



2022 Sustainability Report

13 September 2022

PointsBet Holdings Limited (ASX:PBH; OTCQX:PBTHF) today released its inaugural 2022 Sustainability Report which can also be viewed on the Company's website at: <https://investors.pointsbet.com.au/latest-results-and-presentations/>

END

About PointsBet

PointsBet is a corporate bookmaker listed on the Australian Stock Exchange with operations in Australia, the United States, Canada and Ireland. PointsBet has developed a scalable cloud-based wagering platform through which it offers its clients innovative sports and racing wagering products, advance deposit wagering on racing (ADW) and iGaming.

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POINTS BET

SUSTAINABILITY REPORT 2022



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A MESSAGE FROM OUR CEO

I am delighted to share with you PointsBet's inaugural Environmental, Social, and Governance (ESG) Report. This report reflects the results of a comprehensive assessment undertaken during FY22 by PointsBet's newly established Sustainability Committee. The Sustainability Committee comprises staff from key functions, in key jurisdictions within which PointsBet operates to ensure the Group's global ESG efforts are captured.

STRATEGIC PILLARS

PointsBet's approach to ESG is based on five fundamental strategic pillars according to which this ESG Report is structured, being:

- PointsBet People
- Responsibility
- Community and Environment
- Regulation
- Corporate Governance

These pillars guide PointsBet's ESG commitments, programs and objectives, and manifest in actions and initiatives that touch upon all of the Group's various operating sectors.

The ESG disclosures contained in this report are also an important opportunity for PointsBet to provide information about its business beyond the usual financials and offer insight into how the Group strives to create long-term value for all its stakeholders.

This is PointsBet's first ESG Report as a listed company and provides the baseline for the Group's ESG journey. PointsBet is committed to ongoing assessment, monitoring and future reporting in a more fulsome manner on the most material ESG topics impacting PointsBet and the online gambling industry.

COVID-19

FY22 has been another challenging year of the COVID-19 pandemic (the **Pandemic**) in all jurisdictions within which PointsBet operates. The Group's focus was foremost on the health, wellness and resilience of its people. As a result, a key area of the Board's governance during the year was dedicated to the Group's response to the Pandemic, including overseeing the continued transition of the global workforce to a hybrid working environment, continued refinement of business continuity and crisis management planning including input from global and regional crisis management teams mobilised to coordinate and oversee the Group's ongoing response both proactively and reactively.

RESPONSIBLE GAMBLING

As a Group, PointsBet embraces its role in promoting a legal and responsible wagering model that respects the consumer's right to free choice but acknowledges the consumer as a subject to be protected. This is why the Group strives to offer safe, high-quality, innovative, and engaging wagering experiences for all its consumers. PointsBet's commitment to all of its stakeholders (employees, customers, suppliers, investors and communities) is that it will take all the necessary measures to ensure that attention to responsible gambling remains a central component of its ESG business strategy, and an integral part of daily operations.

To this end, the Group works every day with honesty and professionalism to promote a responsible and conscientious approach to gambling and is focused on helping our customers approach gambling activities in a manner that is healthy and respectful of their limits.

On behalf of the Board, I want to thank the many people across the Group's diverse global team who contributed to the preparation of our FY22 ESG Report, and to the many more whose passion and initiative drove the encouraging progress that I am proud to share with you here.

If you have any questions or feedback about the disclosures contained in this ESG Report, PointsBet would love to hear from you. Either reach out to your PointsBet contact or get in touch via our Investor Relations team: investors@pointsbet.com.

Sam Swanell
Managing Director
and Group CEO



FY22 SUSTAINABILITY HIGHLIGHTS

RESPONSIBLE GAMBLING



In Australia:

- Joined Responsible Wagering Australia (**RWA**)

In North America:

- Contributed to joint responsible gambling research initiative with National Council on Problem Gambling (**NCPG**)

Global Initiatives:

- Over 500 hours of responsible gambling training completed globally

GOVERNANCE



- Reported on Modern Slavery risks for the first time
- Achieved 33% female Non-Executive Directors on the Board
- Review of key Governance Policies
- Independent Review of AML/CTF policy and operations

OUR PEOPLE



- 627 global full time equivalent employees
- 218 Australia
- 349 North America
- 59 Other
- Launched the PointsBet Flex Program
- Launched a Global Leadership Program
- Increased focus on DEI initiatives both globally and at a jurisdictional level

COMMUNITY & ENVIRONMENT



- Supported efforts to increase blood donations in Australia and North America
- Made significant financial contributions to the communities in which we operate through taxes and other fees
- Supported the efforts of Sydney FC to get more people living with disabilities in sport by sponsoring the Sydney FC Charitable Foundation and its power chair football (soccer) initiative

Support for Women:

- Women in Sports Tech (WiST)
- College scholarships for women in Tech

REGULATION



- Continued commitment to only operating in Regulated markets
- Contributed to regulatory discourse in the jurisdictions within which the Group operates
- Provided dedicated training to PointsBet people focused on regulatory compliance and similar matters

1. POINTSBET PEOPLE

LEADERSHIP

Throughout FY22 PointsBet invested in strengthening its global leadership capability including through the establishment of key new roles such as:

- Group Chief People Officer;
- CEO – Australia;
- Group Chief Technology Officer; and
- VP of DEI (Diversity, Equity and Inclusion).

In addition to the appointment of a new Group Chief Technology Officer, the former President of Global Products and Technology transitioned to a Non-Executive Board position, ensuring continuity of thought leadership.

The Group's commitment to developing leadership talent internally saw the launch of a new global PointsBet Leadership Program, which has thus far been opened up to more than 100 frontline and middle management leaders across all of PointsBet's global operations. In partnering with DDI, a world leader in leadership development, PointsBet is delivering a consistent blended learning program, offering the best of online and classroom learning, and covering topics such as 'Leading Virtually', 'Engaging Talent', and 'Executing Strategy'. As a recent technology success story, PointsBet knows that strong and empowered leaders at all management levels will be critical to the Group's success. Through the PointsBet Leadership Program, the goal is to provide both current leaders and emerging leaders the tools to build a culture of inclusiveness, motivation, and support.

Looking ahead, ensuring that women within PointsBet's workforce have equal opportunity to pursue leadership roles is a key goal for the Group. PointsBet has made a good start, with 33% of NEDs on the Board and 18% of leadership positions within the Group currently being occupied by women.

WORKFORCE

Throughout FY22, increased operational requirements led to expansion of PointsBet's global employee headcount to 627. In addition PointsBet has support staff who are engaged by third party service companies in both Noida, India and Manila, Philippines. Underscoring the technology success story that is PointsBet, one third of global employees are now employed in roles within the Technology function.

Reinforcing the Group's commitment to growth, PointsBet opened the following new offices in FY22:

- European Headquarters in Dublin, Ireland;
- Sydney, Australia; and
- Noida, India.

With the easing of lockdowns, PointsBet was again able to offer relocation opportunities for employees between countries, enabling the Group to utilise its best talent where needed, and providing an ongoing pipeline for internal development. During FY22, the Group expanded its global mobility services offering for employees to include tax consultation and advice provided by a third-party vendor to support relocating employees.

THROUGHOUT
FY22, INCREASED
OPERATIONAL
REQUIREMENTS
LED TO EXPANSION
OF POINTSBET'S
GLOBAL
EMPLOYEE
HEADCOUNT
TO **627**

Challenges associated with the Pandemic continued to evolve, with lockdowns and work from home orders affecting PointsBet people globally. Pleasingly, as at the time of making this ESG Report, all PointsBet offices are open and operating with a Hybrid working model. Hybrid working adds yet another dimension of flexibility for the majority of PointsBet's workforce, aiming to strike the right balance between roles which are fully remote, those which offer a mixture of at home and in office working, and those which by their nature require working fulltime at one of the many PointsBet offices throughout the world. As the impacts of the Pandemic continue to evolve, PointsBet strives to provide employees with flexibility and support, as the Group and its staff continue to learn and adapt to the evolving conditions.

WELLNESS

FLEXIBILITY

In response to employee feedback, the Group launched *PointsBet Flex*, a flexibility program designed to support PointsBet people and the way they choose to work with increased flexibility of work location, and autonomy to choose how to work in ways that best fit different roles and teams. Globally, PointsBet now operates a Hybrid model of work combining a balance of work from home, remote, and in office time. PointsBet knows that collaboration is vital, so PointsBet teams come together regularly in person to strategise, problem solve, collaborate and importantly, celebrate!



POINTS BET FLEX OFFERS:

- **Flexible Work Arrangements**
- **PointsBet Day:** a day off to recognise and celebrate your work anniversary each year
- **Work from Anywhere Time:** 4 weeks to provide employees with the flexibility to choose where to work, and how best to manage family and lifestyle commitments
- **Floating Cultural Holidays:** allows employees to choose which Public Holidays to recognise enabling celebration of important cultural events for employees of all backgrounds
- **242 Leave:** allows employees to take up to 2 months of unpaid leave as a 'sabbatical' for every 2 years of employment

In addition to these key global initiatives, PointsBet Flex also includes various local initiatives at a jurisdictional level to provide additional support and flexibility in each jurisdiction within which PointsBet operates. Examples of such initiatives include:

- 'No Meeting Fridays';
- flexible work hours within identified core business hours; and
- social committees focused on employee flexibility and wellness.

With PointsBet Flex, the Group recognises that the wellbeing of employees is of paramount concern, and PointsBet will continue to evolve the program as is necessary to continue supporting its people.

MENTAL HEALTH

With an end to the Pandemic still not in sight, supporting the mental health of PointsBet people is more important than ever.

The Group offers Employee Assistance Programs (**EAP**) in all jurisdictions within which it operates, and these EAPs offer a range of services including counselling and whistleblowing services. PointsBet's goal is to ensure the mental wellbeing of its employees is at the forefront of everything the Group does. Access to safe and effective mental health services is vital, so in addition to providing EAP, PointsBet aims to identify, educate, and remove the stigma that can attach to mental health issues in the workplace. PointsBet does this by testing and implementing new mental health initiatives, such as:

- Activities focused on mental fitness and mindfulness;
- Wellness related activities and events;
- Mental Health days;
- In chair massages to relieve stress; and
- Mental health awareness education aimed at spreading awareness and reducing stigma.

1. POINTSBET PEOPLE continued

PHYSICAL HEALTH

The physical health and safety of PointsBet people is a continued focus. To combat return to office work challenges associated with the Pandemic, the Group provided safety equipment and other resources including temperature scanners, hand sanitiser dispensers, masks, rapid antigen tests and annual flu vaccinations. In addition, refresher training was held for first aid officers and fire wardens. With teams back in the office, there has been a renewed focus on physical health with gym classes and sports activities available.

CULTURE AND ENGAGEMENT

PointsBet continued its *Listening Strategy* during FY22 by conducting regular surveys and pulse check ins with employees on various topics.

A key focus was benchmarking and improving PointsBet's Employee Value Proposition (EVP).

Work continued on strengthening company culture including the development of PointsBet's Values and Behaviours, workshopped, and designed in collaboration with all team members.

Celebration of milestones and achievements remains a key culture driver, with the Group celebrating critical wins during FY22, including State by State roll outs across the US and the opening of its sportsbook in Ontario, Canada.

To build on its existing strategy, PointsBet kickstarted a revamp of its cultural Values and Behaviors in FY22, which the Group sees as critical to future performance as an employer of choice. PointsBet expects to roll out the revamped Values and Behaviors during the first half of FY23.



OBJECTIVE AND KEY RESULTS



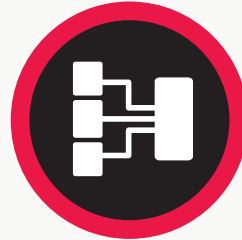
WORKFORCE

Build high performance team that is reflective of the key characteristics of a diverse company.



WORKPLACE

Create workplace that is diverse, inclusive, equitable and ensures our ability to provide each employee with the professional opportunities and personal support they desire.



SUPPLIER DIVERSITY

Promote the growth of the communities we work and serve through intentional partnership with MBE, WBE, VET and DBE companies and service providers.



MARKETPLACE

Connect to customers and business partners through our diversity and inclusion.

DIVERSITY, EQUITY & INCLUSION

With operations in Europe, North America, Asia and Australia, PointsBet employs a diverse workforce.

In FY22 the Group made a sizeable investment in DEI a cornerstone of which was the hiring of a dedicated Vice President of DEI, establishment of the new DEI Board and an Internal Culture & Communications Committee.

The DEI Board consists of PointsBet executives supported by several prominent external members with expertise in diversity and professional. The Internal Culture & Communications Committee is comprised of 10 PointsBet employees charged with serving as an internal planning team and as ambassadors for the Group's efforts related to DEI.

Initiatives championed during FY22 included:

- Cultural Day celebrations;
- Implementation of a DEI focused education series;
- Establishment community partnerships with women-in-tech organisations;
- International Women's Day celebration in all offices;
- Domestic & Family Violence policies reviewed and updated including by introducing new paid leave support;
- Increased parental leave entitlements; and
- The introduction of forums for women including a Women-at-PointsBet group.

FY23 GOALS

PointsBet will continue its commitment to people in FY23 with continued talent mapping and succession planning.

Among other initiatives, PointsBet plans to continue the evolution of its DEI program and explore new ways for building employee resilience.

2. RESPONSIBILITY

OVERVIEW

PointsBet is committed to delivering a premium experience for its customers by offering products which are fun and meant to be enjoyed as a form of entertainment. Central to this commitment is a respect which the Group holds for its customers not only as revenue generators but also as individuals whose lives should not be negatively impacted by engagement with PointsBet products. PointsBet, like all operators, is in a unique position to promote responsible gambling and the associated tools available to PointsBet clients. Not only does this emphasis on responsible gambling help protect customers, but it also helps create long-term relationships with healthy players and is hence viewed as a critical component of business sustainability for PointsBet. To that end, PointsBet employees are trained to be aware of problem gambling concerns, and to help customers seeking assistance in relation to their gambling habits.

For the vast majority of customers, gambling represents an occasional, well-controlled and entirely healthy leisure activity. However, PointsBet acknowledges and is fully aware that a small percentage of customers are susceptible to developing problematic behaviours associated with gambling, especially when a combination of other risk factors is present. In some cases, these behaviours can have severe negative consequences on customer's personal, relational, working and economic spheres.

PointsBet operates with a full awareness of its role in promoting a legal and responsible gambling model, respecting the customer as a subject to be protected, and to whom PointsBet must strive to offer safe, high-quality, innovative, and engaging gambling experience.

The Group's approach to responsible gambling comprises four strategic pillars, which together aim to minimise gambling related harms:

- Communication;
- Product;
- Responsible Business Conduct; and
- Community.

These pillars are continually evaluated by PointsBet's dedicated responsible gambling teams in each jurisdiction within which it operates to ensure that data-informed best practices are being offered at all times.

COMMUNICATION

Thoughtful communication of the importance of responsible gambling and associated tools is integrated throughout the PointsBet customer journey, with the aim being to encourage a healthy entertainment experience at all stages of the customer lifecycle.

Additional communication strategies are in place for unique customer journeys such as significant sporting events [AUS] or retail environments [US].

INFORMATIVE T&CS

PointsBet's Terms and Conditions include detailed information about the Group's commitment to Responsible Gambling. These terms and conditions are available to any person, including individuals who are not customers at all times on the various websites, mobile websites and apps operated by the Group. Included in PointsBet's Terms and Conditions is a clear and concise Responsible Gambling Policy and information about PointsBet's responsible gambling tools. PointsBet has made a concerted effort to ensure that responsible gambling information is easily available for any individual seeking assistance and is committed to ongoing improvement in this area.

OUTBOUND CAMPAIGNS

PointsBet believes that responsible gambling should be a normal part of a healthy gambling experience and therefore is careful to integrate associated messaging throughout the various stages of the customer lifecycle. This begins shortly after new account creation with new customers receiving a dedicated responsible gambling email detailing the tools available to them at any time.

To ensure that Responsible Gambling communications are distributed to customers at appropriate intervals, PointsBet maintains a responsible gambling monitoring program that, among other things, will automatically trigger the sending of responsible gambling communications in the form of emails and in-app messages at pre-defined trigger points. These communications aim to increase awareness of the importance of responsible gamblers amongst potentially at-risk customers and to drive recipients to the applicable PointsBet responsible gambling page. These communications serve as reminders that there are tools available to ensure customers are in control of their gambling.

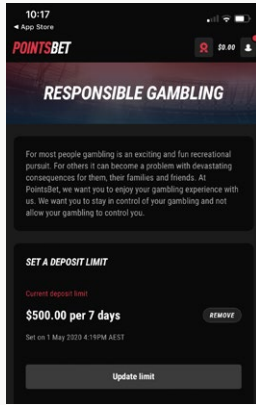
PointsBet also takes advantage of increased customer activity leading up to large-scale sporting events by sending out text messages to remind customers to gamble responsibly.

SOCIAL MEDIA MARKETING

PointsBet utilises social media to promote responsible gambling and further engage customers. These campaigns include information about limit setting tools as well as healthy gambling tips such as taking a break. Social media provides an opportunity to engage with users within this important space.

BEHAVIOURAL TARGETED MESSAGING

In addition to emails and in-app messages, dedicated Responsible Gambling team members assist customers when potentially problematic gambling behaviour is identified. PointsBet's dedicated Responsible Gambling teams monitor and review exception reports to identify evolving customer behaviour and where red flags are identified, contact the customer to educate them on responsible gambling tools and/or provide support resources. Customer service team members are also trained to identify statements made via email or chat which indicate that the customer may be struggling to control their gambling and if identified, to escalate to the Responsible Gambling teams.



ACQUISITION

Support messaging is incorporated within all physical and digital advertising in accordance with regulation.



ACCOUNT CREATION

Within one hour of account creation, all customers receive a responsible gambling email which highlights limit setting tools and support resources.



CONTINUED SUPPORT

Customers receive a monthly responsible gambling email and may view a responsible gambling message posted daily on social media.



BEHAVIOURAL MESSAGING

Customers who reach certain activity levels or who exhibit potentially problematic behaviour at any time within the customer journey receive personalised communication around responsible gambling.

LIMIT PROMPTS

PointsBet complies with all local laws and regulations related to responsible gambling in the jurisdictions within which it operates. Among other requirements, this means ensuring that new customers are prompted about limit setting during account creation process. Account creation which incorporates this feature prompts users to set a limit before they begin gambling.

PRODUCT

In accordance with good UX principles, PointsBet is continually exploring new product features to build on the existing suite of responsible gambling tools, and which are designed to support the health and security of our customers.

Touchpoints are incorporated throughout the PointsBet customer lifecycle to ensure easy access to information about responsible gambling, much of which is accessible through dedicated on website or in app Responsible Gambling pages. Combined, PointsBet's Responsible Gambling pages received approximately a combined 125,000+ global page views during FY22.

POINTS BET
BELIEVES THAT
**RESPONSIBLE
GAMBLING**
SHOULD BE A
NORMAL PART
OF A **HEALTHY**
GAMBLING
EXPERIENCE

2. RESPONSIBILITY continued



LIMIT SETTING AND FEEDBACK TOOLS

The various responsible gambling tools that PointsBet makes available to its clients globally includes:

- **"i" Icon:** Understand rules and odds before placing a sport or casino bet;
- **Deposit Limit:** Manage deposit amounts every day, week, or month;
- **Spend Limit:** Control total spend on a daily, weekly, or monthly basis;
- **Stop Loss Adjuster:** Control potential max wins and losses before placing a points bet;
- **Cool Off:** Take a break from PointsBet for 3, 7 or 30 days;
- **Self-Exclusion:** Take a longer-term break either via PointsBet or state regulator exclusion programs;
- **Activity Statement:** Review lifetime history of deposits, withdrawals and bet placement; and
- **Front-end Controls:** Limit duplicates or customers who may be taking a break.

Additional responsible gambling tools available in the United States include:

- **Time/Wager Limit:** Receive pop up notifications for session length and wager amount in 15, 30 or 60 minute increments;
- **Time Limit:** Control the amount of time spent on PointsBet; and
- **Wager Limit:** Control the maximum amount per wager.

Additional responsible gambling tools available in Canada include:

- **Loss Limit:** Control the maximum amount which can be lost within a pre-determined time period.

RESPONSIBLE BUSINESS CONDUCT

PointsBet believes that the effective promotion of responsible gambling begins with a genuine commitment across all of its departments. To that end, the Group aims to empower employees by delivering training which is customised to their unique roles and by making responsible gambling resources fully accessible to all employees.

PointsBet conducts routine surveillance of its various customer databases for indicators of gambling harm through ongoing reporting and monitoring measures.

PointsBet delivers training which is tailored to the unique functions of each department with actionable insights on vulnerability, identification or potentially problematic gambling behaviour and effective communication strategies.

POINTS BET
BELIEVES THAT
THE EFFECTIVE
PROMOTION OF
RESPONSIBLE
GAMBLING
BEGINS WITH
A **GENUINE
COMMITMENT**
ACROSS
ALL OF ITS
DEPARTMENTS



COMMUNITY

PointsBet proudly engages key stakeholders in an ongoing effort to ensure it meets best practices in responsible gambling. Global partnerships with organisations specialising in problem and responsible gambling include the National Council on Problem Gambling [US] EPIC Risk Management [US, AUS] Gamblers Anonymous [AUS] Responsible Gambling Council [US, CAN] and local problem gambling councils.



PointsBet only operates within regulated markets which ensures that regulated standards of consumer protection are met, and positive impacts of legalised gambling are felt within the communities that PointsBet operates.

In addition, in the United States, in collaboration with the National Council on Problem Gambling, during FY23 PointsBet will administer a responsible gambling survey during their annual conference to spark dialogue amongst key stakeholders.

3. COMMUNITY & ENVIRONMENT



Over A\$150,000 was raised for charity during the Shaquille O'Neal celebrity 3-point shootout

COMMUNITY GROUPS

Throughout its global operations, PointsBet is an active contributor in community groups.

A particular focus for the Group during FY22 has been supporting different groups in sports, with plans to continue expanding this support across a range of sporting endeavors.

Current initiatives include:

- Sponsorship of Sydney FC Charitable Foundation power chair football (soccer) program; and
- Partnering with Women in Sports Tech (WiST) to increase career opportunities for women www.womeninsportstech.org.

In addition, PointsBet is associated with The Women's Chamber of Commerce, and The Denver Chamber of Commerce.

CHARITABLE DONATIONS AND SCHOLARSHIPS

During FY22, PointsBet made donations totaling US\$500,000, to Hampton and Norfolk Universities in Virginia, which are HBCU colleges (Historically black colleges and universities) to support scholarships for women in technology.

As part of the market access deal with Texas, PointsBet contributed US \$100,000 to the Austin Football Club, with a further US \$75,000 donated to The University of Colorado. US \$10,000 was donated to the Nota Begay Foundation supporting Native American community health, and US \$50,000 was donated to Women in Sports Technology 'WiST', established to drive growth opportunities for women, at the intersection of sports, technology and innovation.

THE ENVIRONMENT

PointsBet supports environmental sustainability through multiple activities, such as:

- The smart use of office resources;
- Purchase of recycled paper and supplies;
- Recycling of batteries, electronics, and IT equipment;
- Internal recycling of office waste, and paper through recycling bins;
- Smart use of power through sensor lighting, and heating/cooling during non-peak periods;
- Provision of re-usable 'KEEP' cups to all new employees; and
- Use of crockery and silverware instead of paper or plastic.

PointsBet is committed to continuous improvement in this important area and will seek to expand its environmental sustainability programs globally throughout FY23. It is intended that the Group will focus its efforts on areas including the use of biodegradable, fairtrade and recycled products. PointsBet will aim to continue reduction in the overall amount of paper and paper products used, with a preference for crockery and other non-paper products.

During FY22 PointsBet's relocated its European operations to a new office in Dublin also contributed to environmental sustainability of the Group. This building, named 'The Eight Building', is purpose built by its constructors, with a focus on sustainability. The Eight Building has achieved a BER (Building Efficiency Rating) of BER A3, which is in the top category for energy efficiency, and LEED Gold Building Certification. The Eight Building also incorporates multiple leading sustainability practices such as:

- Hot water generation via Mitsubishi heat pump technology for energy efficiency;
- Energy efficient LED lighting is throughout;
- PV panels on roof allowing an element of carbon neutral offset energy;

As PointsBet's global requirements continue to evolve, environmental sustainability will become an increased focus in the Group's decision making. In to the future, the preference will be to engage (where possible) with partners and suppliers who are sustainable and have sustainable practices.

TAXES

PointsBet is a meaningful and significant economic contributor to the various communities within which it does business. Among other ways, this contribution is made through the payment of various gambling specific taxes and other fees (e.g., point of consumption tax) which are paid by PointsBet in addition to the various ordinary taxes, levies and duties that all companies are expected to pay.

For the 12 months to 30 June 2022, the PointsBet Group paid A\$142.2 million in wagering specific taxes, including through the payment of GST, State Point of Consumption Tax and sport and racing products fees in Australia and state wagering taxes and licence fees in North America.

GIVING

Throughout its global operations, PointsBet organised various giving activities for employee participation. Such activities included regular blood donation drive days during which employees were encouraged to donate blood and given paid time off to do so.

Other activities included sponsoring local charities with a local connection for PointsBet employees and organising giving events such as canned food donations and toy drives.

THE GROUP
WILL FOCUS ITS
EFFORTS ON
AREAS INCLUDING
THE USE OF
**BIODEGRADABLE,
FAIRTRADE
AND RECYCLED
PRODUCTS**

4. REGULATION

PointsBet aspires to be a best-in-class gambling operator and a responsible corporate citizen. A key part of this is being an active contributor to the regulatory process within the markets in which the Group operates. During FY22, PointsBet only operated in jurisdictions with a regulated wagering and/or gaming market, meaning that 100% of Group revenue for the period was derived from licensed activities in markets committed to responsible service of gambling.

OPERATING IN REGULATED MARKETS IMPORTANT

PointsBet believes that a thriving gambling sector is only sustainable within a framework that encourages competitive play and minimises the risk of harmful consequences for customers. A fully regulated market is the only way to effectively achieve this delicate balance, and so PointsBet is committed to continuing to only operate within such regulatory frameworks. Where PointsBet considers entering a newly regulated or regulating market, the Group will engage regulators and other stakeholders to, where possible, share the benefits of our experience in other markets.

At present, PointsBet operates in Australia, USA (New York, New Jersey, Illinois, Michigan, Indiana, Kansas, Colorado, Pennsylvania, Iowa, West Virginia, Maryland and Virginia) and Canada (Ontario).

COMPLIANCE AND ENGAGEMENT

Operating in regulated markets provides PointsBet with market stability and will ultimately contribute to better growth and quality earnings for the Group. To maintain this advantage, PointsBet recognises the need to actively comply with regulatory obligations and maintain open dialogue with regulators. Active compliance means taking a responsible approach to protecting PointsBet's customers and ensuring that their experience with the Group remains fun and safe, while developing cutting edge products and services to keep the sector relevant. Open dialogue with regulators is important to ensure that the Group is a prominent contributor to future reform in the jurisdictions within which it operates and to help PointsBet comply with its licensing and other obligations including those related to responsible gambling, taxation, anti-money laundering and other financial crimes, and privacy and data security.

PointsBet assesses each jurisdiction it considers operating in and engages with regulators in the most appropriate manner for each. This may include communication directly, through industry bodies (or through other third parties) with wagering and gaming regulators, financial crime and other regulators, ministers, governments and other key stakeholders. PointsBet strives to maintain external relationships at all appropriate levels of its business with these stakeholders and to contribute to meaningful requests for submission or consultation on key sector issues or reform.

LOOKING AHEAD

Compliance and regulatory engagement will continue to be a strategic pillar for PointsBet into the future. The Board and functional teams at a jurisdictional level have been built out to include staff with dedicated responsibilities for these matters. By taking a responsible approach to compliance and by proactively engaging with regulators PointsBet will be well placed to continue its growth in mature markets and take advantage of those new and emerging while maintaining a strong focus on a best in class, responsibly provided product and service offering to our customers.

5. CORPORATE GOVERNANCE

The Board is committed to maintaining high standards of effective corporate governance arrangements to help create, protect and enhance shareholder value and ensure the future sustainability of the Group.

PointsBet's governance framework provides a solid structure for effective and responsible decision making and setting a culture of integrity, transparency and accountability that flows throughout the Group.

The FY22 Corporate Governance Statement sets out key features of our governance framework. PointsBet confirms it has followed the majority of the ASX Corporate Governance Council Principles and Recommendations 4th Edition (**ASX Principles**) during FY22. The areas of compliance and non-compliance (and the reasons for such non-compliance) with the ASX Principles are set out in the FY22 Corporate Governance Statement.

AREAS OF GOVERNANCE FOCUS

During the year, the Board provided strategic guidance and effective oversight of management in its implementation of PointsBet's objectives and instilling its values and desired culture.

SUSTAINABILITY

- Continued risk-based identification of ESG priorities, including governance, responsible gambling, data security and privacy, culture and community.
- Oversight of sustainability initiatives to ensure they are adequate to deliver progress against the Group's priorities, with Board participation where appropriate.
- Recognising that the Board, together with management, has a critical role in supporting responsible gambling at PointsBet, ongoing Board education in this area is provided as part of the Board's education and professional development calendar.

CULTURE

- Ongoing oversight of PointsBet's desired culture by leveraging data and analytics provided through a range of resources including our employee culture and engagement surveys and insights platform.

RISK MANAGEMENT

- Ongoing review and enhancement of risk management frameworks and governance to support achievement of the Group's business objectives.
- Continued focus on the health, safety and environment (**HSE**) risk management framework with global and regional business resilience teams coordinating and overseeing the Group's ongoing response to the Pandemic.

The Pandemic also prompted the Board to revisit its meeting cadence and structures, including meeting on a more frequent basis (and via virtual technology) in order to oversee and monitor the Group's Pandemic response plans.

POINTS BET GOVERNANCE POLICIES

Details of the Company's Governance Policies are summarised in the FY22 Corporate Governance Statement.

These Policies are available in the Governance section of the Company's website: <https://investors.pointsbet.com.au/>.

***POINTS*BET**