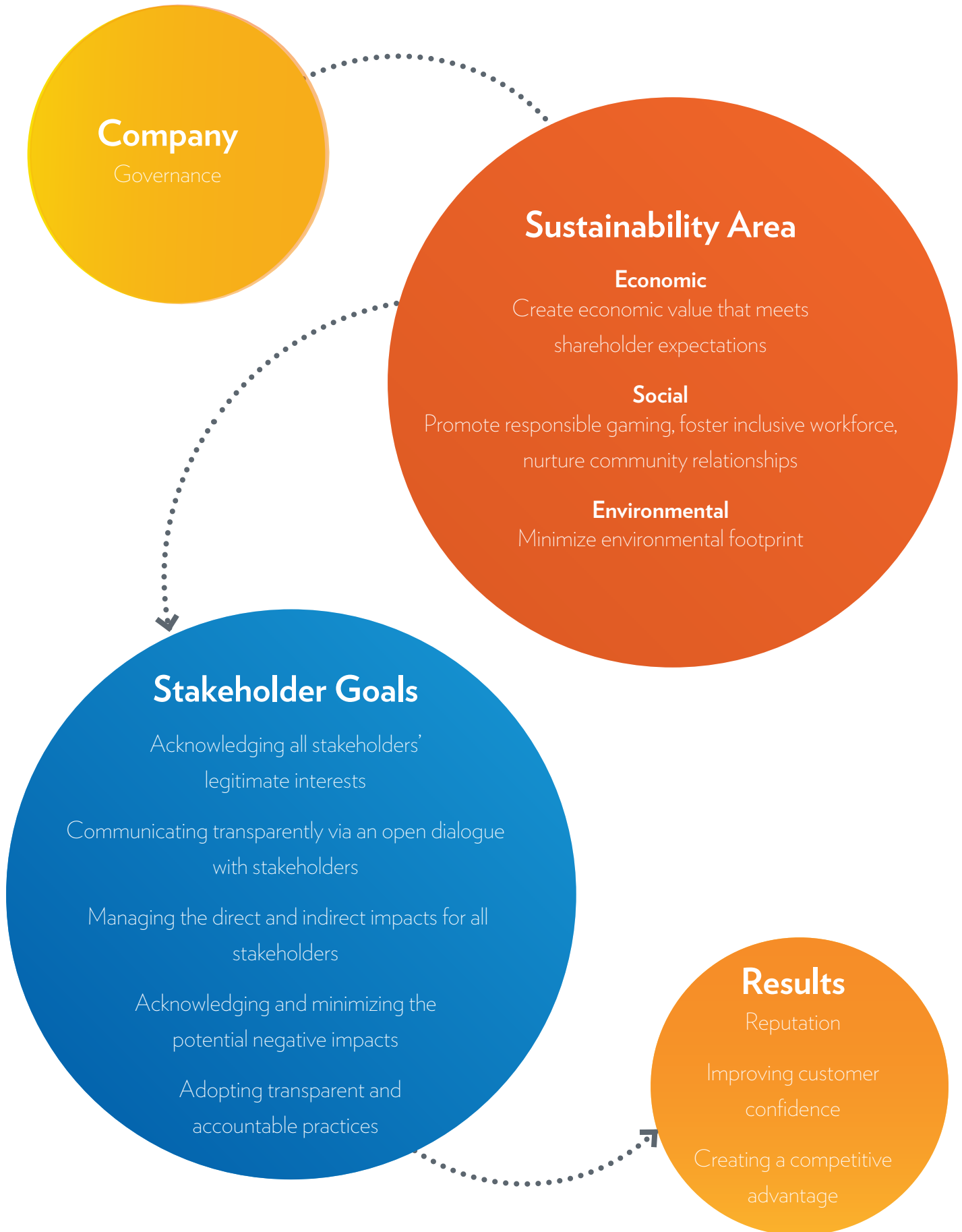
underage and excessive gambling. In addition, we foster a diverse and inclusive workforce, promote human rights, and ensure safety at work across the entire supply chain. Finally, IGT supports a variety of charitable initiatives and employee volunteerism opportunities to make a positive and meaningful impact on local communities.

3. Environmental sustainability:

IGT works to minimize environmental impact across its entire value chain, and strives to develop new products and processes that meet rigorous quality and safety standards. From sourcing and production to the use and disposal of products, IGT works in partnership with suppliers and customers to lower its environmental footprint.

IGT's sustainability efforts go beyond government-mandated regulations to ensure value creation for all stakeholders, including governing and regulatory bodies, customers, and our employees. Our internal corporate culture is guided by a set of five values, which include being passionate, pioneering, responsible, authentic, and collaborative.

While operating globally, IGT also conducts business with local governments and organizations, which calls for a strong corporate culture supporting a system of checks and balances to ensure strict adherence to the principles of lawful conduct in every jurisdiction served.



IGT's Code of Conduct specifies the integrity expected of all employees, directors, officers, and consultants, as well as any third-party representatives who deal with or act on behalf of the Company and its subsidiaries and controlled affiliates, inspiring the model of Corporate Governance. Integrity in terms of behaviors, as well as business conduct are the foremost prerequisites for creating value for all stakeholders.

CSR touches upon every aspect of the business, from marketing and technology all the way to the supply chain. IGT is committed to pursuing global sustainability goals according to advanced sustainability practices, such as:

- Acknowledging all stakeholders' legitimate interests.
- Communicating transparently via an open dialogue with stakeholders.
- Managing direct and indirect impacts for all stakeholders.
- Acknowledging and minimizing potential negative impacts.
- Adopting transparent and accountable practices.

By being compliant with emerging regulations and voluntarily disclosing information through the annual Sustainability Report, IGT is leveraging the long-standing results of its CSR strategy to strengthen its reputation, improve customer confidence, and create a competitive advantage.

Generation and Distribution of Economic Value

IGT is the global leader in the gaming market by revenue, with reported revenues for 2016 of U.S. \$5.15 billion. Adjusted earnings before interest, taxes, depreciation and amortization (EBITDA) reached U.S. \$1.755 billion, and the adjusted operating income topped U.S. \$1.167 billion.

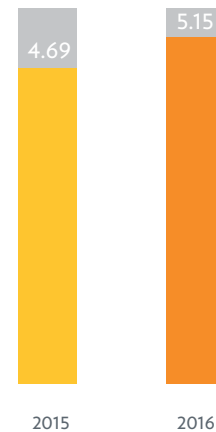
IGT occupies a strong competitive position in various sectors and claims a balanced portfolio in terms of geography, with 49.8% of total revenue in North America, 34.2% in Italy, and the remaining 16.1% in International.

Financial highlights

Revenues

(for the years ended 31 December)

\$5.15B



Dividends declared per common share in 2016 **\$0.80**

While we detail value creation in the financial report for shareholders, IGT also reports on social and environmental matters for all stakeholders. This is encouraged by Principle 1 of International Accounting Standards and is in compliance to the Global Reporting Initiative Standards.

Information on the generation and distribution of Economic Value is an alternative description of the Company's creation of value. It provides a fuller meaning than a company's mere profit, as it incorporates the interests of both internal and external stakeholders, showing the economic impact of corporate activities on host communities.

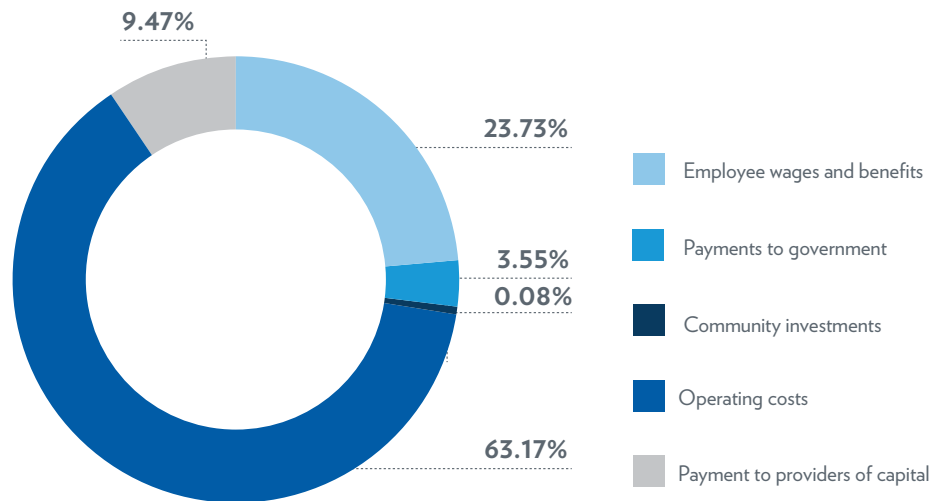
The Economic Value generated and distributed includes the economic impact on both IGT's internal stakeholders (e.g. employees) and its external stakeholders (e.g. community, public administration). By analyzing the Economic Value generated and distributed, IGT's economic impact can be measured beyond a strict financial viewpoint and provide a telling picture of the direct monetary value added to local economies.

Generation and Distribution of Economic Value (US\$ thousands)

	2015 ^(*)	2016
Economic Value Generated	4,719,494	5,291,361
Economic Value Distributed	4,507,191	4,953,666
Employee wages and benefits	1,102,784	1,175,386
Payments to government	146,988	175,823
Community investments	7,568	4,048
Operating costs	2,791,867	3,129,140
Payments to providers of capital	457,984	469,268

**2015 figures have been restated due to updates to calculation methodology*

Economic Value Distributed



Total community investments refer to actual monetary expenditures in the reporting period, not commitments. IGT has calculated community investments as voluntary donations plus investment of funds in the broader community where the target beneficiaries are external to the organization. These can include:

- contributions to charity;
- contributions to NGOs (non-governmental organizations) and research institutes (unrelated to the organization’s commercial research and development);
- funds to support community infrastructure, such as recreational facilities; and
- direct costs of social programs, including contributions to arts and educational initiatives.

Materiality Analysis

A topic is considered ‘material’ if it may directly or indirectly impact the organization’s ability to create, preserve or erode economic, environmental and social value for itself, its stakeholders and society at large. Therefore, the materiality analysis aims to identify the sustainability-related (economic, social and environmental) issues that present risks or opportunities to the Company while taking into consideration the issues of most concern to internal as well as external stakeholders. So, the materiality analysis not only identifies issues with significant sustainability-related impacts for

the Company but it also takes into account the understanding of stakeholders, prioritizing risks and opportunities.

Materiality definition process

IGT Sustainability Report 2016 is structured according to the topics defined through a four-step process that included:

1. reviewing the 2015 Materiality Matrix,
2. identifying the topics relevant in 2016,
3. prioritizing the identified topics (and subsequently defining the material topics to be disclosed in the 2016 Sustainability Report), and
4. validating the 2016 Materiality Matrix.

Material topics are those that reflect IGT’s significant economic, environmental and social impacts or that substantively influences the assessments and decisions of stakeholders.

Internal and external stakeholders analyses were carried out to complete the review of the 2015 matrix and identify the relevant topics. The internal analysis was carried out by qualitatively assessing the impact of each topic on IGT’s economic, environmental, and social performance, and taking into account the initiatives during the year, the existing procedures and policies, and the corporate functions overseeing the various topics.

Internal stakeholders analysis

A wide range of IGT employees participated in the internal stakeholders analysis, which consisted of team discussions that took place during dedicated meetings with the people involved in the material topics reporting process. IGT people talked about an array of sustainability issues and provided a well-rounded perspective from within the Company. The specific themes discussed are shown here.

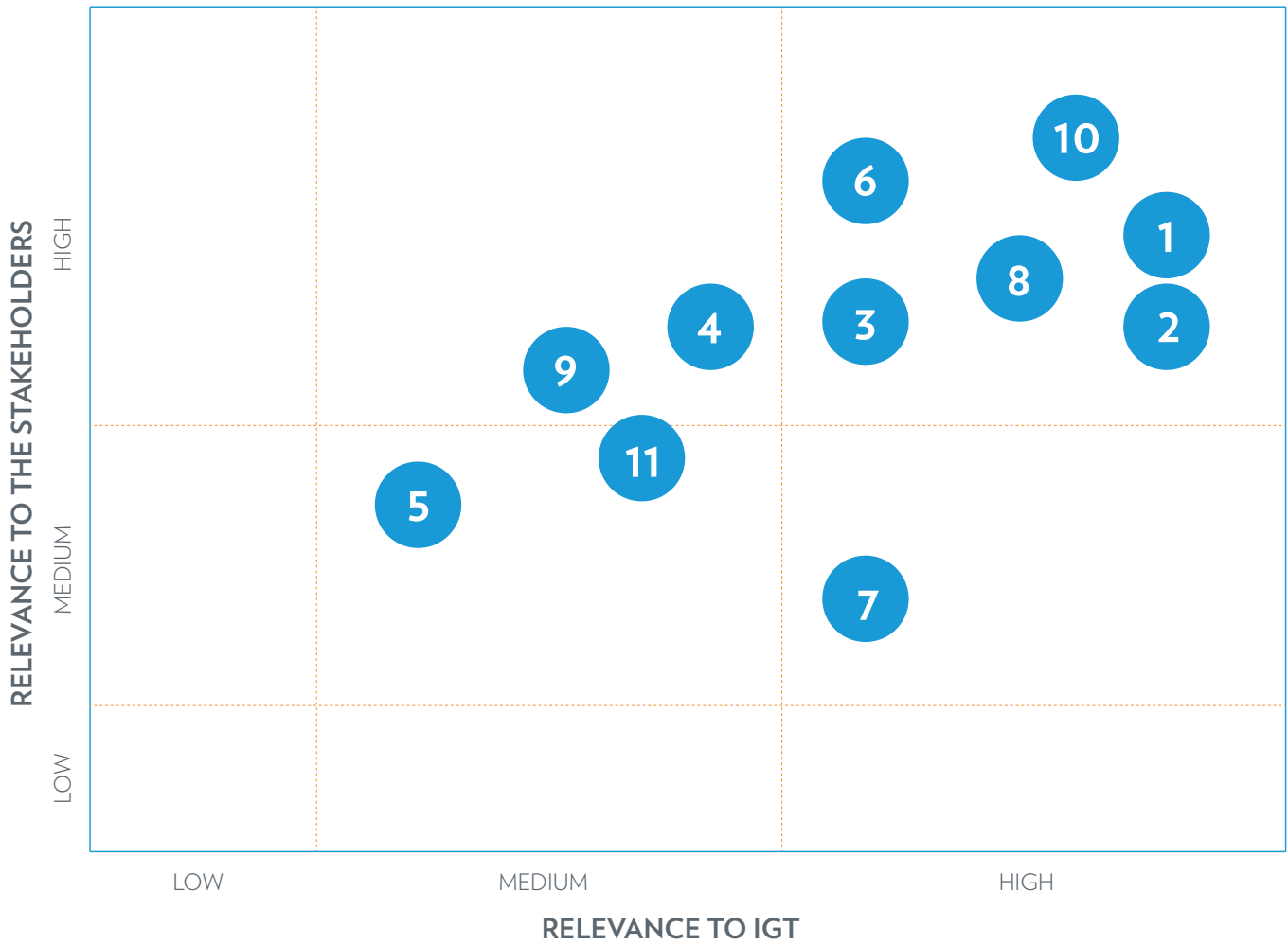


The external analysis took into account the main categories of stakeholders and the business impacts at local, regional, and global levels. During this step of the process, all of the topics were prioritized according to the significance of their economic, environmental, and social impacts, their substantial influence on stakeholders' assessments and decisions, and considering their different perceptions and expectations. This activity was led

by the principle of materiality and stakeholder inclusiveness. Based on the outcome of the process, the Materiality Matrix was validated.

The identified topics are finally placed on the Materiality Matrix that shows their position relative to the degree of stakeholder interest and potential business impact. Consistent with the precautionary principle, all of the topics above the relevance threshold set by IGT have been considered material.

Materiality Matrix



Sustainability priorities

- | | | |
|---|---|---|
| <p>1 Business Ethics</p>  | <p>5 Environmental Responsibility</p>  | <p>9 Local Community Involvement</p>  |
| <p>2 Business Strategy</p>  | <p>6 Fraud Prevention and Data Protection</p>  | <p>10 Responsible Gaming</p>  |
| <p>3 Customer Satisfaction</p>  | <p>7 Human Capital Development and Protection</p>  | <p>11 Supply Chain Management</p>  |
| <p>4 Diversity and Equal Opportunity</p>  | <p>8 Innovation and Technology</p>  | |

IGT enjoys proficient relationships with corporate stakeholders at global as well as local level of the organization, complying with internal procedures detailed in IGT Global Compliance and Governance Program and IGT Code of Conduct, and according to the applicable legislations at the various national jurisdictions where the company is operating.

Stakeholders Relationships and Engagement

Success in the gaming business is heavily dependent on a solid reputation of fairness and integrity, which must be fostered by constant attention to listening, understanding and meeting the stakeholders' expectations. IGT translates this attention into a wide range of relationships, programs, and related communication activities aiming at fulfilling informational needs and gaining reputational trust from the stakeholders involved. Good relationships and a good reputation are always a competitive advantage.



Community

IGT fosters the relationships with the local communities it serves by means of several projects supported by corporate donations as well as employee participation. Through a transparent approval process for charitable contributions, the Social Impact Committee (SIC) selects the projects to be supported according to their significant and positive impact on the communities where the Company operates.



Employees

The people who work for IGT, representing the company and managing its operations, are collectively the best asset in meeting the business challenges posed in today's gaming market. The 2016 IGT Employee Engagement Survey results indicate that employees believe in IGT, are committed to its success, and intend to stay with the Company, although the overall engagement rating shows that there's room for improvement in two-way internal communication and fostering inclusion. In 2017, though, IGT is committed to launch the IGT's Diversity Council to better focus on the inclusion efforts in the company.



Environment

As part of the engagement with environmental control constituencies, IGT is participating in the Carbon Disclosure Project (CDP), a not-for-profit that runs the global disclosure system for private and public companies to manage their environmental impacts. IGT was recognized for effectively reducing emissions and was awarded with a higher score than any other company in the gaming industry. The Company is committed to carry out initiatives for resource efficiency as well as progressively increase the environmental reporting boundary.



Regulators

IGT is firmly committed to managing games in a way that guarantees safety, reliability, integrity, and efficiency. Regulators confidently rely on IGT capabilities and experience in preventing illegal and problem gambling, and counteracting match fixing. IGT top managers regularly attend meetings and workshops with public authorities and institutions at the local and global level in order to actively sharing knowledge and expertise.



Shareholders

According to its sound business models and strategy, the Company is operating in growing global market segments and investing in innovation to create shareholder value. All relevant information is transparently, promptly, and completely reported.



Players

IGT maintains a long standing commitment to responsible gaming, through close relations with customers, gaming regulators, research institutes, and advocacy groups to promote protective tools to

prevent problem gambling, support responsible gaming organizations that address problem gambling, and prevent underage gambling. Furthermore, IGT has created an internal Responsible Gaming Working Group, a team of global subject matter experts from nine departments to share updates on IGT's responsible gaming efforts.



Customers

The attention and dedication to customers is a key feature of IGT at all levels of the business, as evidenced by IGT's Customer First corporate philosophy and integrated into the strategies adopted to provide prompt and complete assistance to customers. Our partnerships with global customers are based on integrity, respect and excellence fostered over time and through vast range of integrated services and technologically advanced, innovative, and safe products. IGT top managers regularly attend gaming industry events to share best practices and collect feedbacks and proposals from customers worldwide.



Suppliers

By increasing the number of on-site visits to suppliers, in order to guarantee compliance with laws and regulations, IGT also ensures that modern slavery is not taking place in any of its supply chains and in any part of its own business.

STAKEHOLDERS

ACHIEVEMENTS

COMMITMENTS

PRIORITIES



Regulators

- Shared knowledge and expertise with national and international institutions.

- Managing games in a way that guarantees safety, reliability, integrity, and efficiency.
- Counteracting illegal and problem gambling.
- Preventing match fixing.



Community

- Employee involvement and engagement initiatives.
- Social Impact Committee's transparent approval process for charitable contributions.

- Administering the Employee Giving Program to facilitate employee requests for support of local organizations.
- Producing a yearly report to analyse requests received and supported by the SIC, to ensure IGT's contribution is well balanced and reflects the company's strategic vision.
- Organizations requesting funding from IGT are asked to provide volunteer opportunities for IGT's employees.






Players

- IGT systems and portals include player protection and security tools to safeguard players' interests and address regulators' concerns.
- Creation of IGT Responsible Gaming Working Group to generate a cohesive awareness around responsible gaming efforts and create effective programs.

- Promoting protective tools to prevent problem gambling especially among employees who interact with customers.
- Supporting responsible gaming organizations that address problem gambling.
- Preventing underage gambling through effective tools and procedures.



STAKEHOLDERS	ACHIEVEMENTS	COMMITMENTS	PRIORITIES
 <p>Employees</p>	<ul style="list-style-type: none"> • 2016 Global Employee Engagement Survey. • Employee education and training at all levels of the organization. 	<ul style="list-style-type: none"> • Fostering inclusion through the launch of Diversity Council and Diversity Ambassadors. • Cultivating fresh ideas and innovative projects. • Improving two-way communication. • Improving participation rate and engagement score. 	  
 <p>Shareholders</p>	<ul style="list-style-type: none"> • Prompt, transparent, and complete reporting. 	<ul style="list-style-type: none"> • Operating in growing global market segments and investing in innovation to create shareholder value. 	 
 <p>Customers</p>	<ul style="list-style-type: none"> • Established partnerships marked by integrity, respect, and excellence. • Provide customers with technologically advanced, innovative, products 	<ul style="list-style-type: none"> • Adopting strategies that provide prompt and complete assistance to customers. • Offering a vast range of integrated services. • Creating awareness on responsible gaming. 	    
 <p>Suppliers</p>	<ul style="list-style-type: none"> • Expanding supply chain to low-cost centers. • Due diligence system to identify the real risks of modern slavery related to the supply chain structure and operations. 	<ul style="list-style-type: none"> • Ensuring that modern slavery is not taking place in any supply chains and in any part of the business. • Creating of a risk matrix to define which suppliers are at risk. • Increasing the number of on-site visits to suppliers to guarantee compliance with laws and regulations 	 

STAKEHOLDERS

ACHIEVEMENTS

COMMITMENTS

PRIORITIES



Environment

- Implementation of initiatives for resource efficiency.
- Design and manufacturing of environmentally compliant products for all jurisdictions.
- Increasing boundaries and accuracy of the GHG emission monitoring and reporting.
- Recognition by the CDP 2016 Climate Change Program for commitment and actions fighting climate change, scoring the “Management B” Level.

- Continuing improvement of the Environmental Management System (EMS).
- Reducing the environmental impacts associated with ongoing activities.
- Using a web-based tool to collect environmental data from all IGT sites.
- Pursuing more efficient energy solutions, transportation, and mobility.
- Raising employee awareness through specific training and communication campaign.





photo:
Vincenzo Campana
Global Consumer Services
Rome, Italy



2

Fostering Responsible Gaming

Our Commitment

Our People

Our Capabilities

Our Partners

Our Certifications

Fostering Responsible Gaming

“Responsible gaming is fundamental to our business success, and our corporate social responsibility initiatives are part of our DNA. These principles govern the protection of our customers and their players. They also give us a unique opportunity to work more closely with our responsible gaming stakeholders, refresh our advertising practices, and involve our employees in unique ways to reinforce the Company’s commitment to responsibly delivering growth to the gaming industry.”

*Robert K. Vincent, IGT Senior Vice President
Executive Vice President Administrative Services and External Relations*

IGT believes it is incumbent upon all stakeholders in the gaming industry to take a pro-active approach to responsible gaming.

The Company is aware of the risks associated with gaming, and listens to the concerns of its key stakeholders. As a responsible corporate citizen, IGT works with a wide variety of stakeholders, including problem gambling researchers, advocacy groups, and policy makers, to promote and support responsible gaming. As a result, IGT has formally adopted

a comprehensive responsible gaming program, applying industry best practices and international standards to assist customers with educating and safely entertaining their players. IGT also encourages responsible gaming initiatives on the part of its customers and works to create opportunities for public recognition of their exemplary efforts.

Our Commitment

Responsible gaming is a vital aspect of our business. Responsibility and growth cannot be mutually exclusive.

When applied to best practices, responsible gaming solutions promote responsible play by helping players make informed decisions about their playing behavior.

The mission of IGT’s responsible gaming program is to raise awareness among its employees, customers, and the public at large and to support those agencies and programs committed to researching, preventing, and treating problem gambling. In this endeavor, IGT’s three main objectives are to:

- Promote protective tools to prevent problem gambling.
- Support responsible gaming organizations that address problem gambling.
- Prevent underage gambling.

Further, IGT weaves responsible gaming into its products, programs, and policies.

As gaming continues to expand in the interactive and mobile channels, it is even more critical that IGT systems and portals include responsible gaming tools to safeguard players' interests and address regulators' concerns. Such tools are significantly more effective when offered across every gaming channel, whether the player is at the retailer counter, on a Video Lottery Terminal (VLT), on a laptop at home, or on a mobile phone or tablet while on the go.

In 2016, IGT teams participated in conferences and seminars in Lisbon, Portugal, Paris, France, and Las Vegas, Nevada, exchanging ideas with gaming industry professionals, regulators, researchers, and healthcare providers. These efforts strengthened responsible gaming programs and helped safeguard the interests of players and the communities IGT served.

IGT's Responsible Gaming Working Group

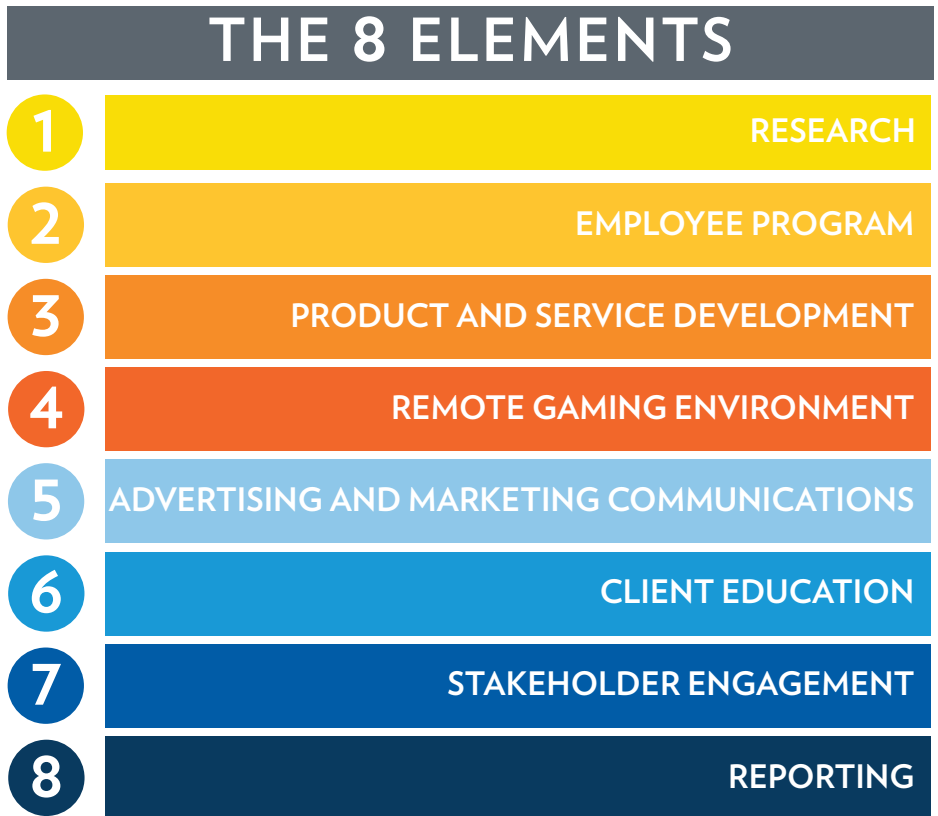
IGT has created a Responsible Gaming Working Group, a team of global subject matter experts from nine departments: Betting, Compliance, Corporate Communications, Gaming, Interactive, Learning Services, Lottery, Market Research, and Sales. These experts meet regularly to share updates on IGT's responsible gaming efforts. Preparatory work is carried out by eight sub-working groups, with each overseeing one of the eight elements of the responsible gaming program. These smaller groups discuss projects related to responsible gaming, such as implementing new global employee training with IGT's eLearning

(interactive training software) and updating the Company's advertising and marketing principles.

The goals of the Responsible Gaming Working Group are:

- To create a cohesive awareness of IGT's responsible gaming efforts to support the Company's principles regarding ethical behavior and responsible gaming as a foundation for success.
- To help define the responsible gaming action plan, monitor program effectiveness, and review both as necessary.
- To assess IGT's current responsible gaming initiatives and its products and services that assist customers with their responsible gaming efforts.

IGT's Responsible Gaming Program Elements



The chart above shows the eight elements of IGT's responsible gaming program. They have been adopted from the Responsible Gaming Principles and Framework of the World Lottery Association

(WLA), one of the most prominent organizations advising on problem-gambling awareness and education. IGT abides by the WLA's guidelines for associate members (lottery suppliers).

“Lottomatica’s ‘Let’s Spread the Word’ underage gambling awareness and prevention project combines awareness and information dissemination and seeks to involve players, game retailers, parents, and the community at large. We applaud Lottomatica’s commitment to the protection of youth and the building of awareness regarding the issue of underage gambling.”

Dr. Jeffrey Derevensky, Director of the International Centre for Youth Gambling Problems and High-Risk Behaviours at McGill University in Canada

Awareness and prevention for players - Let’s Spread the Word

In Italy, Lottomatica carried out its fifth underage gambling prevention tour, in partnership with MOIGE (Movimento Italiano Genitori, the Italian Parents Movement) and FIT (Federazione Italiana Tabaccai, the Italian Tobacconists Association). The tour (launched in the second half of November, 2015) touched 15 regions in 24 days, greatly expanding on the first tour, which covered

five regions in 20 days. A mobile kiosk was strategically placed in commercial malls to raise awareness of and prevent underage gambling among minors. To support the tour, a communications campaign, Facciamo Girare la Voce (Let’s Spread the Word), was showcased in the press, on TV, and via the Web, where it had a remarkable 47.5 million hits. The tour closed with a survey, the results of which revealed that public awareness had increased from 50% to 55% in the last year.



Our People

As part of our commitment to employee education, IGT takes every opportunity to emphasize the importance of vendors, operators, and players being aware of the inherent risks of gambling.

Training courses are regularly scheduled for all employees, to encourage the growth of the Company in an ethical and

responsible manner. A balanced and responsible approach to gambling helps ensure long-term value creation.

IGT’s responsible gaming training courses are designed to educate employees about the Company’s commitment to responsible gaming and the consumer protections built into the Company’s gaming platforms. Courses also educate employees

about problem gambling and how to identify signs and symptoms and find resources for those who seek help.

In 2016, IGT launched a mandatory eLearning training program for all business-to-consumer (B2C) contact center employees.

Although most IGT employees completed the Company’s initial

responsible gaming training in April 2015, the goal of the B2C program was to provide player-facing contact center staff in Canada, India, and the U.S. with a responsible gaming curriculum tailored to their specific job responsibilities. To ensure this program met the highest standards and maintained a global focus, IGT worked in partnership with industry experts Marlene Warner, Executive Director of the Massachusetts Council on Compulsive Gambling, and Jeff Derevensky, Ph.D., Director of McGill University’s International Centre for Youth

Gambling Problems and High-Risk Behaviours.

The training features videos and interactive sessions, and consists of five chapters, each building on the skills learned in the previous chapter. The goal of the training is to enhance each employee’s understanding of callers exhibiting symptoms of a gambling problem and those seeking problem gambling resources for themselves or a loved one.

Throughout the year, IGT reviewed future initiatives for enhancing the Company’s responsible gaming program.

IGT is proud to support the American Gaming Association’s (AGA) annual Responsible Gaming Education Week (RGEW) campaign. Each year, IGT joins the AGA and casino operators throughout the U.S. to increase awareness about responsible gaming among gaming employees, casino customers, and the general public. This year, IGT recognized RGEW by encouraging the Company’s more than 12,000 employees around the world to participate in the campaign and by creating a series of internal communications to remind employees of the importance of responsible gaming.



**Not just a week—
a year round commitment**

Learn more during Responsible Gaming Education Week by logging into Yammer

August 1st – August 5th

Responsible Gaming Week



Our Capabilities

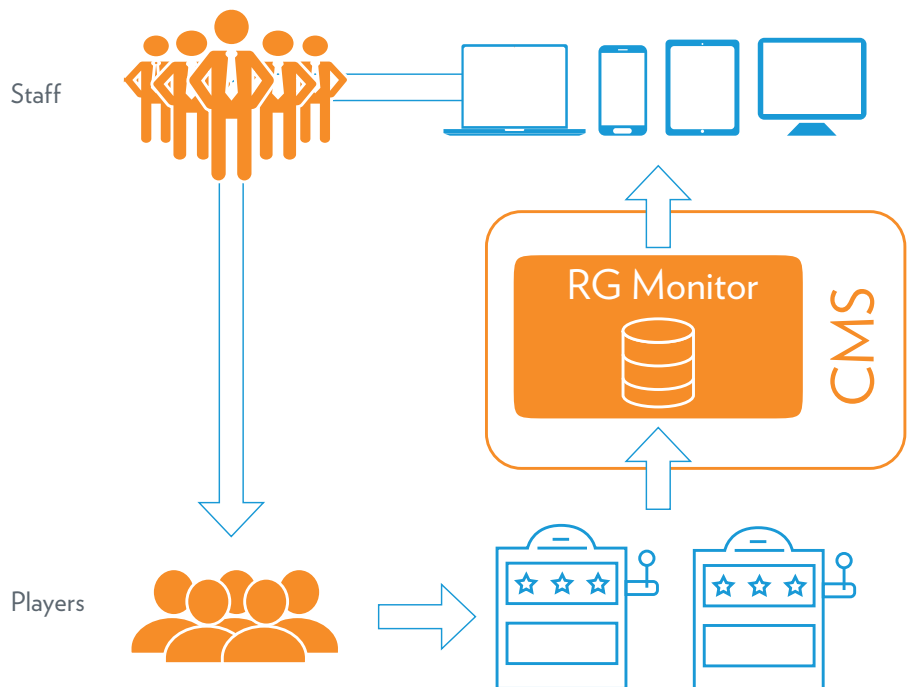
Many of IGT's customers operate under jurisdiction requirements and government regulations aimed at protecting players and minimizing risks related to problem gaming. Though IGT products and services relate to different areas of business and different gaming platforms, all share a dedicated attention to responsible gaming. Furthermore, IGT's products are compliant with each region's regulations and fulfill each customer's responsible gaming rules and requirements.

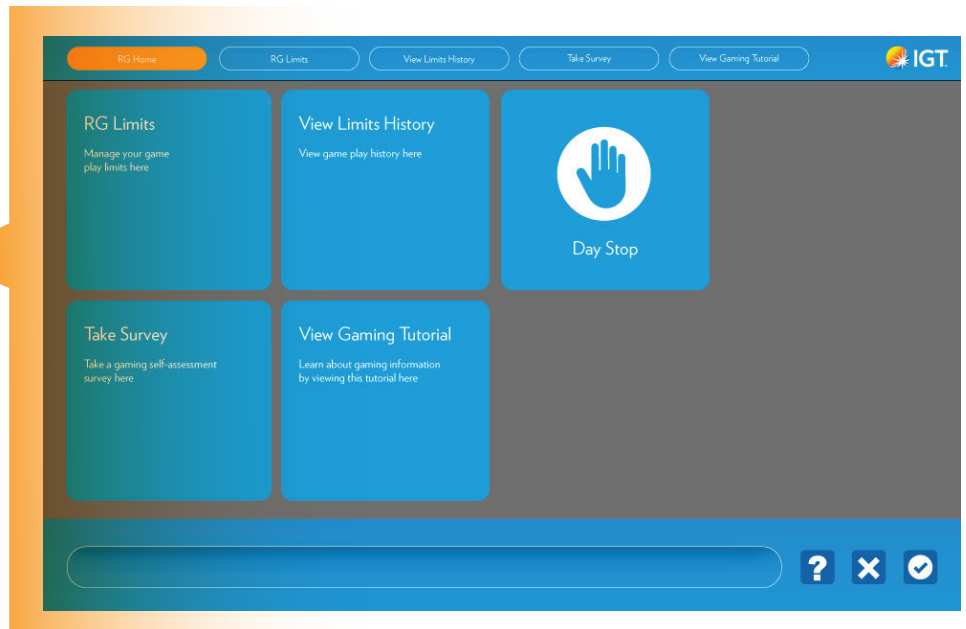
Gaming

For VLT operations, IGT has developed responsible gaming technology that includes on-machine features and system-supported functionalities. The IGT INTELLIGEN central system for video lottery consists of several modules such as the

Core System, Player Loyalty and Rewards, Cashless Gaming and Responsible Gaming. The Responsible Gaming module represents the most comprehensive responsible gaming technology in the industry today. Its development has been based on extensive research with lottery operators and players and in consultation with experts in the field of problem gambling.

The responsible gaming tools IGT offers to video lottery operators are intended primarily to help players make informed choices. The majority of these tools are designed to enhance player education and self-awareness. Examples include age verification, the ability for a player to set time and monetary limits for a session, day, week, or month; a self-assessment survey on problem gambling; a permanent clock displaying the time and duration of a game/session; and





a credit meter showing monetary amounts. Other features include configurable limits on the amount of money that can be inserted into a machine or appear on a credit meter. In addition, players can use spending predictions, play-history monitoring, and a self-exclusion feature called a Day Stop. There are even explanations of randomness and the independence of events aimed at dispelling myths and erroneous perceptions that players may have about gambling.

The IGT casino system's Responsible Gaming Monitor (RG Monitor) tool enables back-office monitoring and provides staff with real-time information to guide and inform players about their play habits. The information

includes average bet, number of games played, cash in, and theoretical loss. For each of these, the casino can set up parameters to define two levels of triggers (information and warning), and adapt its communication to players if and when they activate one of these triggers.

RG Monitor is available as an add-on to GALAXIS and compatible with the CrystalWeb, CRYSTAL.lite, and CRYSTAL.net floor networks. Based on a user-specific setup, RG Monitor screens player sessions and triggers information and warnings in real time. The information and warning messages can be viewed in real time in any web browser, and are stored in a database for historic viewing.

Lottery

As a company operating in more than 100 countries, IGT has experience responding to varying customer needs, from implementing a new lottery that is compatible with a community’s particular culture to acting in a manner consistent with being a good corporate citizen.

IGT’s comprehensive approach considers all of the elements of a game program including its design, launch, retailing, promotion, and advertising. All of these activities are performed with the support of a suite of responsible gaming best practices gained from more than 35 years of global experience.

The architecture of IGT’s new AURORA system is designed to ensure operational control over all system components that address processing, reporting, security, and retailer management and to support lottery customers as they implement socially responsible gaming structures and play habits.

Within a retail setting, the point at which a player accesses a lottery game – whether through a retailer terminal or a self-service device – plays a critical role in how IGT incorporates responsible gaming parameters into its systems. IGT terminals and self-service machines enable retailers to remotely shut off power to prevent play, and

clerk-operated terminals and self-service machines equipped with bar code readers can be used to read drivers licenses if permitted by state or provincial laws.

IGT system installations/ conversions include training programs and various communications to ensure a jurisdiction’s staff and retailers are properly trained and equipped to handle all sales activities. Individual terminals are also equipped with a training mode so that handling the features of a new game can be practiced and perfected by retailers and their sales staff before the game goes live.



Lottery Management Services

IGT recognizes that a responsible gaming strategy must be incorporated into, and govern, all lottery business management activities to safeguard the interests of players and the community in general. IGT applies this strategy to its lottery management services customers in Indiana, New Jersey, and Illinois, implementing a responsible gaming program that includes actions to help prevent problem gambling and promote awareness.

IGT Indiana for the Hoosier Lottery

- **Research:** The IGT Indiana team made significant strides in bringing the Hoosier Lottery's grant program to life. A newly formed partnership with the Central Indiana Community Foundation will pave the way to developing and awarding two community grants in 2017. The grants are designed to increase the knowledge of problem gaming and the related research capacity in Indiana.
- **Player Education:** During Problem Gambling Awareness Month, IGT Indiana developed a 30-second Public Service Announcement (PSA), which was filmed with Hoosier Lottery draw host Jessica Jackson. Jessica reminded players to Know Your Game, Know Your Limit, and Play Within It. The PSA played in regular rotation

on all draw stations throughout the month and was promoted on Facebook.

- **Game Design:** IGT Indiana developed a responsible gaming self-assessment for game design. The self-assessment is used by designers to document that certain responsible gaming principles are being considered during the game design process.
- **Reporting & Measurement:** IGT Indiana developed a web-based microsite to showcase the Hoosier Lottery's CSR efforts. The microsite has a user friendly interface that highlights the four elements of IGT's CSR Program: Responsible Gaming, Business Impact, Community Impact, and Environmental Impact.

Northstar New Jersey on Behalf of the New Jersey Lottery

Level 4 of the WLA Responsible Gaming Framework: in November 2016, the New Jersey Lottery received WLA Responsible Gaming Framework Level 4 certification, the highest level of responsible gaming certification available.

- **Player Education** Responsible Gaming Advertising Campaign: Northstar and the New Jersey Lottery created a responsible gaming

advertising campaign to promote responsible play with a different message each quarter, such as Dream Big, Play Responsibly; Lottery Is No Child's Play; Gift Responsibly; and Pool Rules. The campaign was awarded Best Innovation Award for WLA Level 3 certified lotteries at the WLA Summit in November 2016.

- **Employee Education** Responsible Gaming eNewsletter: in March 2016, Northstar New Jersey began publishing a quarterly Responsible Gaming eNewsletter that is received by all Northstar New Jersey, New Jersey Lottery, and IGT New Jersey employees. Each eNewsletter highlights three responsible gaming activities that occurred during that quarter.
- **Treatment Referral** The "800 Room" Call Forward Button: in May 2016, the New Jersey Lottery's call center, the 800 Room, added a call forward button that transfers callers directly to the Council on Compulsive

Gambling of New Jersey (CCGNJ). This feature allows a caller seeking assistance with gambling problems to contact CCGNJ immediately.

Northstar Illinois on Behalf of the Illinois Lottery

- **Employee Training:** Northstar and the Illinois Lottery required a responsible gaming refresher course for all employees in 2016. For the first time ever, IGT was able to create a mechanism for state lottery employees to take the online course and have their knowledge-retention levels measured right along with Northstar employees.
- **Retailer Training:** During 2016, Northstar saw an opportunity to put more responsible gaming information into the materials that retail staff use daily. When Northstar reprinted its retailer handbooks, it used the blank space on the rear cover to remind retailers of the signs for recognizing problem gamblers.



“Responsible Gaming is at the core of every IGT decision. Whether it is an interactive game or a new technology solution, we are guided by this principle. Our goal is to always promote responsible play while creating a fun player experience.”

*Giuseppe Portoricco
Vice President of Player Account
Platforms and Lottery at IGT*

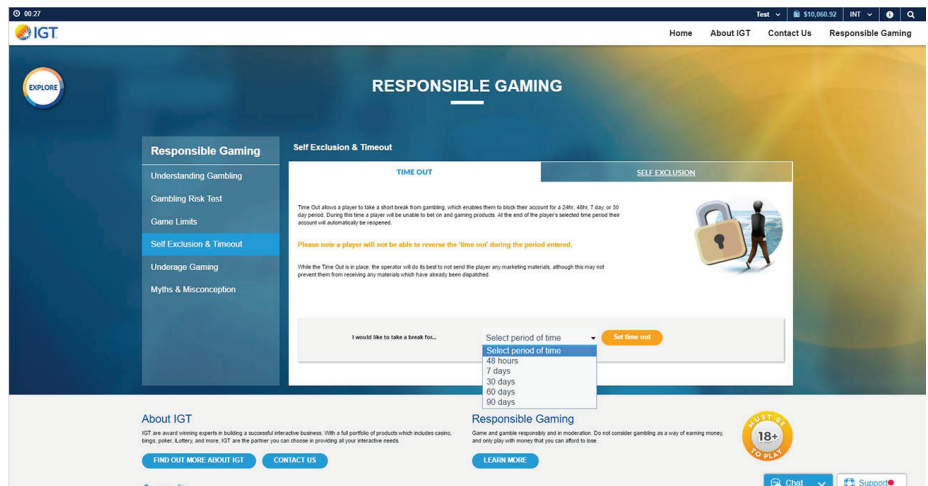
Interactive

The rapidly evolving world of interactive gaming requires a sophisticated approach to implementing best-practice player protection and security tools for the safeguarding of players. As the industry has progressed into the world of remote gaming, operators have worked with suppliers to reproduce, in the online environment, the experience players have by playing draw and instant games in the retail environment while ensuring the presence of responsible gaming controls at each stage of the migration of lottery gaming to the Internet.

IGT has implemented a range of player protection tools that provide information to players to assist them in making informed decisions about their gambling. Operators can implement these features and functionalities to be compliant with their market rules or regulator requirements, or to increase their responsible gaming protocols.

In addition, IGT’s online player protection tools have been designed to provide operators with baseline features and functionalities that can be implemented to allow players easy access to features such as:

- Self-Exclusion & Timeout – Players can choose to have timeouts, which allow for a short break from gambling, blocking their account for 24 hours, 48 hours, 7 days, or a 30-day period. Players also have an option to self-exclude, which is a formal process whereby a request is made to prevent any access to their online account for a period of six months to permanently;
- Game Limits – Players can select their daily deposit and daily, weekly, and monthly game limits. By completing the fields, players activate the system’s automatic checks, and their deposit and play behavior is then monitored and controlled.



Our Partners

IGT cooperates with the most widely respected organizations dealing with responsible gaming issues, as well as the top gaming industry associations.



IGT is an Associate Member of the WLA. The WLA values the Responsible Gaming Principles and Framework it has adopted and respects the duly authorized legal systems that determine where, and in what form, gaming products can be provided to the citizens of a particular geographical or national territory.

IGT is a Premium Partner of The European Lotteries (EL), the umbrella organization of national lotteries operating games of chance for the public benefit. EL promotes the sound and sustainable gaming model for the benefit of society, based on the values of subsidiarity, precaution, solidarity, and integrity.



The goal of the 2016 European Lotteries/ World Lottery Association CSR and responsible gaming joint seminar in Paris, attended by members of IGT's CSR team, was to encourage participants to "think out of the box" and consider new ways of approaching responsible gaming issues, while also highlighting the broader challenge of developing ambitious and effective CSR initiatives.



GambleAware®

IGT is a member of GambleAware, the leading charity in the U.K. committed to minimizing gambling-related harm.



IGT is a sponsor of the annual National Conference on Problem Gambling held by the National Council on Problem Gambling (NCPG), the U.S.-based organization working with state and national stakeholders in the development of comprehensive policy and programs for all those affected by problem gambling. From the NCPG, the Company has obtained the Internet Compliance Assessment Program (iCAP) certification.



IGT is member, conference participant, and presenter of the European Association for the Study of Gambling (EASG). The association provides a forum for the systematic study, discussion, and dissemination of knowledge about all matters relating to the study of gambling in Europe.



IGT is member of the CSR and Responsible Gaming Committee of the American Gaming Association (AGA), the U.S.-based national trade group representing commercial and tribal casino operators, suppliers, and other entities affiliated with the gaming industry.



IGT is an Associate Member of the North American Association of State and Provincial Lotteries (NASPL). NASPL's mission is to assemble and disseminate information and benefits of state and provincial lottery organizations through education and communications and, where appropriate, publicly advocate the positions of NASPL on matters of general policy.

The European Association for the Study of Gambling (EASG) increases the dialogue between commercial gaming professionals, operators, governments, researchers, treatment providers, and players. Five IGT employees contributed to these discussions in Lisbon in support of responsible gaming research, responsibilities, and regulation.





NATIONAL CENTER FOR RESPONSIBLE GAMING
 Advancing Research, Education and Awareness

IGT is a conference supporter of the National Center for Responsible Gaming (NCRG), the only national organization exclusively devoted to funding research that helps increase understanding of pathological and youth gambling and find effective methods of treating for the disorder.

The National Center for Responsible Gaming (NCRG) forum provided the latest research on gambling disorders, responsible gaming, and addiction from leaders in the field. IGT was in attendance at the Las Vegas-based conference as a continuing corporate sponsor. IGT was particularly interested in the track designed to help gaming regulators and industry personnel develop safe, effective, and evidence-based responsible gaming programs and regulations.



GiocaResponsabile (Play Responsibly)

In Italy, Lottomatica has long-standing relationships with several institutions and authorities dealing with responsible gaming issues at the national and international level. In particular, the collaboration with FeDerSerD (Federazione Italiana degli Operatori dei Dipartimenti e dei Servizi delle Dipendenze, the Italian Federation of Operators in Addiction Departments and Services) allowed for the launch of “GiocaResponsabile”, the first free Italian helpline dealing with problem gambling since 2009. The service is managed by professionals who offer anonymous counsel to people exposed to the issue, personally or through family and friends. Problem gamblers can benefit from an anonymous five-month behavioral therapy program, as well as an innovative therapy service delivered via Web chat for those unable to accept the service via phone. For further information, go to www.giocaresponsabile.it.

Our Certifications

IGT welcomes the opportunity to work with customers in any gaming jurisdiction implementing responsible gaming features and tools to ensure that players' gaming experiences are safe and enjoyable. The certifications awarded to IGT by the most important industry associations worldwide are testimony to the Company's commitment to responsible gaming.

Doing the right thing for players and the broader community has made CSR, specifically the Responsible Gaming Principles and Framework, a priority for the WLA. IGT's lottery operations have been certified for compliance with the WLA Associate Member CSR Standards and Certification Framework. IGT was commended for its commitment to having established sustainable responsible gaming programs as a vendor to the global lottery industry for more than 35 years.

An external appraisal was performed by a WLA-approved assessor who provided an informed, complete, and impartial assessment of the Company's lottery operations and completed a Statement of Alignment reflecting IGT's compliance with the eight sections of the WLA CSR standards.

In February 2017, IGT achieved Internet Responsible Gambling Compliance Assessment Program (iCAP) re-certification. (IGT was first certified in February 2016.) IGT was commended for

its commitment to responsible gaming and player protection, as well as its wide range of employee training courses. The iCAP certification provides assurance to operators and consumers that IGT's B2C websites and platforms offered in the business-to-business (B2B) market are compliant with NCPG's Internet Responsible Gambling Standards (IRGS). In 2012, the NCPG developed the IRGS, which are the highest standards for online responsible gaming in the U.S., meeting or exceeding the existing online regulations adhered to by jurisdictions around the world. IGT received the iCAP certification based on an independent assessment of its player protection systems.



Lottomatica's Responsible Gaming Certifications



Lottomatica's Responsible Gaming Certifications

- Certificate of compliance with the Responsible Gaming Standard of The European Lottery program achieved in 2009 and renewed to 2018.
- Certificate of compliance with the Responsible Gaming Standard of the World Lottery Association program at the highest level of certification (Level 4), obtained in 2009 and renewed to 2019.
- First international certification of conformity for all gaming portals, granted by G4, the Global Gambling Guidance Group, achieved in 2009 and renewed to 2017.



photo:
Bob Moscatello
Dist Services Clerk
Houston, TX, US



3

Engaging Our People

Respect for Human Rights

Health and Safety on the Job

Welfare and Benefits

Equal Opportunity and Diversity

Training and Education

Performance Evaluation

Employee Engagement Survey

Internal Communication

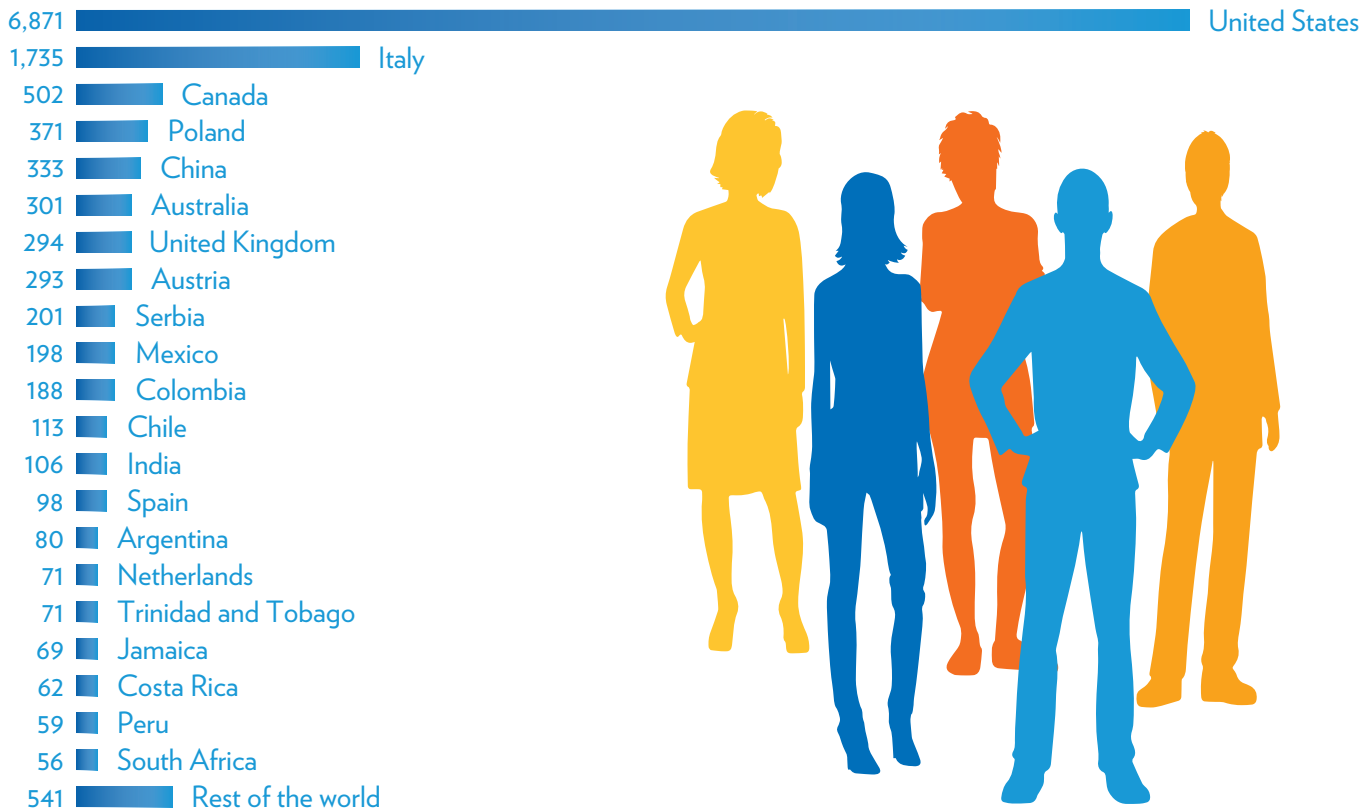
Engaging Our People

IGT operates with 12,613 employees (+1.12% 2015 vs. 2016) located in 58 countries across six continents. The Company truly represents a multiethnic environment where countless individual beliefs and needs are respected and accommodated. In the global gaming market, heavily regulated by local governmental bodies, such diversity provides IGT a resource that allows it to understand and seize local market opportunities and foresee global business implications.

Total Workforce

	2015	2016	2015/2016
Women	3,836	3,888	-
Men	8,637	8,725	-
Total	12,473	12,613	+1.12%

IGT People Around the World



The Company has identified a set of five essential values that inspire daily behavior and represent the operating principles and core competencies of the organization.

IGT leadership is strongly committed to the Company's values and culture. In 2015, the newly integrated organization was assessed. From that assessment, the leadership team was able to define the values and beliefs showing the Company's new culture. The team then focused on communicating and reinforcing those values. In 2016, they were shared with all employees and assimilated into the many programs IGT supports. At IGT, we believe our cultural values are imperative to shape how we interact with each other across the global organization.

VALUES THAT SHAPE OUR CULTURE



PASSIONATE

WE ARE PASSIONATE

Our **passion** for gaming is paramount to our customers' success and an essential part of who we are. Everything we do, we do with **conviction** and **pride** in our work. We are **positive** and **resilient** – even in front of change and obstacles. As trusted advisors to our customers, we proactively identify needs and provide solutions for today and the future.



PIONEERING

WE ARE PIONEERING

We are **innovative**, **entrepreneurial**, and **ingenious**, blending imagination with pragmatism and determination. We don't copy; we **transform** our ideas to **create** new and **alternative** solutions that are **pioneering** and push the industry forward to **create value**. We continuously **learn** and **develop** to maximize our skills and capabilities – and we transfer this knowledge to others.



RESPONSIBLE

WE ARE RESPONSIBLE

We are **respectful** of others by being personally accountable for achieving our goals, keeping our **promises**, and following through with our actions. We are **reliable** and accomplish **high-quality work results** regardless of complexity, each and every time. We work hard to earn the **trust** of our colleagues, our customers, our regulators, and society at large.



AUTHENTIC

WE ARE AUTHENTIC

We are **honest**, **real** people who strive to **deliver excellence** by showing up as our most **authentic** selves. We do this through **open**, **transparent**, and timely **communications**. We are **open** to new ideas and new ways of working to encourage candid dialogue and information sharing. We do this by **respecting** others.



COLLABORATIVE

WE ARE COLLABORATIVE

We put the needs of our **customers first**, and strive to create lasting and sustained **partnerships** with our customers – both inside and outside of the organization. We continually seek out **new opportunities** by **building collaborative** relationships, listening to the needs of others, and **developing**, maintaining, and **strengthening** our **relationships**.

WE ARE  IGT™

“Everybody knows that for a company to be successful it is not just about the products or services it provides. It is about the team, the people who are working for the company.”

Carolina Quijada Ramirez
SR DIR HR LATIN
AMERICA & CARRIBEAN

To provide all employees with a frame of reference for professional behavior, these values are now rooted in people-centric programs and processes, consistent and applicable to all IGT locations worldwide. The programs are being implemented at all levels of the organization and include recruitment processes, performance management processes, and learning and development offerings.

Respect for Human Rights

IGT values workplace diversity and respect for all employees. The Company follows the principles set by the International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work in the adhering countries where it operates, and is committed to providing a work environment where everyone is treated with fairness, dignity, and respect. IGT will not discriminate against anyone based on race, color, creed, religion or belief, national origin, age, disability, sexual preference, sexual identity, marital or civil partner status, pregnancy and maternity, military status, veteran status, or any other legally protected status in accordance with applicable laws and regulations. Any employee found to have discriminated against a Company employee will be subject to disciplinary action, which could result in her/his dismissal.

Following an International Organization for Standardization (ISO) 26000 assessment carried out in 2016, and even though it is not likely that IGT would be

directly exposed to the relevant risks of human rights violations, the Company is currently setting up a due diligence system to understand and tackle risk exposure to Modern Slavery in the supply chain. An evaluation of the best tools to assess suppliers' practices is underway.

In line with Principle Three of the United Nations' Global Compact, IGT recognizes the value of using dialogue and negotiation to achieve positive outcomes in employment practices. The Company abides by non-discriminatory policies and procedures with respect to trade unions, union membership, and its own activities. IGT provides workers' representatives with appropriate services to assist in the development of effective collective agreements. Consequently, IGT is involved in collective bargaining in different countries and is committed to accommodating specific local laws and regulations, providing union representatives with every tool needed to perform their duties.

Collective agreements, which regulate the terms and conditions of employees following a collective negotiation between management and trade unions, currently cover about 20 percent of the total workforce. All employees in Austria, China, Finland, Italy, Portugal, Serbia, Spain, and Sweden are covered by collective bargaining agreements. Although various locations have voted to become unionized within the U.S., with a total of 85 employees electing to do so, no formal contracts were finalized in 2016. IGT does not have

a designated period for notice to employees and their elected representatives of significant operational changes that could substantially impact personnel. The notification period is affected by country laws and is not usually specified in collective agreements in those locations where such agreements apply. The minimum notification time varies; for example, it is a standard 30 days in China, a variable period that depends on an employee's tenure in Finland, and a period based on a person's age in Sweden. In Austria, employees are to receive a seven-day notice of termination, and the work council must be informed. For any other changes, there are no general timelines.

Health and Safety on the Job

IGT is committed to providing a safe work environment free from health and safety hazards. The responsibilities for health and safety are shared. The Company is responsible for leading a health and safety program, for the program's effectiveness and improvement, and for providing the safeguards required to ensure safe conditions. Supervisors are responsible for developing the proper attitude in themselves and in those they supervise, while all employees are responsible for ensuring that all operations are performed with the utmost regard for the health and safety of all personnel involved. Employees are also responsible for all aspects of the health and safety program, including compliance with all rules and regulations for continually

practicing safety while performing their duties.

About 4 percent of employees work in IGT machine assembly facilities, while the majority work in office locations. In 2016, US sites showed a very low injury rate of 1.50, with a total of 92 injuries and 1,429 days lost at work, showing a lost day rate of 22.54.

The Safety Steering Committee, led by IGT's Director of Environmental Health & Safety (EHS), regularly presents information on potential risks, injury trends, initiatives to reduce risk and prevent injuries, and upcoming projects and programs. In addition, there are a number of safety committees at the site facility level. The Global Technology Solutions team has a business-unit-wide safety committee, Global Services Safe (GSSAFE), that publishes a weekly safety tip and a monthly newsletter alerting employees to common and seasonal hazards on the job. GSSAFE also assesses risks and works to develop training tools to mitigate the potential for injury.

In the case of a workplace-related injury or illness, the Company is committed to providing the employee with appropriate medical attention, and complying with all jurisdictional laws regarding reporting requirements, and requirements that pertain to providing insurance to reimburse employees for lost wages and medical expenses.

A Zero-Tolerance Approach to Modern Slavery

While IGT is not likely exposed to human rights violations, it is committed to acting ethically and with integrity in all business dealings and relationships, and to implementing and enforcing effective systems and controls to reduce the risk of Modern Slavery, and human rights abuses in general, from occurring in its businesses and in those of its suppliers. Starting with its supply chain, IGT is committed to working toward the goal of eliminating such breach of human rights globally as part of its CSR initiative. An Integrity Line, confidential and managed by an independent third party, can be used anonymously to report activities that may involve unethical and unlawful conducts.

The Building Excellence Program

Building Excellence is a recognition program designed to identify and reward specific positive behaviors that result in employees exceeding set performance standards in a material and demonstrable way. All regular employees are eligible, with the exception of senior vice presidents and above, temporary employees, consultants, and independent contractors. The four main types of awards are gift cards, Silver awards, Gold awards, and the annual Building Excellence Game Changers awards. Winners are provided with economic bonuses and recognition certificates. Game Changers Award winners attend the annual awards ceremony where they receive their award from the CEO. Teams that win a Game Changer Award receive a monetary award to be used for a team celebration, team apparel, or trophies.

Welfare and Benefits

In all countries where IGT operates, it is the policy of the Company to provide eligible employees time off to address the employee’s serious health condition and/or to attend to family responsibilities, allowing for part-time work and teleworking where applicable.

Employees’ eligibility to take leave - i.e., paid or unpaid job-protected leave for specified family and medical reasons with continuation of group health insurance coverage - varies according to the jurisdiction in which they work.

For instance, U.S. employees may be entitled to leave under the federal Family and Medical Leave Act (FMLA) and/or state laws. Employees who are not entitled to such leave may be eligible for medical or personal leave per IGT’s leave policies. The FMLA entitles eligible employees to a number of welfare measures, such as 12 weeks of leave within a 12-month period to care for a newborn child

or a family member with a serious health condition. FMLA leave may be extended to 26 weeks if the eligible employee is the spouse, son, daughter, parent, or next of kin of a military service member who requires ongoing care (military caregiver leave).

IGT implements various wellness initiatives in the U.S., such as the Life Assistance Program to support work-life balance, the Online Wellness Program, and monthly on-site health education seminars on various health topics.

Across the organization, 99 percent of employees are full-time, while 1 percent are temporary. The benefits offered to employees vary according to local laws and regulations. In Italy, for instance, life and accident insurance benefits are offered to all employees with permanent contracts. Following an agreement with the Italian labor unions, employees now have access to voluntary health insurance by paying a health insurance premium.

To assist employees in obtaining new employment due to termination that is a result of organizational restructuring, IGT provides outplacement services through an external supplier. Services include web-based programs that offer on-call coaching, live coach-led webinars, self-directed eLearning, and opportunities to keep the job search productive with the creation of an effective online presence and social media profile to reach recruiters and hiring managers.



Executive Diversity Council & Diversity Ambassadors

A plan for building an Executive Diversity & Inclusion Council was initiated in 2016. The Council will comprise a diverse representation of IGT directors and above. They will partner with a newly created Diversity Center of Excellence (COE) to develop the plan, goals, and metrics of IGT’s diversity strategy. The Diversity COE will lead the design, development, and delivery of best-practice diversity programs in support of the strategy. A newly appointed COE leader will build and manage the COE, working closely with the Council in setting the strategy and achieving goals and initiatives.

Equal Opportunity and Diversity

IGT provides equal employment opportunity for all employees on the basis of qualification and merit and will not permit discrimination on the basis of any legally protected status, such as race or gender, in accordance with applicable laws.

To the extent reasonably possible, IGT will accommodate employees with disabilities. In the U.S., Human Resources adheres to the guidelines of the amended Americans with Disabilities Act. As such, reasonable accommodation is available to all employees as long

as the accommodation does not create an undue hardship for the Company and can be provided without posing a substantial safety risk to the employee or others.

A more diverse and inclusive workforce is an essential element of IGT’s success, as confirmed by the number of diversity activities carried out in 2016 and that were related to training, recruiting, and the gender mix of IGT’s leadership population. While diversity means many things, IGT is initially focusing on gender diversity because the global gender gap currently widens in the Company’s senior levels of management.

Employee Category	Men	Women	Total	Men%	Women%
Senior Management	520	153	673	77.27	22.73
Middle Management	1,404	519	1,923	73.01	26.99
Office Staff	6,406	3,050	9,456	67.75	32.25
Workers	395	166	561	70.41	29.59
Total	8,725	3,888	12,613	69.17	30.83

The Company sponsored a management business goal for the IGT vice president level and above to drive accountability for creating a more diverse and inclusive workplace. A diversity and unconscious-bias training program

for managers and above (circa 2,000 people) saw 83 percent participation. In addition, new recruitment practices were implemented to find underrepresented candidates for manager and above positions.

Training and Education

IGT strongly encourages employee education and offers a variety of programs to facilitate an understanding of the Company's business challenges and the subsequent department-specific learning objectives.

IGT 2016 Training Data

Professional category	Total training hours					
	2016			2015		
	Men	Women	Total	Men	Women	Total
Senior Management	2,605	1,008	3,614	1,184	517	1,701
Middle Management	8,892	3,908	12,801	9,578	4,369	13,947
Office Staff	51,350	27,892	79,241	46,772	19,100	65,871
Workers	7,143	2,900	10,043	10,885	4,336	15,221
Total	69,990	35,709	105,699	68,419	28,321	96,740

Most of the 1.1 percent of payroll IGT allocates to employee training is managed locally to ensure alignment of training investment to specific business unit or department needs. Content may vary from IGT-specific content to general skills development including leadership and management skills, communications and interpersonal skills, business processes and

systems, safety proficiencies, and technical skills. A robust catalog of self-paced programs (eLearning, videos, and simulations) is available on demand, 24x7, to all employees, together with classroom and virtual classroom setups. Over 20 classroom courses are available off the shelf. Custom courses are developed according to emergent needs or business opportunities.

Training Courses

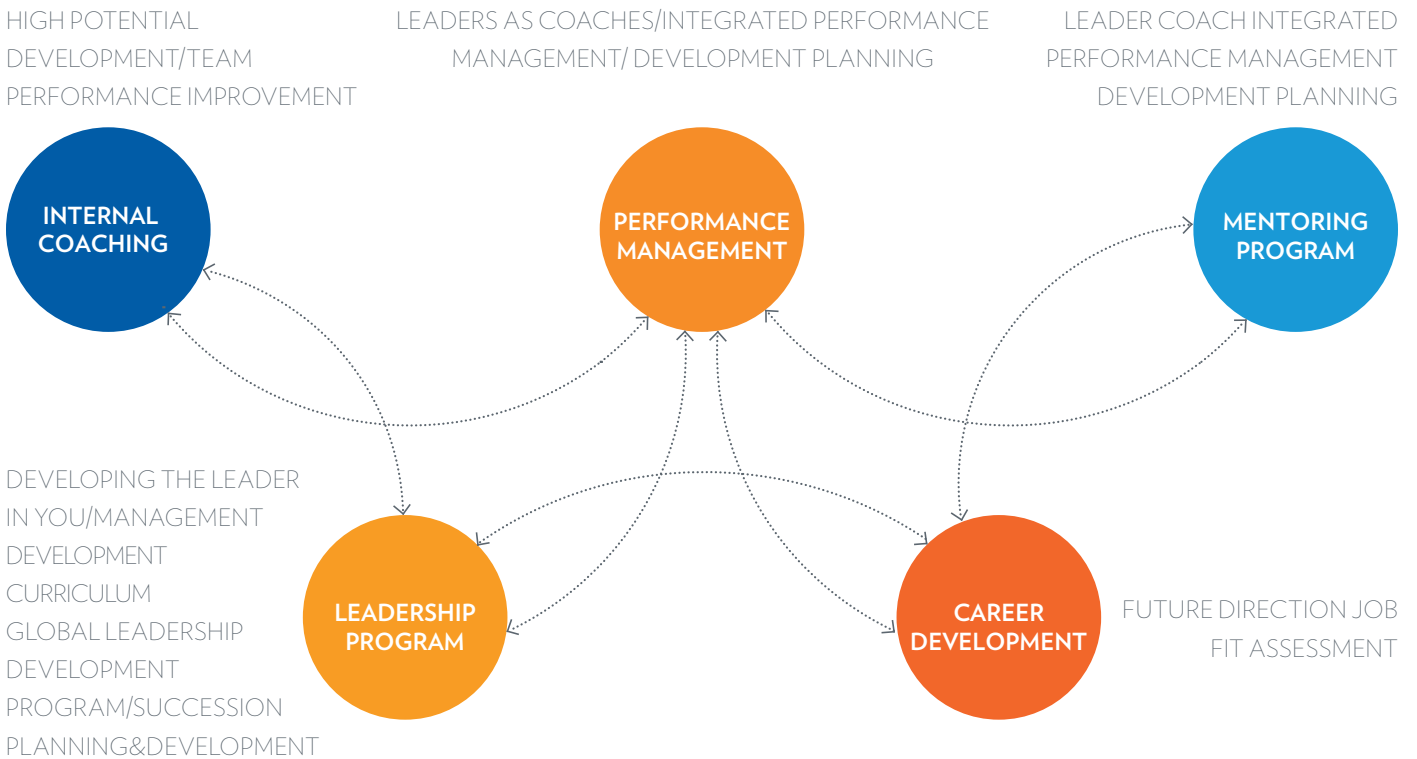
Leadership Development Programs ⁽¹⁾

- **Global Leadership Development (GLD)** - Provides high-potential senior managers and senior directors from around the globe with a robust development experience comprised of classroom learning and action learning on organizational leadership and business principles.
- **Management Development Curriculum** - Provides new managers with the talent management skills they need to unleash the passion in their employees to build an engaged, productive workforce.
- **Developing the Leader in You** - Provides emerging leaders with a comprehensive self-development journey that includes communications, networking, and business acumen.
- **Women’s Leadership Development Programming** - Focuses on business acumen and communication skills through internally designed programs and courses delivered online.

Coaching

- Internal coaching practice designed to provide individual and team development coaching.

Leadership development



Next-Generation Learning Technologies

- Adoption of social, mobile, and other new learning technologies.

IGT provides employees in the U.S. and Canada with a Tuition Reimbursement Program to support ongoing employee education. The Program reimburses employees for expenses related to courses completed at accredited higher-education institutions.

(1) Inclusive solely of centrally managed and organized training projects by IGT Talent Development Group. Does not include any initiatives that may be managed by local sites, individual cost centers (departments), or individual employees.

Performance Evaluation

The global integration of IGT's performance management process continued in 2016 with the reinforcement of our nine guiding principles, which were originally finalized in 2015 through focus groups and interviews. In 2016, 96 percent (11,835) of employees received a formal performance appraisal.

IGT's Nine Performance Management Guiding Principles



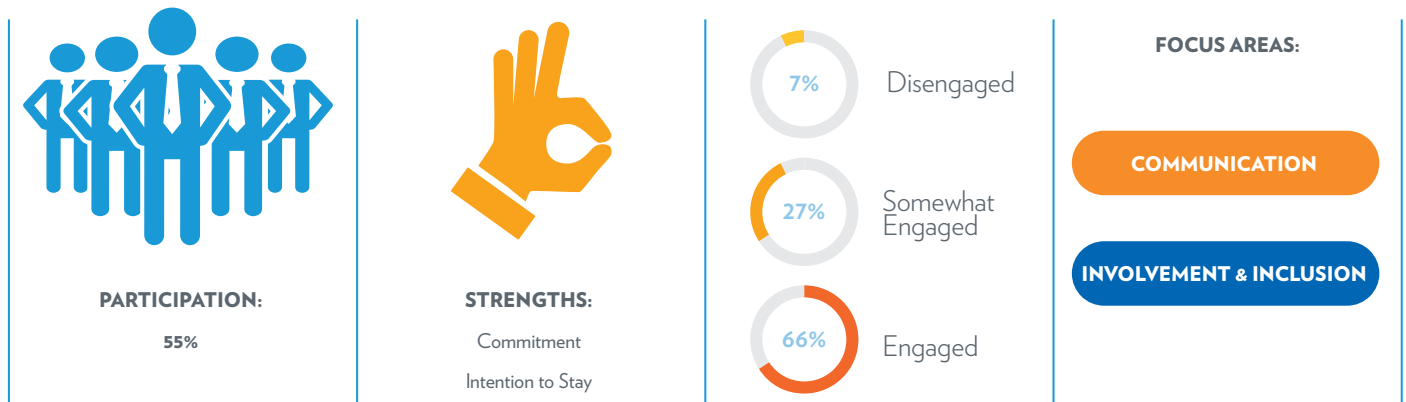
1. Differentiate and reward individual performance through merit, incentives, and rewards.
2. Consider the individual, team, and business unit when determining the reward outcome.
3. Use a global approach with localization as necessary.
4. Make the process simple, easy to administer, and transparent.
5. Assess and reward both what the employee did and how she/he did it.
6. Drive accountability and consistency while allowing for some department/managerial flexibility.
7. Identify development needs for performance management and feed into the managerial coaching, development, and talent processes.
8. Align individual goals to both business unit and IGT objectives to ensure a common direction.
9. Understand that performance management is not a "one-time event" - it is an ongoing engagement between manager and employee.

Employee Engagement Survey

In 2016, IGT conducted an employee engagement survey to obtain feedback from our employees to help foster the Company's new culture. Results indicate that employees believe

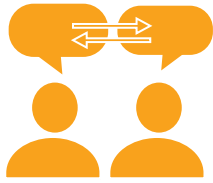
in IGT, are committed to its success, and intend to stay with the Company. Employees also find their work to be interesting and challenging, and have trust and respect for their immediate managers.

Results of the Employee Engagement Survey



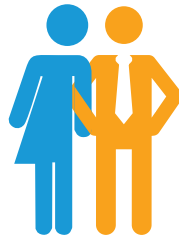
The relatively low participation rate (55 percent) will be a key area of opportunity for the next survey cycle. IGT's overall engagement index (66 percent) has provided our leadership team with feedback that will help drive engagement initiatives. In particular, IGT is committed to improving communication to ensure that all employees understand the reasons behind changes and to help employees understand their role in IGT's future success.

Organizational Commitments



RENEWED FOCUS ON ALL-EMPLOYEE COMMUNICATION

Focus on two-way communication



FOSTERING INCLUSION AND INVOLVEMENT

Launch of Diversity Council and Diversity Ambassadors
Refresh idea generation and innovation projects



DEDICATED MBO

Focus on improved participation rate and engagement score

Internal Communication

As part of the effort to engage employees and communicate IGT's strategy, vision, and mission to them, several projects and processes are underway.

IGTconnect is the Company's global intranet accessible to all employees. It includes corporate presentations, compliance and policy information, videos, brand tools, community involvement initiatives, and an Ask the Executives anonymous Q&A feature. Plans are underway to expand the employee intranet with more features and better accessibility.

In 2016, IGT took a step back in time to examine the history of its legacy companies. The story of how the companies started and how they came together to create the new IGT is captured in a video, available on IGTconnect and www.IGT.com.

The Company also uses videos to help employees get to know

the executive leaders better by revealing their personalities and management styles. In response to a series of questions, leaders describe how they work, how they've progressed in their careers, advice they've found helpful, and what they enjoy in their free time. These videos are also available on IGT connect.

Executives also engaged with employees through a series of live webcasts. IGT CEO Marco Sala hosted two Company-wide meetings in April and November. The webcasts brought together thousands of employees through live and virtual audience participation and were available for on-demand replay.

The business-unit CEOs also hosted annual live webcasts, with the North America Lottery Organization update meeting in June, the International Organization meeting in September, and the North America Gaming and Interactive meeting in October. Italy also held town hall meetings with those employees in Italy.

The Company's monthly newsletter, News at Your Fingertips, provides regular updates on people, events and business developments, as well as highlights of each month's most relevant industry news articles. A newsletter rebranding effort started in 2016, with an internal survey that collected more than 800 opinions and suggestions to enhance readership. Many of those suggestions were implemented to evolve the newsletter into 2017. The new goal and mission statement are focused on providing readers with timely, relevant, corporate news that advances employee understanding of IGT's entire business, including individual business units and regions, together with inspiring real-world examples of at least one IGT corporate value presented in a way that is relevant to most employees.

In addition, Yammer was heavily used as the internal social media platform to connect with colleagues around the globe. Yammer is used for sharing the internal newsletter, photos of charitable initiatives, office-specific events, and updates on what other business segments or departments in the Company are doing. More than half of all IGT employees are on Yammer, and there are plans to engage more employees throughout 2017 with various campaigns.

The IGT Traction digest is a daily email compilation of the latest news clippings about the Company, its competitors, and the industry. It is available by subscription to all employees.



photo:
Anita Piccolo
CSR
Rome, Italy



Enhancing Our Customers

Customer First

Product and Services

Global Field Service

Customer Satisfaction Research

Security and Compliance

Enhancing Our Customers

“We are listening to our customers and aligning around their business challenges, as we are committed to creating innovative solutions to drive growth and demonstrate our commitment to Customer First”

Marco Sala
IGT Chief Executive Officer

IGT is the world’s leading end-to-end gaming company, with top market positions in North America and Italy and the largest gaming content library in the world. IGT customers represent a range of diverse cultures, abide by different regulatory frameworks, and serve players according to the likes and needs that resonate most in their localities.

Customer First

At IGT, Customer First is not just a phrase. It is a business philosophy and operating strategy that directs employees to, and guides them in, delivering greater satisfaction to their customers in order to deepen the customer relationship and create the foundation for a growth-partnership based on mutual trust. Active listening is essential to delivering greater satisfaction. By actively listening to customers’ concerns, ideas, and suggestions, IGT can better understand their

needs, the markets they serve, and the regulatory environments in which they operate. Always acting with integrity and with the willingness to accommodate to constant proactive adjustments are the keys to embrace opportunities that will benefit customers.

The Customer First philosophy uses transparent communication to encourage a diverse approach for customers to reach their goals. This ultimately leads IGT to supplying customers with the resources they need to succeed. Customer First involves a great deal of creativity, problem solving, and innovation, and demands a sense of urgency and intensity to always deliver what IGT promises, because only then customer trust and business can be earned.

Products and Services

IGT operates and provides an integrated portfolio of leading technology products and services across all gaming markets, including lottery management services, online and instant lotteries, instant ticket printing, electronic gaming machines, sports betting, and interactive gaming. IGT provides Business-to-Business (B2B) and Business-to-Consumer (B2C) products and services to customers in more than 100 countries.



LOTTERY
RETAIL GAMING
LOTTERY DRAW GAMES
LOTTERY INSTANT GAMES
LOTTERY SELF-SERVICE



GAMING
GAMING SYSTEM
AND MACHINES



INTERACTIVE
INTERACTIVE GAMING
iGAMING
iLOTTERY



BETTING
SPORTS BETTING
HORSE BETTING
POOL BETTING
VIRTUAL BETTING

Lottery

IGT supplies a unique set of lottery solutions to its customers worldwide. Lotteries, in turn, supply their governments with revenues that are frequently designated for specific areas of public good, such as education, economic development, conservation, transportation, programs for senior citizens and veterans, health care, sports facilities, capital construction projects, cultural activities, and tax relief. Many governments have become increasingly dependent on their lotteries as lottery revenues are often a significant source of funding for these programs.

IGT’s lottery solutions and services are provided through facilities management contracts, concession or operator contracts (also referred to as lottery management agreements), and product sale contracts. In the majority of the jurisdictions in which IGT operates, lottery authorities award contracts through a competitive bidding process. Contract terms are typically between 5 and 10 years and have multi-year extension options. After the expiration of the initial term, a lottery authority may either seek to negotiate the extension options or commence a new competitive bidding process.

IGT designs, sells, and operates a complete suite of point-of-sale terminals that are electronically linked to an online and centralized transaction processing system, which reconciles lottery sales between the retailer (where a transaction is enabled) and the lottery authority (where the wager is captured). The Company provides more than 500,000 terminals to lotteries worldwide, and its central systems allow for highly secure, high-speed transaction processing (more than 500,000 transactions per minute).

Partnership with Lottery Customers

IGT carries out strategic partnership programs and workshops to confirm its commitment to customers and to long-term innovation for the lottery business:

- IGT’s **Design Partner Program** is a partnership effort with a small group of customers who have expressed interest in more radical and “disruptive” innovation within the lottery industry. The program uses an independent innovation process that involves conceptualizing new products and how they can be distributed.
- The **Omnichannel Data Analysis Workshop** is designed for lottery customers who operate advanced e-commerce businesses. A topic list is agreed upon in consultation with the

attending lotteries. The workshop format allows attendees to discuss and share case studies on the evolution and development of data strategies, and IGT facilitates an insightful and inspirational discussion that lotteries can learn from and then adapt to their individual market situations.

- IGT’s **Research Exchange** meetings allow lottery market-research professionals from around the globe to meet and share ideas. Participants are asked to provide a presentation of interest to their research colleagues and to join in multiple roundtable discussions. The goals for these meetings are to offer lottery researchers an opportunity to meet and expand their professional and personal networks;

share and discuss research programs, methodologies, successes, and challenges; be exposed to new methodologies presented by third parties; and leave with fresh insight into how to improve market research efforts (including confidence levels, methods, and costs). These meetings are a key component of IGT’s Insights 360 services to its lottery customers because having foresight into consumer behavior and retailer needs can accelerate a lottery’s growth.

- The IGT **International Lottery Retail Workshop** is designed for customers and IGT to discuss and share case studies on the evolution and development of lottery

retail strategies. The typical set of topics on the agenda is broad but focuses on inspiring customers by providing them with insights that they can consider for their individual markets and plans.

- At IGT’s **International Annual Instant Ticket Workshop**, lottery instant tickets experts from the international region can connect with one another and with IGT instant tickets experts, share successes and challenges, and discuss best practices. Advertising and game-design contests during the workshop provide interactive entertainment for attendees, building an instant community. As the gaming industry has evolved, IGT has integrated the interactive channel into the discussions.

Lottery Retailer Network

IGT's retailer telecommunications networks consist primarily of Very Small Aperture Terminal (VSAT) satellite technology; basically, a two-way satellite station that transmits secure requests from the retail sales terminal to the central system and back to the terminal. In addition to VSAT, IGT uses several other communications solutions, such as cellular and Digital Subscriber Line (DSL). This is because IGT typically creates a customized communications network comprising several communications technologies for each customer, to ensure the customer's retailers have the greatest uptime and reliability possible in their location. IGT's communications solutions also include its patented Dual Comm Inside (DCI), which uses two independent and redundant technologies (such as VSAT and cellular) for top-selling retailers, and its Gaming Over Any Link (GOAL) solution. Lottery retailers across an IGT lottery network have two common pieces of equipment: a lottery terminal and a ticket printer. Additional optional retail devices that can be connected to the terminal or act in a stand-alone manner include electronic lottery jackpot signs and backlit signs, lottery play stations, self-service sales devices, and ticket scanners.

IGT is also a technologically advanced instant game supplier with a printing division and state-of-the-art press. IGT provides its customers with high-quality instant tickets, marketing plans, turnkey marketing promotions, and on-trend graphic designs, as well as instant ticket programming, production, packaging, shipping, and delivery services. IGT is the fastest growing instant ticket provider serving the world's largest instants program – Gratta e Vinci in Italy.

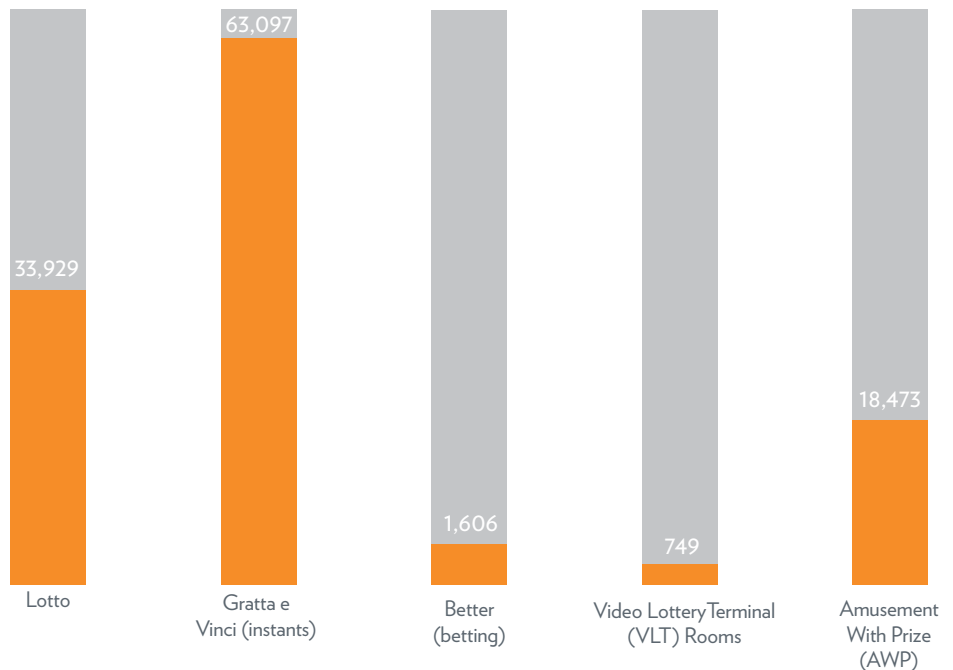
IGT also develops new lottery games, licenses new third-party game brands, and installs a range of new lottery distribution devices (all of which are designed to drive responsible same-store sales growth for customers). The Company also provides marketing services, in particular lottery brand awareness campaigns, retail optimization

(including product merchandising and display recommendations, appropriate lottery product mix for each location), and account reviews with the customer to plan lottery sales growth strategies. IGT is always ready to work closely with lottery customers, lottery sales representatives, and retailers to help retailers sell lottery games more effectively. In connection with the delivery of lottery services, the Company also actively advises its customers on growth strategies.

IGT leverages the years of experience it has accumulated as the concessionaire for the Italian Lottery, one of the world's largest lotteries. IGT's Lottomatica subsidiary has held the exclusive concessionaire rights to Gioco del Lotto for 24 years, and to the instant lotteries since 2004. Through Lottomatica, IGT's B2C expertise in Italy involves managing all activities

Lottomatica retailers network

Number of points of sale per game* offering 2016



* Single points of sale may offer different games

IGT Customer Advisory Board Exemplifies Customer First Focus

Each year, IGT invites a number of its global casino customers to an event called the IGT Customer Advisory Board (CAB). This open forum allows CAB attendees to share their thoughts and opinions directly with IGT executives and sales leaders, attend presentations, and participate in roundtables on specific topics that they have asked to discuss. The 2016 two-day retreat, held in June at The Cosmopolitan in Las Vegas, attracted more than 65 customers. The theme of the event was “Players of Change” (referring to IGT’s customers as key stakeholders in the strategic direction of IGT’s gaming operations). In a communication to customers leading up to the event, IGT emphasized the importance of CAB, “Because of your participation in meetings such as this, IGT is now better positioned to address your specific needs as we move forward together in the gaming industry. Over the next several months, we look forward to demonstrating how we have taken your insights to heart and made meaningful changes in our gaming portfolio.”

CAB meetings also provide customers with a chance to experience several new games before those games complete the test bank research process. By sharing concepts and in-development ideas, IGT can better adapt the customer perspective to the final design or application. Often, subtle adjustments create impactful improvements.

along the lottery value chain, including traditional, online, and instant lotteries (such as Gratta e Vinci, Gioco del Lotto, 10eLotto, and national lotteries). This experience allows the Company to better serve B2B customers in its North America Lottery and International segments.

IGT has a wide geographical reach. In North America alone, the Company holds a 78 percent market share for U.S. lottery draw games and instant-ticket games. IGT is a partner to more than 65 percent of the addressable market in Europe and provides services to more than 20 national lotteries.

Gaming

IGT is the global leader in gaming. It has fostered a culture of innovation within the Company to build the future of gaming, and is currently providing the industry with end-to-end gaming solutions while deploying game content across multiple platforms.

IGT designs, develops, manufactures, and provides cabinets, systems, software, and games for customers in regulated gaming

markets worldwide. This is done through fixed-fee, participation, and product-sale contracts. The Company holds more than 400 global gaming licenses and offers a diverse range of machine cabinets to maximize functionality, flexibility, and player comfort. In addition to cabinets, the Company develops a wide range of casino games, taking into account local jurisdictional requirements, market dynamics, and player preferences. The Company’s casino games typically fall into two categories: premium games and core games. Premium games are typically not sold to customers but are provided on a leased basis through revenue sharing or a fixed daily fee arrangement. Core games, which include core video reel, core mechanical reel, and core video poker, are typically sold or leased to customers.

IGT proudly serves gaming customers operating commercial and tribal casinos in legal gaming jurisdictions or running World Lottery Association (WLA) government-sponsored gaming programs, such as video lotteries and

racinos (combined race track and casino).

IGT provides Video Lottery Terminals (VLTs), video lottery central systems, and video lottery games primarily to government customers worldwide. (VLTs are connected to a video lottery central system.) A dedicated client service team is provided to each of IGT’s VLT and video lottery systems customers. The Company also supplies Amusement With Prize machines (AWPs) and games to licensed operators in Italy and the rest of Europe. AWP are typically low-denomination gaming machines installed in retail outlets and connected to a central system.

Big Wheels Keep On Turning

IGT’s Mobile Road Show has been an invaluable sales tool for the past three years. None of our competitors offers a similar solution to enable their sales force demonstrate real games to customers. Throughout 2016, IGT’s sales team spent 30 weeks on the road and visited more than 120 customers in 15 U.S. states.



Omnichannel Offering

IGT plays an important role in the interactive gaming environment, with an omnichannel solution that connects retail-channel offerings to mobile-channel offerings. In terms of content, IGT is launching the same premium brands across all channels. For example, Wheel of Fortune® is a casino slot machine and game, a VLT game, an iCasino game, an elnstant game, and an instant ticket game in several jurisdictions. In terms of hardware and/or software solutions, IGT's PlaySpot enables customers to provide their players with a smooth transition from the retail lottery and casino environments to the interactive game environment, utilizing mobile devices and traditional land-based systems. In terms of customer relationship management, a single player account management system connects the retail environment with the interactive environment together with an advanced analytics framework. This ensures a single view of the player that allows cross-selling and upselling via promotions, churn management, and customer care programs.

Interactive

For the past 20 years, interactive gaming has allowed people to play games on the Internet – both for real money and for fun (social). As a gaming operator operating within the regulated gaming and lottery markets, IGT provides interactive gaming experiences directly to players. IGT holds more than 20 interactive gaming licenses worldwide. It offers a complete range of products and services to support its interactive customers, for example, player promotional support services, Customer Relationship Management (CRM) consultancy, customer care services, fraud and security services, and payment services (checking to ensure compliance with anti-money laundering laws while simultaneously fulfilling “know your customer” obligations across jurisdictions).

The Company's diverse interactive customer base includes lotteries and B2B iGaming customers. In addition to operating several lotteries in the U.S., IGT acts as the interactive gaming operator in Italy, as well as a mobile casino operator. IGT strictly complies with regulations in the growing list of worldwide jurisdictions where it operates, and works closely with local regulators to ensure players are always provided with a safe and secure environment.

IGT's interactive strategy continually evolves to stay ahead of industry-wide trends, including brand and channel (online and mobile) convergence, vertical integration, 360 degree view of the player, and real-time monitoring tools for operators. IGT's full suite of award-winning products, systems, and services includes poker, table games,

slots, bingo, iLottery, front-end web portals, virtual reality, mobile-to-retail products, player management systems, game integration platforms, and advanced analytics services for predictive modelling. IGT's innovative interactive platform and connectivity solutions are modular, providing a seamless path to upgrade or to integrate new content, including third-party verticals.

IGT saw the successful launch of its innovative and highly competitive PlaySpot solution in 2016. PlaySpot enables both lottery and casino operators to offer mobile on-premises wagering to their players. The depth and breadth of the distribution network has made IGT a leader in anticipating and adapting to the regulation of new markets and technologies.

Betting

IGT provides betting technology and services to lotteries and commercial operators in regulated markets, primarily in Italy and other European countries.

Connecting Retail to Mobile Device Offerings



Sharing of Best Practices in Betting Markets

IGT’s Global Lottery Marketing team has presented several government officials with worldwide best practices on how to legalize and regulate betting markets. Together with its B2B2C customers in Belgium and Mexico, IGT continues to pursue already established processes and procedures relating to regulatory compliance, governance models, and prevention of fraud and money laundering, which include:

- Safeguarding trading and content management to produce a correct and up-to-date offering;
- Limits, controls, and alerts within the betting platform to support each jurisdiction’s protocol;
- All reporting routines to regulators and other stakeholders;
- Close monitoring of events and betting patterns through internal sharing among IGT operational units in Rome, Brussels, and Mexico City, and through cooperation with other lotteries’ trading teams via the Global Lottery Monitoring System (GLMS);
- Financial reporting and legal compliance, with specific routines and regulations for each jurisdiction.

IGT’s capabilities are based on 30 years of betting experience with sports games in the lottery sector combined with 15 years of commercial bookmaking and back-office functionality management expertise. The Company’s experience includes the successful launch of the Better brand in Italy (Lottomatica).

Legislation in each jurisdiction determines what types of gambling are permitted, who is permitted to play, and often specifies forms of gambling and establishes limits. IGT ensures that its customers have the required permits and licenses necessary to operate in the intended jurisdiction.

IGT works with a number of operators in different types of partnerships. Each is scalable and adapted to suit individual market needs. This enables the Company to enter jurisdictions with all technology and services combined as an operator, either alone, with a partner, or as the supplier of a ‘white-label’ solution. IGT’s range of services includes a traditional B2B

(business-to-business) technology provider, a B2B2C (business-to-business-to-consumer) service where IGT also actively supports parts of an ongoing operation, and a B2C operator role in limited jurisdictions.

IGT offers a sports betting platform comprising a core engine and associated support modules, trading services, fully managed partnerships, or “software only” technical solutions, to create a complete one-stop solution. IGT also integrates new functionality to existing operations and provides secure retail betting solutions, point-of-sale display systems, contact center facilities, Internet betting technology, and fixed odds or pool betting options.

IGT operates an expansive B2C fixed odds betting product in Italy, through its “Better” and “TotoSi” brands. The Italian operation also offers pari-mutuel betting; just as for fixed odds betting, the pari-mutuel formula is set by the Italian regulatory body Agenzia delle Dogane e dei Monopoli (ADM).



IGT’s New Betting Platform Debuts In Italy

IGT has successfully deployed its new betting platform for Lottomatica’s two betting brands, Better and TotoSi. The new platform can support all sales channels for both pre-event and live-event betting. Better is Lottomatica’s betting brand for both retail and interactive channels, while TotoSi is interactive only. The platform has been customized to meet all requirements in Italy, and is fully integrated with Lottomatica’s systems and operating processes. It is now also available as an “off the shelf” product for other operators. The successful design of the new IGT betting platform evolved by leveraging IGT’s many decades of experience in the development of betting solutions for its customers and operators worldwide, as well as its proficiency in developing and operating solutions for the betting business in the Italian market.

The new IGT sports betting platform has been deployed in all 1,350 outlets of Lottomatica’s Italian betting network.

“You have to do the right thing. Whether it’s in your daily interactions with the customer, at a conference, or with a minor decision that you make, you do the right thing. The customers will notice that. They will trust you, and that leads to a great relationship.”

Larry King
Vice President
U.S. Strategy

IGT offers customers betting on sports events (basketball, soccer, cycling, downhill skiing, cross country skiing, tennis, sailing and volleyball), motor sports (car and motorcycle racing), and non-sports events connected with the world of entertainment, music, culture, and current affairs of national and international importance.

Through sports betting point-of-sale locations, IGT offers a sports betting platform comprising a core engine and associated support modules. This serves leading lotteries and commercial operators around the world. The IGT betting platform is a point of convergence from earlier technology solutions. IGT’s modular platform gives access to every available betting product through trading engine modules. These modules handle all betting product families: fixed odds sports, racing; numbers, virtual betting, pool sports, and racing. They also handle E-Venue, IGT’s event data management system.

Global Field Service

The IGT Global Field Service* organization features approximately 1,500 personnel spread across 35 U.S. states, 10 Canadian provinces, 29 Latin America provinces, 43 Europe Middle East & Africa (EMEA) countries, and seven Asia-Pacific (APAC) countries. The organization is responsible for field services for 80 lottery contracts worldwide (27 U.S., 10 Canada, 25 EMEA, 13 Latin American and Caribbean, and five APAC) and for more than 3,000 casino/gaming venues worldwide.

Global Field Service resources are responsible for more than 1.4 million pieces of equipment (including on-counter terminals), satellite communication equipment, and player-facing games. The organization is available to assist with terminal provisioning (installs, removals, and relocations), repairs, and all maintenance requirements any hour of the day, 365 days a year. In 2016, Global Field Service Technicians (FSTs)

responded to more than 1.2 million service visits.

With a focus on Customer First, IGT’s Global Field Service training for FSTs (in both the lottery and gaming arenas) begins with employee orientation and then continues through annual performance-metrics reviews and manager and peer feedback. IGT Global Field Service also runs training and development programs for staff at every level of the organization, including such programs as administrative task training and equipment repair and safety training.

IGT Global Field Service is unique in the service industry in that it offers a turnkey solution to maintain each piece of equipment, including IGT games, third-party signage, and sometimes a competitor’s equipment (from the communications device to the terminal along with any other connected device).

* At the time of publishing, Global Field Service has reorganized under two Groups. North American Field Service operations reports to NAGI, while the International Field Service operations reports to the International group.

Global Field Service for Lottery and Gaming

DESCRIPTION	IGT LOTTERY GLOBAL FIELD SERVICE OPERATIONS	IGT GAMING GLOBAL FIELD SERVICE OPERATIONS
	<p>Defined in all lottery contracts. Each jurisdiction provides specific service deliverables for its retailers.</p>	<p>Casino and gaming operations vary in many ways based on regulatory compliance, property ownership, management, and beneficiaries. As a result of the varying nature of the contracts, IGT provides multiple levels of service response. Service can consist of on-site service personnel, remote service personnel, and rent-a-tech. In some cases, the casino/gaming venue has its own service personnel on site.</p>
SERVICE RESPONSE TIME	<p>Each lottery contract defines a specific response time for retailer terminal and network repairs. The time may be as aggressive as 60 minutes to respond or as lenient as 24 hours to respond, based on the response type which is determined on the transaction status of the retailer terminal and network.</p>	<p>With the wide variety of contract types, response time varies across each location.</p>
SERVICE DISPATCH	<p>A “service dispatch” is when a lottery retailer contacts the IGT Contact Center hotline to report an issue with any piece of lottery equipment or communication device. If the Contact Center associate is unable to help the retailer bring the equipment to operational status immediately, the associate generates a dispatch for a local FST to respond.</p>	<p>When a casino or gaming operator contacts the local or national support-line and reports an issue with the machine, an FST is dispatched to the site to handle the repair.</p>
PREVENTATIVE MAINTENANCE	<p>Some lottery customers ask for a maintenance plan that requires local FSTs to perform regular “preventative maintenance” visits that ensure the terminal and network remain in a state of high performance.</p>	<p>As determined by each unique contract with a casino operator, preventative maintenance requirements differ; however, maintenance on machines is generally done on a 120-day cycle.</p>
PROVISIONING	<p>IGT is a full-service network provider. As such, IGT staff typically provide both terminal and network infrastructure installation, removal, and relocations. Network includes either satellite or cellular communications along with pulling CAT5E cabling and coaxial cable to transmit the data.</p>	<p>As IGT is a full-service network provider, FSTs provide gaming machine service, as well as installation, removal, relocations, and pre-sites. Depending on the venue and the game types offered, the communication network supporting the IGT games is generally established by the location and typically consists of a CAT5E network infrastructure.</p>
RETAILER TRAINING	<p>Many lottery customers require on-site retailer training, provided by trained FSTs.</p>	<p>n/a</p>



Award Winning Service

IGT's Global Contact Center won two gold medals in the 10th edition of the world awards at the Contact Center World 2016 global conference held in Las Vegas. IGT's awards were for Best Technology Innovation – Internal Solution and Best Contact Center Trainer. The annual Contact Center World International Awards' competition featured more than 1,600 participants across more than 50 nations. The event was a follow-up to the Contact Center's "Best in Americas" regional awards, where IGT won gold medals in the same categories.

The Best Technology Innovation – Internal Solution award recognized IGT's automated-dispatch solution – called Gaming News Information and Expertise (Genie) – which was completely designed in-house by IGT National Response Center (NRC) engineers to help customers when experiencing terminal issues.

Anthony Andrade, Senior Manager, Training Program Development, won the Best Contact Center Trainer award for his work in designing and delivering training programs since 2000, when IGT opened its first call center in Boca Raton, Florida, U.S. His Training Partner program and MAGIC (Making a Great Impression on the Customer) program have decisively helped IGT in promoting a learning culture and delivering solid customer assistance.

IGT Global Contact Center

IGT's Global Contact Center provides 24/7 assistance, information, and procedural safeguards in all global customer bases. The organization strives to maximize customer satisfaction with a specific focus on both responsible gaming and compliance (and also in cooperation with areas managed by IGT corporate partners), while ensuring sustainable costs via the identification and implementation of best practices (e.g., streamlined processes, quality management, common tools). Call centers are located across multiple geographies to provide superior redundancy and disaster recovery capabilities, in addition to servicing local languages to enhance the customer experience. This solution has boosted response time and overall customer satisfaction while reducing call volume.

B2C Services

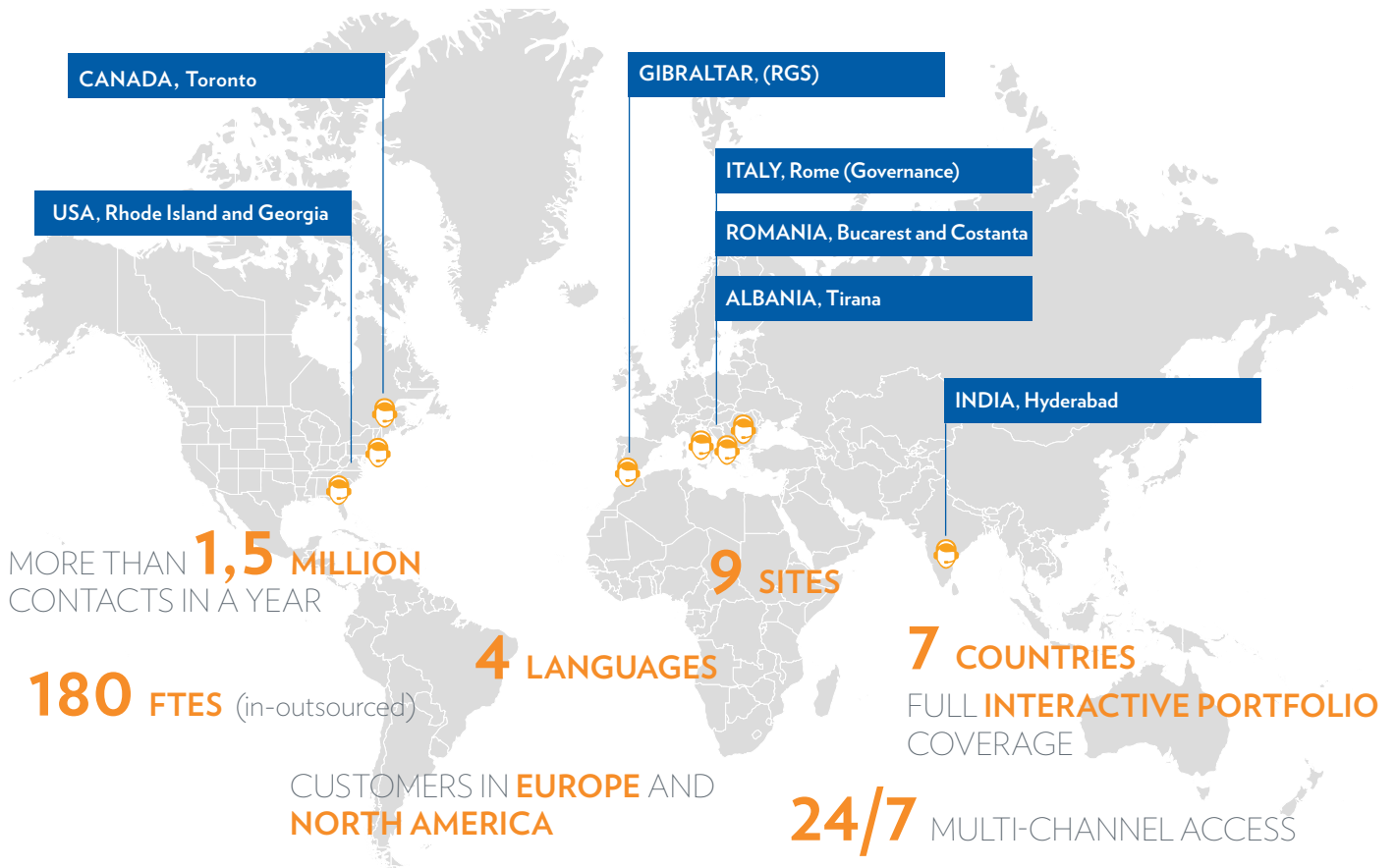
The global IGT B2C Services contact centers provide 24/7 multichannel assistance to B2C customers (players) worldwide and to WLA/Commercial partners operating within the

entire interactive offering (iLottery, betting, poker, casino, skill games, bingo, and pre-paid cards). There are nine contact centers in seven countries with services provided in four different languages. In 2016, B2C contact centers handled approximately 1.5 million contacts across all channels (voice, chat, and email).

The contact centers have a strong focus on responsible gaming, compliance, and customer satisfaction. They act as partner/advisor to players directly (where IGT owns the customer base via a WLA/Commercial license, such as in Italy and the U.K.) and to third-party organizations for which IGT is a technology and services provider (e.g., WLA members in North America).

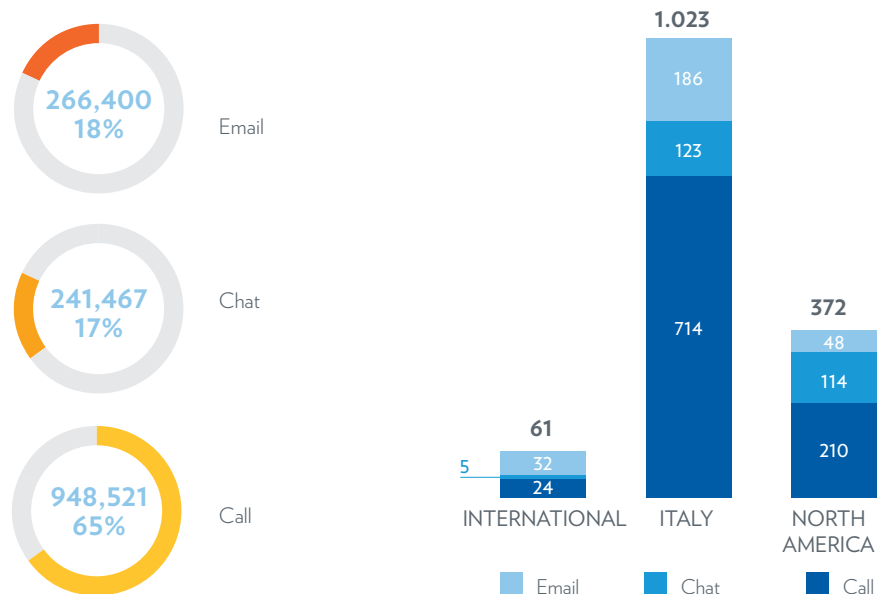
Global Consumer Services are coordinated by a dedicated team in the Rome office and rely on local operational sites in the U.S., Canada, Gibraltar, India, and Eastern Europe. As a core element of its philosophy, management ensures that the 180 employees (part IGT and part outsourced through third parties) are always put in the best conditions to work effectively.

IGT B2C Contact Centers Across the World



Global Consumer Services consistently measures performance using the same Key Performance Indicators (KPIs) across each location. In addition to the various operational reports, a monthly report keeps track of each B2C contact center's performance and emerging issues. The main indicators include the phone call response rate, chats conducted and emails sent within a specific timeframe, and the rate of incoming issues solved upon reception. Furthermore, the Global Consumer Services Unit measures the customer satisfaction adopting specific survey programs for several customers.

Number and Type of Contacts Assisted by Global B2C Contact Centers in 2016 (thousands)



B2B Services

The B2B Contact Center helps end users of systems and terminals located in retailer locations and casinos across the Latin America and Caribbean (LAC), EMEA, and U.S. regions.

In addition to daily generation of various operational reports, the B2B Contact Center holds a

weekly performance meeting. It also generates reports to review the combined year's performance. In U.S. one of the main indicators measured is the percentage of responses that are within the agreed-upon time for returning phone calls. In 2016, IGT's B2B Global Contact Center assisted more than two million contacts.

Customers assisted worldwide and B2B contact center locations



📌 B2B contact center location

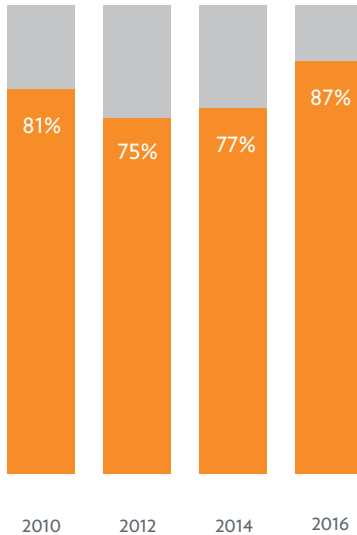
Customer Satisfaction Research

In 2016, IGT collected objective feedback from its worldwide lottery customers as part of its biennial effort to gauge customer satisfaction. This effort – the 2016 Customer Satisfaction Survey – marks the fifth iteration of studying what is truly important to customers and what they value most from IGT. The 2016 study was IGT’s most ambitious undertaking to date. IGT received results from 149 directors and managers at 63 lotteries to provide the Company with insights in seven main areas and 61 dimensions of evaluation.

The 2016 Customer Satisfaction Survey validated the confidence global lottery customers have in IGT and its Customer First strategy. The validation was evident in the highest scores ever attributed to customers’ satisfaction with IGT people. The Company was considered the leader in 33 of 34 product, service, and expertise attributes, as compared to competitors. Customers also validated their trust in IGT as a growth partner predicated upon their belief that IGT is aligned around their goals.

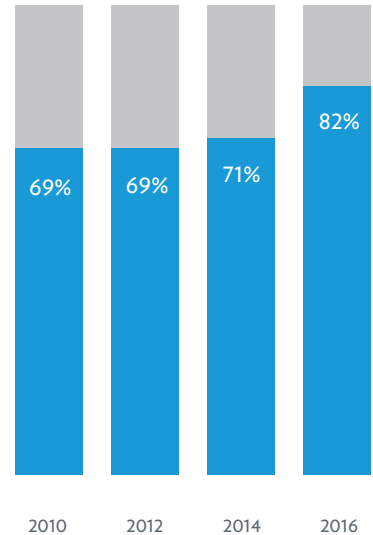
Overall, I am satisfied with our relationship with IGT

By Total (%Agree - %4-5)



I would be likely to recommend IGT

By Total (%Agree - %4-5)



All attributes defining the IGT Loyalty Index improved in 2016, with significant increases for “Overall Satisfaction” and “Likelihood to recommend,” which are at their highest levels since the study’s inception.

Loyalty among international customers has improved the most since 2014.

Security and Compliance

Operating in a highly regulated market, IGT strives to prevent issues that could undermine the trust that is shared by IGT customers and Corporate stakeholders. Fraud, money laundering, and match fixing are among the foremost issues that any company operating in the gaming industry must manage effectively. And data security is crucial to running gaming schemes and services, for which all sensitive information must be safely stored and handled.

Fraud and Anti-Money Laundering

IGT does not tolerate any level of fraud and is committed to ensuring that opportunities for fraud are reduced to the lowest possible level of risk. Fraud and security procedures are aimed at detecting and preventing fraudulent behavior on iGaming platforms. A specific risk score model is applied at the transaction level (game, play, and/or financial

transaction) to identify players that exhibit high-risk behavior.

In Italy, Lottomatica has established and maintains appropriate, comprehensive systems and internal controls to enable the identification, monitoring, and management of fraud risks. At the early stage of preventing abnormal situations and behaviors, Lottomatica carries out a set of activities. These comprise checks on demographic details, game-play monitoring, checks on financial transactions, blocks of linked accounts, and detection of bonus abuse. According to the evidence coming from reports of abnormal or fraudulent behavior, the activities include the suspension process for the gaming account, complaints to institutional bodies, liaising with investigatory commissions, management of inter-banking network reports and customer reports, and anti-money laundering monitoring.

Player Services Management Overview

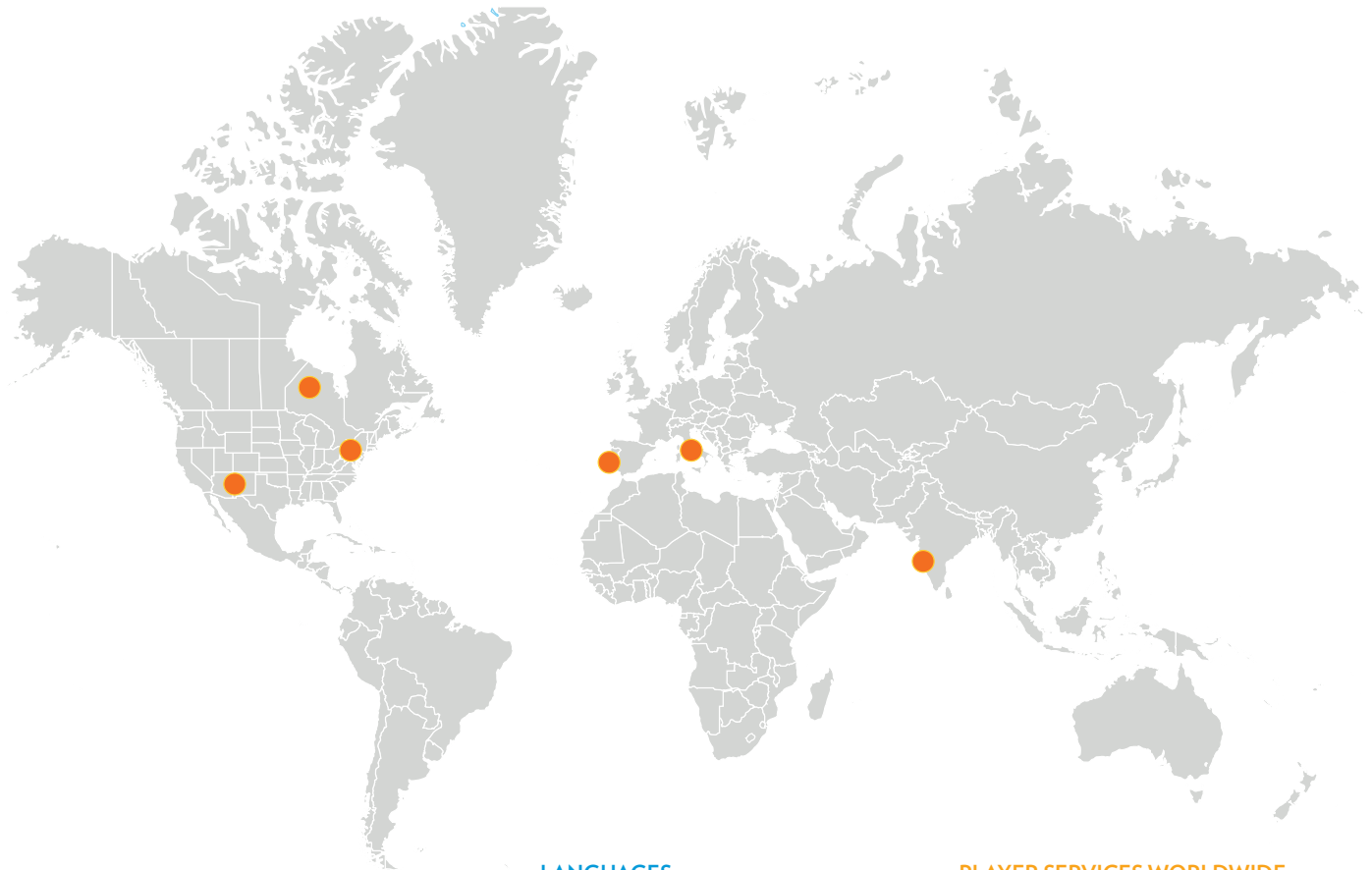
The Player Services Management team has been active within the interactive betting and gaming space, providing services and expertise related to Player Account Management (PAM), Fraud & Security, Anti-Money Laundering (AML) analysis, e-Payments, and compliance. Such capabilities have been leveraged both by fully managing services (IGT's own brands and/or white labels, as well as commercial customers) or by advising partners in the setup and running of such services.

Player Services operations are tailored to customers' needs to ensure high standards in support of their operational needs. The Player Services team works with a wide number of operators in different types of partnerships (B2B, B2B2C, and networks), all scalable and adaptable to suit individual market/operator needs and to comply with local regulatory constraints within different jurisdictions (e.g., Italy, U.K., Greece, Spain, Sweden, and Canada) and verticals (betting, bingo, casino, and poker).

Services include:

- Monitoring financial and gaming transactions to prevent the use of counterfeit payment instruments;
- Providing a player identification process (Know Your Customer, or KYC) according to the relevant regulations;
- Providing anti-fraud, anti-collusion, and chip dumping analyses to prevent and to detect fraud on interactive business;
- Providing a registration overview and demographic details check;
- Performing a gaming behavior analysis;
- Conducting a deposit and withdrawals risk analysis;
- Providing a gaming account block/reactivation process;
- Conveying complaints to institutional bodies;
- Replying to gaming authority of customer compliant reports;
- Meeting Anti-Money Laundering and KYC requirements;
- Monitoring affiliate abuse and bonus abuse;
- Providing document management; and
- Overseeing chargeback management on and reports to inter-banking network.

Player Services Worldwide



●
**6 PLAYERS
 SERVICE CENTERS
 WORLDWIDE**

LANGUAGES
 CANADIAN FRENCH
 SWEDISH
 ENGLISH
 SPANISH
 ITALIAN
 DANISH
 INDIAN

PLAYER SERVICES WORLDWIDE
 PLAYER MARKETING
 WEB/PORTAL MANAGEMENT
 GAME/NETWORK MANAGEMENT
 CONTACT CENTER
 PAYMENTS
 FRAUD PROTECTION AND SECURITY

Through the work of the Player Services Management team in collaboration with the Compliance & Risk Management team, which provides guidelines, IGT in Italy (Lottomatica) adopts appropriate measures to prevent its involvement in money laundering and terrorism financing within the three business lines subjected to specific regulations: Better Retail, Lottomatica Videolot Rete, and Better Online Gaming. The

Compliance & Risk Management team constantly makes sure that internal processes are appropriately supporting the goal of preventing the violation of laws on AML and terrorism financing, while handling the process of detection, assessment, and warning to the Office of Financial Information (Ufficio di Informazione Finanziaria – UIF). The team also guarantees the reliability of the feeding system to the central archive, and provides guidelines for the training of employees and owners of points of sale.

Among the activities in compliance to the law D.L. 231/07 ruling on AML process, Lottomatica carries out the analysis of reports filed by business units on abnormal behavior of winners or betting rooms, a periodical apprising of internal AML procedures and Key Risk indicators, the updating of AML training for Better Retail shops and VLT rooms, and the handling of enquiries from law enforcement agencies.

Match Fixing

Match fixing is one of the most significant threats to contemporary sports. It damages the image of sports by jeopardizing the integrity and unpredictability of sporting competition. It contradicts the fundamental values of sports, such as integrity, fair play, and respect for others. Match fixing is a form of sporting fraud and may occur with the involvement of illegal betting cartels linked to money laundering.



IGT, through Lottomatica, is a member of the Executive Committee of the Global Lottery Monitoring System (GLMS), the state lotteries' mutualized

monitoring system that monitors sports betting. GLMS endeavors to detect and analyze suspicious betting activities that could raise doubts about the integrity of a sports competition. Building on six years of experience (with the establishment in 2009 of GLMS with The European Lotteries), GLMS went global in January 2015, and extended its network to other continents. GLMS facilitates the sharing of sports betting information as part of the collective efforts of its members in ensuring sports integrity globally. It is dedicated to effective cooperation with all key stakeholders, namely regulators, law enforcement authorities, and sports organizations.

Italian Sports Betting Match Fixing Prevention

- Non semiprofessional and young athletes are too vulnerable and may be tempted to fix a match, therefore betting on minor sports/leagues should not be offered
- Traders should always be well informed before pricing up betting events, analyzing different websites and blogs
- Transaction based (individual tickets) automated alerts would detect suspicious/fraudulent betting patterns
- A peerless monitoring system allows robots to analyze real time odds volatility and detect suspicions odds movements



Lottomatica, in compliance with regulatory and strict operational guidance and recommendations by the Council of Europe on promotion of sports integrity against manipulation of results, has implemented a specific prevention, detection, and management process. Lottomatica has developed the Betting Intelligence Platform (BIP), an ad hoc application to support trading management and match fixing detection in Italy and other jurisdictions served by IGT. Lottomatica is also very active within the WLA network for the exchange of information on suspicious betting patterns.

Information related to match fixing is currently shared with Europol, Interpol, and involved sporting clubs.

Data Security

The IGT Information Security group has established the Information Security Management System (ISMS) as a formal structure to provide policy direction, information security advocacy, and the assurance that IGT, including its technology and operations groups, have implemented security controls that are in alignment with the requirements defined within the ISMS.

The Information Security organization operates under the governance of the Information Security Executive Council (ISEC), which serves as the top-level decision making body for information security strategy. The ISEC makes final decisions

regarding the treatment of information risks that impact core business processes, as identified by the Information Security organization.

The Information Security Governance Committee (ISGC) is in charge of facilitating the communication flow between the Company's infrastructure, operations, architecture, business, information, and development teams to ensure a consistent ISMS. The ISGC makes sure that all architecture, platform, and system requirements relative to information security are aligned with IGT's business objectives and goals.

The Information Security Risk Management team works with IGT business and technology teams to identify information security risks for project, enterprise, operational, and third-party relationships. Information security risks are analyzed to provide sufficient context to make an informed business decision. This is a critical component in IGT's due diligence obligations to demonstrate to customers and external auditors that a formal and deliberate process is part of the ISMS. Use of the Information Security Enterprise Governance, Risk, and Compliance (eGRC) tool ensures that risk measurement is not subjective and can be supported with facts and data.

IGT has attained a global International Organization for Standardization (ISO) 27001 and WLA Security Control Standard (SCS) certification for most corporate and development locations, as well as other critical site

Information Security Site Compliance

Information Security Site Compliance is a mechanism used by the Information Security group to ensure that IGT sites around the world are operating in a manner consistent with the requirements set forth in IGT's ISMS. A variety of processes and tools are used to accomplish this, with the goal of formally assessing the networks, systems, applications, and processes of each location to:

- Ensure integrity, confidentiality, and availability of information and resources;
- Ensure conformance to the applicable regulations and industry standards;
- Achieve or maintain ISO27001/ WLA SCS certification;
- Investigate possible security incidents;
- Ensure conformance to IGT security policies; and
- Monitor user or system activity where appropriate.

Privacy Policy

IGT is committed to protecting personal data under its control. IGT's privacy policy is expressed in the following five basic principles:

- IGT will not intentionally collect or store irrelevant, or excessive personal data, and will take steps to ensure that the personal data under its control is accurate;
- IGT will treat all personal data as confidential, and will take reasonable precautions to prevent unauthorized use of, or access to such personal data;
- IGT will only use personal data for the purposes for which it was collected, unless affected individuals are appropriately consulted, or another legal basis to use the personal data exists;
- IGT will not transfer personal data to third parties, except when required in the course of business. IGT will only transfer personal data to third parties who agree to preserve the confidentiality of personal data and use it only for the purposes for which it was collected, and where adequate protections apply; and
- IGT will deal fairly with persons whose personal data is under its control.

locations where this certification is either required by contract or desired in order to demonstrate the IGT commitment to an effective information security approach. This approach is unique in the lottery industry and is a tested and proven approach used by many multi-national corporations.

The Privacy Office relies on and leverages the existing Information Security processes (e.g., ISMS risk management process and ISMS security incident response process) to provide data privacy impact assessments and responses to security breaches.

In addition to the ISMS security incident response policies, standards, process, and guidelines, IGT maintains an internal privacy policy, which provides guidance on reporting security breaches. The Privacy Office has an internal process in place to manage data protection inquiries.

In 2016, the Privacy Office provided computer-based data privacy training to all employees worldwide. Since the beginning of 2016, over a dozen data privacy inquiries have been processed. No breach incident was reported by Information Security to the Privacy Office in 2016.

Business Continuity Planning

The purpose of business continuity planning for IGT is to provide detailed guidance that allows all IGT locations and operations to recover from a disaster. Recovery plans and procedures are based

upon the assumption that the infrastructure for locations has been, or is being, recovered by IGT staff in accordance with pre-determined recovery strategies. A disaster may affect various operations in varying degrees. The scope of a Business Recovery Plan assumes a significant operational disruption of operations up to and including the destruction of an IGT facility wherever it is located. At IGT, the term Business Recovery is used as a designator for the recovery of business operations whether it falls under the auspices of Disaster Recovery or Business Continuity.

Product Compliance

To ensure the integrity and fairness of IGT's gaming products, most gaming products are independently reviewed and tested to ensure compliance to established technical standards.

The Product Compliance organization engages early in the product design process, and remains involved through product delivery and support.

Regulatory requirements are provided to the design teams and are incorporated in certain guides and programs. New concepts that have not been previously addressed can warrant a specific evaluation. Given that regulations change, Product Compliance monitors for such changes and if regulations do change, it identifies potential product impacts and shares them with internal technical experts.

Incident Communication and Management Policy

An incident is an event or occurrence that causes or has the potential to cause substantial harm or disruption to the business of IGT or any of its subsidiaries, including harm to its employees, physical premises, information systems, data, data privacy, reputation, gaming/lottery licenses, or other assets.

All incidents, including cybersecurity incidents, physical security incidents, regulatory suitability incidents, actual or suspected fraud or criminal misconduct, are handled according to the Incident Management Policy.

Each vice president is responsible for designating an Incident Manager and for creating and maintaining an Incident Management Plan for his or her department or site location, as the case may be. All employees have an obligation to report incidents to their respective Incident Manager. For those incidents that require investigation, an incident management team should be convened by the Incident Manager, with advice from a member of the Legal Department, and may include representatives from the Compliance, Information Security, Physical Security, Internal Audit, Human Resources, Corporate Communications, Real Estate/Facilities, Risk Management, Environmental, Health & Safety, and Travel departments or others, as necessary. An Incident Management Report is then completed for each incident and sent to the Legal Department.

Once a product has passed internal product assurance, it is submitted for regulatory certification in the process defined by each regulator. This may include one or more of the following: an independent test lab evaluation, a state-run test lab evaluation, and a review of results.

To ensure that only approved products are distributed, IGT employs automated processes that are embedded within the Company's product order process. Each customer is assigned to a technical jurisdiction. Functions within SAP systemically review orders for the recipient customer to determine the approval status of the individual components for the relevant technical jurisdiction. If an order contains an unapproved product, a hold is placed on the order to prevent final shipment.

After a product is shipped, IGT monitors concerns voiced from the field or from further approval testing. Should a product approval be revoked, that revocation is communicated to regulators and customers. Depending on the circumstances, the product may be disabled, incur greater monitoring, or be replaced with an updated version.

5

Supporting Our Communities

- Commitment to Education
- Commitment to Social Areas
- Commitment to Culture
- Commitment to Transparency

photo:
Jim Wiltshire
QA Tester II
Moncton, Canada





Play of Hope
\$2,236

Supporting Our Communities

“In following the guidelines adopted by the internal Social Impact Committee, IGT acknowledges the importance of being a good corporate citizen and making a positive and meaningful impact on local communities.”

*Elena Chiaradio
Director, Corporate
Communications*

As a company operating at a global level, IGT is mindful of the importance of being a responsible corporate citizen. IGT’s business involves interactions with diverse stakeholders who belong to diverse communities. Nurturing these relationships requires integrity and a strong corporate commitment due to the nature of the gaming business and the products and services offered.

Along with the business implications of its corporate activities, IGT has developed an increasing attention to the impact of such activities on local communities. Over time, in fact, IGT has supported more and more programs that enrich and strengthen the communities, embracing a breadth of needs, in particular providing educational and economic opportunities for people in challenging socio-economic environments.

IGT’s Corporate Sustainability Responsibility (CSR) strategy includes having a significant positive impact on the communities where the Company operates. The strategy is implemented through community involvement, charitable giving, and employee engagement

initiatives that are planned in line with emergent local needs and opportunities.

IGT’s support is provided in the remits of education, social areas, and cultural initiatives.

Commitment to Education

IGT makes education a top priority, supporting programs that serve diverse groups of students and adults in the areas of engineering, computer science, technology, and business management. For example, the Company has strong partnerships with local colleges and universities, providing opportunities to students through internships, co-ops, specialized classroom courses, and summer jobs. These partnerships provide students with work experience and allow IGT to build bridges to future job candidates. In addition, IGT supports employee-directed education initiatives through matching gifts and scholarships. IGT also supports mentorship programs that assist youth from varying economic backgrounds, inspiring them to pursue a lifetime of education and to excel in the areas of reading, math, science, and the arts.



Restrepo, Meta, Colombia

Commitment to Social Areas

The projects and events selected by IGT in the social area are designed to impact the most critical areas of daily life and support the basic needs of the local population, such as the need for health care and assistance for lower-income families.

IGT invests in areas where public spending is inadequate and an individual is unable to pay for certain services. For example, IGT invests in programs that help disadvantaged families achieve economic self-sufficiency and

obtain otherwise unaffordable childcare or elder care. It also supports programs that assist families affected by drug addiction and child abuse.

Each supported program has common characteristics, including volunteer services to the local population and strong, diverse support of the local community. The enthusiastic support of employees worldwide, through volunteerism and donations, is complemented by the Company through sponsorships, matching donations, and paid leave for volunteer work.



Manchester, U.K.



Ezcazù, Costa Rica



Sydney, Australia

IGT's After School Advantage (ASA) Program

The After School Advantage program is a global community-investment program that offers digital learning centers to qualifying non-profit community agencies and public schools. The centers provide underprivileged children age 5 to 18 with a meaningful learning experience in a safe environment during the critical after-school hours. Each ASA center is unique in its design and specific to an organization's needs. This initiative is meant to bridge the digital divide by helping at-risk children learn to use technology tools appropriate to their individual learning needs and environment.

IGT donates, on average, \$15,000 in state-of-the-art computers, printers, computer software, furniture, and volunteer hours to each selected ASA program. IGT employee-volunteers work with each non-profit to design and develop a fully operational digital learning center. With one paid workday per year to volunteer at any organization, IGT employees are encouraged to and often remain active in their local ASA program after the learning centers are operable. Through the ASA programs, IGT hopes to increase children's interest in careers focused on computers and technology, and provide them with the tools to be more competitive in school and in today's job market. The success and sustainability of ASA is demonstrated by the more than \$4 million in support IGT has given to communities globally and the thousands of young people who enjoy continued access to technology.



Ezcazù, Costa Rica



Triton High School – Erwin, NC, US



Lynwood, CA, US

After School Advantage launches in 2016



ASA LABS TO DATE

2016 ASA LAB OPENINGS

Commitment to Culture

Art and culture are essential to the stability and growth of communities. They derive from people's common roots, inspire a sense of belonging, and are permanent features of people's identity. In supporting artistic and cultural events and activities, IGT fulfills the role of a company that belongs to the communities it serves.

Projects and initiatives are chosen according to their scope and relevance to the local community. IGT works with local establishments and institutions to select the most needed interventions, greatly contributing to the local economic stability. IGT is continuing the tradition of supporting projects and events that add cultural value to communities, families, and new generations.

Supporting Culture in Italy

Since its origins, Italy's Il Gioco del Lotto (lotto game) has always been tied to arts and culture. In the 1700s, for instance, Pope Clemente XII allocated the proceeds of a lotto game to the construction of the famous Trevi Fountain. By sustaining arts and culture, Il Gioco del Lotto is also supporting the history of the country through the promotion of cultural projects such as the restoration of the country's most significant monuments and the organization of events at the sites. The focus is always on families and new generations because culture is essential to the growth and development of healthy communities.

The Tomb of Pope Giulio II and the Famous Statue of Moses by Michelangelo

Il Gioco del Lotto has proudly contributed to the restoration of an outstanding example of Michelangelo's finest craftsmanship: his statue of Moses. Located in Rome at the church of San Pietro in Vincoli, where it adorns the tomb of Pope Giulio II, this world-famous statue receives 4 million visitors annually. The project has restored the marble to its original shine after a complex process of maintenance and cleaning undertaken by the Coliseum and archeological authorities in Rome. Experts were able to ascertain, during the restoration, that the artist used an unusual technique to make the marble reflect sunlight from the church's windows and that he applied the technique only after the statue was placed inside the church. That discovery led to an additional and unanticipated project, carried out in the first months of 2017, to restore the original light conditions inside the church in order to return the masterpiece to its full glory.

Experts made another intriguing discovery during the restoration. One of the statues decorating the tomb was found to have a corresponding model that appears in a painting at the church of San Silvestro al Quirinale, a unique occurrence in the art of Michelangelo. The discovery is leading art experts to open a new chapter in the interpretation of the statue of Moses, and the whole sculptural group, at the tomb's site.



Rome, Italy

Il Gioco Più Tuo in tour



Il Gioco più Tuo in tour
2016

Il Gioco più Tuo in tour

To celebrate its multi-century heritage in Italy, Il Gioco del Lotto sponsored Il Gioco più Tuo (The Game Is Yours to Take), a 10-city tour to celebrate local works of art and introduce citizens to various art and culture initiatives. The 10 cities chosen corresponded to the 10 places where the Lotto is drawn: Florence, Milan, Turin, Rome, Venice, Naples, Palermo, Cagliari, Bari, and Genoa.

The tour featured a wide range of free events for all ages, from exhibitions and guided visits to performing arts events with music, theatre, and light shows in various venues and along the city streets.

More than 11,000 people were involved in the events that took place in Bari and Palermo, the two cities where the tour ended in 2016.

In Bari, the tour touched on one of the symbols of the city, the Petruzzelli Theatre, offering free visits with

accomplished art critics and gastronomy events with a celebrity chef. The three-week event ended with a free pop music concert featuring Mika. In Palermo, museums and historical places were open for free guided visits and events during a 10-day happening, while comedy and traditional music shows animated the four historical city piazzas.

Commitment to Transparency

To manage the complexity inherent in planning and carrying out initiatives involving people and communities from countries and regions at the far corners of the world, IGT has created the Social Impact Committee (SIC). The SIC guidelines ensure that all approved IGT community-support requests are aligned with the Company's overall CSR strategy. The SIC is the collection point for all community-support projects

and programs from all over the IGT world. Requests are submitted to SIC via the IGT online application submission process for review and approval.

The SIC meets on a quarterly basis, at a minimum, and will respond in writing to all Company-wide formal requests on the basis of a set of criteria designed to allow for accountability and compliance with laws in all involved jurisdictions. IGT's SIC members represent all major areas of the Company.

All Hands Volunteers

IGT has been a long-time supporter of All Hands Volunteers. All Hands is a non-profit organization founded in 2005 as a volunteer-powered disaster relief organization dedicated to rebuilding hope for people impacted by natural disasters all over the world. The key to All Hands' success is the volunteers. Enter Mike Mello, IGT Vice President, Global Government Relations (pictured at right), Brian Sheehan, IGT Regional Vice President, Asia Pacific (center), and Erik Dyson, Executive Director, All Hands Volunteers (left). Mike and Brian travelled to Nepal in November to join hundreds of other volunteers to help rebuild the Prithvi and Bachchalla Devi schools located in the city of Nuwakot. All Hands is currently rebuilding four school campuses that were destroyed by the April and May 2015 earthquakes. All Hands Volunteers' mission is to provide immediate, effective, and sustainable support to communities in need. This mission aligns incredibly well with IGT's commitments to social responsibility and sustainability. In 2016, on behalf of our dedicated employees and customers, IGT once again made a corporate donation to All Hands Volunteers.



Employee-Driven Programs

IGT's employee engagement programs reflect the Company's values, and provide employees the opportunity to give back to their local communities. The Matching Gifts, Day Off for Volunteerism, and Dollars for Doers programs embody the Company's commitment to social programs

globally that positively impact our communities, in particular the most critical areas of daily life.

IGT encourages its employees to be actively engaged with organizations that align with the Company's overall community-support endeavors.



MATCHING GIFTS

The Employee Matching Gifts Program is designed to honor the diversity of our employees' charitable giving by supporting a broad spectrum of non-profit charitable organizations. The minimum gift eligible for matching is US\$25, up to a maximum of US\$100 per calendar year.



DAY OFF FOR VOLUNTEERISM

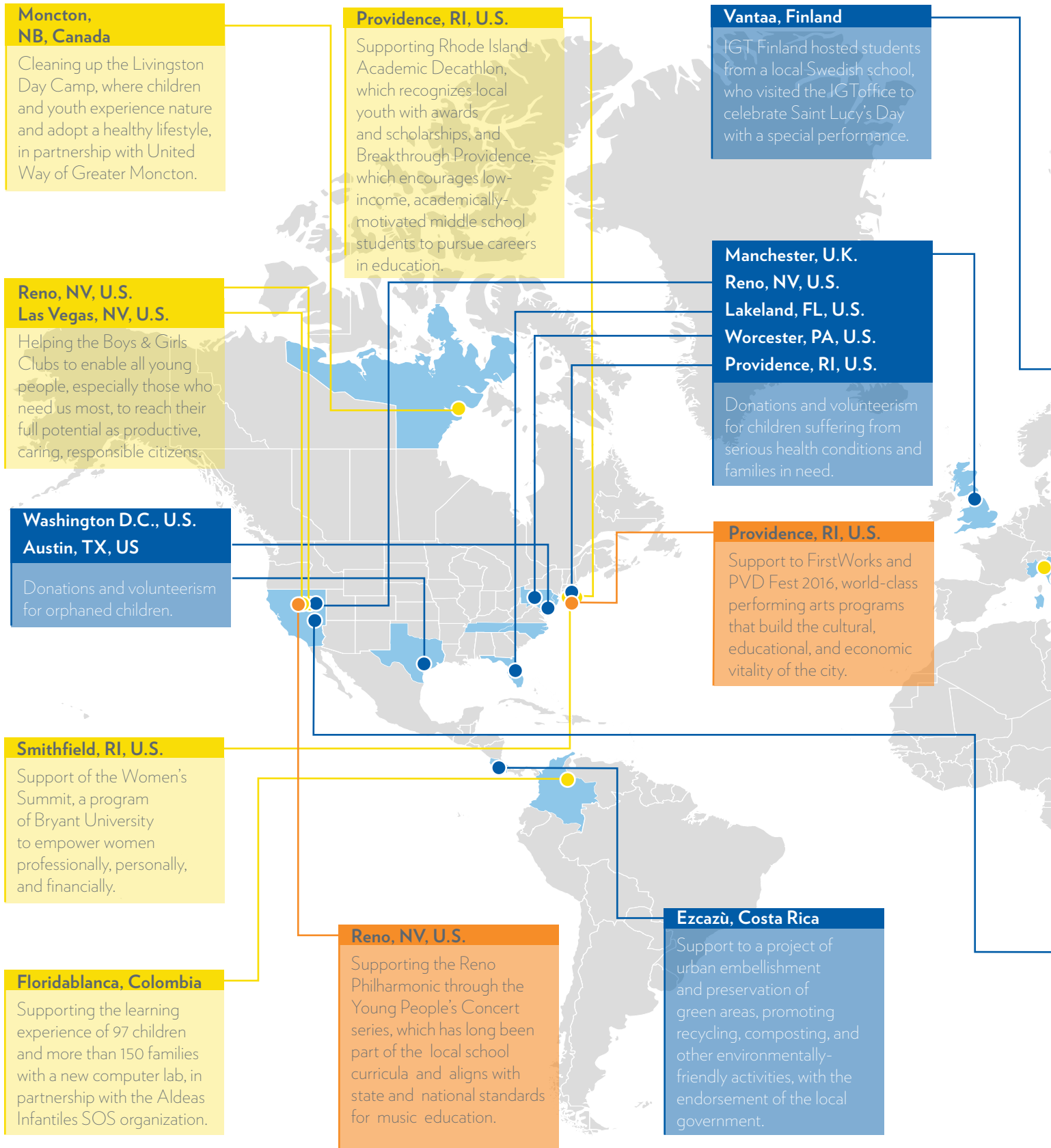
IGT recognizes the value of giving back and supporting the communities in which employees live and work. The purpose of the global IGT Day Off for Volunteerism is to allow IGT employees to share in that effort by supporting and recognizing their volunteer activities that serve their local communities. The program provides employees one scheduled workday of volunteer paid time-off per calendar year.



DOLLARS FOR DOERS

Employees with exceptional community service may apply for grants from the IGT Dollars for Doers Program. Dollars for Doers grants are provided when an employee volunteers 25 hours per year to a charitable organization. Employees are limited to one grant (not exceeding US\$250) per year.

Charitable giving and community engagement in Education, Social Areas, and Cultural initiatives



- EDUCATION
- SOCIAL AREAS
- CULTURE

Warsaw, Poland

During the holiday season, the Polish team donated gifts to children at the Children's Home of Saint Louise and the Centre of Education and Care.

Milan, Italy

Support to Telethon Foundation Project "Tiget," a center of excellence for research on genomic and cellular therapies and the development of new treatment protocols for genetic diseases.

Rome - Rosarno, Italy

Lottomatica teamed up with the National Olympic Committee CONI to allow children from at-risk or distressed areas to practice sports under the supervision of accomplished Italian athletes and coaches.

Rome, Italy

Il Gioco del Lotto sponsored the tenth edition of the cultural initiative The Serious Game of Art, dedicated to the theme "Migrants" and how arts unite people and cultures.

Italy

Il Gioco del Lotto supported FAI Marathon, a one-day event allowing free visits to more than 600 cultural and artistic locations in 150 Italian cities.

Unterpremstätten, Austria

The team in Austria supported special needs children by raising funds to help pay for therapy and equipment.

Beijing, China

IGT Beijing - through volunteerism and donations - supported 365 Kids Home, which hosts orphaned children with developmental disabilities and is sponsored by the China Social Welfare Foundation.

Las Vegas, NV, U.S.

Sydney, Australia

Donations and volunteerism for organizations that help people with disabilities, the elderly, underprivileged youth, and people who are homeless.




photo:
Omar Valencia
Imports Analyst, Logistics
Mexico City, Mexico



6

Growing with Our Supply Chain

The Selection Process

Human Rights Protection

Conflict Minerals

Growing with Our Supply Chain

IGT works with suppliers that can ensure high-quality goods and services and meet high economic, ethical, and socio-environmental standards. IGT's Code of Conduct serves as a guide to the moral, legal, and ethical standards it expects of suppliers when doing business with the Company and sets parameters for acceptable behavior of employees.

In 2016, IGT's supply chain consisted of approximately 11,020 vendors worldwide, which accounts for about \$2 billion in annual spending in both the direct and indirect supply categories. "Indirect" supplies include technology, computers, hardware and software, networking equipment, communications services, and standard Maintenance, Repair, and Operations (MRO) commodities that are

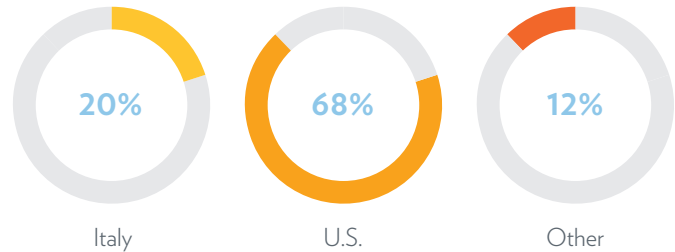
purchased to support the Company's customer-facing deliveries, as well as its internal infrastructure. "Direct" supplies support the manufacture of IGT products that are delivered as part of IGT's customer-facing solutions.

IGT purchases most of the parts, components, and subassemblies necessary for its terminals and slot machines from outside sources. It also outsources all of the manufacturing and

assembly of certain lottery terminals to a single supplier; other products have portions outsourced to multiple qualified suppliers.

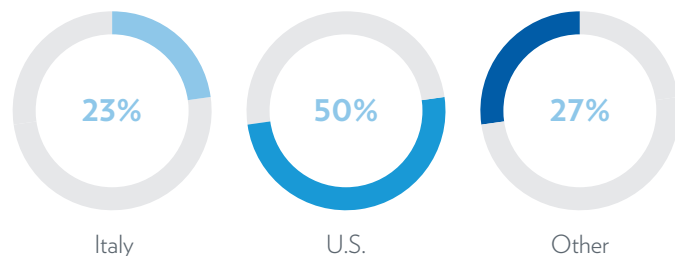
Suppliers based in the U.S. and Italy, where the majority of employees are based and the greater portion of revenues is generated, are considered by IGT as local suppliers. In 2016, 73% of IGT's suppliers were local, and almost 88% of the total budget referred to such suppliers.

Spending on suppliers*



* Distribution of spending on suppliers based on the VAT payments from SAP

Geographical distribution of suppliers



Qualified Minority Business Enterprises

In the U.S., IGT works with top-quality suppliers, as well as suppliers classified as Qualified Minority Business Enterprises, especially in the lottery and printing businesses. To be identified as a Qualified Minority Business Enterprises a public agency must certify that the supplier is owned (at least 51%) by one or more of the following:

- Minority group members (Minority Business Enterprise, or MBE);
- Women (Women Business Enterprise, or WBE);
- Disabled veterans (Disabled Veteran Business Enterprise, or DVBE).

Typically, in U.S. lottery competitive procurements, the Request for Proposal (RFP) includes an obligation to allocate a share (approximately 10%, usually) of the total budget to Qualified Minority Business Enterprises, thus allowing lotteries to contribute to the generation and distribution of economic value. Another approach is for the RFP to award a proposal additional points if a share of the total budget is allocated to Qualified Minority Business Enterprises.

The Selection Process

IGT's decision to include a vendor in its supplier list is guided by the Company's International Organization for Standardization (ISO) 9001-certified quality management system. Once IGT identifies a need, it evaluates the available suppliers, taking into account quality, cost, efficiency, delivery capacity, and the capability to comply with IGT business principles (quality, ethics, Customer First strategy, environmental awareness, and human rights). IGT requires all suppliers to meet and provide compliance certificates with the European Union Restriction on Hazardous Substances (RoHS) declaration of July 2006. IGT also considers a certified management system, such as ISO 9001, ISO 14001, and Social Accountability (SA) 8000, to be an asset.

During the selection, each potential supplier must undergo a risk analysis by IGT, as well as a self-assessment of its own performance. Then, IGT cross-functional teams rigorously review the potential supplier, focusing on important factors such as quality, finance, and technology. The process is intended to ensure that the Company partners with suppliers that provide the best technical solutions, are financially capable of supporting long-term customer contract requirements, and can meet the contract terms necessary to maximize IGT's ability to support its global customer base. In 2016, all new suppliers were screened following this process.

For a limited number of suppliers identified as "critical" in the risk analysis, IGT carries out on-site audits twice a year to verify their performance. After each audit, IGT provides feedback and meets the supplier to discuss possible improvements.

Human Rights Protection

In 2016, IGT conducted an ISO 26000 assessment (social responsibility standards published by the ISO). One takeaway from this assessment was reinforcement of the idea that the Company's operation should be properly protected from, and not directly exposed to, the risk of human rights violations.

As one of its CSR initiatives, IGT is working toward eliminating risks of human rights violations related to its global operations. The Company has begun that initiative by focusing on its supply chain. IGT is establishing a due diligence system to identify the risks related to the supply chain structure and operations, mitigate the risk of such exposure in its supply chain, and undertake proper preventive actions to ensure human rights are properly protected, now and in the future. Actions include:

- Mapping all business and supplier activities by industry, sector, and geographical area of operation in order to identify and prioritize those areas of IGT business that are at risk;

Modern Slavery

“Modern slavery” is a crime and a violation of fundamental human rights. It takes various forms including slavery, servitude, forced and compulsory labor, and human trafficking, all of which have in common the deprivation of a person’s liberty by another in order to exploit that person for personal or commercial gain. IGT has a zero-tolerance approach to modern slavery. IGT is committed to acting ethically and with integrity in all of its business dealings and to implementing and enforcing effective systems and controls to reduce the risk of modern slavery from occurring in its business and in that of its suppliers.

In order for IGT to detect, report, and prevent modern slavery, employees are encouraged to inform IGT of any suspected behaviors. They can do so anonymously via the Integrity Line, with assurance that IGT will not retaliate nor permit retaliation against anyone who reports such behaviors in good faith. (This is in line with IGT’s Code of Conduct). The U.K., through its Modern Slavery Act 2015, moved to prevent modern slavery in the businesses of large organizations and their supply chains. The Act requires such organizations to disclose the steps they have taken during the financial year to ensure that modern slavery is not taking place in any part of their business nor that of their suppliers. IGT’s disclosure on its commitment to modern slavery can be found at www.igt.com.

- Preparing a questionnaire to be completed by all current suppliers considered at risk and by all new suppliers as part of a qualifying process; and
- Performing specific audits and inspections, depending on the quality of suppliers’ responses to the questionnaire.

Conflict Minerals

IGT complies with the final rule on conflict minerals adopted by the Securities and Exchange Commission (SEC). This rule requires the implementation of reporting and disclosure procedures regarding conflict minerals. Conflict minerals – which include tantalum, tin, tungsten, and gold – are defined as those originating in the Democratic Republic of Congo (DRC) or adjoining countries, and any other mineral or derivative thereof determined by the U.S. Secretary of State, to finance conflict in the DRC or adjoining countries and therefore enable armed groups to commit, contribute to, or benefit from serious violations of human

rights, violations of international humanitarian law, or violations amounting to crimes under international law.

Since conflict minerals are necessary to manufacture land-based machine products (including, but not limited to, slot machines, video poker machines, video lottery terminals, electronic or video bingo machines, lottery terminals, instant ticket vending machines, and ticket scanners), IGT has implemented policies and procedures, including a conflict minerals policy, to ensure the minerals IGT and its suppliers use are DRC-conflict free and that IGT complies with the SEC’s rule.

IGT developed its policies, procedures, and processes following the second edition of the Organization for Economic Cooperation and Development’s (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and the related supplements. IGT’s procedures include:

- Defining suppliers that are affected by conflict minerals;
- Identifying risks;
- Communicating supplier responsibilities;
- Establishing and using a cross-functional team;
- Collecting necessary information; and,
- Maintaining records of activity, responses, and conclusions.

Conflict Minerals Diligence Program and Due Diligence Process

To identify and trace conflict minerals in IGT's supply chain, IGT established a due diligence program based on procedures and tools provided by the:

- OECD;
- Electronic Industry Citizenship Coalition (EICC); and
- Global e-Sustainability Initiative (GeSI).

The Conflict-Free Sourcing Initiative (CFSI), an entity founded by members of the EICC and GeSi, provides a Conflict Minerals Reporting Template. The template standardizes the way country-of-origin, smelter, and refinery information is reported, and facilitates the transfer of this information through the supply chain. IGT requests that its suppliers whose products contain conflict minerals use the template to convey the required information to the Company.

IGT also requests that its suppliers 1) adopt a conflict minerals policy to reasonably ensure the minerals in their products comply with the CFSI's Conflict-Free Smelter Program (CFSP) assessment protocols and 2) establish their own due diligence program (to ensure their own suppliers are CFSP-compliant) and provide a detailed report to IGT on that effort.

IGT established a cross-functional team to perform the actions needed to comply with the SEC's rule. The team's duties are to:

- Identify which suppliers provide products to IGT containing conflict minerals;
- Distribute a conflict minerals letter with an environmental policy and the CFSI's Conflict Minerals Reporting Template to all suppliers determined to be in scope;
- Track which suppliers have responded and retain their completed CFSI Reporting Template and policies;
- Review the responses and conduct further diligence if warranted;
- maintain smelter information from suppliers and check smelter identifications against the Compliant Smelter & Refiners list (at www.conflictreesourcing.org) and the Smelter Reference list of the current CFSI Reporting Template; and

- Report IGT's due diligence process and compliance obligations to senior management annually.

To identify relevant suppliers subject to due diligence, IGT reviewed the 634 suppliers at which more than 95% of the Company's production occurs. From the list of 634, IGT removed those suppliers that do not sell the Company material containing conflict minerals. If there was any uncertainty, the supplier was considered in scope. As a result, IGT identified 304 suppliers subject to further due diligence.

Reasonable Country of Origin Inquiry (RCOI)

The CFSI's CFSP audits smelters and refineries and identifies those that are DRC-conflict free. As part of the RCOI process, IGT adopted the CFSI approach and traced the origin of conflict minerals by identifying smelters, refineries or recyclers, and scrap supplier sources. IGT used the CFSI and its CFSP to trace the conflict minerals back to the mine of origin. Because some suppliers source material from a number of sub-suppliers, IGT has determined that it may take time for some suppliers to verify the origin of conflict minerals they supply (directly or indirectly) to IGT as detailed by the RCOI.



photo:
Tobias Thomsch
Game Designer
Unterpremstätten, Austria



Caring for Environment

Approach and Commitment

Materials in Manufacturing Gaming Devices

Energy Consumption

Emissions

Waste

Water

Caring for Environment

IGT's approach to environmental activities is guided by the following principles:

- Setting and regularly assessing goals for improving environmental performance;
- Following operating guidelines that protect the environment, employees' health, and the integrity of communities influenced by the Company's business;
- Complying with current regulations and applicable authorization requirements at all levels;
- Applying principles for ongoing improvement of pollution prevention;
- Reducing the environmental impact of production processes in an economically effective way;
- Sharing information about the environmental impact of its business performance in a transparent manner; and
- Guaranteeing that staff has the skills and resources needed to achieve the established environmental goals.

As a global Company, IGT is committed to complying with accepted environmental practices, including the promise to meet or exceed applicable legal and certification requirements. The Company strives for continual improvement in its environmental management systems and reducing its environmental impact. Effective and reliable monitoring systems allow IGT to assess its commitment to reach these goals.

Approach and Commitment

The Company's activities include hardware and software implementation, research and development, warehousing, and administrative tasks. IGT's industrial activities include printing (in Lakeland, Florida, U.S. and in Tito Scalo, Italy) and assembling (in Reno, Nevada, U.S.).

Potential environmental impacts in IGT facilities are related to:

- **Material Consumption** – As an indirect impact in Reno, Nevada, where the facility assembles

sub-products provided by suppliers. As a direct impact in Lakeland, Florida and Tito Scalo, Italy, where paper and inks are used in printing;

- **Energy Consumption** – Fuel for heating, company fleet (cars and small trucks), electricity supply and natural gas (office, manufacturing, and printing);
- **Emissions** – From energy use (direct and indirect) and transportation of goods made by service providers;
- **Waste Production** – Assembling and printing processes do not generate a significant amount of waste. Generally, the waste produced is not hazardous and most is sent to recycling, consistent with corporate policies;
- **Environmental** – Potential indirect impacts can be significant for some sub-product assembly processes in Reno (such as chroming); the suppliers used for such processes are periodically monitored with on-site inspections to verify their compliance with regulations.

In 2016, IGT launched an internal web-based tool to collect environmental data from sites all over the world. The tool has systemized and harmonized the collection process, giving a more comprehensive overview of the Company's environmental impacts.

Reporting boundaries have consequently increased compared

to last year, with more than 90 sites providing information on their environmental impact. IGT expects to enlarge its boundary year after year.

Due to a wider reporting boundary, the 2015 environmental data is compared with both 2016 and adjusted 2016 figures, which only considers the impacts of sites within the 2015 boundary, to ensure the best comparability of IGT environmental performances over time.

In accordance with ISO 14001, the Company has several Environmental Management Systems (EMSs) in place in the following locations:

- Rhode Island, U.S.;
- the ATC in Austin, Texas, U.S.;
- Lakeland, Florida, U.S.;
- Rome, Italy;
- Bogotá, Colombia.

Through these EMSs, IGT is committed to improving its environmental performance.

Notably, the Reno, Nevada, U.S., facility has a Leadership in Energy and Environmental Design (LEED) gold certification, awarded by the United States Green Building Council. In 2015, the Reno facility was certified LEED Gold until 2025, resulting in tax savings of USD 1.5 million over 10 years. IGT Reno operates as Nevada's first Gold certified office, data processing, and manufacturing combined facility under the LEED "Existing Buildings: Operations & Maintenance" distinction.

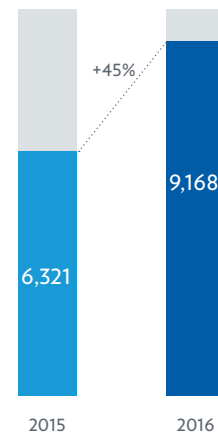
Environmental Certification

ISO 14001 Environmental Certification relates to the management of major environmental issues (energy consumption; waste production and management; office paper consumption; and management of supplies with environmental impact), the limitation of harmful substances, and the maintenance of IT facilities. IGT undertook several actions to achieve the certification requirement goals. The main actions taken on sites with an active ISO 14001 EMS are as follows:

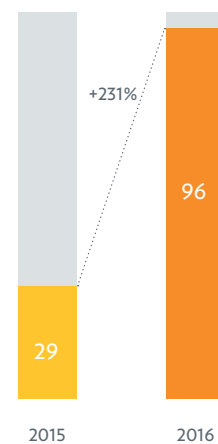
- Complete compliance with applicable environmental provisions of state or federal laws;
- Specific improvements in printing facilities (such as reduction of air emissions due to solvents);
- Reduction of paper consumption (adoption of software to check employee usage of paper in printing documents, and implementation of a process to monitor the quantity of printed copies);
- Reduction of energy consumption, including replacement of air conditioning systems in IT rooms hosting data servers, adopting more efficient technology platforms, installing air conditioning fan coil sensors, window replacement, and substituting fluorescent tubes with LED lights;
- Monitoring and reducing water consumption;
- Increasing recycling (using recycling boxes); and
- Extended food waste composting in the Rhode Island facilities.

Significant Improvements in Environmental Data Collection in 2016

Employees reached



Sites involved



The Reno facility operates with less water and energy, reducing greenhouse gas emissions and, as a bonus, saving money.

Materials in Manufacturing Gaming Devices

IGT designs, develops, manufactures, and provides cabinets, games, systems, and software for customers in legal gaming markets, and uses a variety of raw materials to assemble gaming devices (e.g., metals, wood, plastics, glass, electronic components, and LCD screens).

primarily involve the configuration and assembling of electronic components, cables, harnesses, video monitors, and prefabricated parts purchased from outside sources.

In compliance with the European Union Restriction of Hazardous Substances (RoHS) Directive of 2006, IGT has begun manufacturing RoHS-compliant machines for European distribution. Although IGT is not required to do so, manufacturing now includes many parts that meet or exceed the RoHS standards in machines for the U.S. and countries outside EU. IGT machines comply with the European Waste Electrical and Electronic Equipment (WEEE) Directive on recycling. Recycling symbols may be present on some parts, but they are not required by IGT.

IGT’s main manufacturing and production facility is in Reno with approximately 594,000 square feet dedicated to product development, warehousing, shipping, and receiving. Moreover, there are nine subsidiaries located in different countries worldwide that provide local community presence, customized products, and regional production where they would be beneficial or required. Manufacturing operations

Purchased materials

Most materials purchased were for IGT’s Reno facility and were used for assembling Instant Ticket Vending Machines (ITVMs) and Electronic Gaming Machines (EGMs) as well as for packaging. In 2016, about 23,000 ITVMs and 41,000 EGMs were assembled in Reno.

Materials purchased (Tons)*	2016	% used by Reno
Assemblies, Electronic components, Cables	1,279	93
Plastics (including packaging and foams)	917	99
Metals	6,049	100
Wood	524	28
Monitors	1,241	100

* Due to the significant changes in environmental reporting boundaries, the comparison between 2015 and 2016 figures has been omitted as not significant.

percentage of reused materials at Reno facility:

- 679.1 tons of metal (10.1%);
- 4.1 tons of plastic (0.5%);
- 37.3 tons of plastic (0.3%);
- 8.4 tons of monitors (0.7%).

Outside of the U.S., machine end-of-life management is handled locally according to local regulations on reuse, recycling, and waste reduction.

Machine End-of-Life Management

The Reno facility manufactures two types of machines: Instant Ticket Vending Machines (ITVMs) and Electronic Gaming Machines (EGMs). ITVM maintenance and replacement programs vary depending on the lottery contracts. EGMs can be sold or rented. In the former case, maintenance is performed by IGT but the machine's end-of-life treatment is done by each jurisdiction and machines are not returned to the Reno facility.

Rented EGMs in the U.S. are returned to Reno to undergo reconditioning or updating (software or hardware). Older or outdated machines are scrapped and components that can't be reused are delivered to providers of disposal services.

In 2016, IGT carried out a full-scale gaming equipment refurbishment (mostly in the U.S.), with an annual volume of approximately 6,000 units equal to 14.3% of total EGMs assembled in 2016, with the following reported volume and

Office Work and Printing Facilities

There is significant paper, toner, and ink consumption of paper in our offices and at our ticket printing facilities. A large portion of this includes packaging, most of which is cardboard and paper. IGT has two printing plants, one in Lakeland, FL, U.S. and the other in Tito Scalo, Italy.

IGT's printing presses in Lakeland are servo-driven and can be operated completely on water-based ink systems.

The Company relies heavily on the supply of paper for its instant tickets production, IGT is committed to reducing the impact of paper consumption on natural resources. This is in line with the commitments of its major paper suppliers, that abide by several environmental standards. The Forest Stewardship Council (FSC), Sustainability Forest Initiative (SFI), and Program for the Endorsement of Forest Certification (PEFC) all promote sustainable forest management, reforestation, and continuous improvement of standards and practices to certify environmentally responsible paper sourcing process. In 2016, 10.3% of office paper purchased was recycled or FSC-certified paper.

Beyond the already mentioned increase of reporting boundary, the main change compared to 2015 is related to the inclusion of ticket paper for U.S. lotteries. In 2016, this amounted to about 26,000 tons, all of which was purchased from FSC certified paper mills.

Other purchased materials

(Tons)	2016	2016 adjusted	2015
Cardboard for packaging *	396	315	302
Office paper *	95	67	103
Paper for lottery tickets	39,704	13,835	10,259
Toner and liquid inks	1,576	1,573	1,143

* 2015 data related to cardboard for packaging and office paper have been restated due to updates in calculation methodology.

Energy consumption

Reducing energy consumption is a priority for the Company. IGT’s direct energy consumption mainly concerns heating fuel (primarily natural gas) and its corporate fleet (cars and small trucks).

In case of a power-outage emergency, fuel is used for back-up electrical supply. The indirect consumption of energy includes electric consumption for offices, data centers, manufacturing, and printing.

Considering the same reporting boundary, the Company’s consumption in 2016 decreased 4% compared to 2015 (from 706,007 to 681,201 Giga Joule).

To better manage energy use, IGT has earned LEED Certification for the Reno facility and an ISO 50001 Energy Management System certification in Rome.

In addition, IGT is planning to reduce the energy consumption at its Data Centers worldwide.

Energy Consumption

(GJ)	2016	2016 adjusted	2015 (*)
Natural gas	55,843	46,431	52,493
Electricity	375,520	282,542	311,962
Gasoline (fleet)	328,295	327,937	317,435
Diesel consumption for vehicles and generators	31,210	24,286	24,117
Liquefied petroleum gas (LPG)	390	4	--
Total energy consumption	791,258	681,201	706,007

* 2015 data related to natural gas consumption have been restated due to updates to calculation methodology.

Data Center Consolidation

Following the merger in 2015, IGT had a massive base of data centers and IT infrastructure, sometimes duplicating capacity in the same geographical region and often supplying integrated solutions to the same customers. The Company decided to create a Global Data Center aimed at driving the future evolution of IT infrastructure and Data Center market offerings. Decommissioning data centers created a saving of 1,715 MWh worldwide, equivalent to power 210 million LED lights for an entire day. Thanks to the consolidation of data centers, more than 666 tons of greenhouse gas emissions were avoided in 2016.

In 2016, efforts at IGT facilities around the world acted locally to reduce the Company’s environmental impact. They include:

- Beijing, China:** Office smart plugs can automatically shut off unused Electronic Gaming Machines in the evening and unused PCs are shut down remotely from Friday evening to Monday morning. As a result, about 25,000 kWh were saved in the last quarter of 2016 compared to the same period of 2015;
- Unterpremstätten, Austria:** All corridor lamps have been replaced with LEDs, consequently saving 5 tons of CO₂ per year.
- Austria:** 70% of the windows in Unterpremstätten and 100% in the Gross Sankt Florian location have been laminated with a heat-resistant foil. As a result, energy consumption for air conditioning has been reduced by 35%;
- Sacramento, California, U.S.:** The installation of LED bulbs and fixtures has saved \$20,000 on utilities.

Leadership in Energy and Environmental Design (LEED) Certification

As stated previously, IGT's Reno facility has earned a LEED Gold (61 points) certification for 10 years (3/2015 – 3/2025). It operates as Nevada's first Gold-certified office, data processing, and manufacturing combined facility under the LEED for Existing Buildings.

Among the benchmarks met by Reno office to earn LEED certification:

- Eliminated approximately 1,530 tons of Greenhouse Gas (GHG) annually by providing a fitness center, cafeteria, and on-site childcare services;
- Diverted 81% of its waste from the landfill through IGT Reno's extensive waste management program;
- Finished in the 35th percentile above the national median for energy efficiency performance;
- Installed efficient water fixtures that have decreased water usage by 15%;
- Reduced water use for irrigation by 50% from initial design;
- Purchased energy efficient electrical and electronic equipment, high recycled-content furniture and low-mercury fluorescent lamps.

ISO 50001 Certification

Since 2011, IGT has implemented an ISO 50001 certified Energy Management System for the Rome, Italy, location. The ISO 50001:2011 certification specifies requirements to establish, implement, maintain, and improve an EMS that enables an organization to follow a systematic approach to achieving continual improvement in energy performance, including energy efficiency, energy use, and energy consumption. The ISO 50001:2011 requirements also include measurement, documentation and reporting, design and procurement practices for equipment, systems processes, and personnel that contribute to energy performance use and consumption.

Follow-the-Sun Project

In 2016, the Data Center Operations team started an internal project to create a Follow-the-Sun support organization, leveraging IGT's global scale and support centers. The Texas-based support organization was identified as an excellence center and using their knowledge and excellent customer reputation, they have assisted the Poland-based team to strengthen their high level and efficient service.

Emissions

Greenhouse Gas (GHG) emissions produced by IGT are caused by fuel and electrical consumption and transportation of goods and people.

- Scope I emissions** – These refer to fuel consumption (natural gas and LPG for heating; diesel consumption for generators; diesel and gasoline consumption for vehicles such as Company cars or small trucks), and to fugitive emissions of refrigerants. Many of IGT’s U.S. contracts require the Company to install, maintain, and service lottery equipment throughout the United States. To fulfill these contractual obligations, the Company uses a domestic fleet that fluctuates between 1,550 and 1,650 vehicles. The fleet comprises gasoline and diesel-powered service vans, as well as sales and marketing gasoline-powered vehicles. To conserve fuel, IGT continues to focus on driver behavior by addressing fuel consumption affected by idle time, rapid acceleration, and cargo weight. In addition, the Company strives to keep its fleet properly sized for specific contractual needs and territorial requirements.

- Scope II emissions** – These refer entirely to electrical consumption. IGT, beyond its commitment to reduce energy consumption, strives to use green energy where suitable. In Austria, 70% of energy supplied to the facilities in Unterpremstätten and Gross Sankt Florian comes from alternative sources (wind, water, and sun).
- Scope III emissions** – These derive from paper consumption (both for office and production use), shipments of IGT goods by third parties, and business travel. In 2016, IGT continued to implement a strategy in Italy aimed at increasing shipping efficiency by preventing vans from leaving when not fully loaded, and reorganizing routes and deliveries. In 2016, CO₂ emissions were reduced by 4 tons compared to 2015 and by 59 tons compared to 2014.

When comparing within the same reporting boundary, Scope I and Scope II emissions have decreased by 4% and 10% respectively, compared to 2015.

Greenhouse Gas (GHG) emissions

(Tons)	2016	2016 adjusted	2015(*)
Scope I (**)	27,222	26,208	27,379
Scope II	44,689	33,230	36,775
Scope III	46,775	22,709	22,750

* 2015 data related to Scope 3 emissions has been restated. 2015 data related to Scope 1 emissions have been updated after the restatement of natural gas consumption figures due to updates to calculation methodology.

** Data on 2016 Scope 1 differ from those reported in 2016 UK Annual Report due to a restatement of fuel consumed by US vehicle fleet following updates to calculation methodology.

The Carbon Disclosure Project (CDP)

CDP maintains a global disclosure system that enables companies, as well as governments to measure and manage their environmental impact with the goal of creating a more sustainable world. CDP pursues this goal by incentivizing companies to publicly disclose the environmental impact of their business activities, with a particular focus on their GHG emissions and on the emissions reduction projects they are implementing. In 2015, the CDP recognized IGT as the “Most improved” Company. Since then the Company has continued its efforts in 2016 and was recognized by the CDP’s 2016 Climate Change Program for the Company’s commitment to fighting climate change. As part of the recognition, IGT was noted for effectively reducing emissions, indicating advanced environmental stewardship. IGT scored higher than the industry sector average, and the overall average score of all responding companies. This acknowledgment shows that IGT is measuring and managing its environmental impact in line with the Paris Agreement goals set in 2015 to limit global warming. As part of the review, IGT was credited for:

- Creating several Environmental Management Systems, which are compliant with the ISO 14001 global standard;
- Obtaining Leadership in Energy and Environmental Design (LEED) Gold certification in Reno, Nevada, as awarded by the United States Green Building Council;
- Developing a project to reduce energy consumption of its Data Centers to consolidate at a global level; and
- Increasing the efficiency of the shipment of goods to reduce its greenhouse gas emissions at its Italian operations.

At the Lakeland facility, a GHG emissions reduction program details the most energy-efficient modes for running the printing press, including:

- Using natural gas to dry ink
- Using better operating practices, such as shutting down the dryers when it doesn’t impact quality; and reducing downtime as operating efficiencies improve
- Using faster-drying inks and
- Eliminating propane-driven fork lifts.

IGT has implemented Cisco Solutions to securely teleconference between offices, to reduce travelling and its associated carbon footprint.

Other emissions

IGT’s production processes do not have significant impacts on the atmosphere. The only significant emissions are made of Volatile Organic Compounds (VOCs) resulting from printing activities and very low emissions of ozone-depleting substances for cooling systems at various sites (both production and office sites).

The two printing facilities and Reno manufacturing facility adopt a similar approach on to VOCs, keeping the monitoring activities compliant with the law and keeping significantly below the limit stated by local authorities. The Lakeland printing facility has reduced its emissions of VOCs

to less than 37% of the operating limit currently allowed and has also significantly lowered CO₂, SO₂, and NO₂ emissions as a result of more energy-efficient operating practices. Lakeland VOC emissions in 2016 amounted to 132.5 tons. Currently, only two units use solvent-based inks, keeping regulated pollutant emissions to a minimum. The majority of the printing is done using water-based inks. Using inks with little to no evaporation and reducing the usage of solvent-based inks result in lower VOC emissions.

By the end of 2017, the target is to use water-based inks only. Efforts to incorporate more environmentally friendly materials in protective coatings are ongoing. The other printing plant, located in Tito Scalo, constantly monitors VOC emissions while fully complying with stringent Italian regulations.

Waste

Most of the waste is produced at manufacturing and printing plants; each one of them has ISO 14001 EMS or LEED certification to ensure proper waste management and a commitment to improving performance.

In 2016, IGT produced more than 8,300 tons of waste, only one percent of which was hazardous. Through its waste management, IGT recycled 83 percent of the waste produced. Considering the same reporting boundary, IGT waste production in 2016 decreased by 4% as compared to the previous year (3% of non-hazardous waste and 53% of hazardous waste).

IGT’s manufacturing facility in Reno complies with the

European Union Restriction of Hazardous Substances Directive (RoHS) and it is registered as a Small Quantity Generator (SQG) of hazardous waste.

The Reno facility diverted 81% of waste in 2016 by using multiple balers to segregate waste streams. IGT’s Reno office has continued efforts to eliminate the majority of Styrofoam cups throughout the office coffee stations and supplied each employee with a coffee mug for daily use.

In Austria and Rhode Island facilities, IGT brings all organic and green waste to nearby compost facilities, receiving in return composted earth for the landscaping maintenance on its premises.

Waste produced

Waste (Tons)	2016			2016 adjusted			2015		
	Waste sent to recovery, reuse and recycling	Waste sent to landfill	Total	Waste sent to recovery reuse and recycling	Waste sent to landfill	Total	Waste sent to recovery, reuse and recycling	Waste sent to landfill	Total
Non-hazardous waste	6,846	1,388	8,234	6,473	858	7,331	6,487	1,069	7,556
Hazardous waste	78	18	96	22	17	39	48	36	84

Water

As a rule, all IGT facilities – except the printing plants – get water from local municipal sources. The water is used for office purposes and silkscreen print activities. Consequently, IGT is not a major user of municipal water. Water is primarily used in the cafeteria and washrooms. IGT does not currently reuse or recycle water in its facilities.

78% of water used comes from water utilities and 22% is reclaimed water. On the other hand, 85% of wastewater is discharged through the local municipal water system for treatment and 15% into different wastewater plants. Considering the same reporting boundary, in 2016 water consumption increased by about 20% as compared to the previous year.

In the manufacturing facility in Reno, Nevada office's water is supplied by two providers: Truckee Meadows Water Authority supplies the domestic (potable) water and Washoe County Utility supplies the reclaimed (non-potable) water. The reclaimed water is used strictly for the outdoor landscaping. Using the reclaimed water helps reduce the Company's use of domestic (potable) water thereby reducing impact on the Truckee River and local groundwater resources.

IGT adheres to LEED policy when purchasing plumbing fixtures ensuring that all those purchased for renovations/replacement are high efficiency fixtures meeting the Uniform Plumbing Code/ International Plumbing Code (UPC/IPC) standards.

Through ongoing landscaping projects, old/dying plants are replaced with drought-tolerant plants needing less water. Old/ cracked drip line and valve systems are regularly replaced with new and more efficient drip line/valves and controllers to save reclaimed water.

In the Austrian office at Gross Sankt Florian, rainwater is collected in a specially built pond to be used for watering the facility's outdoor garden. Likewise, in the Finsbury Square, U.K., office, rainwater is used for flushing the lavatories. The Lakeland printing facility exceeds requirements of all state and federal air and water regulatory bodies, while the primary and backup facilities do not discharge any processed liquids.

Water Consumption

(m ³)	2016	2016 adjusted	2015(*)
Consumption	240,052	215,058	171,810
Discharge	181,259	156,710	149,877

* Data related to 2015 water consumption and discharge have been restated due to updates in calculation methodology for Rome's offices figures.



photo:
Tobias Thomsch
Game Designer
Unterpemstätten, Austria



8

Appendix

Methodological Note

Identifying material aspects and boundaries

Report profile

Independent Auditor's Report

GRI Content Index

Appendix

Methodological Note

This Sustainability Report is issued by International Game Technology PLC and its subsidiaries (or “IGT” or the “Company” unless otherwise stated) to disclose its sustainability performances and to preserve an important communication channel with its stakeholders.

Identifying material aspects and boundaries

Materiality definition process

The subjects covered in the report have been identified through a materiality definition process that IGT used to identify the most relevant economic, environmental, and social topics for the Company. The Global Reporting Initiative (GRI) Sustainability Reporting Standards require the Sustainability Report to include information related to topics deemed material – those which reflect significant impact for the organization from economic, environmental, and social viewpoints and that substantially influence stakeholders’ assessments and decisions. The material topics were examined

in four phases: identification, prioritization (and determination of the materiality), validation, and review.

In the identification phase, all topics were considered according to their impact, regardless of whether they occurred inside or outside the organization.

Topics were identified as internally relevant by qualitatively assessing their economic, environmental, and social performance as well as taking into account Company initiatives, procedures, policies, and functions.

External relevance was determined by considering the main categories of stakeholder and business impacts at local, regional, and global levels. For the 2016 Sustainability Report, some proxy data have been used to measure the topics’ relevance in stakeholders’ assessments and decisions:

- An analysis of more than 1,174 stories related to IGT published last year by national and international media;
- An assessment of relevant topics through the analysis of:
 - Topics reported in the Sustainability Yearbook 2016 published by investment specialist RobecoSAM for the “Casinos & Gaming” sector;
 - Disclosures that IGT is required to supply to investors committed to sustainable investing;

IGT Relevant Topics	Related Topic-specific GRI Standards	Relevance within the organization	Relevance outside the organization
Business Ethics	Anti-corruption, Anti-competitive Behavior, Public Policy, Socioeconomic Compliance	●	
Business Strategy	Economic Performance	●	●
Customer Satisfaction		●	
Environmental Responsibility	Materials, Energy, Emissions, Effluents and Waste	●	●
Innovation and Technology		●	
Local Community Involvement		●	
Responsible Gaming	Customer Health and Safety, Marketing and Labeling	●	●
Supply Chain Management	Procurement Practices, Human Rights Assessment	●	
Diversity and Equal Opportunity	Diversity and Equal Opportunity, Non-discrimination	●	●
Human Capital Development and Protection	Employment, Occupational Health & Safety, Training and Education	●	●
Fraud Prevention and Data Protection	Customer Privacy	●	●

- SASB (Sustainability Accounting Standard Board) Materiality Map for the sectors “Casinos & Gaming” and “Software and IT services;”
- GRI document “Sustainability Topics for Sectors: What do stakeholders want to know?”; and
- Outlook studies regarding the gaming sector, published by leading international consulting firms.

- A competitive analysis identifying topics included in the Sustainability Reports of 17 different national and international sector players that are comparable with IGT.

The analysis that follows identifies the boundaries of relevant topics where impacts may occur, both within and outside IGT.

In the following phase, the economic, environmental, and social significance was prioritized as well as the subsequent influence on stakeholders' assessments and decisions. Based on the principles of materiality and stakeholder inclusiveness, this phase was split into two parts.

The first part identified a topic's significance according to its influence on stakeholder assessments and decisions; diversity; and impact on stakeholder perceptions and expectations.

The second part identified a topic's significance related to IGT's performance, considering several factors:

- The likelihood and severity of impact;
- The likelihood of risks and opportunities;
- How critical the impact is on long-term performance;

- Opportunities for the organization to grow or gain advantage from the impact;
- Current and future financial and non-financial implications;
- Impacts on strategies, policies, processes, and IGT commitments; and
- Impacts on competitive advantage.

The topics are represented in the summary matrix reported on page 34 according to their external and internal priority.

In this matrix, a threshold was defined to identify material topics reported by IGT. Consistently with the precautionary principle, all relevant topics have been considered material.

Report profile

Boundary and reporting period

This is the Sustainability Report edited by International Game Technology PLC and its subsidiaries, covering fiscal year 2016 (January 1, 2016 - December 31, 2016).

The perimeter of the report, regarding economic and social performance, includes the total Consolidated Financial Statement of International Game Technology PLC and its subsidiaries as of December 31, 2016. The environmental reporting concerns data from more than 90 sites worldwide. This is an increase of more than 20% compared to last year when only the most significant countries and operations were included in the report.

For a better understanding of the Company and its business segments, please refer to International Game Technology PLC “Annual Reports and Accounts 2016” and to International Game Technology PLC “Form 20-F” as of December 31, 2016.

The 2016 Sustainability Report includes activities, initiatives and significant events that took place in 2016, as well as comparative data related to 2015 when available. Regarding environmental performance, due to the relevant increase depicted above, 2015

environmental data are compared with both 2016 figures and 2016 figures adjusted⁽¹⁾ to ensure the best comparability of IGT environmental performances during these years.

Preparation principles

The 2016 Sustainability Report is edited according to the GRI Sustainability Reporting Standards, issued in October 2016.

The content index is shown on page 130.

Based on the current coverage of both “Universal Standards” and “Topic-specific Standards” linked to material topics, this report has been prepared in accordance with the GRI Standards: Core option.

Sources and data gathering systems

The contents of the report are based on the results of the stakeholder engagement, which involves both external stakeholders and corporate functions. Data sources include internal documents, market surveys, and other official sources indicated in the report. Financial and economic data and information relate to Form 20-F of International Game Technology

(1) 2016 figures adjusted are calculated taking into consideration only the sites that were in 2015 boundary.

relationships between the Company and its employees.

4. “Enhancing Our Customers” analyzes the whole range of products and services offered to its customers.
5. “Supporting Our Communities” evaluates the Company’s initiatives on behalf of the community in the education, social, and cultural areas.
6. “Growing with Our Supply Chain” provides a description of the Company’s supply chain and activities carried out to ensure its sustainability.
7. “Caring for Environment” illustrates the Company’s environmental impacts and the efforts made to reduce them.

Moreover, in the appendices of the document, both Universal and Topic-specific GRI Standards are reported within the content index in accordance with the Core option of the GRI Sustainability Reporting Standards.

The 2016 Sustainability Report is edited and published in English on the corporate web site www.igt.com.

More information and in-depth analysis about topics disclosed in the report can be requested via email at sustainability@igt.com.

PLC and its subsidiaries published on December 31, 2016.

Assurance process

The 2016 Sustainability Report is verified by an independent auditor who carried out a limited audit, according to ISAE 3000 (revised) criteria.

Report structure

The document is made up of seven sections and an appendix:

1. “About IGT” explains the international gaming space where the Company operates, as well as the Company’s activities, sustainability strategy, and governance structure.
2. “Fostering Responsible Gaming” provides an overview on the Company’s commitment for the Responsible Gaming.
3. “Engaging Our People” presents and analyzes the

Independent Auditor's Report



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Independent auditors' report on the "Sustainability Report 2016"

To the Board of Directors of International Game Technology PLC

We have carried out a limited assurance engagement of the "Sustainability Report 2016" (hereinafter "Sustainability Report") of International Game Technology PLC and its subsidiaries (hereinafter "IGT PLC" or "IGT") as of December 31, 2016.

Management's responsibility on Sustainability Report

The Management is responsible for the preparation of the Sustainability Report in accordance with the "GRI Sustainability Reporting Standards", issued in 2016 by GRI - Global Reporting Initiative, that are detailed in the paragraph "Methodological note" of the Sustainability Report, as well as for that part of internal control that they consider necessary in order to allow the preparation of a Sustainability Report that is free from material misstatements, even caused by frauds or not-intentional behaviors or events. The Management is also responsible for defining the IGT's commitments regarding the sustainability performance and for the reporting of the achieved results, as well as for the identification of the stakeholders and of the significant matters to report.

Auditors' responsibility

It is our responsibility the preparation of this report on the basis of the procedures carried out. Our work has been conducted in accordance with the criteria established by the principle "International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance Engagements Other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 Revised"), issued by the International Auditing and Assurance Standards Board for the engagements that consist in a limited assurance. This principle requires the respect with the independence and other ethical requirements in compliance with professional standards and applicable legal and regulatory requirements and the maintenance of a comprehensive system of quality control ISQC (Italy) n.1 as well as the planning and the execution of our work in order to obtain a limited assurance that the Sustainability Report is free from material misstatements.

These procedures included inquiries, primarily with company's personnel responsible for the preparation of the information included in the Sustainability Report, documents analysis, recalculations and in other procedures in order to obtain evidences considered appropriate.

The procedures were related to the compliance with the standard GRI 101: Foundation for defining report content and quality and are summarized below:

EY S.p.A.
Sede Legale: Via Po, 32 - 00198 Roma
Capitale Sociale deliberato Euro 3.250.000,00, sottoscritto e versato Euro 2.950.000,00 i.v.
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Iscritta all'Albo Speciale delle società di revisione
Consob al progressivo n. 2 delibera n.10831 del 16/7/1997

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- a. Comparison of the economic and financial data and information included in the Sustainability Report with those included in the IGT's Annual Report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934 for the fiscal year ended December 31, 2016 on which other auditor issued the auditors' report, dated April 19, 2017;
- b. Analysis, through interviews, of the governance system and of the process to manage the issues related to sustainable development regarding Group's strategy and operations;
- c. Analysis of the process relating to the definition of material aspects included in the Sustainability Report, with respect to the criteria applied to identify priorities for the different stakeholders' categories and to the internal validation of the process outcome;
- d. Analysis of the operating mode of the processes supporting the initiation, recording and management of the quantitative data reported in the Sustainability Report. In particular, we have carried out the following procedures:
 - interviews and discussions with personnel of the Management of IGT PLC and of its subsidiaries to obtain an understanding about the information, accounting and reporting system in use for the preparation of the Sustainability Report, as well as about the internal control processes and procedures supporting the collection, aggregation, data processing and transmission of data and information to the department responsible for preparation of the Sustainability Report;
 - on-site verifications at Rome, Campo Boario 19 and 56/D (Italy); Providence, 10 Memorial Boulevard (RI, USA); Las Vegas 6355 S Buffalo Dr (NV, USA) and Reno 9295 Prototype Drive (NV, USA) production site;
 - analysis on a sample basis of the documentation supporting the compilation of the Sustainability Report, in order to confirm the processes in use, their adequacy and the operation of the internal control for the correct processing of data and information referred to the objectives described in the Sustainability Report;
- e. Analysis of the compliance and internal consistency of the qualitative information included in the Sustainability Report to the guidelines identified in paragraph "Management's responsibility on Sustainability Report" of the present report;
- f. Analysis of the process relating to the stakeholders engagement, with reference to the procedures applied, through the review of minutes or any other existing documentation relating to the main topics arisen from discussions with them;
- g. Obtaining of the representation letter, signed by the legal representative of IGT PLC, relating to the compliance of the Sustainability Report with the guidelines indicated in paragraph "Management's responsibility on Sustainability Report", as well as to the reliability and completeness of the information and data presented in the Sustainability Report.



Our engagement is less in scope than reasonable assurance engagement in accordance with ISAE 3000 revised and, as consequence, we may not have become aware of all the significant events and circumstances which we could have identified had we performed a reasonable assurance engagement.

Conclusion

Based on our work, nothing has come to our attention that causes us to believe that the "Sustainability Report 2016" of IGT PLC as of December 31, 2015 is not in compliance, in all material aspects, with the in accordance with the "GRI Sustainability Reporting Standards", issued in 2016 by GRI - Global Reporting Initiative, as stated in the paragraph "Methodological note" of the Sustainability Report.

Rome, 13 July 2017

EY S.p.A.



Filippo Maria Aleandri
(Partner)

GRI Content Index

GRI STANDARD	DISCLOSURE	PAGE NUMBER(s) AND/OR URL(s)
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GRI 101: Foundation 2016

GRI 102: GENERAL DISCLOSURES 2016

ORGANIZATIONAL PROFILE

102-1 Name of the organization	P. 124-125
102-2 Activities, brands, products, and services	P. 12-17
102-3 Location of headquarters	P. 12-17
102-4 Location of operations	P. 12-17
102-5 Ownership and legal form	P. 12-17
102-6 Markets served	P. 12-17
102-7 Scale of the organization	P. 8-9; 12-17
102-8 Information on employees and other workers	P. 137-139
102-9 Supply chain	P. 104
102-10 Significant changes to the organization and its supply chain	In 2016 there has not been any change in capital structure (please refer to 20-F - p. 108), operations or supply chain. In early 2017 Double Down has been sold (please refer to Form 20-F 2016 - p. F-68).
102-11 Precautionary Principle or approach	P. 110
102-12 External initiatives	P. 54-55
102-13 Membership of associations	P. 51-53

STRATEGY

102-14 Statement from senior decision-maker	P. 7
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ETHICS AND INTEGRITY

102-16 Values, principles, standards, and norms of behavior	P. 30 Please also refer to IGT's Code of Ethics for Principal Executive Officer and Senior Financial Officers (http://phx.corporate-ir.net/phoenix.zhtml?c=119000&p=rol-govHighlights)
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GOVERNANCE

102-18 Governance structure	P. 18-20
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GRI STANDARD	DISCLOSURE	PAGE NUMBER(S) AND/OR URL(S)
STAKEHOLDER ENGAGEMENT		
	102-40 List of stakeholder groups	P. 35-39
	102-41 Collective bargaining agreements	P. 60-61
	102-42 Identifying and selectin stakeholders	P. 35-39
	102-43 Approach to stakeholder engagement	P. 35-39
	102-44 Key topics and concerns raised	P. 35-39
REPORTING PRACTICE		
	102-45 Entities included in the consolidated financial statements	P. 124-126 Please also refer to Annual Reports and Accounts 2016 (p. 141-158)
	102-46 Defining report content and topic Boundaries	P. 124-126
	102-47 List of material topics	P. 123
	102-48 Restatements of information	P. 124-125
	102-49 Changes in reporting	P. 124-125
	102-50 Reporting period	P. 124
	102-51 Date of most recent report	Previous edition of Sustainability Report was published in 2015.
	102-52 Reporting cycle	P. 124
	102-53 Contact point for questions regarding the report	P. 126
	102-54 Claims of reporting in accordance with the GRI Standards	P. 125
	102-55 GRI content index	P. 130
	102-56 External assurance	P. 127-129
MATERIAL TOPICS		
BUSINESS STRATEGY - Economic Performance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	P. 31-39; 122-124
	103-2 The management approach and its components	P. 28-30
	103-3 Evaluation of the management approach	P. 30-32 Refer to IGT website (Investor Relations section).
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	P. 30-32
SUPPLY CHAIN MANAGEMENT - Procurement Practices, Human Rights Assessment		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	P. 31-39; 122-124
	103-2 The management approach and its components	P. 28-30
	103-3 Evaluation of the management approach	P. 105-106
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	P. 104

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S) AND/OR URL(S)
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GRI 412: Human Rights Assessment 2016	412-2 Employee training on human rights policies or procedures	More than 3% of total IGT employees received circa 700 hours of training about human rights topics in 2016.
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BUSINESS ETHICS - Anti-corruption, Anti-competitive Behavior, Public policy, Socioeconomic compliance

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	P. 31-39; 122-124
	103-2 The management approach and its components	P. 28-30 Please also refer to IGT's Anti-Corruption Compliance and Ethics Policy (https://www.igt.com/en/explore-igt/about-igt/compliance)
	103-3 Evaluation of the management approach	P. 22-25 IGT constantly monitors effectiveness of its approach to ensure ethics principles are respected in its business activities. In this perspective, IGT is aware that stakeholders' feedback is crucial and issued an Integrity Line managed and operated by an (https://www.igt.com/en/explore-igt/about-igt/compliance)
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	In 2016 no incidents of corruption were registered.
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	During 2016, IGT was not involved in legal actions regarding anticompetitive behavior and violations of anti-trust and monopoly legislation.
GRI 415: Public Policy 2016	415-1 Political contributions	Please refer to Annual Reports and Accounts 2016 - p. 56.
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	In 2016 IGT paid a 500,000 \$ penalty for a 2014 violation of Section 21F(h) of the Exchange Act. (https://www.sec.gov/litigation/admin/2016/34-78991.pdf).

ENVIRONMENTAL RESPONSIBILITY - Materials, Energy, Emissions, Effluents and Waste

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	P. 31-39; 122-124
	103-2 The management approach and its components	P. 28-30; 110-111
	103-3 Evaluation of the management approach	P. 110-111 During third party audits of its environmental/ energy management systems (both ISO14001 and ISO50001), IGT evaluates the effectiveness of its approach aimed at a continuous improvement of its environmental performances.

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S) AND/OR URL(S)
GRI 301: Materials 2016	301-1 Materials used by weight or volume	P. 112-113
GRI 302: Energy 2016	302-1 Energy consumption within the organization 302-4 Reduction of energy consumption	P. 114-115 P. 114
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	P. 116 GHG emissions are calculated starting (that is fuel consumption, including natural gas for heating, diesel consumption for generators, and diesel and gasoline consumption for vehicles such as company cars or small trucks and fugitive emissions of refrigerants. The methodology used to estimate GHG emissions is based on voluntary and mandatory GHG reporting guidance issued by Defra. For fuels and operations we have utilised Defra protocol conversion factors within our reporting methodology. In order to consolidate emissions data, financial control approach was used.
	305-2 Energy indirect (Scope 2) GHG emissions	P. 116 GHG emissions are calculated starting from electricity consumption reported in 302-1. GHG emissions used are Defra EFs, except for U.S. states for which we used state-based EPA emission factors. For Italy and countries for which the Defra EFs were not available we used TERNA or GHG Protocol EFs. Scope 2 emissions are reported only according to location-based method. Market-based method was not applicable for 2016. In order to consolidate emissions data, financial control approach was used.
	305-3 Other indirect (Scope 3) GHG emissions	P. 116 Scope 3 emissions were calculated using following emission factors: - for paper consumption the Key Statistics 2014 EUROPEAN PULP AND PAPER INDUSTRY of the CEPI (Confederation of european paper industries); - for fuel consumption the GHG Protocol Transport_Tool_v2_6 tCO ₂ /(KM*t); - for business travels emissions were directly provided by IGT's travel agencies.
	305-5 Reduction of GHG emissions	P. 114

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S) AND/OR URL(S)
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GRI 306: Effluents and Waste 2016

306-2 Waste by type and disposal method

P. 118

HUMAN CAPITAL DEVELOPMENT - Employment, Occupational Health and Safety, Training and Education
GRI 103: Management Approach 2016

103-1 Explanation of the material topic and its Boundary

P. 31-39; 122-124

103-2 The management approach and its components

P. 28-30; 58-60

103-3 Evaluation of the management approach

P. 58-59; 67

GRI 401: Employment 2016

401-1 New employee hires and employee turnover

P. 140-146

GRI 403: Occupational Health and Safety 2016

403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities

P. 146

GRI 404: Training and Education 2016

404-1 Average hours of training per year per employee

P. 139

404-3 Percentage of employees receiving regular performance and career development reviews

P. 66

DIVERSITY AND EQUAL OPPORTUNITY - Diversity and Equal Opportunity, Non-discrimination
GRI 103: Management Approach 2016

103-1 Explanation of the material topic and its Boundary

P. 31-39; 122-124

103-2 The management approach and its components

P. 28-30; 58-60

103-3 Evaluation of the management approach

P. 58-59; 67

GRI 405: Diversity and Equal Opportunity 2016

405-1 Diversity of governance bodies and employees

P. 147

GRI 406: Non-discrimination 2016

406-1 Incidents of discrimination and corrective actions taken

In 2016 was closed a case of discrimination against IGT charged in 2015; no probable cause was found.

LOCAL COMMUNITY INVOLVEMENT
GRI 103: Management Approach 2016

103-1 Explanation of the material topic and its Boundary

P. 31-39; 122-124

103-2 The management approach and its components

P. 28-30; 92; 98

103-3 Evaluation of the management approach

P. 92 - 98

RESPONSIBLE GAMING - Customer Health and Safety, Marketing and Labeling
GRI 103: Management Approach 2016

103-1 Explanation of the material topic and its Boundary

P. 31-39; 122-124

103-2 The management approach and its components

P. 28-30; 72

103-3 Evaluation of the management approach

P. 72-74; 88-89

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S) AND/OR URL(S)
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	P. 88-89 100% of IGT products are assessed for improvement regarding their health and safety impacts.
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	During 2016 IGT didn't have incidents of non-compliance with regulations.
GRI 417: Marketing and Labeling 2016	417-2 Incidents of non-compliance concerning product and service information and labeling	During 2016 IGT didn't have incidents of non-compliance with regulations.
	417-3 Incidents of non-compliance concerning marketing communications	During 2016, IGT did not gain knowledge of any violation of laws/voluntary codes concerning product and service marketing, communication, promotion and sponsorship.

FRAUD PREVENTION AND DATA PROTECTION - Customer Privacy

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	P. 31-39; 122-124
	103-2 The management approach and its components	P. 28-30; 87-88
	103-3 Evaluation of the management approach	P. 87-88 During third party audits of its Management Systems (both ISO27001 and WLA SCS certification), IGT evaluates the effectiveness of its information security approach.
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	P. 87-88

CUSTOMER SATISFACTION

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	P. 31-39; 122-124
	103-2 The management approach and its components	P. 28-30; 72
	103-3 Evaluation of the management approach	P. 72-73; 83
Customer satisfaction	Results of customer satisfaction	P. 83

INNOVATION AND TECHNOLOGY

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	P. 31-39; 122-124
	103-2 The management approach and its components	P. 28-32 Please also refer to Annual Reports and Accounts 2016 (p. 22; 55) and to Form 20-F 2016 (p. 85)

GRI STANDARD	DISCLOSURE	PAGE NUMBER(S) AND/OR URL(S)
	103-3 Evaluation of the management approach	<p>P. 72-78</p> <p>IGT constantly monitors effectiveness of its approach to ensure its research & development investments, as the Company is fully aware that only the development of new products and services can guarantee to maintain the leader position in the gaming business. In the last year, economic resources dedicated to R&D activities have grown more and more.</p>

	2016			2015		
	Men	Women	Undeclared	Men	Women	Undeclared
Employment contract						
Permanent contracts	8,645	3,817	-	8,572	3,807	-
Temporary contracts	80	71	-	65	29	-
Supervised Workers*	1,626	603	256	1,571	582	738

*Supervised worker are Consultants, Temporary EE's and Agency temps (no interns)

Employees by Country	2016			2015		
	Men	Women	Total	Men	Women	Total
Anguilla		3	3	-	2	2
Antigua and Barbuda	1	9	10	1	8	9
Argentina	61	19	80	54	21	75
Australia	257	44	301	244	42	286
Austria	218	75	293	227	76	303
Barbados	11	12	23	11	12	23
Belgium	24	9	33	22	8	30
Bulgaria		1	1	-	1	1
Canada	352	150	502	349	151	500
Chile	90	23	113	97	21	118
China	201	132	333	210	129	339
Colombia	133	55	188	129	48	177
Costa Rica	45	17	62	46	17	63
Cyprus	4	1	5	6	1	7
Czech Republic	33	12	45	36	12	48
Denmark	4		4	6	3	9
Dominican Republic	14	7	21	11	8	19
Estonia	1		1	1	-	1
Finland	28	7	35	27	8	35
France	1		1	1	-	1
Germany	15	8	23	24	10	34
Gibraltar	17	13	30	14	24	38
Greece	14	2	16	15	4	19

Country	2016			2015		
	Men	Women	Total	Men	Women	Total
Hong Kong	3	4	7	-	2	2
India	84	22	106	90	19	109
Ireland		1	1	1	1	2
Israel		1	1	1	1	2
Italy	1,128	607	1,735	1,120	595	1,715
Jamaica	36	33	69	36	30	66
Latvia	3		3	3	-	3
Luxembourg	3	2	5	7	1	8
Macau	17	13	30	18	12	30
Malaysia	7	1	8	6	1	7
Malta	2		2	3	1	4
Mexico	167	31	198	138	31	169
Monaco	38	5	43	44	5	49
Morocco		1	1	-	1	1
Netherlands	63	8	71	61	7	68
New Zealand	8	3	11	7	3	10
Peru	38	21	59	28	20	48
Philippines	7		7	7	-	7
Poland	269	102	371	277	101	378
Portugal	5	2	7	6	3	9
St. Kitts and Nevis	1	4	5	1	5	6
Serbia	135	66	201	148	66	214
Singapore	22	11	33	22	12	34
Sint Maarten (Dutch part)	1	6	7	-	-	-
Slovakia	21	11	32	21	11	32
South Africa	36	20	56	32	20	52
Spain	75	23	98	75	19	94
Sweden	34	5	39	36	5	41
Switzerland	5	1	6	6	2	8
Taiwan	4	1	5	6	1	7
Trinidad and Tobago	42	29	71	27	14	41

Country	2016			2015		
	Men	Women	Total	Men	Women	Total
Turkey	27	9	36	30	8	38
Ukraine	1		1	1	-	1
United Kingdom	202	92	294	214	96	310
United States	4,717	2,154	6,871	4,633	2,132	6,765
Total	8,725	3,888	12,613	8,636	3,831	12,467

Employment type	2016			2015		
	Men	Women	Total	Men	Women	Total
Employees on full time contract	8,683	3,777	12,460	8,604	3,743	12,347
Employees on part time contract*	42	111	153	33	93	126

* Employees scheduled under 30 hours per week (Part time)

Average Number of Training Hours

Professional Category	2016			2015		
	Men	Women	Total	Men	Women	Total
Senior Management	5.01	6.59	5.37	2.41	3.64	2.69
Middle Management	6.33	7.53	6.66	7.44	9.18	7.91
Office Staff	8.02	9.14	8.38	7.28	6.26	6.95
Workers	18.08	17.47	17.90	25.02	26.12	25.33
Total	8.02	9.18	8.38	7.92	7.38	7.76

New Employee Hires and Employee Turnover

2016

Age group	New Employee Hires						Employee Turnover					
	Number			Rate			Number			Rate		
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Up to 30	333	148	481	33.7%	31.2%	32.9%	173	85	258	17.5%	17.9%	17.6%
30-50	508	239	747	8.9%	9.5%	9.1%	578	272	850	10.1%	10.8%	10.3%
Over 50	102	30	132	5.1%	3.4%	4.6%	198	89	287	9.9%	10.0%	9.9%
Total	943	417	1360	10.9%	10.9%	10.9%	949	446	1395	11.0%	11.7%	11.2%

2016

Country*/Age group	New Employee Hires						Employee Turnover					
	Number			Rate			Number			Rate		
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Antigua & Barbuda	0	1	1	0.0%	12.5%	11.1%	0	1	1	0.0%	12.5%	11.1%
Up to 30	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
30-50	0	1	1	0.0%	16.7%	14.3%	0	1	1	0.0%	16.7%	14.3%
Over 50	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
Argentina	13	2	15	21.3%	10.5%	18.8%	6	4	10	9.8%	21.1%	12.5%
Up to 30	5	1	6	41.7%	50.0%	42.9%	2	2	4	16.7%	100.0%	28.6%
30-50	8	1	9	20.5%	5.9%	16.1%	4	2	6	10.3%	11.8%	10.7%
Over 50	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
Australia	26	6	32	10.1%	13.6%	10.6%	16	4	20	6.2%	9.1%	6.6%
Up to 30	8	1	9	50.0%	25.0%	45.0%	1	0	1	6.3%	0.0%	5.0%
30-50	15	4	19	9.7%	14.8%	10.4%	13	4	17	8.4%	14.8%	9.3%
Over 50	3	1	4	3.5%	7.7%	4.0%	2	0	2	2.3%	0.0%	2.0%
Austria	21	5	26	9.7%	6.8%	8.9%	31	9	40	14.3%	12.2%	13.7%
Up to 30	12	0	12	34.3%	0.0%	28.6%	3	0	3	8.6%	0.0%	7.1%
30-50	9	5	14	5.4%	7.7%	6.0%	26	9	35	15.6%	13.8%	15.1%
Over 50	0	0	0	0.0%	0.0%	0.0%	2	0	2	13.3%	0.0%	11.8%

2016

Country*/Age group	New Employee Hires						Employee Turnover					
	Number			Rate			Number			Rate		
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Barbados	1	1	2	9.1%	8.3%	8.7%	1	1	2	9.1%	8.3%	8.7%
Up to 30	1	1	2	100.0%	50.0%	66.7%	0	0	0	0.0%	0.0%	0.0%
30-50	0	0	0	0.0%	0.0%	0.0%	1	1	2	25.0%	10.0%	14.3%
Over 50	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
Belgium	5	3	8	20.8%	33.3%	24.2%	5	2	7	20.8%	22.2%	21.2%
Up to 30	1	2	3	100.0%	66.7%	75.0%	2	1	3	200.0%	33.3%	75.0%
30-50	3	1	4	17.6%	16.7%	17.4%	3	1	4	17.6%	16.7%	17.4%
Over 50	1	0	1	16.7%	0.0%	16.7%	0	0	0	0.0%	0.0%	0.0%
Canada	39	26	65	11.2%	17.7%	13.2%	46	30	76	13.3%	20.4%	15.4%
Up to 30	19	15	34	42.2%	88.2%	54.8%	12	9	21	26.7%	52.9%	33.9%
30-50	16	10	26	6.1%	9.0%	7.0%	26	16	42	9.9%	14.4%	11.2%
Over 50	4	1	5	10.3%	5.3%	8.6%	8	5	13	20.5%	26.3%	22.4%
Chile	8	2	10	8.9%	8.7%	8.8%	15	0	15	16.7%	0.0%	13.3%
Up to 30	5	0	5	31.3%	0.0%	26.3%	8	0	8	50.0%	0.0%	42.1%
30-50	3	2	5	5.2%	10.0%	6.4%	7	0	7	12.1%	0.0%	9.0%
Over 50	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
China	30	22	52	14.9%	16.8%	15.7%	35	19	54	17.4%	14.5%	16.3%
Up to 30	7	8	15	25.0%	36.4%	30.0%	10	6	16	35.7%	27.3%	32.0%
30-50	23	14	37	13.4%	13.0%	13.2%	25	12	37	14.5%	11.1%	13.2%
Over 50	0	0	0	0.0%	0.0%	0.0%	0	1	1	0.0%	100.0%	50.0%
Colombia	15	13	28	11.4%	25.0%	15.2%	12	7	19	9.1%	13.5%	10.3%
Up to 30	3	8	11	20.0%	61.5%	39.3%	2	3	5	13.3%	23.1%	17.9%
30-50	12	4	16	10.6%	10.5%	10.6%	8	3	11	7.1%	7.9%	7.3%
Over 50	0	1	1	0.0%	100.0%	20.0%	2	1	3	50.0%	100.0%	60.0%
Costa Rica	2	2	4	4.4%	11.8%	6.5%	3	2	5	6.7%	11.8%	8.1%
Up to 30	1	1	2	11.1%	12.5%	11.8%	1	0	1	11.1%	0.0%	5.9%
30-50	0	1	1	0.0%	11.1%	2.7%	1	2	3	3.6%	22.2%	8.1%
Over 50	1	0	1	12.5%	0.0%	12.5%	1	0	1	12.5%	0.0%	12.5%
Cyprus	0	0	0	0.0%	0.0%	0.0%	1	0	1	25.0%	0.0%	20.0%
Up to 30	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
30-50	0	0	0	0.0%	0.0%	0.0%	1	0	1	25.0%	0.0%	25.0%
Over 50	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%

2016

Country*/Age group	New Employee Hires						Employee Turnover					
	Number			Rate			Number			Rate		
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Czech Republic	0	0	0	0.0%	0.0%	0.0%	3	0	3	9.1%	0.0%	6.7%
Up to 30	0	0	0	0.0%	0.0%	0.0%	1	0	1	100.0%	0.0%	100.0%
30-50	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
Over 50	0	0	0	0.0%	0.0%	0.0%	2	0	2	22.2%	0.0%	16.7%
Denmark	0	0	0	0.0%	0.0%	0.0%	2	2	4	50.0%	0.0%	100.0%
Up to 30	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
30-50	0	0	0	0.0%	0.0%	0.0%	1	2	3	100.0%	0.0%	300.0%
Over 50	0	0	0	0.0%	0.0%	0.0%	1	0	1	33.3%	0.0%	33.3%
Dominican Republic	4	0	4	0.0%	0.0%	0.0%	1	1	2	7.1%	14.3%	9.5%
Up to 30	2	0	2	0.0%	0.0%	0.0%	1	0	1	50.0%	0.0%	50.0%
30-50	2	0	2	0.0%	0.0%	0.0%	0	1	1	0.0%	14.3%	5.3%
Over 50	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
Finland	2	1	3	7.1%	14.3%	8.6%	1	2	3	3.6%	28.6%	8.6%
Up to 30	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
30-50	1	1	2	4.3%	16.7%	6.9%	1	2	3	4.3%	33.3%	10.3%
Over 50	1	0	1	25.0%	0.0%	20.0%	0	0	0	0.0%	0.0%	0.0%
Germany	1	0	1	6.7%	0.0%	4.5%	10	3	13	66.7%	42.9%	59.1%
Up to 30	1	0	1	50.0%	0.0%	50.0%	0	0	0	0.0%	0.0%	0.0%
30-50	0	0	0	0.0%	0.0%	0.0%	8	3	11	88.9%	50.0%	73.3%
Over 50	0	0	0	0.0%	0.0%	0.0%	2	0	2	50.0%	0.0%	40.0%
Gibraltar	3	2	5	17.6%	15.4%	16.7%	8	16	24	47.1%	123.1%	80.0%
Up to 30	1	2	3	100.0%	50.0%	60.0%	2	2	4	200.0%	50.0%	80.0%
30-50	2	0	2	12.5%	0.0%	8.7%	6	11	17	37.5%	157.1%	73.9%
Over 50	0	0	0	0.0%	0.0%	0.0%	0	3	3	0.0%	150.0%	150.0%
Greece	1	1	2	7.1%	50.0%	12.5%	2	2	4	14.3%	100.0%	25.0%
Up to 30	1	0	1	100.0%	0.0%	100.0%	0	0	0	0.0%	0.0%	0.0%
30-50	0	1	1	0.0%	50.0%	7.1%	1	2	3	8.3%	100.0%	21.4%
Over 50	0	0	0	0.0%	0.0%	0.0%	1	0	1	100.0%	0.0%	100.0%
Hong Kong	1	1	2	33.3%	25.0%	28.6%	0	0	0	0.0%	0.0%	0.0%
Up to 30	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
30-50	1	1	2	33.3%	25.0%	28.6%	0	0	0	0.0%	0.0%	0.0%
Over 50	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%

2016

Country*/Age group	New Employee Hires						Employee Turnover					
	Number			Rate			Number			Rate		
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
India	11	5	16	13.1%	22.7%	15.1%	16	2	18	19.0%	9.1%	17.0%
Up to 30	7	4	11	46.7%	50.0%	47.8%	6	1	7	40.0%	12.5%	30.4%
30-50	4	1	5	5.8%	7.1%	6.0%	10	1	11	14.5%	7.1%	13.3%
Over 50	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
Ireland	0	0	0	0.0%	0.0%	0.0%	1	0	1	0.0%	0.0%	100.0%
Up to 30	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
30-50	0	0	0	0.0%	0.0%	0.0%	1	0	1	0.0%	0.0%	100.0%
Over 50	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
Italy	46	25	71	4.1%	4.1%	4.1%	32	11	43	2.8%	1.8%	2.5%
Up to 30	7	7	14	25.0%	38.9%	30.4%	1	0	1	3.6%	0.0%	2.2%
30-50	33	17	50	3.9%	3.5%	3.8%	21	9	30	2.5%	1.8%	2.3%
Over 50	6	1	7	2.3%	1.0%	2.0%	10	2	12	3.9%	2.0%	3.4%
Jamaica	3	3	6	8.6%	9.1%	8.8%	1	0	1	2.9%	0.0%	1.5%
Up to 30	0	1	1	0.0%	25.0%	16.7%	0	0	0	0.0%	0.0%	0.0%
30-50	3	2	5	9.7%	8.0%	8.9%	1	0	1	3.2%	0.0%	1.8%
Over 50	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
Luxembourg	2	1	3	66.7%	50.0%	60.0%	5	0	5	166.7%	0.0%	100.0%
Up to 30	0	1	1	0.0%	100.0%	100.0%	0	0	0	0.0%	0.0%	0.0%
30-50	2	0	2	66.7%	0.0%	50.0%	4	0	4	133.3%	0.0%	100.0%
Over 50	0	0	0	0.0%	0.0%	0.0%	1	0	1	0.0%	0.0%	0.0%
Macau	3	4	7	17.6%	30.8%	23.3%	3	2	5	17.6%	15.4%	16.7%
Up to 30	1	1	2	25.0%	33.3%	28.6%	0	0	0	0.0%	0.0%	0.0%
30-50	2	3	5	28.6%	37.5%	33.3%	2	2	4	28.6%	25.0%	26.7%
Over 50	0	0	0	0.0%	0.0%	0.0%	1		1	16.7%	0.0%	12.5%
Malaysia	2	0	2	28.6%	0.0%	25.0%	1	0	1	14.3%	0.0%	12.5%
Up to 30	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
30-50	2	0	2	40.0%	0.0%	33.3%	1	0	1	20.0%	0.0%	16.7%
Over 50	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
Mexico	41	5	46	24.6%	16.1%	23.2%	11	5	16	6.6%	16.1%	8.1%
Up to 30	15	1	16	50.0%	25.0%	47.1%	4	0	4	13.3%	0.0%	11.8%
30-50	25	4	29	20.7%	16.7%	20.0%	7	5	12	5.8%	20.8%	8.3%
Over 50	1	0	1	6.3%	0.0%	5.3%	0	0	0	0.0%	0.0%	0.0%

2016

Country*/Age group	New Employee Hires						Employee Turnover					
	Number			Rate			Number			Rate		
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Monaco	0	1	1	0.0%	20.0%	2.3%	6	1	7	15.8%	20.0%	16.3%
Up to 30	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
30-50	0	1	1	0.0%	25.0%	3.0%	4	1	5	13.8%	25.0%	15.2%
Over 50	0	0	0	0.0%	0.0%	0.0%	2	0	2	40.0%	0.0%	40.0%
Netherlands	9	2	11	14.3%	25.0%	15.5%	6	1	7	9.5%	12.5%	9.9%
Up to 30	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
30-50	7	2	9	14.6%	28.6%	16.4%	4	1	5	8.3%	14.3%	9.1%
Over 50	2	0	2	20.0%	0.0%	20.0%	2	0	2	20.0%	0.0%	20.0%
New Zealand	1	0	1	12.5%	0.0%	9.1%	0	0	0	0.0%	0.0%	0.0%
Up to 30	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
30-50	1	0	1	100.0%	0.0%	33.3%	0	0	0	0.0%	0.0%	0.0%
Over 50	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
Peru	13	5	18	37.1%	26.3%	33.3%	5	4	9	14.3%	21.1%	16.7%
Up to 30	9	1	10	69.2%	20.0%	55.6%	1	0	1	7.7%	0.0%	5.6%
30-50	4	4	8	20.0%	28.6%	23.5%	4	4	8	20.0%	28.6%	23.5%
Over 50	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
Poland	20	11	31	7.4%	10.8%	8.4%	28	10	38	10.4%	9.8%	10.2%
Up to 30	10	6	16	55.6%	27.3%	40.0%	7	2	9	38.9%	9.1%	22.5%
30-50	10	5	15	4.7%	7.0%	5.3%	19	7	26	8.9%	9.9%	9.1%
Over 50	0	0	0	0.0%	0.0%	0.0%	2	1	3	5.4%	11.1%	6.5%
Portugal	0	0	0	0.0%	0.0%	0.0%	1	1	2	20.0%	50.0%	28.6%
Up to 30	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
30-50	0	0	0	0.0%	0.0%	0.0%	1	1	2	20.0%	50.0%	28.6%
Over 50	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
Serbia	15	10	25	11.1%	15.2%	12.4%	28	8	36	20.7%	12.1%	17.9%
Up to 30	6	4	10	42.9%	50.0%	45.5%	6	0	6	42.9%	0.0%	27.3%
30-50	9	6	15	7.8%	11.3%	8.9%	22	8	30	19.1%	15.1%	17.9%
Over 50	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
Singapore	2	1	3	9.5%	9.1%	9.4%	3	2	5	14.3%	18.2%	15.6%
Up to 30	0	0	0	0.0%	0.0%	0.0%	0	1	1	0.0%	0.0%	0.0%
30-50	2	1	3	13.3%	9.1%	11.5%	3	1	4	20.0%	9.1%	15.4%
Over 50	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%

2016

Country*/Age group	New Employee Hires						Employee Turnover					
	Number			Rate			Number			Rate		
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
South Africa	9	4	13	25.0%	20.0%	23.2%	4	5	9	11.1%	25.0%	16.1%
Up to 30	7	1	8	116.7%	33.3%	88.9%	3	1	4	50.0%	33.3%	44.4%
30-50	2	3	5	7.7%	20.0%	12.2%	1	4	5	3.8%	26.7%	12.2%
Over 50	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
Spain	10	4	14	13.3%	17.4%	14.3%	9	1	10	12.0%	4.3%	10.2%
Up to 30	1	1	2	16.7%	50.0%	25.0%	0	0	0	0.0%	0.0%	0.0%
30-50	9	3	12	13.6%	16.7%	14.3%	9	1	10	13.6%	5.6%	11.9%
Over 50	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
St. Kitts & Nevis	0	0	0	0.0%	0.0%	0.0%	0	1	1	0.0%	0.0%	0.0%
Up to 30	0	0	0	0.0%	0.0%	0.0%	0	1	1	0.0%	0.0%	0.0%
30-50	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
Over 50	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
Sweden	0	0	0	0.0%	0.0%	0.0%	2	0	2	5.9%	0.0%	5.1%
Up to 30	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
30-50	0	0	0	0.0%	0.0%	0.0%	2	0	2	8.3%	0.0%	7.1%
Over 50	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
Switzerland	0	0	0	0.0%	0.0%	0.0%	1	0	1	20.0%	0.0%	16.7%
Up to 30	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
30-50	0	0	0	0.0%	0.0%	0.0%	1	0	1	25.0%	0.0%	25.0%
Over 50	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
Taiwan	0	0	0	0.0%	0.0%	0.0%	1	0	1	25.0%	0.0%	20.0%
Up to 30	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
30-50	0	0	0	0.0%	0.0%	0.0%	1	0	1	33.3%	0.0%	25.0%
Over 50	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
Trinidad and Tobago	3	5	8	7.1%	17.2%	11.3%	4	2	6	9.5%	6.9%	8.5%
Up to 30	0	1	1	0.0%	20.0%	10.0%	1	2	3	20.0%	40.0%	30.0%
30-50	3	4	7	9.7%	19.0%	13.5%	2	0	2	6.5%	0.0%	3.8%
Over 50	0	0	0	0.0%	0.0%	0.0%	1	0	1	16.7%	0.0%	11.1%
Turkey	1	1	2	3.7%	11.1%	5.6%	4	0	4	14.8%	0.0%	11.1%
Up to 30	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
30-50	1	1	2	4.5%	12.5%	6.7%	3	0	3	13.6%	0.0%	10.0%
Over 50	0	0	0	0.0%	0.0%	0.0%	1	0	1	20.0%	0.0%	16.7%

2016

Country*/Age group	New Employee Hires						Employee Turnover					
	Number			Rate			Number			Rate		
	Men	Women	Total	Men	Women	Total	Men	Women	Total	Men	Women	Total
Ukraine	1	0	1	100.0%	0.0%	100.0%	1	0	1	100.0%	0.0%	100.0%
Up to 30	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
30-50	1	0	1	100.0%	0.0%	100.0%	1	0	1	100.0%	0.0%	100.0%
Over 50	0	0	0	0.0%	0.0%	0.0%	0	0	0	0.0%	0.0%	0.0%
United Kingdom	23	14	37	11.4%	15.2%	12.6%	32	12	44	15.8%	13.0%	15.0%
Up to 30	8	5	13	42.1%	50.0%	44.8%	4	1	5	21.1%	10.0%	17.2%
30-50	13	8	21	8.7%	11.6%	9.6%	24	11	35	16.0%	15.9%	16.0%
Over 50	2	1	3	6.1%	7.7%	6.5%	4	0	4	12.1%	0.0%	8.7%
United States	556	228	784	11.9%	10.9%	11.6%	546	273	819	11.7%	13.0%	12.1%
Up to 30	195	75	270	34.9%	31.3%	33.8%	95	53	148	17.0%	22.1%	18.5%
30-50	280	128	408	10.3%	10.9%	10.5%	298	144	442	10.9%	12.2%	11.3%
Over 50	81	25	106	5.9%	3.7%	5.2%	153	76	229	11.2%	11.1%	11.2%

* Data refers only to those countries where have been new hires or termination in 2016

Injury Rate and Lost Day Rate

US

Rate	2016			2015		
	Men	Women	Total	Men	Women	Total
Injury Rate (IR)	1.50	1.50	1.50	2.48	0.87	1.92
Lost Day Rate (LDR)	23.39	20.63	22.54	26.86	10.37	21.15

ITALY

Rate	2016			2015*		
	Men	Women	Total	Men	Women	Total
Injury Rate (IR)	2.69	2.45	2.61	NA	NA	0.66
Lost Day Rate (LDR)	76.70	61.33	71.15	NA	NA	11.70

* Data not available by gender

Diversity of Employees

Category	2016									2015								
	Up 30			30-50			Over 50			Up to 30			30-50			Over 50		
	M	W	T	M	W	T	M	W	T	M	W	T	M	W	T	M	W	T
Senior Management	1	-	1	303	112	415	216	41	257	1	0	1	299	113	412	191	29	220
Middle Management	16	12	28	993	369	1,362	395	138	533	14	14	28	942	340	1,282	331	122	453
Office staff	891	443	1,334	4,243	1,963	6,206	1,272	644	1,916	968	464	1,432	4,254	1,952	6,206	1,202	636	1,838
Workers	80	19	99	194	77	271	121	70	191	78	19	97	232	78	310	125	69	194

Diversity of Employees (%)

Category	2016									2015								
	Up to 30			30-50			Over 50			Up to 30			30-50			Over 50		
	M	W	T	M	W	T	M	W	T	M	W	T	M	W	T	M	W	T
Senior Management	0.1	0.0	0.1	45.0	16.6	61.7	32.1	6.1	38.2	0.2	0.0	0.2	47.2	17.9	65.1	30.2	4.6	34.8
Middle Management	0.8	0.6	1.5	51.6	19.2	70.8	20.5	7.2	27.7	0.8	0.8	1.6	53.4	19.3	72.7	18.8	6.9	25.7
Office staff	9.4	4.7	14.1	44.9	20.8	65.6	13.5	6.8	20.3	10.2	4.9	15.1	44.9	20.6	65.5	12.7	6.7	19.4
Workers	14.3	3.4	17.6	34.6	13.7	48.3	21.6	12.5	34.0	13.0	3.2	16.1	38.6	13.0	51.6	20.8	11.5	32.3

Lay-out Lottomatica
Corporate Graphic Design
and Brand Book

Pictures in cover and chapter
dividers were taken by IGT
employees who participated in the
Photo Contest for Sustainability
Report 2016.

