



Ainsworth Game Technology Ltd

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Modern Slavery Statement

Introduction

Ainsworth Game Technology Limited and its group companies ('AGT') are committed to improving our practices to combat slavery of all forms including "modern slavery" as defined in the Modern Slavery Act 2018 (Cth).

This statement provides a summary of:

- AGT's structure, operations, and supply chain;
- AGT's Anti Modern Slavery Policy;
- The risks of modern slavery in AGT operations and supply chains; and
- The efforts taken by AGT to minimise the risk of modern slavery practices within AGT's operations and supply chain.

AGT structure

AGT is a manufacturer of gaming machines and game software that is supplied to and operated by licensed hospitality venues such as hotels, clubs, and casinos all over the world.

In addition to sale or supply by AGT directly to licensed gaming venue customers, AGT sells and supplies its products through distribution arrangements in the Americas, Europe, and in Australasia.

AGT also supplies its game software to licensed online casino's based in Europe, North America and Latin America.

AGT is licensed to manufacture and supply its gaming products and game software into all major global gaming jurisdictions. To support its operations, AGT has two main offices, one situated in Sydney, NSW, Australia and the other in Las Vegas Nevada, USA, and it holds over 335 licenses issued by gaming regulatory authorities.

A corporate chart setting each of the subsidiaries comprising the Ainsworth Group of Companies is attached to this statement at Annexure A.

AGT and its wholly owned subsidiaries employ over 546 employees worldwide.

45% of AGT's employees are based in the USA, 12% of AGT's employees are based in Mexico, Central and South America (LATAM), and the remaining 43% are based in Australia.

AGT's employees work within the following core global functions:

- Sales and Marketing in the USA, LATAM and Australia;
- Manufacturing and Supply Chain;
- Software and Platforms Research and Development;
- Game Development;
- Online/Interactive;
- Business Services and Information Technology;
- Finance; and
- Legal and Compliance.

The above functions report to either the AGT Chief Commercial Officer or the AGT Chief Executive Officer. The AGT Chief Executive Officer reports to the AGT Board of Directors.

In preparing this statement AGT has acted in consultation with all AGT Group entities and functions owned or controlled by Ainsworth Game Technology Limited.

For more information on AGT's structure, business, operations and financial performance please go to the 'Investor' section of AGT's website at www.agtslots.com and access a copy of our most recent 2023 Annual Report (six-month period ended 31 December 2022).

AGT's Operations and Supply Chains

AGT's operations and supply chain includes:

- Manufacturers, developers and suppliers of bespoke and "off the shelf" computer hardware, firmware and software;
- Suppliers and manufacturers of "made to specification" componentry including gaming machine cabinet parts;
- In house and external developers of game concepts and related software; and
- The supply of gaming machine installation, maintenance, and support services to licensed gaming venues.

75% of AGTs' worldwide supply chain spend on goods and services is with suppliers based in the following countries:

- 23 suppliers based in the USA;
- 16 suppliers based in Australia;
- 3 suppliers based in Korea;
- 1 supplier based in the United Kingdom;
- 1 supplier based in Austria; and
- 1 supplier based in China.

AGTs' worldwide supply chain spend by percentage is with suppliers based in the regions set out in the table below.

| Region | Percentage of Spend |
|-----------------|---------------------|
| North America | 54.7% |
| Australia | 30.7% |
| South East Asia | 10.7% |
| Europe | 3.7% |
| LATAM | 0.3% |

Our policies on slavery

The AGT Group has zero tolerance of slavery.

AGT’s Anti-slavery Policy reflects AGT’s commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to identify and mitigate the risk of modern slavery within its operations and supply chain.

Ensuring compliance by all employees and functions of AGT Group to the requirements of the AGT Anti-Slavery Policy is vested in AGT’s “Regulatory and Compliance Committee”, a subcommittee of the AGT Board of Directors.

The AGT Regulatory and Compliance Committee is comprised of one independent non-executive member of the AGT Board of Directors, one senior executive of AGT and an independent outside consultant to AGT who has knowledge of applicable gaming laws and has extensive experience in dealing with issues of regulatory compliance.

A copy of AGT’s Anti-slavery Policy can be accessed at <https://www.agtslots.com/assets/Ainsworth-Modern-Slavery-Statement-261022.pdf> and a copy of the charter of the AGT Regulatory and Compliance Committee can be accessed at https://www.agtslots.com/assets/RCC-Charter_230621.pdf.

The Risks of Modern Slavery in AGT Operations and Supply Chains

AGT is a high compliance organisation that regularly reviews through its Regulatory and Compliance Committee, the probity, integrity and suitability of all persons that deal with or engage with the AGT Group.

In addition, AGT’s risk management policies and procedures ensure AGT attends to the timely identification, evaluation, reporting and treatment of material enterprise risks, so that these risks remain within thresholds that are acceptable to the members of the Regulatory and Compliance Committee and the AGT Board of Directors.

AGT adopts a risk-based approach to the application of measures necessary to address the risks of modern slavery practices within its supply chain and operations.

The risk of modern slavery practices within AGT’s supply chain and the potential for AGT to cause or contribute to modern slavery through its operations has been identified within the following areas:

- AGT suppliers that have operations or supply chains that are based within developing countries from regions like Latin America (LATAM) or Southeast Asia;
- AGT suppliers (including third party labour hire firms) that rely on low skilled, labour intensive or temporary labour including where that labour appears to be primarily sourced from migrant workers such as cleaning services or maintenance services; and

- Operations and workplaces of AGT and AGT distributors that are located outside of the USA and Australia, and that are without direct in person access to AGT’s in house legal, compliance and human resources functions.

Supplier Specific Actions

Supplier Questionnaires

To assess the risk of modern slavery more specifically within AGT’s supply chains and operations, AGT requires its suppliers of goods or services to respond to a modern slavery due diligence questionnaire that asks each supplier to:

- adopt (if they haven’t already) the requirements of AGT’s Anti-slavery Policy (or disclose their own similar policies); and
- disclose to AGT the details of their own supply chains and or the efforts undertaken by them to identify and assess potential risk areas within their supply chains concerning the potential existence of modern slavery.

AGT’s Legal and Compliance department in conjunction with AGT’s procurement and manufacturing departments, monitor all responses received and depending on the response, works with each AGT executive manager to identify suppliers that are considered to be at a higher risk of modern slavery.

Suppliers that are considered to be at a higher risk of modern slavery, with particular focus on the risks identified above, are then on a case-by-case basis, identified for more specific measures including the conduct of on-site visits by AGT’s procurement staff.

Supplier Code of Conduct

AGT is in the process of requiring all its suppliers to agree to the requirements of AGT’s Supplier Code of Conduct. This document sets out detailed standards and expectations for each AGT Supplier concerning labour, anti-modern slavery, human rights, health and safety, environmental protection, business ethics, and management practices.

On Site Visits – Southeast Asian based suppliers

The risk of modern slavery practices in AGT’s supply chain and operations is potentially greater throughout Southeast Asia. Consequently, AGT has conducted on site visits to the operations of its key suppliers located in this region.

AGTs’ Southeast Asian supply chain spend by number of suppliers and by percentage in each country is set out in the table below.

| South East Asia by Country | Number of Suppliers | Percentage of Spend |
|-----------------------------------|----------------------------|----------------------------|
| Korea | 17 | 85% |
| China | 9 | 10% |
| Japan | 3 | 3% |
| HongKong | 2 | 1% |
| Malaysia | 1 | <1% |
| Taiwan | 3 | <1% |
| Philippines | 1 | <1% |

Given the greater number of suppliers and total spend in Korea, AGT has initially conducted onsite visits with its suppliers in this country.

The objective of these visits is for AGT staff to look out for “red flag” indicators of modern slavery in the Supplier’s workplace and in the behaviour of the Supplier’s employees.

The AGT staff attending these visits receive training and or supporting information to assist them in identifying these red flags. Trip reports are prepared based on staff observations.

No red flags have been identified in the visits conducted in this review period.

Contracts

Other means by which AGT manages the risks of modern slavery in its supply chain and operations is through its contracting process with its major suppliers. Anti modern slavery specific provisions have been incorporated into AGT’s main supply agreements, and these provisions are or have been presented to AGT’s major suppliers for acceptance either as they come up for renewal or by way of separate agreement addendums.

Training

To ensure a high level of understanding of the risks of modern slavery in AGT’s supply chain and operations AGT has required all staff to undertake Modern Slavery awareness training as part of its Global Corporate Governance awareness training.

In addition, staff that manage or work in geographical areas that are at greater perceived risk of modern slavery practices or staff that have responsibility for the ongoing implementation of Ainsworth’s key procurement and compliance policies and processes, are required to undertake additional training directed at the identification and elimination of Modern Slavery risks.

Compliance Process

Ainsworth’s key vendors and supplier’s due diligence and probity review processes include an assessment of a supplier’s cooperation with AGT’s anti modern slavery policy and initiatives as part the assessment of that supplier’s broader suitability to do business with AGT.

As at the date of this statement no suppliers within AGT’s supply chain have been identified as non-compliant with the requirements of AGT’s Anti-slavery Policy or the applicable requirements of the Modern Slavery Act 2018 (Cth) for the reporting period through to 31 December 2022.

Supporting Resources and Policies

The AGT Regulatory Compliance Committee is supported as required in implementing AGT’s Anti-slavery Policy by the resources and representatives from the following AGT departments based in Australia and in the USA:

- Legal
- Regulatory Compliance
- Human Resources;
- Manufacturing; and
- Finance.

AGT has also formed an Anti-Modern Slavery cross functional working group that comprises the AGT Chief Operating Officer, the AGT Company Secretary, and senior representatives of the above AGT departments. This working group is tasked with reviewing and improving on existing measures being taken to further identify and minimise the risk of modern slavery within AGT’s supply chain and operations.

AGT’s Anti-slavery Policy is supported by the AGT policies set out below. These policies are available for review at the ‘Corporate Governance’ section of AGT’s website at www.aqtslots.com.

| POLICY/PROCEDURE | PURPOSE |
|--|--|
| <i>Employee Code of Conduct</i> | How AGT expects employees to behave towards each other, our customers, suppliers and the broader community. |
| <i>Fraud, Anti-Bribery and Corruption Policy</i> | Outlines AGT’s commitment to complying with laws and regulation addressing fraud, bribery and corruption in each country in which AGT conducts business. |
| <i>Whistle-Blower Protection Policy</i> | To support AGT’s policies, AGT’s values, code of conduct and ethics policy, its long-term sustainability and reputation, and to meet its legal and regulatory obligations through the provision of transparency around AGT’s framework for receiving, handling and investigating disclosures of unlawful activity or breach of policies. |

Through the above policies, processes and resources AGT seeks to:

- Identify and assess potential risk areas in AGT’s supply chain and operations;
- Mitigate the risk of modern slavery occurring in AGT’s supply chain and operations;
- Monitor potential risk areas in AGT’s supply chain and operations; and
- Protect whistle-blowers that may identify the existence of modern slavery (or any other unlawful activity) within AGT’s supply chain and operations.

Assessing the Effectiveness of our Actions

AGT through the activities of the RCC and the Anti Modern Slavery Working Group, is continually working to better understand the effectiveness and impact of the initiatives detailed in this statement.

The non-identification of modern slavery practices within the “at risk” areas of AGT’s supply chain and operations to date including through the conduct of onsite inspections of third-party supplier’s premises, support a conclusion that AGT’s current initiatives have been effective over the current review period.

Consultation with other Group Entities

The companies that are wholly owned by Ainsworth Game Technology Limited form the Ainsworth Group of Companies.

All key business functions with the Ainsworth Group of Companies are consulted in the preparation of this modern slavery statement through the AGT Anti-Modern Slavery cross functional working group.

This modern slavery statement is made by Ainsworth Game Technology Limited for the reporting period through to 31 December 2022.

This statement was approved by the AGT Board of Directors on Tuesday 26 September 2023.

**Danny Gladstone****Chairman****Date: 26 September 2023**

ANNEXURE A

AINSWORTH GAME TECHNOLOGY LIMITED CORPORATE STRUCTURE

