Light & Wonder, Inc.

Employee Stock Purchase Plan Guide

For Participants in Australia, Canada, Greece, India and the UK

May 2022

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Dear Light & Wonder Employee:

The Light & Wonder, Inc. 2016 Employee Stock Purchase Plan (the "Plan") allows eligible employees to purchase Light & Wonder, Inc. (the "Company") common stock, par value $.001 per share ("common stock") at a discount through periodic payroll deductions. This Guide is designed to help you understand employee stock purchase plans in general and the specific parameters of the Plan.

Fidelity Stock Plan Services ("Fidelity") has been selected by the Company to provide services to help you manage participation in the Plan. You can enroll in the Plan and sell shares acquired through the Plan on the Fidelity website, **netbenefits.com**. If you are an employee in Greece you will also need to complete a hard copy version of an additional form to provide consent to deductions from your pay to participate in the Plan. Instructions for how to obtain that form are provided on **netbenefits.com**.

This document summarizes some important points about the Plan; however, it is not a summary plan description, nor does it purport to give investment or tax advice. For more complete information about the Plan, you should read the Prospectus and the Plan (the "Plan documents") located on the Benefits website (mylnwbenefits.com). In case of any discrepancy between this information or any oral representation and the Plan documents, the Plan documents will govern. Participation in the Plan is not a guarantee of employment. The Company reserves the right to amend or terminate the Plan at any time.

Questions & Answers

A Glossary of Terms is provided on page 18.

What is an Employee Stock Purchase Plan? An employee stock purchase plan (“ESPP”) is an employer sponsored program that allows you to make planned, periodic purchases of employer stock through convenient payroll deductions. We refer to the Company ESPP as the “Plan.”

The Plan allows you to:

- Invest up to 15% of your Eligible Compensation in the Company’s common stock through payroll deductions.
- Purchase the Company’s common stock at a discount.
- Become a holder of the Company’s common stock in a convenient manner.

How does the Plan work?
If you are an eligible employee of the Company or a designated subsidiary of the Company, you may authorize payroll deductions of 1% to 15% of Eligible Compensation each Option Period. Percentages must be in whole amounts (i.e., 3% is allowed; 3.5% is not). The amounts deducted are accumulated over the Option Period and used to purchase shares of the Company’s common stock on the Purchase Date, which occurs on the last day of each six-month Option Period.

The purchase price will be 15% less than the Fair Market Value (“FMV”) of a share of common stock on the last day of the Option Period. For each Option Period, there is a 150,000 share limit on the total number of shares that can be purchased under the Plan across all participants. Should the cumulative amount of contributions during an Option Period exceed the amount of funds required to purchase 150,000 shares, the share purchase will then be pro-rated in proportion to each participant’s respective contributions to the Plan, over that Option Period. The balance of unused contributions will be refunded to the participant. Shares purchased under the Plan are also subject to a 6-month holding period following the Purchase Date at the end of the Option Period.

The Plan will operate on two consecutive six month Option Periods each year, with the first beginning on January 1 and ending on the Purchase Date of June 30 and the second beginning on July 1 and ending on the Purchase Date of December 31.

The Plan addresses the consequences of terminating employment and includes provisions for increasing or decreasing payroll deductions and withdrawing from participation.

How much may I contribute?
You may contribute, by payroll deduction, any amount between 1% and 15% of your regular base pay (excluding overtime, premium pay, bonuses, commissions and similar payments) for each full payroll period in the Option Period. Your payroll deductions for each Option Period are calculated and based on your pay rate at the beginning of that Option Period. Amounts will be withheld only in whole percentages. Deductions will be made from your after-tax paycheck each full pay period during the Option Period and held by the Company without interest until the Option Period is completed.

How is the payroll deduction calculated?
All deductions are based on pre-tax compensation but deducted on a post-tax basis.

EXAMPLE:

- Annual base pay rate = $52,000;contribution rate = 15% of eligible pay.
- Base salary rate for six-month Option Period = $26,000/13 pay periods = $2,000 gross per biweekly pay period.
- $300 deducted per pay period ($2,000 x 15%) even if your actual pay is different than $2,000 gross per biweekly pay period.
- Assuming $1,200 is your net take home pay before the ESPP deduction, your final net take home pay will be $1,200 - $300 = $900.

What price will I pay?
The purchase price will be 85% of the market price (FMV) on the last day of the Option Period.

Who is eligible?

If you are an employee of the Company or a designated subsidiary (customarily employed at least 20 hours per week) located in Australia, Canada, Greece, India or the UK as of the beginning of the Option Period and your Eligible Compensation in the prior calendar year does not exceed the equivalent of $250,000 (USD), you are eligible to participate in that Option Period.

Questions & Answers

How do I join?
You may enroll in the Plan through the enrollment website at **netbenefits.com** during the Open Enrollment Period. Additional details for enrollment will be sent to you under separate cover. If you are an employee in Greece you will also need to complete a hard copy version of an additional form to provide consent to deductions from your pay to participate in the Plan. Instructions for how to obtain that form are provided on **netbenefits.com**. Your participation will begin with the first Option Period following your enrollment. Your enrollment will remain in effect for successive Option Periods until it is revised or revoked by you.

If I decide not to join right now, will I have another opportunity?
Yes. If you decide not to join the Plan for the upcoming Option Period, you may enroll in a later Option Period during the Open Enrollment Period for that Option Period. The Plan will remain in effect unless the Board of Directors of the Company terminates it or the shares reserved for purchase under the Plan have all been purchased.

May I begin participation in the middle of an Option Period?
No. To participate in a given Option Period, you must enroll during the Open Enrollment Period before the start of the Option Period.

May I withdraw from the Plan at any time?
Yes. If you find it necessary to withdraw from the Plan, simply go online to the Fidelity website, **netbenefits.com**, and select "withdraw money." Your payroll deductions will stop and you will receive a refund of your contributions within the current period. If you do withdraw from the Plan, you cannot rejoin during that Option Period. You can, however, enroll in the next Option Period.

What happens if I leave the Company?
If at any time you cease to be employed by the Company or a subsidiary, you will be withdrawn from the Plan and your un-invested payroll deductions will be returned to you. If you are rehired, you may rejoin the Plan through the standard enrollment process when you become eligible.

Can I stop my contributions and still participate in the Plan?
Yes. With prior notice, you may suspend your contributions to the Plan as of the middle of an Option Period. The contributions deducted from your payroll during the first half of the Option Period will be used to purchase shares at the end of the Option Period but no further contributions will be made during the balance of the Option Period. In addition, you will be deemed to have elected not to participate in subsequent Option Periods and must re-enroll to participate in a future Option Period.

May I increase or decrease my payroll deductions during an Option Period?
During an Option Period, you may not increase your contribution rate, but you may make one election to decrease your contribution rate. You may make that election any time up to the middle of the Option Period to take effect at the midpoint of the period.

For the period…	You can submit changes up to…	To take effect with the next payroll deduction after …
January – June	March 31	April 1
July – December	September 30	October 1

To decrease your contribution:
Method: Select new percentage under "view or change payroll deduction" on website

Effect on the current period: Reduces contribution as of midpoint for Option Period

Effect for future periods: Reduced rate applies unless you make subsequent changes during open enrollment for future Option Periods

How many shares can I buy?
The number of shares purchased depends on the market price or FMV of the Company's common stock on the last trading day of the Option Period and the cumulative amount of your contributions at the end of the Option Period. On the last day of the Option Period (the Purchase Date), accumulated contributions will be used to purchase whole shares at the Purchase Price. The "market price" or FMV is equal to the closing price of the Company's stock.

Individual share purchases will be further limited such that the cumulative number of shares purchased in an Option Period does not exceed 150,000 shares. In the event that this limit is reached, an equal proportion of each participant's contributions will be applied toward the purchase of shares, and any balance of unused contributions will be refunded to participants.

No fractional shares will be purchased, and any remaining cash insufficient to buy a whole share will be automatically retained for your account by the Company for the next Option Period. For example: If the market price on the purchase date is $10.00, 85% of that price is $8.50. If your payroll deductions amount to $300.00, you would be able to purchase 35 shares for a total price of $297.50. The balance of $2.50 would be retained for your account by the Company for the next Option Period.

EXCEPTION: In no event will you be able to purchase more than the number of shares determined by dividing (i) 15% of your base pay during the Option Period (based on the rule in effect at the beginning of the Option Period) by (ii) 85% of the FMV of a share of the Company's common stock as of the first day of the Option Period. In addition, in no event may you participate to the extent that you would own five percent (5%) or more of all of the outstanding common stock of the Company after the Option Period.

The Company may limit the maximum number of shares a participant can purchase in an Option Period. The Internal Revenue Service (IRS) limits the number of shares that can be purchased in any calendar year. No participant may purchase more than $25,000 (in total value) of the Company's common stock in a calendar year. This is based on the FMV of the Company's common stock at the start of the Option Period.

Do I automatically own a share of the Company's common stock as soon as its cost has been deducted from my compensation?

No. The stock is only actually purchased twice a year, on the Purchase Dates. A Purchase Date is the last day of each six-month Option Period. You must be employed on the Purchase Date to purchase stock.

Will I pay tax on the purchase or sale of my shares?

Please see the Tax Considerations section relevant to your location below for details.

May I make a cash contribution to the Plan in addition to my payroll deductions?

No. Contributions can only be made through the after-tax deductions from your paycheck.

Do I receive interest on my payroll deductions?

No.

What happens to the shares purchased for me?

After the close of each Option Period, your shares will be deposited into your account at Fidelity. Shares purchased under the Plan are subject to a 6-month holding period from the Purchase Date, during which time you will not be able to sell or transfer shares purchased under the Plan.

How can I find out the number of shares purchased for me at the close of the Option Period?

You may view the total number of shares purchased for you at the close of each Option Period by logging into your account at **netbenefits.com**. Shares typically will show in your account 2 weeks after the Purchase Date to allow for audit and processing procedures.

When may the shares purchased through the Plan be sold?

You may sell your shares any time after the 6-month holding period following the Purchase Date (provided you are not in possession of material information regarding the Company that is not available to the public, and not subject to any Blackout Period and/or pre-clearance restrictions to which you may be subject under the Company's Securities Trading Policy). You may be subject to certain tax obligations at the time of the sale. Please see the Tax Considerations section relevant to your location below for further details.

What happens if there is a stock split, stock dividend, or other change affecting the Company's common stock?

Your shares reserved under the Plan will be adjusted proportionately in the event of a stock split or stock dividend. In the event of any other change affecting the Company's common stock, the Board of Directors of the Company will make any necessary adjustments.

Questions & Answers

Can my rights to purchase stock with payroll deductions be assigned to anyone else?
No. The Plan is designed as a benefit for employees of the Company.

Can the Plan be amended or terminated?
Yes. The Board of Directors of the Company may amend or terminate the Plan; however, such amendment cannot adversely affect a participant's existing rights under the Plan. Certain amendments will require shareholder approval.

What happens to my ESPP contributions and/or purchased shares if I die? How can I name a beneficiary?
In the event of your death, any contributions you have made during the Option Period and any purchased but undelivered shares will be paid to your beneficiary. You may obtain a beneficiary form from Fidelity.

Australia Tax Considerations

Please also see Appendix 1 for additional information relevant to employees in Australia.

This taxation summary is general in nature and is based on Australian tax laws as at 31 May 2021 and the Australian taxation obligations in relation to participation in the Plan.

This summary is confined to taxation issues and is only one of the matters you need to consider when making a decision about your investments. This summary is general in nature and your individual circumstances may affect the taxation implications of your investment. Plan participants should seek appropriate independent professional advice that considers the taxation implications in respect of their own specific circumstances before making a decision about their investments. Light & Wonder, Inc. (or its subsidiaries) and its advisors disclaim all liability to any Plan participant or other party for all costs, loss, damage and liability that the participant or other party may suffer or incur arising from or relating to or in any way connected with the contents of this summary or the provision of this summary to the participant or other party or the reliance on this summary by the participant or other party.

The guide assumes that you are an employee of Light & Wonder, Inc. (or one of its subsidiaries) and that you are, and remain, a resident of Australia (though not a temporary resident) for tax purposes from when the Option Period begins and until you sell or otherwise dispose of the underlying shares. There are specific rules regarding international assignees and those whose residency status changes. These rules need to be considered on a case-by-case basis and you should consult your tax adviser in these circumstances.

TAX IMPLICATIONS

The following tax implications assume:

- Immediately after the Option Period begins, you do not have more than 10% beneficial interest in the Company's issued capital and/or you are not able to cast or control the casting of more than 10% of the maximum number of votes that may be cast at a general meeting.
- You are, and remain, an Australian resident (but not a temporary resident) for taxation purposes throughout your participation in the Plan and are not considered "internationally-mobile" for tax purposes.
- You hold the right to receive shares and resulting shares of common stock in your own name and the resulting shares will be held by you on capital account.

What are the various taxable events in relation to the ESPP?

Taxation will generally occur in two stages under the provisions of the *Income Tax Assessment Act 1997* ("ITAA 1997"). The first taxation point will likely be on the lifting of the disposal condition, which under the terms of the Plan, is 6 months after the shares are issued. If there are further disposal restrictions, such as a Blackout Period, at the end of the 6-month period, then the first taxation point will be deferred until that Blackout Period has lifted.

The second taxation point will be on the sale of your shares.

Where you sell your shares within 30 days of the first taxation point, you will only have one taxation point, being the date you sell your shares.

What is your assessable income at the first taxation point?

Where you do not sell your shares within 30 days of the first taxation point, your assessable income is the difference between the market value of the shares at the first taxation point, less the amount paid by you from your wage contribution. The assessable income will be taxed as ordinary income in the year the first taxing point occurs at your marginal rate of income plus any additional levies.

What is your assessable income if you sell your shares within 30 days of the first taxation point?

Where you sell your shares within 30 days of the first taxation point, your assessable income is the difference between the proceeds received from the sale of your shares less the amount paid by you from your wage contribution and any sales costs. The assessable income will be taxed as ordinary income in the year the sale occurs at your marginal rate of income plus any additional levies.

What is your assessable income at the second taxation point?

Where your shares are sold more than 30 days after the first taxation point, this will give rise to a Capital Gains Tax ("CGT") event and will result in a capital gain or capital loss. The capital gain or loss is calculated as the difference between the sales proceeds and the cost base of the shares (which includes the market value of the shares at the first taxation point), less any sales costs.

If you realize a capital gain, the gain (after first offsetting any available capital losses) will be taxed at your marginal rate of tax (plus applicable levies). A 50% CGT discount may be available if you have held the shares for more than 12 months since the first taxation point.

If the sale proceeds are less than the reduced cost base of the shares then you will make a capital loss.

You will need to disclose the capital gain or capital loss in your tax return for the year in which you sell your shares.

What is the obligation of your employer company?

To assist you with reporting the assessable amount in relation to your first taxation point, the Company will provide you with an employee share scheme (ESS) Statement by 14 July following the end of the tax year (ending 30 June) in which the taxation point occurs. The ESS Statement will contain an estimate of the assessable amount at the taxing point. The Company will also provide this information to the Australian Taxation Office ("ATO").

The Company will not withhold Australian income tax or the Medicare levy at the first taxation point on the basis that you have provided the Company with your Tax File Number.

Your tax return is due by 31 October following the end of the tax year (unless the return is prepared by a registered tax agent, in which case an extended filing date may apply). Any tax due will generally be payable on receiving a notice of assessment from the ATO which is issued after your return has been issued.

Canada Tax Considerations

This taxation summary is general in nature and is based on Canadian tax laws as at 31 May 2021 and the Canadian taxation obligations in relation to participation in the Plan.

This summary is confined to taxation issues and is only one of the matters you need to consider when making a decision about your investments. This summary is general in nature and your individual circumstances may affect the taxation implications of your investment. Plan participants should seek appropriate independent professional advice that considers the taxation implications in respect of their own specific circumstances before making a decision about their investments. Light & Wonder, Inc. (or its subsidiaries) and its advisors disclaim all liability to any Plan participant or other party for all costs, loss, damage and liability that the participant or other party may suffer or incur arising from or relating to or in any way connected with the contents of this summary or the provision of this summary to the participant or other party or the reliance on this summary by the participant or other party.

The guide assumes that you are an employee of a Canadian subsidiary of Light & Wonder, Inc. and that you are, and remain, a resident of Canada (though not a temporary resident) for tax purposes from when the Option Period begins and until you sell or otherwise dispose of the underlying shares. There are specific rules regarding international assignees and those whose residency status changes. These rules need to be considered on a case-by-case basis and you should consult your tax adviser in these circumstances.

This guide further assumes that you hold the right to receive shares and resulting shares in your own name and the resulting shares will be held by you as a capital asset.

TAX IMPLICATIONS

What are the various taxable events in relation to the ESPP?

Taxation will generally occur in two stages under the provisions of the *Canadian Income Tax Act*. The first taxation point will be at the time you receive shares under the Plan at a discount. The second taxation point will be on the sale of your shares.

What is your taxable benefit at the first taxation point?

The taxable benefit will generally be equal to the difference between the Fair Market Value of the shares at the time of purchase and the exercise price (i.e. 85% of the Fair Market Value).

The taxable benefit is included in employment income and subject to tax at applicable marginal income tax rates.

Foreign Income Reporting Obligation

On an annual basis, you may be required to report your interest in Light & Wonder, Inc. on Form T1135, "Foreign Income Verification Statement", if the cost of your total foreign investments is, at any time in the year, greater than $100,000 CDN. In the event you are required to file Form T1135, equity plan rights or interests should be included on the Form. The Form is due at the same time as and filed with the annual tax return.

What is the obligation of the employer company?

At the first taxation point, tax on the taxable benefit must be withheld and remitted to the Receiver General of Canada (or, where applicable, Revenu Quebec) on or before the 15th day of the month following the month of the taxable event or more frequently depending on the applicable remittance schedule (which is related to the size of the payroll and remittance history). Social taxes withheld must be remitted at the same time as income tax withholdings.

The taxable benefit must be reported on your Form T4 Statement of Remuneration Paid (RL-1 Slip for Quebec employees) which must be provided to you by the last day of February following the end of the taxation year.

What is your taxable income at the second taxation point?

The calculation of capital gains can be complex and we recommend that you contact your personal tax advisor to assist in this regard.

Generally, when you sell your shares, the taxable gain (i.e., 50% of the difference between the sale price and your adjusted cost base ("ACB") in the shares) is subject to capital gains tax at the employee's marginal tax rate.

Canada Tax Considerations

In general, the ACB of the shares will be based on a cost "averaging" method. The ACB is equal to the total price paid for all shares owned plus any taxable benefit included in income for matching shares. The ACB per share should be equal to the total ACB of the shares divided by the total number of shares owned.

If the ACB exceeds the proceeds, the resulting capital loss can generally be used to reduce capital gains, but cannot be used to reduce income from other sources. Any remaining capital losses can be carried back three years or carried forward indefinitely, but only to offset capital gains in those years.

Transactions costs are also deducted in computing capital gains (losses).

Note that capital gains are reported by you in your personal annual tax return for the year of sale and are not a responsibility of the employer or Light & Wonder, Inc.

Greece Tax Considerations

Please also see Appendix 2 for additional information relevant to employees in Greece.

This taxation summary is general in nature and is based on Greek tax laws as at 31 May 2021 and the Greek taxation obligations in relation to participation in the Plan.

This summary is confined to taxation issues and is only one of the matters you need to consider when making a decision about your investments. This summary is general in nature and your individual circumstances may affect the taxation implications of your investment. Plan participants should seek appropriate independent professional advice that considers the taxation implications in respect of their own specific circumstances before making a decision about their investments. Light & Wonder, Inc. (or its subsidiaries) and its advisors disclaim all liability to any Plan participant or other party for all costs, loss, damage and liability that the participant or other party may suffer or incur arising from or relating to or in any way connected with the contents of this summary or the provision of this summary to the participant or other party or the reliance on this summary by the participant or other party.

The guide assumes that you are an employee of Light & Wonder, Inc. (or one of its subsidiaries) and that you are, and remain, a resident of Greece (though not a temporary resident) for tax purposes from when the Option Period begins and until you sell or otherwise dispose of the underlying shares. There are specific rules regarding international assignees and those whose residency status changes. These rules need to be considered on a case-by-case basis and you should consult your tax adviser in these circumstances.

TAX IMPLICATIONS

The following tax implications assume:

- You are, and remain, a Greek resident for taxation purposes throughout your participation in the Plan.

The information contained herein is for local employees only, i.e. for beneficiaries employed by the Greek group employing entity. The information in this document is based on prevailing tax law and practice as at 31 May 2021 and may be subject to change.

What are the various taxable events in relation to the ESPP?

Taxation will generally occur in two stages; the first taxation point will be upon purchase of shares under the Plan at a discount. The second taxation point will be on the sale of your shares.

What is your income tax basis at the first taxation point?

The taxable amount is the difference between the fair market value of the shares at the time of purchase and the amount/ cost paid by you.

What is the applicable income tax rate at the first taxation point?

Such amount is taxed as "employment income in kind" based on the progressive tax scale (applicable for salaries) with marginal rate 44%, plus solidarity contribution (‘SSC’) (marginal rate is 10%). To be noted that for tax years 2021 and 2022 an exemption from SSC on private sector employment income is provided.

The tax is paid upon the filing of your annual Personal Income Tax Return of the subject year.

What is the obligation of the employer company?

The local employer is obliged to include the said amount in the annual income certificate as "Benefit in Kind" however, without applying withholdings.

What is your income tax liability at the second taxation point?

In case of sale of shares

The capital gain upon the sale, is subject to SSC (marginal rate 10% - exempt for tax year 2021). No income tax applies upon the sale of the listed shares, provided that you own less than 0.5% of the share capital of the listed company. Otherwise, capital gains tax (15%) will be due on the difference between FMV of the shares upon their purchase and their sale price. SSC shall also apply (except for tax year 2021). Reporting of the related capital gains tax and SSC (if any) should be done via filing of your annual Personal Income Tax Return of the subject year.

India Tax Considerations

Please also see Appendix 3 for additional information relevant to employees in India.

This taxation summary is general in nature and is based on Indian tax laws as at 31 May 2021 and the Indian taxation obligations in relation to participation in the Plan.

This summary is confined to taxation issues and is only one of the matters you need to consider when making a decision about your investments. This summary is general in nature and your individual circumstances may affect the taxation implications of your investment. Plan participants should seek appropriate independent professional advice that considers the taxation implications in respect of their own specific circumstances before making a decision about their investments. Light & Wonder, Inc. (or its subsidiaries) and its advisors disclaim all liability to any Plan participant or other party for all costs, loss, damage and liability that the participant or other party may suffer or incur arising from or relating to or in any way connected with the contents of this summary or the provision of this summary to the participant or other party or the reliance on this summary by the participant or other party.

The guide assumes that you are an employee of Light & Wonder, Inc. (or one of its subsidiaries) and that you are, and remain, a resident of India (though not a temporary resident) for tax purposes from when the Option Period begins and until you sell or otherwise dispose of the underlying shares. There are specific rules regarding international assignees and those whose residency status changes. These rules need to be considered on a case-by-case basis and you should consult your tax adviser in these circumstances.

TAX IMPLICATIONS

The following tax implications assume:

- You are, and remain, an Indian resident for taxation purposes throughout your participation in the Plan.

- You hold the right to receive shares and resulting shares of stock in your own name and the resulting shares will be held by you as capital assets.

What are the various taxable events in relation to the Plan?

Taxation for the employees in India is expected to occur in two stages under the provisions of the Indian Income-Tax Act 1961 ("Income-Tax Act").

- First, at the time of allotment of shares, the fair market value of the shares minus the price paid by the employee, if any, will be taxed as a perquisite forming part of employee payroll.
- Second, at the time of subsequent transfer of shares (if any) on the capital gains (if any) earned by you.

What is the assessable income for levy of income-tax on the perquisite value i.e. first point of taxation?

The difference between the fair market value of the shares allotted under the Plan minus the price paid by the employee, if any, will be treated as "perquisite" income in the hands of the employees and form part of the employee's compensation. The fair market value of the shares is to be determined as on the date of exercise of the option or by any date prior to it not exceeding 180 days. Such value needs to be determined by a merchant banker registered with the Securities and Exchange Board of India (to be obtained by the Company), which may not be FMV for purposes of the Plan.

Perquisite income will be taxed as per the slab rates applicable to an individual taxpayer, i.e. between 5% to 30%, plus applicable health and education cess (at 4%) and surcharge (as per relevant income slab).

What are the tax implications at the time of sale/transfer of shares i.e. second point of taxation?

Under the Income-Tax Act, profits earned on transfer of a capital asset would be chargeable to income tax as "Capital Gains". Such profits are computed by deducting the fair market value of shares at the time of exercise of the option (which was considered at first point of taxation) from the sale consideration.

If shares are sold after a holding period of 24 months, the income arising thereon would be treated as long-term capital gains and taxed at 20% (after indexation of the cost of acquisition), plus applicable surcharge health and education cess. If the shares are sold before a period of 24 months, any resultant upside would be treated as a short-term capital gain and taxed as per the slab rates applicable to an individual taxpayer, i.e. between 5% to

30%, plus applicable surcharge and health and education cess.

What is the obligation of the employer company?

The employer company is required to withhold tax at the tax rates in force and remit the withheld tax to the Indian tax authorities. The employer company is required to withhold tax when the Option Period ends and shares are purchased at the tax rates in force and remit the withheld tax to the Indian tax authorities.

The amount of perquisite value on which tax has been withheld shall be provided along with other salary compensation details in Form 16 issued after close of the financial year by the employer company to its employees.

UK Tax Considerations

Please also see Appendix 2 for additional information relevant to employees in the UK.

This taxation summary is general in nature and is based on UK tax laws as at 31 May 2021 and the UK taxation obligations in relation to participation in the Plan.

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The guide assumes that you are an employee of Light & Wonder, Inc. (or one of its subsidiaries) and that you are, and remain, a resident of the UK (though not a temporary resident) for tax purposes from when the Option Period begins and until you sell or otherwise dispose of the underlying shares. There are specific rules regarding international mobility and those whose residency status changes. These rules need to be considered on a case-by-case basis and you should consult your tax adviser in these circumstances.

TAX IMPLICATIONS

The following tax implications assume:

- You are not considered "internationally-mobile" for tax purposes.
- You and your employer jointly enter into a section 431 election within 14 days of the purchase of shares of common stock. The purpose of this election is to ensure that there is no secondary income tax point upon the lifting of the 6-month disposal restriction applicable to purchased shares.
- You hold the right to receive shares and resulting shares in your own name and the resulting shares will be held by you on capital account.

What are the various taxable events in relation to the ESPP?

Purchase of Shares

Income tax and social security (National Insurance Contributions) are due when the shares are purchased. The amount subject to tax is the Fair Market Value of the shares for tax purposes at purchase less the employee purchase price (i.e. the 15% discount).

Income tax rates for the 2021/22 UK tax year:

Annual income after Personal Allowance (GBP)	Applicable rate
0 to 37,700	Basic rate: 20%
37,701 to 150,000	Higher rate: 40%
Over 150,000	Additional rate: 45%

National Insurance Contributions rates for the 2021/22 UK tax year:

Annual Income (GBP)	Applicable rate
0 to 9,564	0%
9,564 to 50,000	12%
Over 50,000	2%

National Insurance Contributions are generally calculated on an earnings period basis (usually monthly) and there is no annual true-up.

Sale of Shares

Capital Gains Tax ("CGT") may be due upon the sale of the shares if the gain exceeds the annual capital gains tax exemption. For the 2021/22 UK tax year, the first £12,300 of capital gains are exempt from tax.

The capital gain is calculated as the sales proceeds (net of any costs of sale e.g. commission/fees) less the base cost of the shares. The base cost is the amount paid to acquire the shares by the employee, plus the amount previously subject to tax.

The capital gains tax rates, based on an individual's total taxable income and gains after all allowable deductions for the 2021/22 UK tax year are:

- The first £12,300 of capital gains are exempt from tax.

- Gains in excess of £12,300 are aggregated with income. If the total after the Personal Allowance is less than £37,700, the rate is 10%. If it is more than £37,700, the rate is 20%.

However, there are complex matching rules used to determine the applicable base cost for capital gains tax purposes, and so if the employee holds shares which were acquired at different times and/or further shares are acquired within 30 days of the disposal, specific advice should be sought.

What is the obligation of your employer company?

The taxable income and the income tax and National Insurance Contributions withheld should be reported on the company's Full Payment Submission ("FPS") and/or Employer Payment Summary ("EPS") electronic payroll return. This is due to HMRC within 17 days from the end of the tax month in which the taxable event occurs (assuming that the employer files the PAYE return electronically).

The taxes due must be paid to HMRC within 17 days from the end of the tax month in which the taxable event occurs (assuming that the employer files the PAYE return electronically). A tax month begins on the 6th day of the calendar month and ends on the 5th day of the following calendar month.

To assist you with the reporting amount in your annual UK tax return, the Company will provide you with a Form P60 by 31 May after the relevant tax year.

If you are informed by your employer that there has been insufficient withholding or you are provided with a tax return from HMRC then you have an obligation to report the taxable amount on your personal tax return. This must be filed by 31 October after the end of the tax year if filing a paper return, or the following 31 January if filed electronically. Failure to meet the deadline will result in penalties, even in circumstances where you are in a no tax or tax refund position.

If you already file a UK tax return, you will not need to report any additional information on the tax return or complete the Additional Information pages where the correct Plan income is already included in their Form P60.

Capital Gains employee reporting obligations for sale of shares under the Plan

Whether or not an individual has to file a UK tax return when they sell shares will depend on a number of factors including the value of the proceeds received on sale and also their UK residence and domicile status.

Employees who are UK resident and UK domiciled at all times will need to file a UK tax return to report any capital gains if either of the following applies:

- The amount of total gains (including gains from other chargeable disposals) in the tax year is in excess of the capital gains annual tax-free allowance*, or

- The disposal proceeds are more than the chargeable asset threshold** for the relevant tax year, or

- The individual is registered for Self-Assessment.

*The capital gains tax-free allowance is £12,300 for 2021/22.

**The chargeable assets threshold (determined as four times capital gains tax-free allowance) is £49,200 for 2021/22.

A UK tax return must be filed to report and claim any capital losses.

As from October 2016, taxpayers are able to pay any capital gains tax liability ahead of the self-assessment due date using the online 'real time' capital gains tax service.

General Tax Considerations

Tax Consultation

The tax implications of the Plan can be very complicated. You are urged to contact your tax advisor with questions specific to your situation.

Note: Neither the Company nor Fidelity are qualified tax advisors. We strongly urge you to seek the advice of a professional tax advisor prior to transacting any sale.

Fees and Commissions
When you sell shares from your Plan account, commissions and fees will apply.

You will not incur fees when you purchase shares of common stock in the Plan. Any subsequent sale of shares conducted online in your Stock Plan Account will be charged a fee of $7.95 plus other regulatory fees paid to the U.S. Securities and Exchange Commission (SEC).
Commissions and fees are subject to change.

You are responsible for account-related fees at the prevailing rates at the time of the transaction.

For current fee information, visit **netbenefits.com**.
Fees are subject to change.

Enrolling Online – Fidelity Stock Plan Services

Stock Purchase

You have the ability to access your Plan account online. Fidelity has created a powerful, user-friendly website that provides you with access to your Plan information (**netbenefits.com**). In addition to enrolling, making changes or withdrawing from the Plan online, you may view a history of your completed purchases, and you may sell your shares by placing a real-time order on the website. As noted above, special arrangements apply for employees in Greece.

The paragraphs below highlight specific features of the Plan section of the website.

To facilitate navigation through the Plan site, it has been organized into the following sections:

- Enroll in the Plan, change your contribution rate or withdraw from the Plan.
- View your purchase account.
- Sell your purchased shares.
- Customer service center.

Enroll in the Plan, Change Your Contribution Rate, or Withdraw from the Plan

Fidelity is available to help you with enrolling, changing your contribution percentage, or withdrawing from the plan at **netbenefits.com**.

If you are enrolling for the first time:

1. Go to the Fidelity website at **netbenefits.com**.
2. Log on with your customer username and password.
3. Click on the "Enroll" hyperlink next to the plan name.
4. Enter your desired contribution election – that is, the percentage you would like to contribute to the Plan from your paycheck, and click "Next".

The next screen will provide a confirmation of your enrollment election and a link to your Plan documents.

Please print a copy of the enrollment confirmation page for your records.

If you want to change your previous election:

1. You will be presented with an enrollment summary page that displays your current contribution election, an overview of the Plan parameters, a history of your enrollment activity, and a link to change your enrollment. Click on the "View or Change Payroll Deduction" link then "Change Deduction".
2. On the next screen enter your enrollment election and click "Next".

The next screen will provide a confirmation of your enrollment election and a link to your Plan documents.

Please print a copy of the enrollment confirmation page for your records.

View your purchase account

Allows you to monitor and manage your Plan stock purchase account in a user-friendly and sortable format with comprehensive links to definitions and help pages, including:

- Current Balance – View your account value and position and the shares available for sale (this account is designed to exclusively hold the Company's common stock).
- Transaction History – View your stock purchase statement information.
- Order Summary – View and modify orders that are pending execution.
- Account Information Summary – Review a listing of your personal Plan account information.

Sell your purchased shares

After the conclusion of the 6-month holding period following the Purchase Date, you may sell your Plan shares by placing a real-time market sell or limit sell order.

- Complete the Order Entry Ticket.
- Review your results before submission.
- Submit order.
- Receive an online confirmation of order.

Glossary of Terms

Term	Definition
Blackout Period	A period before the release of annual or quarterly financial information during which the insiders of a public company are restricted from trading in company stock. Please refer to the Company's Securities Trading Policy for further details.
Eligible Compensation	Base pay as the beginning of the Option Period (excluding overtime, premium pay, bonuses, commissions and similar payments).
Employee Stock Purchase Plan (ESPP)	A type of broad-based stock plan which permits employees to use payroll deductions, accumulated over a specific purchase period, to acquire stock from the Company, generally at a discount.
Fair Market Value (FMV)	The daily value of the Company stock, defined as the closing sale price as quoted on NASDAQ.
Open Enrollment Period	The designated period preceding the Option Period when you may enroll in the Plan.
Option Period	The six-month period during which payroll deductions are collected for purchasing stock at the end of the period; occurs two times a year.
Purchase Date	The last day of the Option Period, which is the date on which employee contributions are used to purchase stock.
Purchase Price	The amount paid to purchase shares of the Company's common stock under the Plan. Using your contributions, such shares will be purchased at 85% of the FMV on the Purchase Date.

Light & Wonder, Inc. and Fidelity Stock Plan Services, LLC are not affiliated. Stock plan recordkeeping and administrative services are offered through Fidelity Stock Plan Services, LLC. This material has been prepared and distributed by the Company and who are solely responsible for its accuracy.

Appendix 1 - Australia

Note: If you are an employee located in Australia, the following additional information is applicable to your participation in the Plan.

GENERAL

Is this Australia Appendix to be read with the rest of the Plan Guide?

Yes, this Australia Appendix contains specific responses to certain Australia-related queries and is not a comprehensive guide. To fully understand the scope of the Plan, employees must refer to the rest of this Guide.

Does this Australia Appendix prevail over the Guide in case of contradiction between the two?

Yes, in case of any conflict or contradiction between the responses provided in this Australia Appendix and the Guide, the former will prevail, with respect to Australian Employees.

For the purposes of this Australia Appendix, *"Australian Employee"* means, except as provided for in Section 5(b) or (c) of the Plan, an individual who is an employee of the Company or a designated subsidiary, who has a customary working schedule of at least twenty (20) hours per week, and who has been an employee of the Company or a designated subsidiary for at least one continuous year, that is located in Australia.

OPERATION OF THE PLAN

How is the payroll deduction calculated?

The amount of the payroll deduction is calculated based on pre-tax compensation but deducted on a post-tax basis.

Example:

- Annual gross wages = AUD75,000
- Annual Contribution (Rate of 15%) = AUD11,250 (15% of $75,000)
- Gross wages per fortnight = AUD2,884.62 ($75,000/26 fortnights)
- Contribution per fortnight = AUD432.69 ($11,250/26 fortnights)
- Net wages per fortnight (after tax) = AUD2,254.62
- Net take home wages (after tax and contribution) = AUD1,821.93 ($2,254.62 - $432.69)

DISCLOSURE SCHEDULE REQUIRED FOR THE PURPOSES OF AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION CLASS ORDER 14/1000

This Disclosure Schedule forms part of the Plan enrolment.

In reviewing the following information it is important to note that this Australia Appendix has been prepared in compliance with ASIC Class Order 14/1000. This Class Order, among other things, relieves the Company, in respect of this Offer, from the normal obligation of having to prepare a disclosure document (e.g. a prospectus) that complies with the Corporations Act 2001 (Cth) ("Corporations Act").

As a result, the information contained in this Australia Appendix relates only to the operation of the Plan and does not contain any material information about the Company. This Australia Appendix does not constitute a prospectus for the purposes of the Corporations Act and, accordingly, does not contain all information that would usually be included in a prospectus prepared in accordance with the requirements of the Corporations Act.

Any advice given by the Company in relation to the shares offered under the Plan does not take into account your objectives, financial situation and needs (including financial or taxation issues). This Australia Appendix and all other documents provided to you at the time of the offer contain general advice only and you should consider obtaining your own financial product advice from an independent person who is licensed by ASIC to give such advice. You are advised to seek independent professional advice regarding the Australian tax consequences of acquiring and disposing of any shares under the Plan according to your own particular circumstances.

Offer

The online enrollment form is an offer made by the Company under the Plan to Australian Employees to acquire shares of stock under the Plan ("Offer").

What is a share of stock?

A share of common stock in the Company is analogous to an ordinary share of an Australian corporation. Each holder of a share is entitled to one vote for every share held in the Company.

Shares are not liable to any further calls for payment of capital or for other assessment by the Company and have no sinking fund provisions, pre-emptive rights, conversion rights or redemption provisions.

The purchase price will be 85% of the market price (FMV) on the last day of the Option Period. As the market price is in USD, on the date on which Australian employees purchase shares, the FMV of those shares will be converted from USD to AUD using the exchange rate published by the Reserve Bank of Australia to calculate the Australian dollar equivalent.

Terms of grant

The terms of the grant are set out in the Plan and the online enrolment form (together, the "Terms and Conditions"). By electing to participate in the Plan, you will be bound by the Terms and Conditions. A copy of the Plan is available on the Fidelity portal at **netbenefits.com**.

May I withdraw from the Plan at any time?

Yes. If you decide to withdraw from the Plan, simply go online to the Fidelity website, **netbenefits.com**, and select "withdraw money". Your payroll deductions will stop and you will receive a refund of your contributions as soon as practicable (and in any event not more than 45 days after withdrawing from the Plan). If you do withdraw from the Plan, you cannot rejoin during that Option Period. You can, however, enrol in the next Option Period.

Reliance on statements

You should not rely upon any oral statements made to you in relation to the Offer. You should only rely upon the statements contained in the online enrolment form and the Plan Guide when considering your participation in the Plan.

How can I obtain the current share price?

You can also ascertain the latest traded price of the Company's shares in Australian dollars at any time by visiting https://www.nasdaq.com/market-activity/stocks/lnw to obtain the latest traded price in US dollars and using the exchange rate published by the Reserve Bank of Australia to calculate the Australian dollar equivalent.

Appendix 1 - Australia

You should direct any further questions, or a request for a current market price of the shares to ESPP@lnw.com. Within a reasonable time following your request, the Company will provide you with the current market price for a share, and the Australian dollar equivalent of the current market price for a share, at the date of your request. The Australian dollar equivalent will be calculated using the USD:AUD exchange rate published by the Reserve Bank of Australia on the business day prior to your request.

What additional risk factors apply?

An investment in the Company is not risk free. You should be aware that the business, assets and operations of the Company are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the securities of the Company.

You should be aware that the performance of the Company may be affected and the value of its shares may rise or fall over any given period. None of the directors or any person associated with the Company guarantee the Company's performance, the performance of the shares which are the subject of the Offer or the market price at which the shares will trade.

The proposed future activities of the Company are subject to a number of risks and other factors which may impact its future performance. See below for examples of such risks.

Some of these risks can be mitigated by the use of safeguards and appropriate controls. However, many of the risks are outside the control of the directors and management of the Company and cannot be mitigated. The shares to be issued pursuant to the Offer carry no guarantee with respect to the payment of dividends, return of capital or the market value of those securities.

Potential fluctuations in the price of shares

There are risks associated with any listed company investment. Some of these risks are listed below. The price at which shares are quoted on Nasdaq may be subject to fluctuations in response to factors such as:

- changes to government fiscal, monetary or regulatory policy, legislation or the regulatory environment in which the Company operates;
- changes in financial outcomes estimated by securities analysts;
- changes in the market valuation of other comparable companies and the nature of the market in which the Company operates;
- announcements by the Company or its competitors of significant acquisitions;
- an event of force majeure, such as terrorism, fire, flood, earthquake, war or strikes;
- fluctuations in the domestic and international market for listed stocks;
- fluctuations in general domestic and global economic conditions, including interest rates and exchange rates; and
- other events or factors which may be beyond the Company’s control, including the COVID-19 pandemic.

There is a risk that broader market and industry factors may materially and adversely impact the price of the shares, regardless of the Company’s operating performance.

Appendix 1 - Australia

No loan assistance

No loan or financial assistance will be offered to you by the Company or its subsidiaries for the purpose of you acquiring shares under the Plan.

Limits under the Plan

The number of shares available under the Plan to Australian Employees and the number of shares that may be issued as a result of offers made to Australian Employees under any other employee share scheme over the previous 3 years in reliance on ASIC Class Order 14/1000 or an ASIC exempt arrangement of a similar kind to an employee incentive scheme, but disregarding any offers:

- received outside Australia;
- made in reliance on sections 708 or 1012D of the Corporations Act and therefore not requiring a disclosure document; or
- made under a disclosure document or product disclosure statement,

must not exceed 5% of the total number of shares at the time of the offer of the option.

Appendix 2 – Greece & UK

Note: If you are an employee located in Greece or the UK, the following additional information is applicable to your participation in the Plan.

In accordance with Article 1(4)(i) of the EU Prospectus Regulation, information about the number and nature of the securities and the reasons for and details of the offer can be found in this Plan Guide and in the Plan documents which include the Plan's prospectus. These documents are all available on the Benefits website *(mylnwbenefits.com)*.

Appendix 3 – India

Note: If you are an employee located in India, the following additional information is applicable to your participation in the Plan.

GENERAL

Is this India Appendix to be read with the rest of the Plan Guide?

Yes, this India Appendix contains specific responses to certain India-related queries, and is not a comprehensive guide. To fully understand the scope of the Plan, employees must refer to the rest of this Guide.

Does this India Appendix prevail over the Guide in case of contradiction between the two?

Yes, in case of any conflict or contradiction between the responses provided in this India Appendix and the Guide, the former will prevail, with respect to employees of the Company's subsidiaries located in India.

OPERATION OF THE PLAN

How is the payroll deduction calculated?

The amount of all deductions is calculated based on pre-tax compensation but deducted on a post-tax basis.

Example:

- Annual gross wages rate = Rs. 1,000,000
- Contribution Rate = 15% of eligible Compensation
- Gross wages for 6-month Option Period = Rs. 500,000
- Gross wages each month = 500,000/6 = Rs. 83,334 (approx)
- Deduction = 15% of 83,334 on a monthly basis = Rs.12,500 (approx).
- Assuming net take-home after tax per month is Rs. 63,000, your final net take-home pay will be

  = Rs.63,000 – Rs.12,500 = Rs.50,500.

FOREIGN EXCHANGE IMPLICATIONS

Are Indian individuals permitted to hold shares of foreign companies?

Yes. As per the Foreign Exchange Management (Transfer or Issue of Foreign Security) Regulations, 2004 ("Regulations"), General Permission has been granted to employees of an Indian subsidiary of a foreign company to purchase shares of the foreign company, under an Employee Stock Ownership Plan (ESOP), as long as certain conditions are met:

(a) the shares under the ESOP are offered by the issuing company globally on a uniform basis; and

(b) an Annual Return is submitted by the Indian company to the Reserve Bank of India ("RBI"), through its Authorised Dealer Bank, giving details of remittances/ beneficiaries etc.

Authorised dealers have been permitted to allow the remittance by employees for acquiring shares under ESOPs, irrespective of the method of operationalisation of the ESOP, provided that the aforementioned conditions in (a) and (b) are met.

Do Light & Wonder India and the Company meet the conditions laid down in the General Permission?

Yes, the Plan is offered globally on a uniform basis, except for certain specific alterations to comply with the local law of each jurisdiction. The Company's India affiliates with employees will file the required Annual Report with the RBI, reporting the remittances and beneficiaries under the Plan.

Can I sell my right to acquire shares under the Plan?

No. The right to acquire shares under the Plan cannot be sold, nor can it be transferred.

Can I sell shares of common stock obtained under the Plan, after exercise of the Options?

You cannot sell or transfer shares of common stock acquired under the Plan for 6 months following the date the shares are issued to you. Following this 6-month period, there are no further restrictions on the sale of such shares, but proceeds from the sale of shares must be immediately repatriated to India by you, and in any event within a period of 90 days from the date of sale.

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