



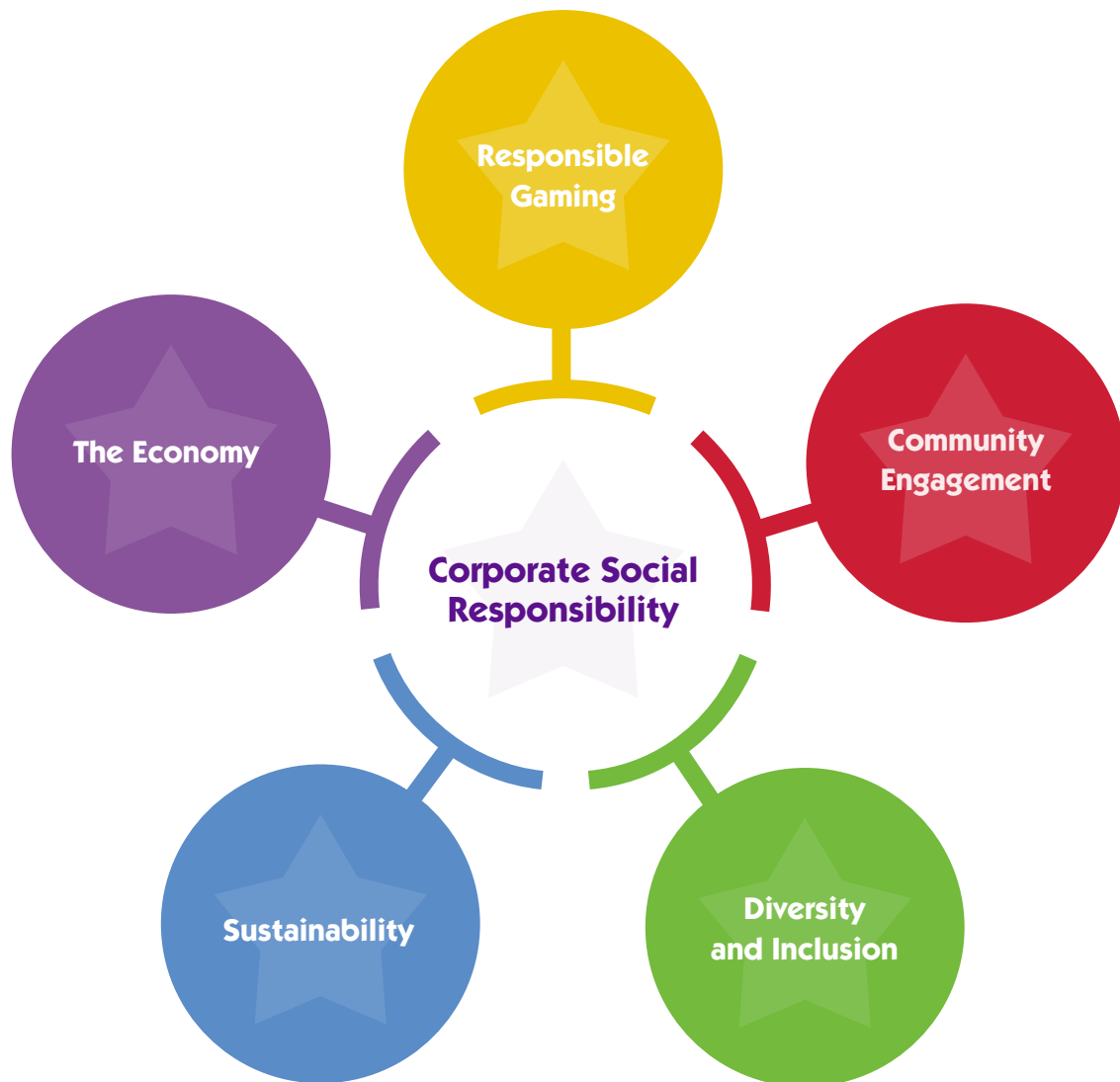
## CORPORATE SOCIAL RESPONSIBILITY REPORT SUMMER 2022

The Tennessee Education Lottery Corporation (TEL) was created by a public referendum to provide funding for specific education programs in the state. These programs were especially designed to assist Tennessee students in pursuing higher education degrees. More than \$6.5 billion has been raised, and more than 1.7 million scholarships and grants have been awarded since inception in 2004—a true success story that serves as a model nationwide.

But there's more to know about the tremendous value the TEL brings to Tennessee. The organization is committed to positively

impacting Tennesseans, communities and the environment through a variety of Corporate Social Responsibility (CSR) programs.

Impact areas include: **Responsible Gaming, Community Engagement, Diversity and Inclusion, Sustainability**, and the **Economy**. By focusing on these CSR pillars in addition to its core mission, the TEL reinforces the vital role it plays in the Volunteer State.





# CORPORATE SOCIAL RESPONSIBILITY REPORT

## SUMMER 2022

### *I. Responsible Gaming*

With its commitment to responsible gaming practices, the TEL has been awarded a prestigious **Level 4 Certification** from the World Lottery Association (WLA). Level 4 is the highest level of such certification from this global organization. As of 2022, the TEL was one of only eight U.S. lotteries at this top level. And, in June 2022, the TEL was awarded recertification of Level 4 after an arduous submission process.

The TEL also maintains the highest level of Responsible Gaming (RG) verification from the North American Association of State and Provincial Lotteries (NASPL)/National Council on Problem Gambling (NCPG).

These prestigious distinctions represent the TEL's wide-reaching focus on raising funds and providing entertainment in a socially responsible manner. During the past year, the TEL continued to add to its RG programs, building on the solid foundation it has laid.

Key activities included:

#### **Stakeholder Engagement**

- Contracted with the state Comptroller's Office for an Independent Assessor's Report of its WLA Level 4 recertification submission.
- Continued to work with major gaming vendors to ensure their participation in RG programs.
- Built on tracking mechanisms to gain feedback from players and retailers about RG game design and marketing.
- Continued participation with the Tennessee Association of Alcohol, Drug & Other Addiction Services (TAADAS), NCPG, NASPL and WLA.

#### **Game Design**

- Continued to incorporate its award-winning Game Design Assessment Template to formalize the steps taken to ensure responsible game ticket designs.

Play RESPONSIBLY

#### **Retailer Program**

- Maintained a robust RG retailer training and communication program.
- Implemented a retailer RG questionnaire and response tracking mechanism.
- Continued annual compliance reviews that include ensuring retailers are adhering to RG components.
- Reinforced use of the "Play Responsibly" ticket terminal button.

#### **Employee Program**

- Continued to enhance this program, described by WLA as "comprehensive."
- Incorporated RG training in new hire orientation and annual compliance training for all.
- Added an RG Tip to CEO's monthly memo to staff.

#### **Advertising and Marketing**

- Continued to raise awareness about the Tennessee REDLINE addiction hotline/text number through a variety of mechanisms.
- Utilized the TEL's compliance checklist to ensure all advertising and marketing campaigns incorporate RG principles.
- Analyzed data gleaned from focus groups and surveys to determine effectiveness of the RG portion of advertising and marketing programs.

#### **Treatment Referral**

- Developed a QR code for point-of-sale pieces that connects players with gaming addiction resources listed on the TEL's Play Responsibly website page.
- Continued compiling monthly REDLINE data from TAADAS.

#### **Insights**

- Further enhanced measurement and data tracking mechanisms to analyze data from players, retailers, employees and TAADAS.
- Continued expansion of the TEL internal RG Database.



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### II. Community Engagement

The TEL is committed to participating in activities that benefit communities throughout the state. Just some of these initiatives have included:

- Holiday gift giving for the Salvation Army Angel Tree and McGavock Elementary School Stars programs.
- Food drives for Second Harvest Food Bank.
- Community service projects that are built into the scope of work for the Lottery's summer internship program.
- Sponsoring and participating in sporting events, fairs and festivals.
- Serving as a PENCIL partner to McGavock Elementary School. TEL activities at the school have included classroom supply drives, volunteer work and holiday gift giving (PENCIL=Public Education Needs Community Involvement and Leadership).
- Partnering with television stations in the "Educator of the Week" program, designed as a way to publicly acknowledge the valuable role educators play in so many lives.
- Participating in the state's Amber Alert program by transmitting alert information to Lottery terminals at more than 5,000 retailer locations.
- Providing speakers to civic and community groups.

### III. Diversity and Inclusion

The TEL is committed to fostering diversity and inclusion through the following initiatives:

- **Wanda Young Wilson Internship Program**, which provides professional training and entry-level work experience to students attending Tennessee's Historically Black Colleges and Universities.
- **TEL Advisory Council on Minority Business Participation**, a group of business leaders who assist with developing strategies to increase minority business participation.
- **TEL's Board of Directors Minority Business Participation Committee**, which analyzes progress and spending achievements of TEL diversity programs at its quarterly meetings.
- **Annual diversity training** for the entire TEL workforce, which continues to represent an impressive level of diversity:
  - 60% Women
  - 40% Men
  - 45% Minority
  - 55% Non-minority
- **Equal Business Opportunity Program**, which includes active engagement with minority businesses. The TEL and its major procurement vendors exceeded goals in FY22 as follows:
  - Buntin 16%
  - IGT 20%
  - SGI 17%
  - TEL 21%
- **Participation** in the Governor's Office of Diversity Business Enterprise programs and sponsoring procurement workshops with an emphasis on minority business recruitment.

### IV. Sustainability

Bringing value to Tennessee includes a commitment to the environment through programs such as:

- **Workplace recycling** – cans, plastic, obsolete computer equipment, everyday paper documents.
- **Play It Again!** instant ticket second-chance drawing program, which brings value to non-winning tickets to discourage littering while offering another chance to win.
- **Mobile drawing game playslip.** Use of this digital tool is on the rise, reducing the need for paper playslips.
- **Recyclable ticket paper** is used for both instant and drawing-style tickets.

### V. Economic Impact

While 100 percent of the TEL's profits benefit education, other dollars from Lottery ticket sales benefit the state in different ways.

- **Prizes:** Players have won more than **\$17.8 billion in prizes**, which can create a positive impact on the economy. Many winners tell us they plan to pay off mortgages, make home improvements, buy a home, make other purchases and/or donate to charitable organizations.
- **Lottery Retailers:** Retailers have earned more than **\$1.7 billion in commissions**. Those dollars boost their bottom line and can be used for a variety of improvements or staffing at their businesses.
- **Debt Set-Offs:** The TEL assists several State agencies by withholding any state-owed debts from Lottery winners of \$600 or more and remitting those funds to these agencies.