

LETTER FROM THE DIRECTOR

It gives me great pleasure to update you on the healthy state of our three pillars. If we were at the doctor's office, we would be receiving a lollipop. Regardless of which pillar you review, this was a remarkable year for the Colorado Lottery.

Revenue is probably the easiest to single out. Our goal for the year was a very aggressive \$825,000,000. I like to write it out with all the zeros, sometimes as a reminder of how very much money this is. Everyone on the Lottery team worked hard to beat this goal, which we did, even as inflation whacked away at discretionary income. Not so long ago, eclipsing \$600,000,000 seemed like climbing a fourteener. Now we are closer to our goal of being a \$1,000,000,000 lottery than to our sales record of FY18.

Receiving the World Lottery Association Level 4 Certification in Responsible Gaming put us in rare company for responsibility. We became only the 9th U.S. lottery (out of 48) to earn this recognition. It means we are protecting our players as we grow, across every aspect of our business. Nearly everyone at the Lottery participated in the application process – and we will all be involved in implementing the plan we have promised to deliver.

For our conservation pillar, we returned a record amount of funds over to our conservation beneficiaries this year – over \$180,000,000. With the addition of the Outdoor Equity Fund to our waterfall funding equation, more Coloradans than ever will get to experience the amazing outdoors we love. We will continue to host our own conservation event (“Runyon to the Res”), and partner with organizations like Volunteers for Outdoor Colorado to help keep up with the increasing demand on our resources. We hope to see you at one of these.

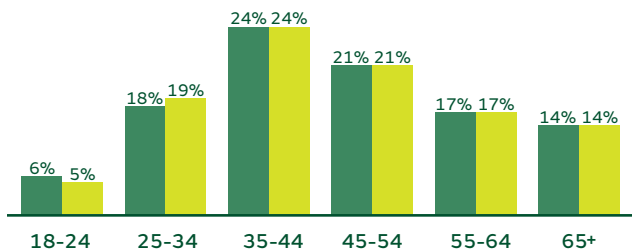
I'm so proud of the Lottery team. The year ahead will hold challenges, but I know we will continue to exceed our goals.

- Tom Seaver

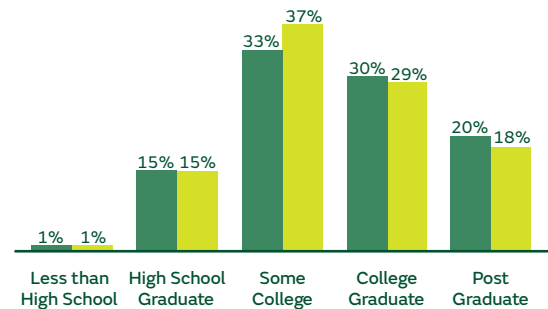
ABOUT OUR PLAYERS

OUR PLAYERS ARE A REFLECTION OF THE GREAT STATE OF COLORADO.

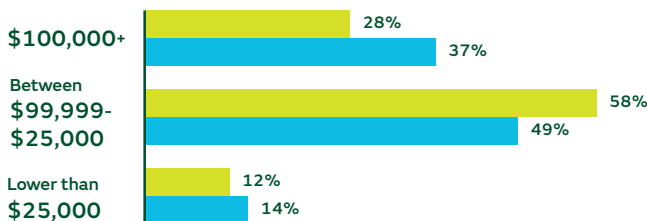
- 2021 Lottery Players
- 2022 Lottery Players
- 2022 CO Census Data Based Estimated Population (18+)



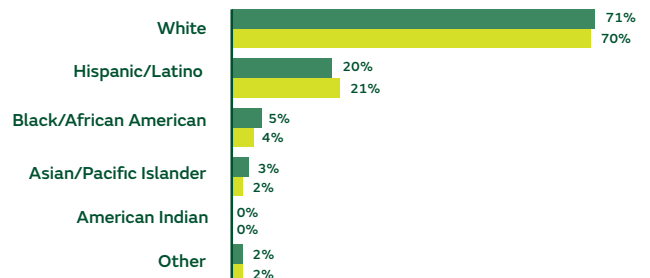
2022 AGE GROUP COMPARISON



2022 EDUCATIONAL COMPARISON



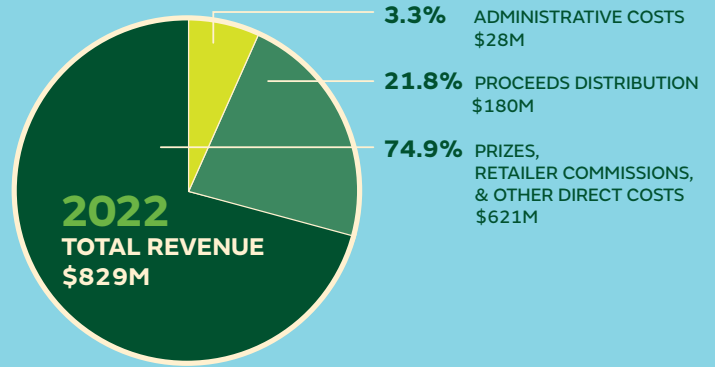
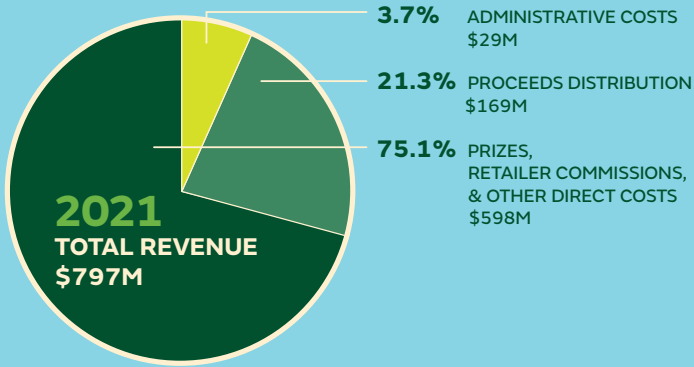
2022 LOTTERY PLAYER HOUSEHOLD INCOME



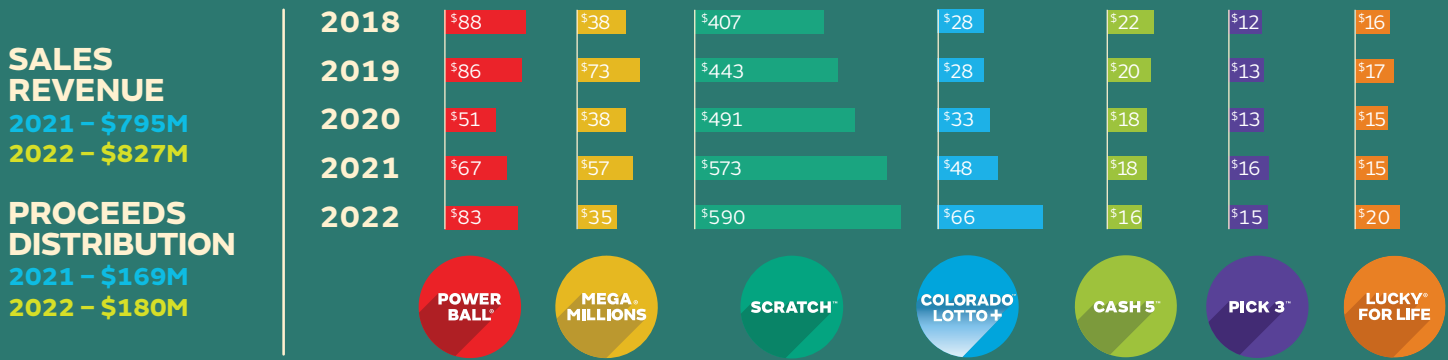
2022 ETHNICITY COMPARISON



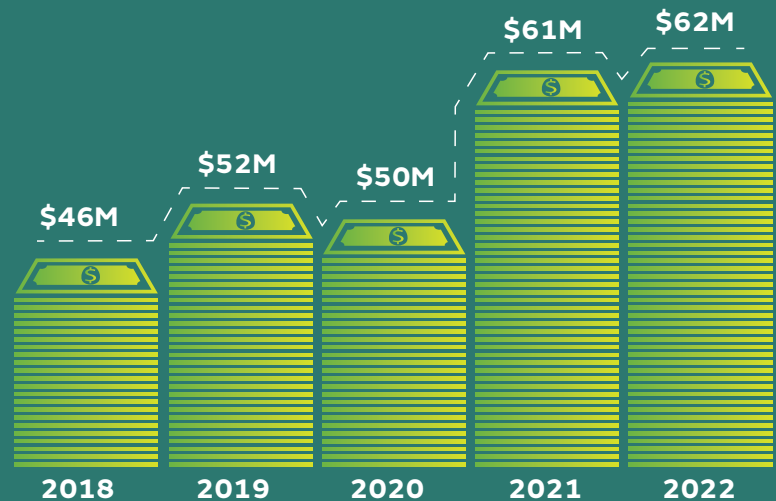
KEY FINANCIAL HIGHLIGHTS



LOTTERY SALES BREAKDOWN (IN MILLIONS)



LAST FIVE YEARS: TOTAL RETAILER COMMISSIONS



OUTDOOR EQUITY FUND



In 2021, the Colorado Legislature voted to create the Outdoor Equity Grant program that funds projects expanding access to the outdoors for underrepresented communities. The response to this opportunity from these communities was astounding. During its first application cycle, the fund received 175 requests in one month, totaling \$10.5 million in requests. In June of 2022, the fund distributed \$1.86 million to 43 projects to help people in underserved communities experience more of Colorado's great outdoors.

For racially and ethnically diverse youth including LGBTQ+, Native American and Indigenous youth, and youth with disabilities, these meaningful Lottery funds provide environmental, experiential, outdoor, stewardship, and conservation education for Colorado youth and families. Lincoln Hills Cares is one of the first recipients of the Outdoor Equity Grant Program. Through outdoor education and recreation, like fishing, cultural history exploration, and workforce advancement, LHC creates excitement and increases equity access to the outdoors.

LOTTERY GOALS ON TRACK

The Lottery has made great strides toward providing more access to player and retailer services in fiscal year 2022. It has begun the groundwork to be able to offer a fully digital retailer application and renewal option by the end of next fiscal year, along with the ability to pay winners via EFT transfer. Expanding access for its Spanish-speaking players, the Lottery has increased its public information available in Spanish from 30% to 65%.

PROCEEDS PAYOUTS

GOCO:
\$73,117,767

CONSERVATION TRUST FUND:
\$72,127,214

COLORADO PARKS & WILDLIFE:
\$18,031,802

OUTDOOR EQUITY FUND:
\$1,500,000

BEST:
\$9,270,628

WILDLIFE CASH FUND:
\$3,135,313

PARKS/OUTDOOR RECREATION CASH FUND:
\$3,135,313

PROCEEDS HIGHLIGHTS

SWEETWATER LAKE

There are Lottery dollars in every state park. Sweetwater National Park is Colorado's 43rd and newest state park. It's unique because it is a state park located within a national forest, the White River National Forest. The park was part of the 488-acre Sweetwater Ranch in Garfield County purchased last year. It's a popular spot for boating, fishing, and camping.





RESPONSIBLE GAMING UPDATE

The Lottery operates on the highest level of integrity and responsibility and promises that the best responsible gaming practices are woven into everyday operations. The Lottery has also increased its responsible gaming efforts and funding by 75% in the past two years. These additional funds help the Lottery enhance responsible gaming marketing and awareness initiatives that are already in place. This includes the Lottery's public outreach and education efforts, such as its "Know Your Limits" year-round campaign on social and digital media, support of the Problem Gambling Coalition of Colorado (PGCC), promoting Problem Gambling Awareness Month (PGAM), and its "Gift Responsibly" campaign around the holidays.

Also in FY22, the Lottery completed the commitments in its World Lottery Association Level 3 Responsible Gaming certification application, which meant it was ready to achieve Level 4 certification. In addition to enhanced research to better understand the beliefs and attitudes about gaming and learning more about the prevalence of problem gaming in the state, the Lottery created a marketing Code of Conduct and increased mandatory responsible gaming training for retailers and employees.

WINNER HIGHLIGHT

They all thought Darren was playing an April Fool's prank on them, but it was no joke. After the same workgroup played Powerball together for 10+ years, they finally won a big one. Fourteen of them shared \$1 million. Winners hailed from all over including Centennial, Denver, Castle Rock, and Wyoming. Some of the ways they are spending their money include travel, investing, saving, housework, and of course, spending it on the kids.



LOTTERY COMMISSIONERS

The Colorado Lottery Commission ensures that the Lottery operates responsibly. It provides oversight and governance of the Lottery's fiduciary responsibilities in the sale of Lottery games. To learn more, visit: www.coloradolottery.com/about/commissioners/



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