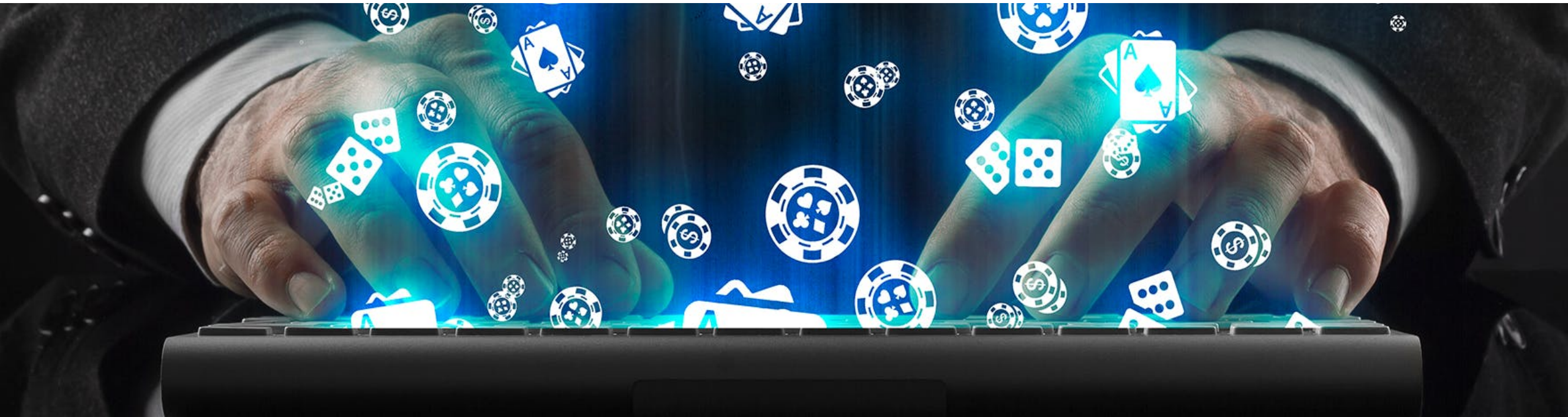


igaming in Ontario – AGCO’s Approach to Advertising & Marketing



AGCO

Alcohol and Gaming
Commission of Ontario



AGCO Presenters



Brent McCurdy
Deputy Chief Operating Officer

Jay Welbourn
Senior Manager, Technology, Regulation & Compliance

Today's Objectives

1. Present AGCO's approach to regulating internet gaming advertising
2. Discuss how our industries can work together to minimize gambling harms in advertising.

Agenda

- ✓ Background
- ✓ Introduction to the AGCO and our approach to regulation
- ✓ AGCO's Advertising Standards

Introduction to the Alcohol and Gaming Commission of Ontario

The ACGO is responsible for regulating:

- ✓ **Internet gaming (igaming)**
- ✓ OLG lotteries, casinos, slot machine facilities
- ✓ Licensed charitable gaming and lotteries (e.g. bingo, raffles, break open tickets)
- ✓ Privately run recreational cannabis retail stores
- ✓ Horse racing
- ✓ Sale and service of beverage alcohol



AGCO

Alcohol and Gaming
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AGCO is a **provincial regulatory agency** reporting to the **Ministry of the Attorney General**

Government Objectives for igaming in Ontario

Consumer Choice



Consumer Protection



Legal Market Growth



Reduced Red Tape

Consumer Protection – Responsible Gambling (RG)

- Gambling can be harmful to vulnerable persons.
- A regulated marketplace must protect those vulnerable and at risk of harm.
- AGCO aims to create a culture of responsibility through effective responsible gambling practices.
- Advertising & Marketing plays a critical role in this space.



igaming Ecosystem

We must all work together to:

- ✓ *Create a safe, regulated, and competitive online gaming market*
- ✓ *Help protect consumers*



The AGCO's Regulatory Approach

Risk-Based

- Identify and mitigate potential risks and risks that have been realized.
- Direct more attention to the areas of higher regulatory risk.

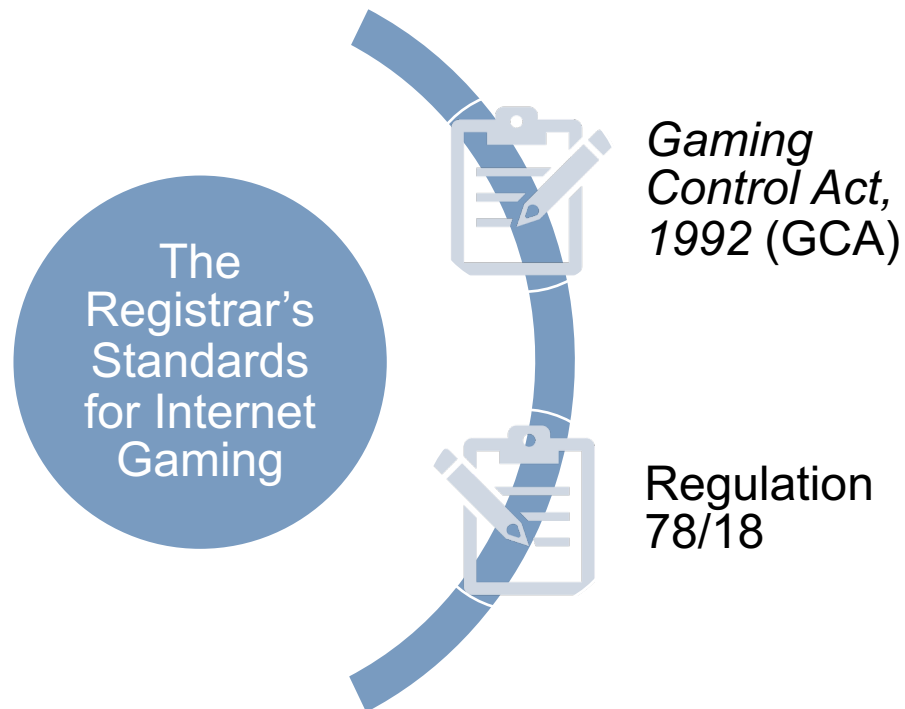
Outcomes-Based

- Establish clear regulatory objectives for regulated entities to achieve.
- Focus on desired regulatory outcomes rather than managing prescriptive rules.
- Offer flexibility and efficiencies for the industry.

Compliance-Focused

- Proactively work with regulated entities to enhance compliance with the regulatory framework..
- Employ a range of regulatory tools (e.g. education, warnings, monetary penalties, suspensions, and revocations)
- Progressive approach to compliance, using the appropriate tool to achieve compliance that is reflective of the severity of any non-compliance

The Registrar's Standards – Overview



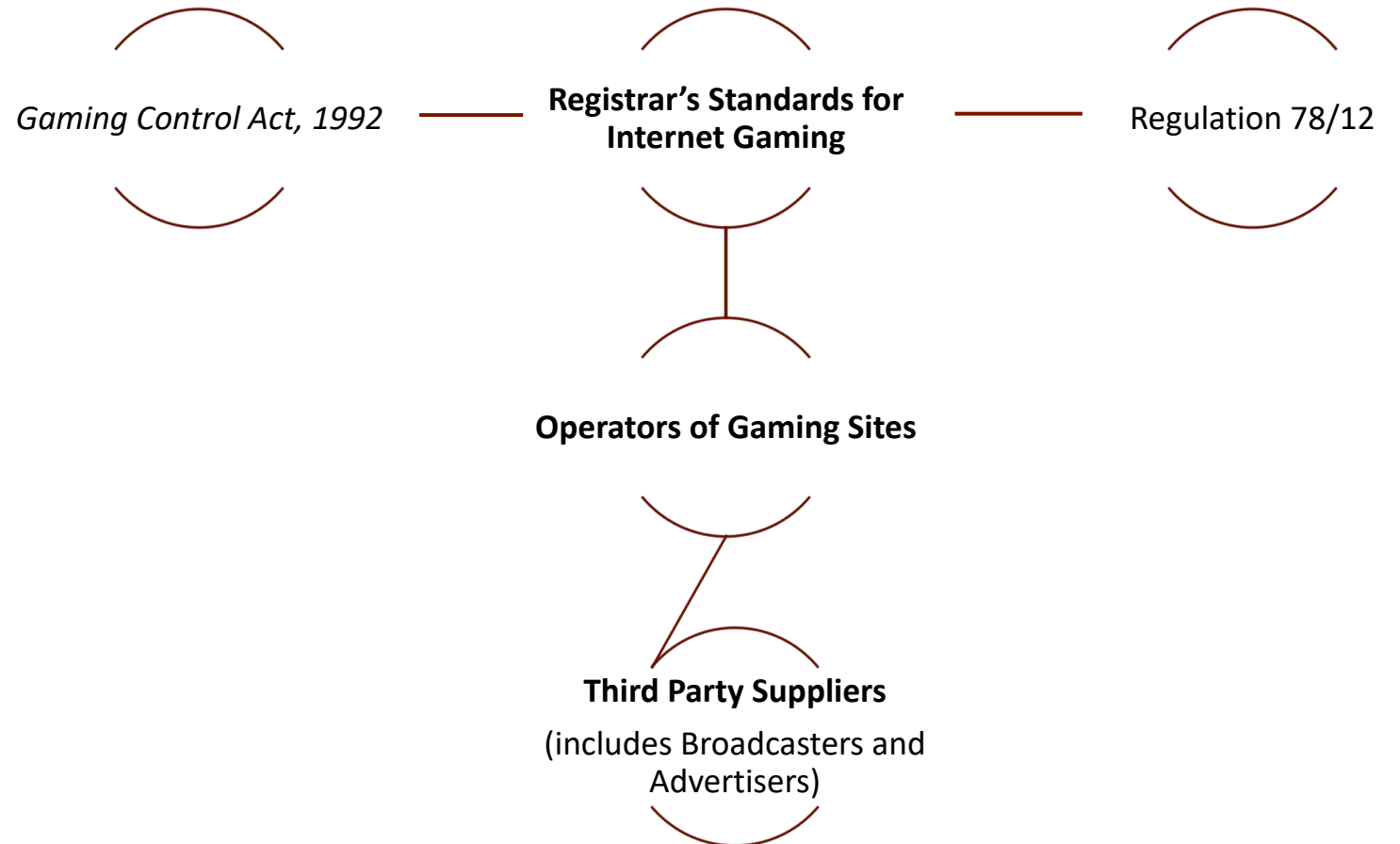
Six risk themes underlying the Standards are:

1. **Entity Level** (*including Third Parties*)
2. Minimizing Unlawful Activity Related to Gaming
3. **Responsible Gambling** (*including Marketing & Advertising*)
4. Prohibiting Access to Designated Groups and Player Account Management
5. Ensuring Game Integrity and Player Awareness
6. Information Security and Protection of Assets

Operator Accountability

Operators are responsible for the actions of third parties for the provision of all aspects of the business related to gaming in Ontario.

Third parties to carry out activities as though they are bound by the same obligations as the Operator.



The Registrar's Standards – Advertising & Marketing

Underage, Self-Excluded, & High-Risk Individuals

Registrar's Standard: 2.03

- Our efforts are focused on restricting advertising to underage, high-risk and self-excluded individuals.
 - ✓ Advertising cannot contain language, include public figures, or appear in online or physical spaces that primarily appeal to minors;
 - ✓ All advertising materials must contain a responsible gambling message;
 - ✓ Operators must prevent marketing materials from being sent to self-excluded players.

The Registrar's Standards – Advertising & Marketing

Misleading Advertising

- ✓ Advertising must be truthful and not mislead players or misrepresent products.
- ✓ Operators cannot offer products or promotions that are not reasonably attainable without incurring substantial losses.

Registrar's Standard: 2.04

The Registrar's Standards – Advertising & Marketing

Bonuses, Inducements, & Credits

- Research and best practices shows the greatest increase in gambling-related harms are associated with inducements.
- We have restricted the advertising of inducements, bonuses and credits in the public domain.
- Operators may only advertise inducements, bonuses and credits on their websites; and through direct marketing to players.
- Players must actively consent to receive direct marketing of inducements.
- Permitted inducements, bonuses and credits cannot be described as free or risk-free unless they actually are.
- All material conditions and limitations of offers must be disclosed "at first presentation".

Registrar Standards: 2.05 - 2.06

We all have a role to play around Responsible Advertising

- **Media Vendors**
(Broadcasters, Advertisers, Creative and Media Agencies)
 - Choosing to partner with operators holding an AGCO registration.
- **Affiliates**
 - Ending relationships with those not holding an AGCO registration.
 - Following the inducements and bonusing rules.
- **Operators**
 - Following regulatory rules and focusing on minimizing potential harms.
 - Contracting with reputable suppliers.
- **All Market Participants**
 - Avoiding over-saturation of the marketing space to protect public confidence in the sector.





Thank you for your time today.