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ENVIRONMENT, SOCIAL AND GOVERNANCE (ESG) UPDATE

November, 2022

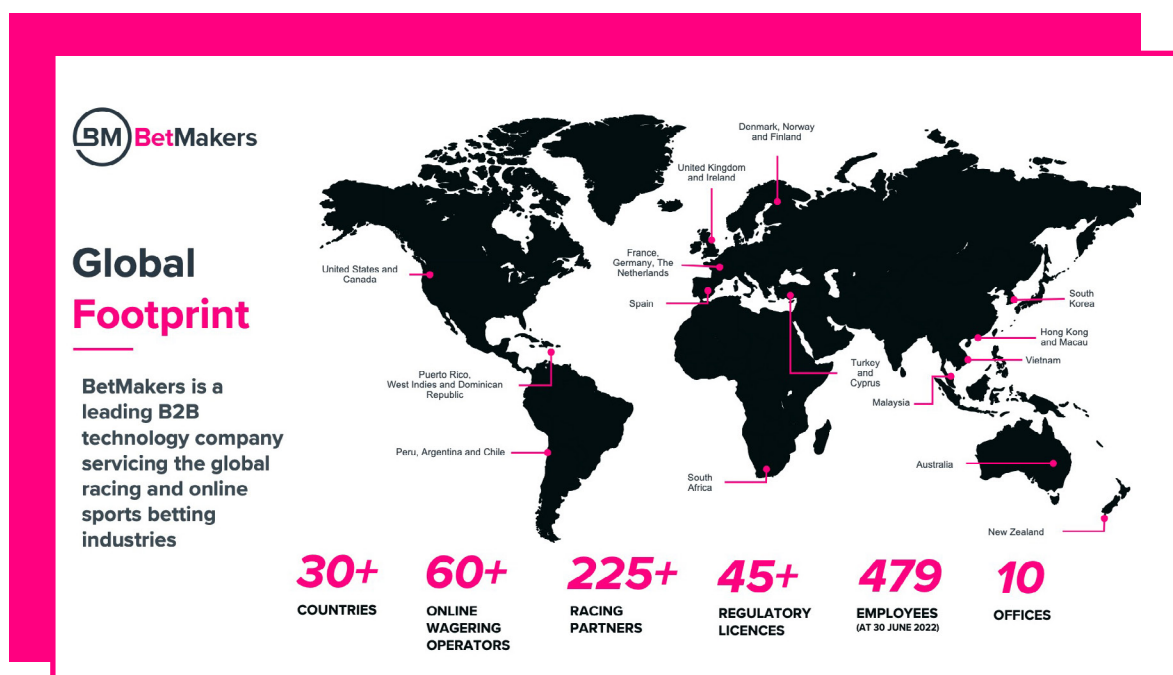
Overview

The BetMakers Board of Directors and the Environmental, Social and Governance (ESG) Committee at BetMakers Technology Group Limited (ASX:BET) (**BetMakers** and the **Company**) are pleased to present BetMakers' ESG update. The purpose of this document is to update stakeholders on the progress that has been made by BetMakers across ESG focus areas.

BetMakers is focused on delivering sustainable positive returns to stakeholders taking into account environmental, social, governance and financial factors. The Company commits to the ongoing development and implementation of its ESG policy and strategy, and will provide further updates in subsequent reports.

Who we are

BetMakers is a leading global provider of B2B technologies and services whose mission is to power the excitement, growth and sustainability of racing globally through innovation, connectivity and integrity.



We are a diverse group of people who are committed to improving the life and experiences of all our stakeholders, and who abide by certain core values in the delivery of our services: to be trusted, to be innovative, to pursue excellence, to promote a team mindset and to centre the customer in everything we do. BetMakers undertakes its business in a way that considers the benefits and impacts of its services to encapsulate a broad group of stakeholders in addition to its shareholders, including racing bodies, horsemen groups, staff, suppliers, customers and the community.


We are focused on providing an environment where staff can be themselves and can shape their careers. We prioritise staff having the opportunity to tackle new projects and to learn and grow. We encourage staff to be heard, and to have the confidence to offer new insights or ideas to improve themselves and the Company without a fear of failure.


BetMakers is committed to servicing and being a major supporter of the global racing industry, which plays an integral role in the sporting life, cultural traditions and economies of many countries around the world.


We want our work to leave a lasting positive impact on all our staff, our customers, the racing industry as a whole and the broader community.

How we manage ESG

We view ESG reporting through four key focus areas:

 **Environment:** Considering the reliance of the Company on data centres and the technological efficiency of hardware equipment, BetMakers acknowledges the impact that energy consumed has on the planet. Hence, delivering carbon reduction goals alongside more efficient natural resource consumption is a core part of the business strategy.

 **Our employees:** Employee engagement is one of the most important aspects for the core business of BetMakers. Hence, being an employer of choice that promotes employee wellbeing and encourages the ongoing training, development and success of its employees is crucial to ensuring that the Company is an innovative leader in the industry.

 **Our community:** Providing meaningful and positive contributions to the racing industry and the broader community are critical for the ongoing success of BetMakers. Hence, the Company is committed to undertaking its business in an ethical and responsible fashion, and supporting the racing industry to commercialise its intellectual property rights in a way that provides growing returns to the racing industry and its participants.

 **Governance and regulation:** The Company operates in a vast number of jurisdictions and in a highly regulated industry. Hence, prioritising data security and responsible gaming practices, and maintaining high standards of corporate governance that provide strategic guidance and effective support to management, is a key strategic focus for BetMakers.

We believe improving our business and considering ESG factors are the responsibility of all employees, and should be reflected in the decisions we make. As part of our decision-making processes, the Company considers broader factors (beyond purely financial factors) which focus on providing a positive impact to stakeholders.

BetMakers has established the Environmental, Social and Governance Committee (the **ESG Committee**) to assist the Company in its decision-making processes and to collate feedback and results that provide a baseline from which continued ESG improvements can be made. A broad range of employees from across our global business (comprising various roles and departments



including employees and executives from Finance, Legal, People and Culture, Marketing and Administration) are members of the ESG Committee.

The ESG Committee meets at a minimum on a quarterly basis and is responsible for reviewing and overseeing the Company's goals, policies, procedures, and disclosures relating to sustainability and ESG matters. The ESG Committee reports to the Audit and Risk Committee. The Board oversees ESG updates and other deliverables from the ESG Committee.

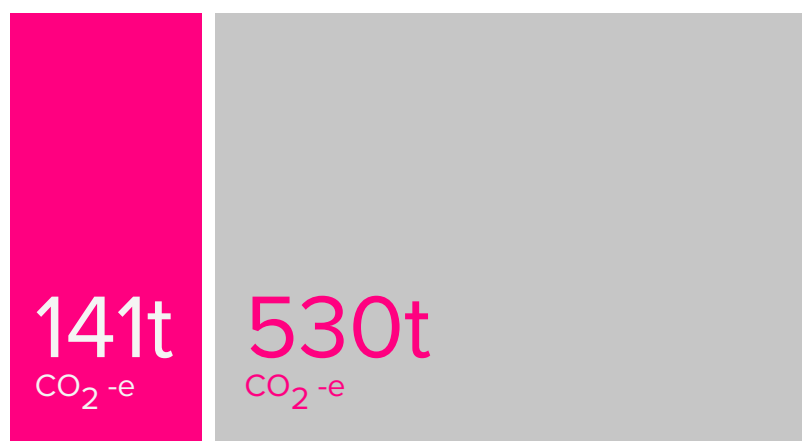
ESG-related risks are captured within the Company's broader risk review process, which is overseen by the Audit and Risk Committee and the Board. The ESG-related risks (alongside the development of appropriate mitigating factors) are tasked to the ESG Committee for management.

Environment

BetMakers is committed to doing business in an environmentally responsible manner and to identifying environmental risks and opportunities that may arise out of its business operations.

BetMakers references the TCFD and SASB frameworks in ensuring best practice structuring and reporting of environmental matters, and intends to report against these frameworks in future ESG updates. For further context of the Company's operations and its environmental footprint, BetMakers is a technology company with approximately 500 employees globally, operating across 11 offices.

The Company's Scope 1 and Scope 2 emissions were primarily a result of energy usage within leased premises, and fuel associated with company owned vehicles. Our emissions for the year ending 30 June 2022 are detailed below:



Scope 1 : Scope 2 Emissions

The above calculated emissions establish the benchmarks that the Company will use to establish and measure its future environmental targets.

BetMakers will continue to improve and evolve its environmental practices, and is currently adopting various activities to support positive environmental outcomes including:

1. Encouraging investors to receive communications from the Company via electronic media.

2. Minimising carbon intensive travel options and encouraging video meetings.
3. Encouraging carpooling by staff.
4. Implementing and encouraging recycling programs in all offices.
5. Reducing, reusing and recycling terminal shipping and storage materials.
6. Developing and promoting betting technologies that reduce dependence on betting terminal ticket paper in venues.
7. Using smart heating / cooling for offices in off-peak periods.
8. Conserving power through sensor lighting and air-conditioning.
9. Choosing terminal and other supply partners who have established environmental practices.
10. Recycling IT equipment.
11. Reducing printing in offices.
12. Opting for digital sales and marketing materials over printed media.
13. Using crockery and silverware to minimise use of paper or plastic utensils.

From a policy and governance perspective, all directors and employees are required to report any breach or suspected breach of applicable environmental laws and regulations in accordance with BetMakers' internal code of conduct.

Our employees

One of BetMakers' key strategic goals is the attraction, retention and development of market leading talent. We deliver upon these objectives by:

1. Cultivating an inclusive, engaged and empowered workforce;
2. Celebrating success;
3. Creating a performance-driven and impactful culture; and
4. Facilitating learning initiatives.

BetMakers works deliberately and carefully to provide an engaging and fulfilling place of employment for its staff, and to support the ongoing welfare of its staff. The Company embeds a culture of inclusiveness, support and respect throughout its global business, and monitors employee morale and culture through regular engagement surveys. The most recent engagement survey was completed in September 2022. 80% of employees completed the survey, and the overall engagement score was 80% (compared to the all industries benchmark of 73%).

BetMakers is committed to monitoring and promoting the diversity of employees, including through diversity in leadership roles and to supporting all forms of diversity including with respect to race, nationality, age and gender.

In FY22, our board achieved female representation of 40%.

As at 20 October 2022, BET has the following gender split:

- Staff gender ratio of 20% female and 80% male; and
- Senior staff and Board gender ratio of 26% female and 74% male.

The Board has adopted the following measurable short-term objectives for achieving greater gender diversity by 30 June 2023:

- Staff gender ratio to be a minimum of 25-30% female; and
- Senior staff and Board gender ratio to be a minimum of 25-30% female.

Gender equality, diversity and inclusion add value to our business and to our stakeholders: they support higher performance, deliver stronger outcomes, and help us to build a competitive advantage through the creation of innovative and market leading customer solutions.

BetMakers takes deliberate steps to centre gender equality, diversity and inclusion as intrinsic to who BetMakers is: driving how we work together, how we do business, how we serve our customers and how we contribute to our communities.

The Company's September 2022 engagement survey scored 84% on diversity and inclusion, which, we believe, highlights the strong progress BetMakers is making to deliver positive diversity and inclusion outcomes.

As part of the BetMakers Gender Diversity Scorecard, we commit to the following actions:

- Conduct a full pay equity gap analysis at each level of the business;
- Ensure female candidates are given an equal opportunity throughout the recruitment process;
- For each vacancy, ensure at least one female is interviewed (merit-based interviews);
- Provide unconscious bias training for all managers, to be aware throughout the recruitment and performance processes;
- Competitive paid parental leave scheme for both primary and secondary caregivers, together with supplementary support and paid leave for special circumstances including adoption, foster care, IVF, miscarriage and stillbirth; and
- Include agreed gender KPIs in the leadership teams' goals by 2023.

BetMakers operates a hybrid model of working, combining a balance of remote working and in-office time to provide employees with increased flexibility and autonomy to choose how they work best. We recognise that employees have commitments outside of work and the Company offers options to suit their needs. The wellbeing of our people is of the utmost importance, with staff scoring their work and life blend at 85% on the September 2022 survey.

BetMakers takes a proactive approach to minimising workplace health and safety risks throughout its operations, including health and safety risks posed throughout the COVID-19 pandemic. During the pandemic,



business continuity and disaster recovery plans were developed to mitigate key risks. During the 2021/2022 economic crisis in Sri Lanka, staff were offered work from home flexibility, inflation allowances, travel assistance and paid hotel rooms to accommodate working conditions during the power outages.

BetMakers completes periodic workplace inspections and workplace risk audits, as required, to ensure its workplaces are as safe as practicable for all staff and compliant with all applicable work, health and safety laws and regulations.

Yearly health and ergonomic assessments are provided to employees to ensure health is held as a high priority. Fire wardens are appointed at each office. Employees are provided with a health and safety overview during the induction process.

BetMakers also offers free, confidential Employee Assistance counselling services to employees with unlimited sessions available. Topics covered in these sessions include financial support, management support, and health and nutrition advice among many others.

Our community

BetMakers recognises the responsibility that all companies have to conduct their operations in a way that provides a net positive benefit to society. BetMakers is committed to undertaking its business in an ethical and socially responsible way.

BetMakers is an active supporter of various community initiatives, including:

1. STEPtember;
2. Fight Cancer, Wear Footy Colours;
3. R U OK;
4. National Blood Donation Week;
5. Children's Day fund-raiser to support to support The Cerebral Palsy Lankan Foundation;
6. International Women's Day
7. Supporting charity 'Got Your Back Sista', a cause to support women and children suffering from domestic violence situations;
8. Local indigenous sponsors;
9. Racehorse retirement initiatives;
10. Annual matched Christmas giving to select charities in Australia, the US, Sri Lanka and the United Kingdom.

BetMakers contributes to fundraising events hosted by our clients to support their local charitable initiatives and we provide direct sponsorship to the Thoroughbred Retirement Foundation.



The Company sponsors racing at racetracks such as Kentucky Downs, Hawthorne Race Course, Meadowlands, Selangor Turf Club, Century Downs, Century Mile, Monmouth Park, and others, and also sponsors events such as the Gran Premio Latinoamericana, the Fasig Tipton Saratoga Sale and the National Horseplayers Championship.

We engage in industry initiatives through our membership in organisations such as the World Tote Association and through our participation in industry events such as the Symposium on Racing and Gaming and the Asian Racing Conference.

BetMakers is committed to preventing modern slavery in all aspects of its business and supply chains. Employees are encouraged to raise concerns about any issue or suspicion of modern slavery at the earliest possible stage. BetMakers has implemented a modern slavery policy and intends to publish a modern slavery statement following the conclusion of the 2022/23 financial year.

Governance and regulation

BetMakers is committed to operating its business in a way which complies with applicable laws and regulatory requirements. BetMakers maintains an ongoing focus on risk management, compliance, anti-corruption, anti-bribery and anti-money laundering under the supervision and direction of the Board.

One of BetMakers' core strategic focuses is the protection of our stakeholders and investors through the adoption and implementation of effective corporate governance structures and practices.

The Company will deliver upon its corporate governance objectives by:

1. Critically assessing and improving its corporate governance approach on an ongoing basis (including through the support of third party experts);
2. Improving stakeholder communications;
3. Ensuring world-leading data protection; and
4. Embedding risk and compliance across all parts of our business.

The Company's Board currently consists of five directors, including the Chief Executive Officer.

The Company adopts 'Selection and Appointment of Directors Policy' which sets out the mix of skills and diversity that the Board currently has or should comprise in its membership, including without limitation:

1. Bookmaking and betting industry experience;
2. Information technology;
3. Business acquisition and integration skills;
4. Financial literacy and legal and regulatory knowledge;
5. Diversity;
6. Policy and regulatory development and reform;
7. Health, safety and environment and social responsibility; and
8. Organisational development and human resources.

The Board has delegated some of its responsibilities to three standing committees, which consist of directors and/or senior management personnel: the Audit and Risk Committee, the Nomination and Remuneration Committee, and the Environment, Social and Governance Committee.

Responsible gaming

Responsible gaming — and the provision of technology solutions and tools that promote the responsible use of wagering products — is a key focus for BetMakers.

It is important that businesses operating in the wagering sector conduct themselves in a way which prioritises a fair environment for customers, including through enablements that allow customers to set deposit limits, take breaks and participate safely.

While BetMakers operates predominantly in the B2B space, it remains (and will continue to be) a strong advocate for responsible gaming.

BetMakers undertakes its development works in a way which prioritises solutions that offer an engaging, safe and innovative experience to customers, and invests in tools and integrations that support responsible gaming. BetMakers also provides responsible gaming training to staff.



The BetMakers platform has a wide range of responsible gaming features which include:

- Self-exclusion mechanisms;
- Tools that enable players to have short and long breaks from wagering;
- Deposit limits; and
- Provision of account statements summarising wagering activities and financial outcomes.

Integrity

BetMakers is a global leader in the provision of integrity solutions that help to detect fraud and other anomalies during racing events. As part of this service, BetMakers collects wagering data and applies artificial intelligence and other technologies to identify potential integrity concerns. BetMakers has a team of highly skilled risk analysts who are trained to identify and act on fraudulent activity, utilising BetMakers' custom integrity monitoring tools and reports for identifying and flagging such activity.

BetMakers' integrity solutions are used by rights holders and racing authorities throughout the world.

BetMakers also partners with a range of market leading tech providers who help to verify payment options and end users.

Anti-money laundering

BetMakers is committed to complying with all applicable Anti-Money Laundering and Counter Terrorism Financing (AML/CTF) requirements, reporting guidelines, laws and regulations in each jurisdiction in which it conducts its operations.

The Company requires that its business partners, including wagering operators, commit to complying with all AML/CTF requirements, including having in place a compliant AML/CTF Program alongside relevant policies, processes and procedures.

BetMakers completes AML/CTF and Bankruptcy checks on all Australian staff prior to employment.

Data security

Information security and data privacy are key priorities for BetMakers, and we have a dedicated information security and cyber risk team that is responsible for managing these priorities.

In furtherance of its objectives of being a market leader in data security, privacy and the protection of personal data, BetMakers recently achieved ISO27001 (Information Security Management) certification. ISO27001 certification requires a business to have legal and technical controls in place which protect the unauthorised or unlawful processing of personal data.

In addition to delivering ISO27001 certification, the Company provides ongoing cyber security training and awareness exercises for staff, and provides regular updates to customers and other stakeholders around cyber resilience and cyber security threats.

Responsible operations in regulated markets

BetMakers operates in over 30 countries and 45 regulatory jurisdictions around the world and employs dedicated compliance professionals to manage ongoing licensing and regulatory responsibilities.

The Company works closely with its various regulators and licensing bodies, proactively engaging on key matters and ensuring that the various technical, hardware and software solutions developed by the Company comply with regulatory requirements.

Where to from here?

BetMakers is proud to provide stakeholders with the Company's ESG update and to highlight some of the progress that has been made by BetMakers.

Whilst this document summarises our current ESG efforts, BetMakers recognises that strong ESG performance requires an embedded self-reflection process and a commitment towards continuous improvement and excellence.

BetMakers is committed to building on this foundation. We will continue to develop and enhance our ESG systems and actions under the supervision and direction of the Board and executive team, and look forward to updating stakeholders on our progress.

