



January 13, 2023

VIA ELECTRONIC MAIL

James B. Butler
Chief of Staff & Assistant Deputy Director
Maryland State Lottery & Gaming Control Agency
Montgomery Park Business Center, Suite 330
1800 Washington Blvd.
Baltimore, MD 21230

Re: BetMGM, LLC's Diversity Plan

Dear Mr. Butler:

Enclosed please find BetMGM, LLC's Diversity Plan which is being submitted in connection with the Mobile Sports Wagering Licensing Application of BETMGM MARYLAND SPORTS LLC. BetMGM originally submitted its Diversity Plan on December 13, 2022, within 30 days of receiving its license. Thank you for the opportunity to share our framework with the Committee.

Should you have any questions about BetMGM's Diversity Plan, please feel free to contact BetMGM's Diversity & Inclusion Manager Anna Eleazer at Anna.Eleazer@betmgm.com.

Sincerely,

Rhea Loney



BETMGM

Rhea Loney
Chief Compliance Officer

BETMGM, LLC'S DIVERSITY PLAN

submitted to the

MARYLAND LOTTERY AND GAMING CONTROL COMMISSION

December 13, 2022

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I. INTRODUCTION

BETMGM MARYLAND SPORTS LLC (“BetMGM MD SPORTS”) is a recently formed entity, created for the purposes of obtaining necessary mobile sports wagering licenses in Maryland. BetMGM MD SPORTS is owned 95% by BetMGM, LLC (“BetMGM” or “the Company”) and 5% by two independent minority investors (2.5% each).

BetMGM is one of the leading entertainment companies in North America, pioneering the expansion of online sports betting and gaming. BetMGM is backed by the strengths of two global gaming giants, MGM Resorts and Entain. BetMGM currently offers sports wagering and igaming in 25 jurisdictions across North America.

In 2021, BetMGM was a Glassdoor Best Place to Work winner in the ‘Under 1,000 employees’ category. BetMGM currently employs approximately 1,100 people (as of December 2022).

BetMGM agrees to make good faith efforts to meet the diversity objectives outlined herein and to periodically report diversity metrics to the Maryland Lottery and Gaming Control Commission (“Commission”) if so requested by the Commission. BetMGM further agrees that (1) any changes to its Diversity Plan must be approved by the Commission; (2) it will report diversity metrics, to the extent available, in the form and frequency required by the Commission and to provide any other information the Commission considers appropriate regarding ownership, investment, management, employment, and contracting opportunities by diverse participants and groups; and (3) the Diversity Plan, diversity metrics and other information reported to the Commission per the above may be made available to the public.

As required by Maryland’s sports wagering law (located at State Government Article, Title 9, Subtitle 1E, Annotated Code of Maryland and the Code of Maryland Regulations 36.10, and 36.11 (“the Maryland Sports Wagering Law”)) and the regulations of the Commission, BetMGM has adopted this Diversity Plan to describe the steps BetMGM will take to promote meaningful diversity among its owners, investors, managers, employees, and contractors and to promote equality of opportunity.

BetMGM shall comply with all federal, state, and local statutes governing non-discrimination in its employment and business practices. This includes but is not limited to discrimination on the basis of age, race, sex, gender, color, religion, national origin, sexual orientation, gender identity, transgender status, veteran status, disability or any other basis prohibited by law.

BetMGM seeks to move beyond anti-discrimination and compliance efforts by committing to and adopting efforts that are intended to promote diversity, equity, access, fairness, and inclusion. In so doing, BetMGM has created a framework that focuses on three areas, rooted in its diversity mission, brand values, and leadership principles, which are to: (1) *include* by creating an inclusive culture for employees, guests, and local communities; (2) *represent* with increased representation of the diverse communities in which BetMGM operates; and (3) *win* by using combined talents and skills to create best-in-class experiences for BetMGM guests as BetMGM

leads the industry in responsible gaming. As highlighted further below, current efforts that are underway to evidence BetMGM's abiding commitments to diversity, equity and inclusion include, but are not limited to, the following:

- Creation of a DEI Strategic Plan with specific focus on employment and vendor/procurement efforts;
- Enhanced recruitment of underrepresented talent through work with the Tom Joyner Foundation and diversityjobs.com;
- Implementing processes to track diversity data;
- Administering an annual diversity survey to elicit feedback and measure progress;
- Enhanced diversity-oriented training in hiring and performance management;
- Expanded leadership development, including inclusive leadership training;
- Further engagement around BetMGM's seven current employee resource groups (ERGs); and
- Expansion of development and retention efforts through mentoring programs.

II. RESPONSIBILITIES FOR IMPLEMENTATION

Anna Eleazer (Anna.Eleazer@betmgm.com), Diversity and Inclusion Manager, and Jahleel Morton, DEI Program Coordinator, as well as BetMGM's Chief Human Resources Officer and/or their delegates, are responsible for the implementation of this Diversity Plan.

III. STRATEGIES FOR OBTAINING A DIVERSE GROUP OF OWNERS, INVESTORS, EMPLOYEES (INCLUDING EXECUTIVE AND MANAGERIAL POSITIONS) AND CONTRACTORS.

A. Diversity In Employment (Including Executive and Managerial Positions)

As part of its commitment to equal employment opportunity and diversity, BetMGM has and will continue to undertake a number of strategies for ensuring equal opportunity and diversity, including the development, dissemination, implementation and enforcement of policies and complaint procedures, the posting of job vacancies, and other strategies, as described below.

1. Policies

BetMGM has implemented and enforces the following policies and procedures as part of its commitment to equal employment opportunity and diversity. BetMGM has made a commitment to our people to create tangible action around representation, inclusion, and equitable practices in order to not only meet our employees where they are at, but also ensure they can bring their whole selves to work and enable them to thrive in meaningful careers.

Equal Employment Opportunity

The Company fosters a work environment in which all individuals are treated with respect and dignity. We are an equal opportunity employer and do not discriminate against employees

or applicants for employment on the basis of race, creed, color, national origin, nationality, ancestry, age (40 and over), sex (including pregnancy), familial status, marital status, domestic partnership status, affectional or sexual orientation, gender identity and expression, transgender status, atypical hereditary cellular or blood trait, genetic information, liability for military service, political belief, mental or physical disability, perceived disability, AIDS or HIV status or any other protected characteristic as established by law. The Company is committed to ensuring equal treatment in hiring, promotion, transfer, assignment, training, compensation, termination and disciplinary actions, and will not tolerate discrimination prohibited by this policy by any of its employees or agents. Further, the Company will not retaliate against any individual who in good faith complains of a violation of this policy or who participates in an investigation of such a complaint, as described more fully in this policy.

Anti-Harassment and Non-Discrimination Policy

The Company prohibits sexual harassment and harassment because of race, creed, color, national origin, nationality, ancestry, age (40 and over), sex (including pregnancy), familial status, marital status, domestic partnership status, affectional or sexual orientation, gender identity and expression, transgender status, atypical hereditary cellular or blood trait, genetic information, liability for military service, political belief, mental or physical disability, perceived disability, AIDS or HIV status or any other protected characteristic as established by law. The Company is committed to providing a workplace free of unlawful harassment and will not tolerate unlawful harassment in any form. The Company is prepared to take disciplinary measures, up to and including termination of employment, for any violation of this policy.

Unlawful harassment includes verbal, physical and visual conduct that creates an intimidating, offensive, or hostile work environment or that interferes with work performance. Such conduct constitutes harassment when:

- Submission to such conduct is made either an explicit or implicit term or condition of employment;
- Submission to or rejection of such conduct is used as the basis for decisions affecting an individual's employment; or
- Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

It is equally impermissible for males to violate this policy in their interactions with females or other males, and for females to violate it in their interactions with males or other females.

Examples of prohibited conduct include, but are not limited to:

- Requests for sexual acts or favors, with or without accompanying promises or threats of reciprocal favors or actions;
- Offering employment benefits in exchange for sexual favors;

- Requiring an employee to perform certain duties or responsibilities because of his/her gender or other protected characteristic;
- Making or threatening reprisals after a negative response to sexual advances;
- Unwelcome comments about an individual's body;
- Sexually degrading words to describe an individual;
- Lewd or sexually suggestive comments;
- Unwelcome physical contact, including touching any part of the body, grabbing, groping, kissing, fondling or hugging;
- Leering, making sexual gestures or stalking;
- Off-color language or sexual jokes, language, epithets, flirting, advances or propositions;
- Racial, sexual or ethnic slurs and other verbal, graphic, or physical conduct relating to an individual's gender, race, age, disability, sexual orientation, national origin or any of the other protected characteristics;
- Display of sexually explicit pictures, books, cartoons, computer screens, phones, tablets, or photos; and/or
- Epithets, slurs or negative stereotyping; threatening, intimidating or hostile acts; denigrating jokes and display or circulation of denigrating materials in the workplace (including through e-mail).

Proscribed harassment can occur in one-on-one interactions or in group settings and can involve a coworker, manager, vendor, customer, visitor or agent of the Company. Sexual harassment can also occur in the context of a relationship that was once consensual but has changed so that the behavior is no longer welcome by one party. It is impossible to specify every action or all words that could be interpreted as harassment. The examples listed above are not meant to be a complete list of objectionable behavior.

All such harassment, regardless of form, is a violation of the Company's policies and may subject the harasser to disciplinary action, up to and including termination. Such conduct also may be a violation of federal, state and local laws, which may subject the harasser to personal liability for any such unlawful conduct. Harassing behavior is unacceptable in the workplace itself as well as in other work-related settings, such as business trips, business-related social events, and other Company-related circumstances.

Any incident of suspected discrimination or harassment, including work-related harassment by Company personnel or any other person, should be reported promptly to the employee's supervisor or manager (or to any other member of management) or to Human Resources, pursuant to the Company's Reporting Procedure (below). If this happens, the Company will make every effort to keep such reporting as discreet and confidential as reasonably possible.

The Company's Reporting Procedure

Each employee plays an important role in creating an atmosphere free from all forms of unlawful discrimination or harassment. The Company's Reporting Procedure provides for a prompt, thorough and objective investigation of all complaints of unlawful harassment or discrimination. The Company will decide whether this policy has been violated and will take

appropriate disciplinary action against anyone found to have violated this policy, and any other appropriate remedial and/or corrective action commensurate with the circumstances.

Any employee who believes that they, another employee, or any applicant for employment has been harassed or discriminated against in violation of this policy should report it immediately, preferably in writing, in any of the following ways:

- By contacting their supervisor,
- Contacting another member of the management,
- Contacting the Human Resources Department.

All supervisors and managers are required to immediately notify any member of Human Resources of any reported or perceived violation of this policy, even if the employee in question is outside the scope of that supervisor's or manager's immediate area of supervision.

Protection Against Retaliation

The Company strictly prohibits retaliation against any employee for reporting in good faith a perceived violation of this policy or for filing, testifying, assisting or participating in any manner in any investigation, proceeding or hearing conducted by the Company or a federal, state or local enforcement agency. Employees should report any perceived retaliation immediately, preferably in writing, to their supervisor, another member of management, or Human Resources. All complaints will be promptly investigated.

Accommodations

In accordance with applicable federal and state laws protecting qualified individuals with known qualifying physical or mental conditions, disabilities, or limitations, the Company will attempt to reasonably accommodate those individuals unless doing so would create an undue hardship for the Company. Any qualified applicant or employee with a qualifying physical or mental condition, disability, or limitation who requires an accommodation in order to perform the essential functions of their job should contact Human Resources and request an accommodation.

2. Posting of Job Vacancies

The Company is committed to hiring outstanding individuals who reflect diverse backgrounds, and who have the qualifications, values and potential necessary to achieve the Company's goals. It is important that the Company's employees are informed of and given a reasonable opportunity to apply for vacancies within the Company. Internal job vacancies may also be posted online and in accordance with the Company's Job Posting policy. Further, efforts to ensure underrepresented talent are included in the recruitment process may also be utilized to expand the pool of underrepresented talent and the Company may consider diverse slate strategies to accomplish this goal. To further transparency efforts, all vacancies must list current job description along with position requirements.

The Company's managers should take into consideration employee development and workforce planning opportunities when presenting a vacancy. If a newly created position is advertised, it is an excellent opportunity to give a current employee the chance to advance within the Company. The Company is prepared to consider for advancement any interested and qualified applicant enthusiastic about growing within the organization.

In addition to the good faith efforts described herein, the Company's vacancies may be advertised externally on the Company website. In addition, vacancies may be advertised online utilizing multiple career/employment websites. Temporary employment agencies, which provide another potential employment pool for underrepresented talent, may also be utilized for temporary opportunities, as well as temporary-to-hire opportunities.

3. Other Strategies

Described below are other recruitment and related strategies BetMGM is implementing as part of its commitment to EEO and diversity.

- Driving university talent attraction through long term institution relationship building focused on attracting talent from Historically Black Colleges and Universities (HBCUs) and other minority-serving institutions (MSIs) through job postings, messaging campaigns, career fairs and career development workshops.
- Partnering with community job fairs, informational sessions, student group programming, and identity based campus and community events, as well as trade schools.
- Further embedding and encouraging diverse candidate slates and interviewer panels.
- Strategically structuring interviews and interview guides to help support equity and fairness throughout the selection, interview and offer process.
- Using artificial intelligence (AI) tools to create gender-neutral, inclusive job descriptions.
- Selecting and training personnel involved in recruiting, screening, selection, promotion, disciplinary and related processes to eliminate bias in all personnel actions.
- Providing ongoing inclusive hiring training.
- Conducting supervisory training for management about equal employment opportunity and sexual harassment on an on-going basis and also provides inclusive leadership training, among other diversity-oriented subjects.

B. Diversity in Contracting/Procurement

BetMGM is committed to a comprehensive supplier diversity program. Diversity and Inclusion is a business imperative that provides measurable benefits to our Company as well as the extensive number of diverse businesses with whom we forge alliances. To ensure that no opportunity is lost, we are dedicated to identifying and building ongoing relationships with business enterprises owned by racial and ethnic minorities, women, veterans, persons with disabilities, LGBTQ+ persons, and other marginalized communities that can provide our company with high-quality products, superior service, and competitive prices. Efforts designed to further BetMGM's commitment to supplier diversity are highlighted further below.

C. Diversity In Ownership/Investors

BetMGM was successful in soliciting and interviewing minority and women investors to acquire a combined total of 5% equity in the entity. An initial pool of five (5) potential investors were identified and vetted through a due diligence investigation, which included but was not limited to identifying criminal history, debts and liens, civil litigation, and new available in the public domain. Of the initial pool, a total of (2) investors were approved based on due diligence findings, were interviewed, and ultimately purchased an equity share in BetMGM.

IV. DIVERSITY OBJECTIVES ADOPTED BY THE COMPANY AND METHODS FOR TRACKING ACHIEVEMENT/PROGRESS TOWARDS THOSE OBJECTIVES.

BetMGM intends to meet the goals set forth in this Diversity Plan and to continue implementation of its equal employment opportunity policies.

A. Diversity Objectives in Employment (Including Executive and Managerial Positions)

BetMGM employs and will continue to employ a variety of efforts designed to ensure diverse representation in its workforce, including its executive and managerial positions. These efforts include, but are not limited to, the implementation of job sourcing and targeted recruitment strategies, and increasing targeted job posting using alternative media with broad diverse audiences. For example, BetMGM partnered with The Tom Joyner Foundation, a nationally-recognized organization that partners with Historically Black Colleges and Universities (HBCUs), to ensure greater visibility and opportunities could be publicized for HBCU and African-American audiences. BetMGM will also provide further review of job descriptions to ensure they are accessible to all and promote Company's commitment to a diverse and inclusive workplace, and utilize additional efforts designed to ensure the recruitment, interview and hiring process are devoid of bias – including enhanced training regarding unconscious bias in recruitment, inclusive performance management training and inclusive hiring training.

B. Diversity Objectives in Contracting/Procurement

BetMGM is committed to a comprehensive supplier diversity program and is evaluating strategies for increasing diversity among its vendors by including a diversity, equity and inclusion component in our procurement process.

C. Diversity Objectives in Ownership/Investors

BetMGM was committed to, sought and was successful in soliciting and interviewing minority and women investors to acquire a combined total of 5% equity in the entity. An initial pool of five (5) potential investors were identified and vetted through a due diligence investigation, which included but was not limited to identifying criminal history, debts and liens, civil litigation, and new available in the public domain. Of the initial pool, a total of (2) investors were approved based on due diligence findings, were interviewed, and ultimately purchased an equity share in

BetMGM. BetMGM will continue its efforts to diversify its owners/investors as opportunities may arise.

V. **PLAN FOR DIVERSITY RELATED OUTREACH OR EVENTS THE COMPANY WILL CONDUCT TO SUPPORT ITS DIVERSITY OBJECTIVES IN OWNERSHIP, INVESTMENT, MANAGEMENT, EMPLOYMENT AND CONTRACTING.**

A. **Good Faith Efforts Related to Employment (Including Executive and Management Positions)**

Described below are the efforts that BetMGM is implementing and/or may implement in the future to further its commitment to diversity in employment:

- Build and enhance relationships within the community through employee resource groups (ERGs) to increase brand visibility and company culture, in order to identify and attract a more diverse talent pool;
- Foster an inclusive work environment that results in increased utilization of differences for both personal development and business success;
- Continue to grow talent pipeline partnerships, such as American Indian Science and Engineering Society (AISES) National Convention, Lesbians Who Tech and Allies, Athletes Unites Conference, The Tom Joyner Foundation, and UNLV Military and Veterans Service Center, among other partnerships;
- Post jobs internally;
- Offer need-based education assistance; and
- List positions with diversity-oriented recruitment sources such as diversityjobs.com.

BetMGM has a partnership with Circa/DiversityJobs.com which provides a platform to promote new opportunities with historically marginalized populations, within specified regions, including Maryland.

B. **Good Faith Efforts Related To Contracting/Purchasing**

Efforts that Company Procurement Department personnel may use to identify and potentially engage diverse opportunities for bidding on Company website include:

- Utilizing Supplier.io platform internally to build and scale supplier diversity program relationships within the community to financially support businesses from historically underrepresented identities;
- Scaling supplier diversity program;
- Incorporating a diverse vendor pool in annual spend; and
- Including minority and women business enterprises (M/WBE) among other diverse groups in vendor and supplier considerations to ensure that all qualified vendors are given equal access to bid for BetMGM business.

C. Good Faith Efforts Related To Ownership/Investors

BetMGM was successful in soliciting and interviewing minority and women investors to acquire a combined total of 5% equity in the entity. An initial pool of five (5) potential investors were identified and vetted through a due diligence investigation, which included but was not limited to identifying criminal history, debts and liens, civil litigation, and new available in the public domain. Of the initial pool, a total of (2) investors were approved based on due diligence findings, were interviewed, and ultimately purchased an equity share in BetMGM MD SPORTS. BetMGM will continue its efforts to diversify its owners/investors as opportunities may arise.

VI. PROPOSED TIMELINES AND BENCHMARKS

BetMGM will periodically evaluate its efforts undertaken pursuant to this Diversity Plan. Such evaluation will measure the effectiveness of our efforts and determine the degree to which our goals and objectives have been obtained and may include the assessment of outreach efforts it has taken over the previous twelve months.

BetMGM has begun the data collection effort required to establish relevant metrics or benchmarks by tracking and reviewing its hiring, promotions, and attrition data, as well as surveying employee inclusion sentiment through an annual diversity survey. BetMGM may establish benchmarks on a periodic basis through the comparison of the percentage of underrepresented incumbent employees to parity in the labor market using external census data within relevant requirement areas, internal availability based on lines of progression with BetMGM, and applicable placement data. BetMGM may establish aspirational placement goals where the percentage of underrepresented talent is less than would be reasonably expected given their availability.

VII. TO THE EXTENT AVAILABLE, THE DIVERSITY STATUS OF EACH OWNER, INVESTOR, EMPLOYEE AND CONTRACTOR.

As of the end of 2022, BetMGM's identified gender assemblage is 31% female, 68% male, and 1% nonbinary. BetMGM's identified racial/ethnic organizational composition is 8% Asian, 16% Black/African American, 19% Hispanic, 52% white and 5% of our employees identify as two or more races.

The diversity status of ownership and investors is not available beyond noting two investors of BetMGM MD Sports, who have equity ownership, identify as an underrepresented minority and as a woman of color. The diversity status of BetMGM's contractors is not available at this time.

VIII. OTHER INFORMATION DEMONSTRATING BETMGM'S COMMITMENT TO DIVERSITY IN OWNERSHIP, INVESTMENT, MANAGEMENT, EMPLOYMENT AND CONTRACTING

BetMGM remains committed to enhancing its existing diversity, equity and inclusion efforts. As such, in 2023, BetMGM will be launching Empower Mentorship Program for underrepresented members of our organization in an effort to dismantle historical barriers to

development. In furtherance, BetMGM has committed to: (1) increasing the representation of women within the organization at the Senior Director level and above; (2) increasing the representation of historically underrepresented employees in the organization at the Senior Director level and above; and (3) implementing accountability systems to track and measure progress and share updates and best practices on effective programs and measurement.