

Light & Wonder Tobacco & Nicotine Surcharge Policy

Effective Date: November 1, 2016

SCOPE:

The Tobacco/Nicotine Medical Surcharge Policy ("policy") applies to all employees of Light & Wonder Inc. and its subsidiaries ("Light & Wonder" or the "Company") in the United States that are enrolled in our group medical plan. In the event that an employee is covered by a collective bargaining agreement, then this policy is applicable to such employee to the extent not inconsistent with specific provisions of the collective bargaining agreement.

PURPOSE:

Light & Wonder is committed to empowering your health. The purpose of this policy is to encourage healthy habits and mitigate the rising costs of health care.

POLICY STATEMENT:

Employees enrolled in a Light & Wonder medical plan must identify whether they and their covered spouses, if applicable, are a tobacco/nicotine user. Employees and covered spouses, if applicable, who self-identify as a tobacco/nicotine user under the Light & Wonder tobacco/nicotine user definition and do not satisfy a reasonable alternative will pay the tobacco/nicotine surcharge.

RESPONSIBILITY:

Each employee is responsible for understanding the standards of this policy. Any employee who intentionally fails to declare or misrepresents the tobacco/nicotine use of the employee or his or her spouse to avoid the surcharge will be required to pay the surcharge and may be subject to termination of coverage.

If an employee witnesses a violation of the tobacco/nicotine policy, he or she should notify the Benefits Team.

DEFINITION OF TOBACCO/NICOTINE PRODUCTS:

Tobacco/nicotine products are defined as any product made with or derived from tobacco/nicotine that is intended for human consumption. This includes, but is not limited to:

- Cigars
- electronic cigarettes/pipes (E-Cigarettes/pipes)
- Snuff
- vape pens
- any other tobacco or nicotine product excluding religious & ceremonial uses of tobacco
- cigarettes
- chewing tobacco
- vaporizers
- hookah pens

DEFINITION OF A TOBACCO/NICOTINE USER:

Employees and spouses enrolled in the Light & Wonder medical plan must self-identify as a tobacco/nicotine user if they have used tobacco/nicotine within the 12 months prior to completing an annual enrollment, new hire enrollment, or a qualified life event change (i.e. marriage, loss of other coverage, etc.) Employees must self-identify for themselves and their spouses, if applicable, by going on-line to the benefits enrollment site in Workday. If you or your covered spouse become a tobacco user at any time, you must update your status by contacting the Benefits Team.

An employee or spouse that successfully completes the smoking cessation program through Aetna can consider him or herself a non-tobacco/nicotine user for the remainder of the calendar year.

Self-identification as a tobacco/nicotine user does not carry forward from year to year. You must self-identify during annual enrollment for each upcoming plan year.

TOBACCO/NICOTINE CESSATION FOR WELLNESS PROGRAM:

Light & Wonder will continue to offer Aetna's Tobacco/Nicotine Cessation for Wellness program at no cost to assist in quitting tobacco/nicotine use. The 8 session program offers individual or group coaching options with 24/7 online peer support and more. You must successfully complete Aetna's Tobacco/Nicotine Cessation for Wellness program to have the surcharge removed and you will be reimbursed what you have paid in surcharges for the calendar year. Aetna will notify the Benefits Team when the program has been successfully completed.

Your health plan is committed to helping you achieve your best health. If you think you might be unable to meet a standard under this wellness program to have the surcharge removed, you might qualify in a different way. Contact the Benefits Team and we will work with you (and, if you wish, with your doctor) to find an option that is right for you based your health status.

QUESTIONS OR CONCERNS:

If you have any questions regarding this policy, please contact the Light & Wonder Benefits Team.

Key Contacts***Light & Wonder Benefits Team***

benefits@lnw.com

866.693.9413