

Notice of 2022 Annual General Meeting

Notice is given that the Annual General Meeting (**AGM** or the **meeting**) of the members of The Lottery Corporation Limited ACN 081 925 706 (**The Lottery Corporation** or the **Company**) will be held at 10:00am (Brisbane time) on Tuesday 8 November 2022. Shareholders may attend the AGM in person at the Boulevard Auditorium, Brisbane Convention and Exhibition Centre at cnr Merivale and Glenelg Streets, South Bank, Brisbane, Queensland (enter via Grey Street), or online at <https://meetings.linkgroup.com/TLC22>. For those attending in person, please see the map below. The voting and participation information and the Explanatory Notes form part of this Notice of Meeting.

Online

Shareholders and proxyholders are encouraged to participate in the AGM online, which will allow them to view a live webcast, ask questions, make comments and vote during the meeting.

To do this you will need a computer or mobile/tablet device with internet access.

On the day of the AGM, go to <https://meetings.linkgroup.com/TLC22>

then enter the requested details to access the online AGM platform.

Online shareholder registration will be available from 9:30am (Brisbane time) on 8 November 2022.

How to participate in the 2022 AGM

In person

Shareholders and proxyholders are welcome to attend the meeting in person at the Boulevard Auditorium, Brisbane Convention and Exhibition Centre, where they may ask questions and vote.

Due to ongoing health and safety risks posed by COVID-19, catering will not be provided.

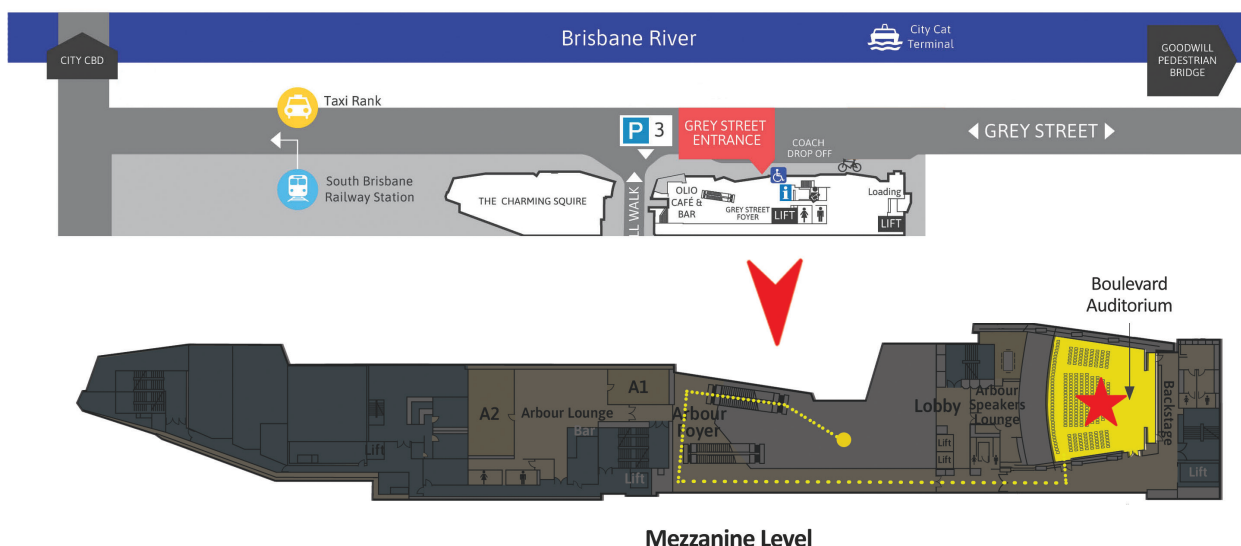
Registration will commence from 9:00am (Brisbane time).

View the Webcast

The AGM will be webcast live on <https://meetings.linkgroup.com/TLC22>.

Please note that you will not be able to directly participate in the meeting, including asking questions, making comments or voting, through the webcast facility.

An archive of the webcast will be available on our website shortly after the meeting concludes. You do not need to be a shareholder or proxyholder to view the webcast.



How to ask questions or make comments

Before the AGM

Shareholders may submit questions or comments to The Lottery Corporation or the external auditor in advance of the meeting. If you wish to submit questions, they must be received by The Lottery Corporation by no later than 5:00pm (Brisbane time) on Tuesday, 1 November 2022. To submit a question, visit <https://investorcentre.linkgroup.com> and follow the prompts.

During the AGM

Shareholders as a whole will have a reasonable opportunity to ask questions relevant to the business of the meeting or make comments about the management of the company during the AGM. Online participants can ask questions via the online platform or by telephone.

Online

Login to the Link website <https://investorcentre.linkgroup.com>, select Ask Question and follow the prompts to submit your question. To use the online lodgement facility, shareholders will need their "Holder Identifier" – Security Reference Number (**SRN**) or Holder Identification Number (**HIN**).

Telephone

Shareholders and proxyholders may ask questions by telephone during the AGM by dialling 1800 416 511. For verification purposes, shareholders and proxyholders will require a personalised PIN code before calling. To obtain a personalised PIN code, please contact Link Market Services on 1800 416 511 by no later than 5:00pm (Sydney time) Friday, 4 November 2022.

Please note that if you plan to ask questions by telephone, you will still need to login to the online platform if you wish to vote during the meeting.

How to vote

Shareholders may:

- Attend the AGM and vote in person
- Appoint a proxy or attorney to vote on their behalf
- In the case of corporate shareholders, appoint a corporate representative to vote for them
- Lodge a vote online during the AGM by logging into the online AGM platform at <https://meetings.linkgroup.com/TLC22>

Please refer to the Explanatory Notes for further information on how to appoint a proxy, attorney or corporate representative. Further information regarding participating in the AGM online, including browser requirements, is set out in the **Online Meeting Guide** available on The Lottery Corporation's website at <https://www.thelotterycorporation.com/investors/annual-general-meeting>.

Key Information

Eligibility to attend and vote

You are eligible to attend and vote at the meeting if you are registered as a shareholder of The Lottery Corporation as at 10:00am (Brisbane time) on Sunday, 6 November 2022.

Last date to submit proxy form

Your completed proxy form must be received by no later than 10:00am (Brisbane time) on Sunday, 6 November 2022.

Voting intentions of the Chairman of the AGM

The Chairman of the AGM intends to vote undirected proxies on, and in favour of, all resolutions set out in this Notice of Meeting.

The Chairman of the AGM will call a poll for all resolutions set out in this Notice of Meeting. Please refer to the Explanatory Notes for further information on the proposed resolutions and applicable voting exclusions.

Alternative meeting arrangements

If it becomes necessary or appropriate to make alternative arrangements for the holding or conduct of the meeting, the Company will provide an update on its website and the ASX platform.

Your privacy

Attendees at the meeting may be video recorded. A live AGM webcast will be available on The Lottery Corporation website.

Items of business

Item 1 – Financial Report and Other Reports

To receive and consider the Financial Report, the Directors' Report and the Auditor's Report for the financial year ended 30 June 2022.

There is no vote on this item.

Item 2 – Re-election and Election of Directors

To consider, and if thought fit, pass the following resolutions as separate ordinary resolutions:

- (a) **Re-election of Ms Anne Brennan as a Director of the Company**
"That Ms Anne Brennan, who retires in accordance with Rule 8.1 of the Company's Constitution and, being eligible, be re-elected as a Director of the Company."
- (b) **Election of Dr Doug McTaggart as a Director of the Company***
"That Dr Doug McTaggart, who retires in accordance with Rule 8.1 of the Company's Constitution and, being eligible, be elected as a Director of the Company."
- (c) **Election of Mr John O'Sullivan as a Director of the Company***
"That Mr John O'Sullivan, who retires in accordance with Rule 8.1 of the Company's Constitution and, being eligible, be elected as a Director of the Company."
- (d) **Election of Ms Megan Quinn as a Director of the Company***
"That Ms Megan Quinn, who retires in accordance with Rule 8.1 of the Company's Constitution and, being eligible, be elected as a Director of the Company."

*Items 2(b), 2(c) and 2(d) will be withdrawn as resolutions if the relevant Observer(s) (Dr Doug McTaggart, Mr John O'Sullivan and Ms Megan Quinn) do(es) not receive all of the necessary regulatory approvals prior to the AGM. Please refer to the Explanatory Notes for further information regarding these items.

Item 3 – Appointment of Auditor

To consider, and if thought fit, pass the following as an ordinary resolution:

"That pursuant to section 327B of the Corporations Act and for all other purposes, approval is given for the appointment of Ernst & Young as the Company's External Auditor, with effect from the date of the AGM."

Item 4 – Adoption of Remuneration Report (Non-Binding Advisory Vote)

To consider, and if thought fit, pass the following as an ordinary resolution:

"That the Remuneration Report for the year ended 30 June 2022 be adopted."

Please note that the vote on this resolution is advisory only and does not bind the Directors or the Company. Directors will consider the outcome of the vote and comments made by shareholders when reviewing the Company's remuneration practices and policies.

This resolution is subject to a voting exclusion (see below).

Item 5 – Grant of Performance Rights to Managing Director and Chief Executive Officer

To consider, and if thought fit, pass the following as an ordinary resolution:

"That approval be given for all purposes, including ASX Listing Rule 10.14, to grant Performance Rights to the Managing Director and Chief Executive Officer (MD & CEO) of the Company, Ms Sue van der Merwe, under The Lottery Corporation's Long Term Performance Plan on the basis described in the Explanatory Notes included in the Notice of Meeting."

This resolution is subject to a voting exclusion (see below).
By order of the Board.



Patrick McGlinchey
Company Secretary
29 September 2022

Voting information

Eligibility to vote at the AGM

Pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the holders of The Lottery Corporation's ordinary shares for the purposes of the meeting will be those registered holders of The Lottery Corporation's ordinary shares at 10:00am (Brisbane time) on Sunday, 6 November 2022.

Required majority and voting entitlement

The resolutions described in items 2 to 5 are ordinary resolutions and each will be passed if more than 50% of votes cast by shareholders entitled to vote on the resolution are cast in favour of that resolution. The vote on the resolution in item 4 regarding the Remuneration Report is **advisory only** and does not bind the Directors or the Company.

The vote on each resolution set out in the Notice of Meeting will be decided on a poll, pursuant to the requirements of the Corporations Act 2001 (Cth) (**Corporations Act**).

On a resolution determined by poll, each registered shareholder participating in the meeting, or present by proxy, has one vote for every fully paid ordinary share held.

Proxies

A shareholder who is entitled to vote on a resolution may appoint a proxy to attend and vote at the meeting. The Lottery Corporation encourages all shareholders to submit a proxy vote online ahead of the meeting. A proxy need not be a shareholder of The Lottery Corporation. If you are entitled to cast two or more votes, you may nominate two proxies to vote on your behalf at the meeting. If two proxies are appointed, each proxy may be appointed to represent a specified number or proportion of your votes. Fractions of votes will be disregarded. If no such number or proportion is specified, each proxy may exercise half your votes.

Votes may be cast 'For' or 'Against' or you may 'Abstain' from voting on a resolution. To direct a proxy how to vote on any resolution, place a mark (e.g. a cross) in the appropriate box on the proxy form or indicate the number of shares or percentage of shares that you wish to vote in the appropriate box. A valid voting direction must not exceed the total number of shares held or 100%. If you 'Abstain' from voting, your votes will not be counted in computing the required majority on a poll.

A proxy appointment is not revoked by the appointing shareholder participating in the AGM unless the shareholder actually votes on a resolution, in which case, the shareholder's vote on that resolution will be counted instead of any vote by the proxyholder. If a proxyholder does not attend the AGM, or does not vote on a poll in accordance with the direction of a shareholder, the Chairman of the AGM will be taken to have been appointed as the proxy for the relevant shareholder in respect of the AGM.

Online proxy facility

Proxy appointments can be made online via the Company's Share Registry website as set out below.

Login to the Link website,

<https://investorcentre.linkgroup.com> select Voting and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" – Security Reference Number (**SRN**) or Holder Identification Number (**HIN**).

Choose The Lottery Corporation from the drop-down menu, enter your SRN or HIN and follow the instructions provided to appoint a proxy. Shareholders will be taken to have signed their proxy form if they make their proxy appointment in accordance with the instructions on the website.

Proxy delivery

Completed proxy forms must be received by The Lottery Corporation's share registry, Link Market Services, online or at Link Market Services Limited, Locked Bag A14, Sydney South NSW 1235 or in one of the other ways specified in the proxy form by no later than 10:00am (Brisbane time) on Sunday, 6 November 2022.

Power of attorney

If the proxy form is signed by an attorney, the power of attorney (or a certified copy of the power of attorney) must be received by The Lottery Corporation's share registry, Link Market Services, in the same manner as outlined above for proxy forms by no later than 10:00am (Brisbane time) on Sunday, 6 November 2022, unless the power of attorney has been previously lodged with The Lottery Corporation's share registry.

Corporate representatives

If a corporate shareholder wishes to appoint a person to act as its representative at the meeting, that person should be provided with a letter or certificate authorising them as the company's representative (executed in accordance with the company's constitution) or with a copy of the resolution appointing the representative, certified by a secretary or director of the company.

A form of appointment of corporate representative may be obtained from The Lottery Corporation's share registry, Link Market Services, online at <https://www.linkmarketservices.com.au/corporate/resources/forms.html>. The form must be received by Link Market Services in the same manner as outlined above for proxy forms by no later than 10:00am (Brisbane time) on Sunday, 6 November 2022.

Voting online during the meeting

Shareholders entitled to vote at the meeting are entitled to vote online at any time from when invited by the Chairman of the AGM at the start of the meeting until the Chairman of the AGM closes voting at the meeting.

If a shareholder casts a vote live during the meeting on a particular resolution, they are taken to have revoked the authority of any proxy or attorney they may have appointed to vote on their behalf on that resolution.

For instructions on how to submit a vote online during the meeting in your personal capacity or as a proxyholder, attorney or corporate representative, refer to the Online Meeting Guide.

Conduct of the meeting

The Lottery Corporation is committed to ensuring that its shareholder meetings are conducted in a manner which provides those shareholders (or their proxyholders, attorneys and representatives) who attend the meeting with the opportunity to participate in the business of the meeting in an orderly fashion and to ask questions and provide comments on matters relevant to the business of the meeting or about The Lottery Corporation generally. The Chairman and the MD & CEO will generally answer questions on behalf of the Board and management.

Shareholders are encouraged to submit questions ahead of the meeting through the Company's Share Registry website at <https://investorcentre.linkgroup.com>. Written questions must be received by 5:00pm (Brisbane time) Tuesday, 1 November 2022. The Chairman of the AGM will endeavour to address as many of the key themes raised as possible during the course of the meeting, and may address similar or identical questions together. There may not be sufficient time available at the meeting to address all of the questions submitted. Please note individual responses will not be sent to shareholders.

Shareholders are requested to restrict themselves to two questions or comments initially, and further questions will be considered if time permits. Questions and comments submitted online may be moderated to avoid repetition and to make them more concise.

The Lottery Corporation expects that all conduct at its shareholder meeting will be respectful and courteous including to those online or present at the meeting. The Chairman of the AGM will exercise their powers to ensure that the meeting is conducted in an orderly and timely fashion, in the interests of all attending shareholders, including taking appropriate action if there are any disruptions or interferences with the proper conduct of the meeting.

Technical difficulties

The Chairman of the AGM has discretion as to whether and how the meeting should proceed if a technical difficulty arises during the meeting. In exercising this discretion, the Chairman of the AGM will have regard to the nature of the issue, the number of shareholders impacted and the extent to which participation in the business of the meeting is affected.

Where considered appropriate, the Chairman of the AGM may continue to hold the meeting and transact business, including conducting a poll and voting in accordance with valid proxy instructions. For this reason, shareholders are encouraged to appoint a proxy and submit a directed proxy form, even if they plan to participate in the meeting online, in case they are unable to participate in the meeting on the day.

In the event of substantial technological failure that prevents shareholders from having a reasonable opportunity to participate in the meeting, the Company will provide an update on its website and the ASX platform to communicate the relevant details, including if it is necessary to either postpone or adjourn the meeting.

Explanatory notes

These Explanatory Notes form part of the Notice of Meeting and have been prepared for the information of shareholders in relation to the business to be conducted at the Company's 2022 AGM.

Item 1 – Financial Report and Other Reports

The Financial Report, Directors' Report and Auditor's Report for the Company for the year ended 30 June 2022 will be laid before the Annual General Meeting, in accordance with section 317 of the Corporations Act. There is no requirement for shareholders to approve these reports. However, the Chairman of the meeting will allow a reasonable opportunity for shareholders as a whole to ask questions about, or make comments on, these reports and the management of the Company.

Ernst & Young, the Company's External Auditor, will attend the meeting and a reasonable opportunity will be given to shareholders as a whole to ask questions of the auditor relevant to the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in its preparation of the Financial Statements and the independence of the auditor in relation to the conduct of the audit.

Shareholders may also submit written questions to the auditor, Ernst & Young, on the content of the Auditor's Report or the conduct of its audit for the year ended 30 June 2022 in advance of the meeting. Ernst & Young is not obliged to provide written answers to questions received before the AGM. Such questions must be received by no later than 5:00pm (Brisbane time) on Tuesday, 1 November 2022.

Item 2 – Re-election and Election of Directors

Ms Anne Brennan retires and offer herself for re-election in accordance with Rule 8.1 of The Lottery Corporation's Constitution and the ASX Listing Rules.

Dr Doug McTaggart, Mr John O'Sullivan and Ms Megan Quinn are currently serving as Observers to the Board, and will be appointed as Directors by the Board when all necessary regulatory approvals and ministerial consents are received. If those approvals are received, they will retire and offer themselves for election in accordance with Rule 8.1 of The Lottery Corporation's Constitution, and items 2(b), 2(c) and 2(d) will be put to shareholders at the AGM. If those approvals are not received in respect of any of these individuals prior to the meeting, then the corresponding item(s) will be withdrawn and the relevant individual(s) will continue as Observer(s) to the Board until they are formally appointed, and will stand for election at the AGM following their formal appointments.

The qualifications and experience of candidates is provided below.



Anne Brennan

Ms Anne Brennan has been a Non-Executive Director of The Lottery Corporation since 20 May 2022. She is the Chair of the Audit Committee, and a member of the Risk and Compliance Committee, People and Remuneration Committee and Nomination Committee.

Skills and experience:

Ms Brennan was a Non-Executive Director of Tabcorp Holdings Limited from July 2020 until the demerger.

Ms Brennan is a Director of GPT, Argo Investments Limited, Endeavour Group, NSW Treasury Corporation and Rabobank New Zealand Limited.

Ms Brennan previously served as a Director of Spark Infrastructure RE Limited, Charter Hall Group, Metcash Limited, Nufarm Limited, Myer Holdings Limited, Rabobank Australia Limited and Echo Entertainment Limited. She was formerly the Executive Finance Director of Coates Group and Chief Financial Officer at CSR Limited. She was previously a partner at KPMG, then Arthur Andersen and Ernst & Young.

Qualifications:

Ms Brennan holds a Bachelor of Commerce (Honours), is a Fellow of the Chartered Accountants of Australia and New Zealand (CA ANZ) and a Fellow of the Australian Institute of Company Directors (AICD).

Other current directorships of listed companies:

- Endeavour Group Limited since June 2022
- GPT Group since May 2022
- Argo Investments Limited since September 2011 (retiring on 24 October 2022)

Board recommendation:

The Board considers Ms Brennan's extensive experience and background in finance, accounting, risk and compliance, and the gaming and entertainment industry to be of value to The Lottery Corporation. Accordingly, the Directors (with Ms Brennan abstaining) unanimously recommend the re-election of Ms Brennan.

The Board considers Ms Brennan to be independent.

Ms Brennan has confirmed that she will continue to have sufficient time to fulfil her duties as a Director of The Lottery Corporation.



Doug McTaggart*

Dr Doug McTaggart is an Observer to the Board.

Skills and experience:

Dr McTaggart is a Director of Suncorp Group Limited, Chairman of Indigenous Business Australia Asset Management Pty Ltd and serves on the Australian National University Council.

Dr McTaggart retired as Chairman of Spark Infrastructure RE Limited in April 2022. He was also a Director of UGL Limited and Chairman of SunCentral Maroochydore Pty Ltd.

Dr McTaggart is a former CEO of QIC Limited, Member of the Council of Australian Governments Reform Council, Councillor on the National Competition Council, and Professor of Economics and Associate Dean at Bond University.

Qualifications:

Dr McTaggart holds a Bachelor of Economics (Honours), a MA, PhD (Economics), is a Fellow of the Australian Institute of Company Directors (AICD) and a Senior Fellow of the Financial Services Institute of Australasia (FINSIA).

Other current directorships of listed companies:

- Suncorp Group Limited since April 2012

Board recommendation:

The Board considers Dr McTaggart's extensive experience as a non-executive Director and background in finance, treasury, risk and compliance matters to be of value to The Lottery Corporation. Accordingly, the Directors (with Dr McTaggart abstaining if he has become a formal member of the Board) unanimously recommend the election of Dr McTaggart.

The Board considers Dr McTaggart to be independent. The Company undertook appropriate checks of Dr McTaggart's background and qualifications and no adverse information was identified.

Dr McTaggart has confirmed that he will have sufficient time to fulfil his duties as a Director of The Lottery Corporation.

*Item 2(b) regarding the election of Dr McTaggart will be withdrawn as a resolution if he does not receive all of the necessary regulatory approvals prior to the AGM.



John O'Sullivan*

Mr John O'Sullivan is an Observer to the Board.

Skills and experience:

Mr O'Sullivan is Chairman of Serendipity Capital Holdings Limited, a Member of the Takeovers Panel and an Ambassador of the Australian Indigenous Education Foundation.

Mr O'Sullivan was a Partner at Freehill Hollingdale & Page (now Herbert Smith Freehills) practising in corporate, finance, and mergers and acquisitions. He was also General Counsel of the Commonwealth Bank of Australia and Executive Chairman, Investment Banking and Capital Markets (Australia) at Credit Suisse Australia.

Qualifications:

Mr O'Sullivan holds a Bachelor of Laws, a Bachelor of Arts, a Master of Laws and is a Fellow of the Australian Institute of Company Directors (AICD).

Other current directorships of listed companies:

Mr O'Sullivan does not currently hold any other directorships.

Board recommendation:

The Board considers Mr O'Sullivan's extensive experience and background in legal, corporate governance, finance, risk and investment banking to be of value to The Lottery Corporation. Accordingly, the Directors (with Mr O'Sullivan abstaining if he has become a formal member of the Board) unanimously recommend the election of Mr O'Sullivan.

The Board considers Mr O'Sullivan to be independent. The Company undertook appropriate checks of Mr O'Sullivan's background and qualifications and no adverse information was identified.

Mr O'Sullivan has confirmed that he will have sufficient time to fulfil his duties as a Director of The Lottery Corporation.

*Item 2(c) regarding the election of Mr O'Sullivan will be withdrawn as a resolution if he does not receive all of the necessary regulatory approvals prior to the AGM.



Megan Quinn~

Ms Megan Quinn is an Observer to the Board.

Skills and experience:

Ms Quinn is a non-executive director of Reece Limited, Invocare Limited and City Chic Collective Limited.

Ms Quinn has more than thirty years of international experience as a senior executive, advisor and Non-executive Director across a range of industries. She is a co-founder of online luxury retailer Net-A-Porter.

Ms Quinn previously served on the Board and National Committee of UNICEF Australia.

Qualifications:

Ms Quinn is a Graduate of the Australian Institute of Company Directors (AICD).

Other current directorships of listed companies:

- Reece Limited since August 2017
- City Chic Collective Limited since October 2012
- InvoCare Limited since October 2018

Board recommendation:

The Board considers Ms Quinn's customer, innovation, global brand, digital transformation and multi-channel experience and background as well as experience as a public company director to be of value to The Lottery Corporation. Accordingly, the Directors (with Ms Quinn abstaining if she has become a formal member of the Board) unanimously recommend the election of Ms Quinn.

The Board considers Ms Quinn to be independent. The Company undertook appropriate checks of Ms Quinn's background and qualifications and no adverse information was identified.

Ms Quinn has confirmed that she will have sufficient time to fulfil her duties as a Director of The Lottery Corporation.

*Item 2(d) regarding the election of Ms Quinn will be withdrawn as a resolution if she does not receive all of the necessary regulatory approvals prior to the AGM.

Item 3 – Appointment of Auditor

The Company appointed Ernst & Young as the External Auditor in May 2022.

Section 327B(1) of the Corporations Act requires a public company to appoint an auditor at its first annual general meeting. Accordingly, the Company is seeking Shareholder approval for the appointment of Ernst & Young as the Company's External Auditor.

Pursuant to section 328B of the Corporations Act, the Company has received a valid notice from a shareholder nominating Ernst & Young as the External Auditor of the Company. A copy of the notice of nomination is set out in Annexure A of this Notice of Meeting. Ernst & Young has provided the Company its written consent to act as the Company's External Auditor in accordance with section 328A(1) of the Corporations Act.

The Board unanimously recommends that Shareholders vote in favour of Resolution 3.

Item 4 – Adoption of Remuneration Report

Listed companies are required to provide detailed disclosures of non-executive director and executive key management personnel (**KMP**) remuneration in their Directors' Report. These disclosures are set out in the Remuneration Report (which forms part of the Directors' Report).

During the AGM, there will be a reasonable opportunity for Shareholders as a whole to comment on, and ask questions about, the Remuneration Report.

In accordance with section 250R(3) of the Corporations Act, the vote on this Resolution is advisory only and will not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the Company's remuneration practices and policies.

The Board unanimously recommends that Shareholders vote in favour of Resolution 4.

Voting exclusion:

The Lottery Corporation will disregard any votes cast on this resolution:

- by or on behalf of a member of the KMP named in the Remuneration Report for the year ended 30 June 2022, or that KMP's closely related parties, regardless of the capacity in which the vote is cast;
- as a proxy by a member of the KMP at the date of the meeting, or that KMP's closely related parties, unless the vote is cast as proxy for a person who is entitled to vote on this resolution:
- in accordance with their directions on how to vote as set out in the proxy appointment; or
- by the Chairman of the AGM pursuant to an express authorisation to exercise the proxy as the Chairman of the AGM thinks fit, even though this resolution is connected with the remuneration of the KMP.

Item 5 – Grant of Performance Rights to Managing Director and Chief Executive Officer

Shareholder approval is being sought for the grant of Performance Rights to the MD & CEO, Ms. Sue van der Merwe, as part of her remuneration for the financial year ending 30 June 2023 (**FY23**). The FY23 offer will be made under The Lottery Corporation's Long Term Performance Plan (**LTPP**), which operates under the Equity Incentive Plan Rules, on the terms set out below.

Background

The MD & CEO receives fixed remuneration and can earn variable remuneration through both short-term and long-term incentive arrangements. Details of the MD & CEO's annual remuneration package can be found in The Lottery Corporation's FY22 Annual Remuneration Report and are summarised below:

Component	At target performance	At maximum performance ¹
Annual fixed remuneration (inclusive of superannuation)	\$1.5 million	\$1.5 million
Short term incentive opportunity ²	\$1.5 million	\$2.25 million
LTPP opportunity ³	\$1.5 million	\$3.0 million
Total	\$4.5 million	\$6.75 million

¹ The "maximum performance" opportunity will be realised if Ms. van der Merwe and The Lottery Corporation outperform on both short and long-term performance measures and is calculated using The Lottery Corporation's share price at the date equity is granted.

² Subject to the achievement of annual performance measures aligned to the long-term business plan. Paid as 50% cash and 50% in Restricted Shares.

³ Provided in the form of Performance Rights. Vesting of Performance Rights is subject to the achievement of a long-term performance measure and service conditions.

ASX Listing Rule 10.14 provides that the Company must obtain shareholder approval for an issue of securities to a Director under an employee incentive scheme. If shareholder approval is obtained, The Lottery Corporation intends to grant Performance Rights to the MD & CEO as the long-term incentive component of her annual remuneration for FY23. If shareholder approval is not obtained, it is intended that an equivalent award will be provided in cash, subject to the same performance and other conditions as described below. The total number of Performance Rights to be granted to the MD & CEO will be determined based on the formula: \$3,000,000, being the MD & CEO's long-term incentive maximum opportunity, divided by the volume weighted average price (**VWAP**) of The Lottery Corporation's shares traded on the ASX over the five trading days up to, but not including, **8 November 2022** (being the date of the 2022 AGM), rounded down to the nearest whole number.

Each Performance Right entitles the MD & CEO to one fully paid ordinary share in The Lottery Corporation at the end of the specified performance and service periods, subject to the satisfaction of the performance measure and other terms described below. Shares allocated on vesting will rank equally with other ordinary shares. The Board also has discretion to pay an equivalent cash amount, in lieu of allocating shares, on vesting.

The key terms relating to the Performance Rights are described below.

Performance Rights grant date

If shareholder approval is obtained, it is anticipated that the Performance Rights will be granted to the MD & CEO as soon as practicable after the AGM, and in any event no later than 12 months after the 2022 AGM.

Maximum number of Performance Rights to be granted

The maximum number of Performance Rights that will be granted to the MD & CEO will be determined based on the formula stated previously.

This formula uses a **face value** methodology based on the VWAP of The Lottery Corporation shares. This is the same formula used to determine the number of Performance Rights allocated to the MD & CEO of Tabcorp prior to the demerger of The Lottery Corporation (although it was based on the Tabcorp share price prior to this demerger).

The formula uses an effective maximum value of the Performance Rights at the time of allocation of \$3,000,000. This is equivalent to the market value of the maximum number of Performance Rights to be allocated and that would vest at the end of the performance and service periods, using The Lottery Corporation's share price at the time of the grant. The actual value that the MD & CEO may derive from this allocation of Performance Rights remains subject to the satisfaction of the applicable performance condition, vesting criteria and The Lottery Corporation share price at the time of vesting.

Issue price of Performance Rights

As the grant forms part of the MD & CEO's remuneration, the Performance Rights will be granted at no cost to the MD & CEO.

Performance measure

If shareholder approval is obtained, vesting of the MD & CEO's grant of Performance Rights will be subject to relative Total Shareholder Return (**TSR**) performance measured over three years, commencing 28 September 2022, and ending on 27 September 2025 (inclusive) and a service condition. Both the performance and service conditions will be tested on or around 28 September 2025.

Following the demerger of The Lottery Corporation, the Board reviewed the LTPP structure and determined that, for 2022, the LTPP offer will include a single

performance measure only, being Relative TSR. Return on Invested Capital (**ROIC**), which was previously included as a financial measure (under Tabcorp's recent LTPP grants prior to the demerger), will not be included as a measure for the 2022 LTPP offer. This is because, following the demerger:

- a baseline FY22 ROIC target consistent with future ROIC targets cannot be determined due to the absence of a comparable opening balance sheet as at 30 June 2021.
- The Lottery Corporation is still finalising its three-year business plan as a standalone ASX-listed company, and it is intended to base future ROIC targets on this plan.

A review of the LTPP structure will be undertaken in FY23 and it is intended that a second internal financial measure will be included in the FY23 LTPP offer.

The relative TSR performance condition measures The Lottery Corporation's TSR ranking against a peer group of companies over the three-year performance period commencing on 28 September 2022 and ending on 27 September 2025 (inclusive). The peer group comprises the companies in the S&P ASX 100 index (excluding organisations within the Metals and Mining and Oil and Gas sectors). The Board has discretion to adjust the peer group to take into account events such as, but not limited to, de-listings, takeovers, and mergers or demergers that might occur during the performance period.

Broadly, TSR measures the return received by shareholders from holding shares in a company over a particular period, calculated using the change in a company's share price over the relevant performance period as well as the dividends received (and assumed to be reinvested back into the company's shares) during that period.

The Lottery Corporation's TSR ranking against the peer group of companies has been chosen as the performance measure because it directly aligns with the interests of shareholders and The Lottery Corporation's key strategic objective of maximising shareholder returns.

The following table details the number of Performance Rights that will vest under various relative TSR performance conditions:

Relative TSR ranking	Percentage of Performance Rights that will vest
Below 50th percentile	0%
At 50th percentile	50%
Above the 50th percentile and below the 75th percentile	Straight line vesting to occur between 50% and 100%
At or above the 75th percentile	100%

Service condition

In addition, Performance Rights are subject to a service condition commencing on the grant date and ending on 27 September 2025.

Treatment on cessation of employment

If the MD & CEO's employment is terminated for cause or the MD & CEO resigns during the service period, all unvested Performance Rights will lapse, unless the Board determines otherwise.

If the MD & CEO ceases employment for any other reason (including death, permanent disability, serious illness, and genuine retirement) during the service period then, unless the Board determines otherwise, a pro rata portion of her Performance Rights will remain on foot (having regard to the portion of the performance period that she has served). These Performance Rights will be subject to the original vesting conditions (including performance and except that any service condition will be waived) to be tested in the normal course, and subject to the rules of The Lottery Corporation Equity Incentive Plan and offer terms. The remainder of the Performance Rights will lapse.

The formula intended to be used to determine the pro rata number of Performance Rights to remain on foot is set out below (unless the Board determines otherwise):

Proportion of the LTPP offer service period employed

Total LTPP offer service period condition

X

Number of Performance Rights originally granted

The number of Performance Rights to remain on foot will be rounded down to the nearest whole number.

Change of control or corporate action

In the event of a takeover bid for the Company or any other transaction, event or state of affairs that, in the Board's opinion, is likely to result in, or should otherwise be treated as, a change of control of the Company, the Board may determine, in its absolute discretion, the appropriate treatment regarding any unvested Performance Rights.

If the Company undertakes a variation of the issued capital of the Company (such as a capitalisation or rights issue, bonus issue, sub-division, consolidation or reduction of share capital) or certain other corporate actions, the Board may, at its discretion, vary the performance conditions, adjust the number of Performance Rights or the number of shares to be received upon vesting of the Performance Rights or issue further Performance Rights (or any combination of these things), in each case subject to the ASX Listing Rules.

Malus and clawback

Under the Equity Incentive Plan Rules, the Board may determine to lapse Performance Rights, forfeit shares allocated on vesting of Performance Rights or require that Ms. van der Merwe pay or repay an amount to the Company as a debt should it be subsequently found that an inappropriate benefit was conferred on her, including, for example, in the case of fraud or gross misconduct or where there is a material misstatement or other event or error in the financial results of the Company.

Other Board discretions

The Board also has discretion to adjust the vesting conditions, to include or exclude any items from calculations to take into account unforeseen circumstances. Information about the LTPP is also included in the FY22 Annual Remuneration Report.

Other information

- For the purposes of ASX Listing Rule 10.5.2, Ms. van der Merwe is the MD & CEO of the Company, and accordingly falls within the director category under ASX Listing Rule 10.14.1.
- The MD & CEO is the only Director of the Company entitled to participate in, and receive, a grant of Performance Rights under the LTPP.
- Ms. van der Merwe has not been awarded any securities previously under The Lottery Corporation's LTPP.
- No loan is to be provided to Ms. van der Merwe in relation to the acquisition of Performance Rights or shares allocated on vesting of those Performance Rights.
- The Lottery Corporation utilises Performance Rights because they create share price alignment between executives and ordinary shareholders but do not provide the executives with the full benefits of share ownership (such as dividend and voting rights) unless and until the Performance Rights vest.
- Details of any securities issued under the LTPP will be published in the Company's Annual Report relating to the period in which they were issued, along with a statement that approval for the issue was obtained under ASX Listing Rule 10.14.
- Any additional persons covered by ASX Listing Rule 10.14 who become entitled to participate in an issue of securities under the LTPP after this resolution is approved and who were not named in this Notice of Meeting will not participate until approval is obtained under that ASX Listing Rule.
- The MD & CEO is prohibited from hedging the share price exposure in respect of Performance Rights prior to vesting.

A voting exclusion applies in relation to this resolution.

If shareholder approval is obtained, further details on the Performance Rights granted to the MD & CEO under the LTPP in FY23 will be provided in the FY23 Annual Remuneration Report. If approval is given under ASX Listing Rule 10.14, approval will not be required under ASX Listing Rule 7.1.

The Board (with Ms van der Merwe abstaining) recommends that Shareholders vote in favour of Resolution 5.

Voting exclusion:

The Lottery Corporation will disregard any votes cast:

- in favour of this resolution by or on behalf of Ms van der Merwe or an associate of Ms van der Merwe, regardless of the capacity in which the vote is cast;
- on this resolution as a proxy by a member of the KMP at the date of the meeting, or that KMP's closely related parties

unless the vote is cast on this resolution:

- as proxy or attorney for a person entitled to vote on the resolution in accordance with their directions of how to vote as set out in the proxy appointment;
- as proxy for a person entitled to vote on the resolution by the Chairman of the AGM pursuant to an express authorisation to exercise the proxy to vote as the Chairman of the AGM thinks fit; or
- by a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
 - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting on the resolution; and
 - the holder votes on the resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

Annexure A to The Lottery Corporation Notice of Annual General Meeting 2022

The Lottery Corporation
Level 8, 180 Ann Street
Brisbane QLD 4000

29 September 2022

Notice of Nomination of Auditor

In accordance with section 328B(1) of the Corporations Act 2001 (Cth), I, Patrick McGlinchey, being a shareholder of The Lottery Corporation (**Company**), hereby nominate Ernst & Young for appointment as auditor of the Company, at the Annual General Meeting (**Meeting**) of the Company to be held on 8 November 2022, or any adjournment or postponement of that Meeting.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'P. McGlinchey', written in a cursive style.

Patrick McGlinchey
Shareholder