LESS
LOTTOMATICA
ENVIRONMENTAL
SUSTAINABILITY
STRATEGY

ROAD TO **2033**

LOTTOMATICA

Climate change is a global challenge that affects us all, with increasing costs for people, communities and countries.

Greenhouse gas emissions from human activities are the main cause of the rise in the average global temperature, posing a real threat to the stability of the ecosystems on which we all depend.

As leaders in the public gaming industry, we feel we must play our part in achieving a resilient, net-zero global economy, and make a tangible contribution to achieving the goals set by the 2015 Paris Accords, the 2030 Agenda and the UN Global Compact.

COP21 · CMP11
PARIS 2015
UN CLIMATE CHANGE CONFERENCE

SUSTAINABLE DEVELOPMENT GOALS

United Nations Global Compact

Lottomatica has embarked on a path of increasing **attention and commitment to environmental issues**, aware of the important role that companies can play in **combating climate change** and in triggering **virtuous behaviour** along the entire value chain.

In line with its ambition to **generate shared value for the community**, the Group has defined a structured environmental sustainability strategy called ***LESS (Lottomatica Environmental Sustainability Strategy),*** articulated along four lines of action.

GREEN AND CIRCULAR ECONOMY

ENVIROMENTAL IMPACT

MOBILITY IMPACT

ENVIROMENTAL CULTURE

By identifying **concrete actions and measurable** medium-term **targets**, LESS aims to **significantly reduce the** Group's **carbon footprint**, laying the foundation for achieving **net-zero**.

COMMITMENT

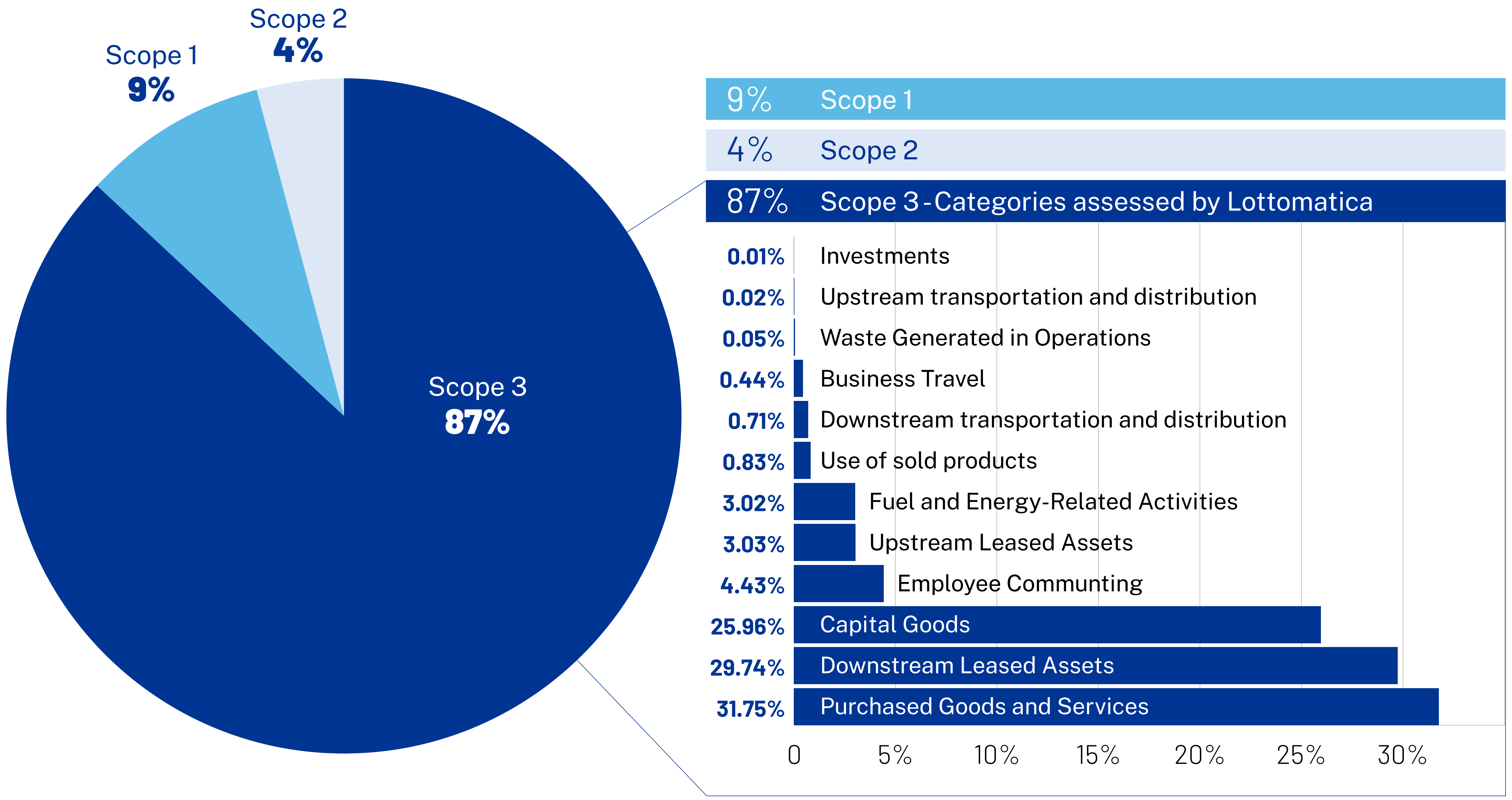
One of the main tools for implementing the Group's environmental strategy is the **decarbonisation plan**.

Its definition required a comprehensive **measurement of** direct, indirect and value chain **emissions**, conducted by Lottomatica in 2023.

The results of this measurement led to the identification of the most effective **decarbonisation levers** and their economic **valorisation**.

The **implementation** of the decarbonisation plan, the **measurement** of results and the **verification** of the progressive achievement of **objectives** are ensured by specific company departments and functions.

CARBON FOOTPRINT 2023



	Scope 1	Scope 2	Scope 3	Totale
tCO_2e	5,019	2,142	49,806	56,967

Scope 1 identifies greenhouse gas (GHG) emissions generated directly by Group companies, e.g. through the use of fuels for heating buildings and the company car fleet.

Scope 2 identifies indirect emissions generated by purchased and consumed energy, e.g. electricity in use at directly operated offices and outlets.

Scope 3 includes all other indirect emissions related to the business activity, including, for example, emissions caused by:

- supply and supply chain;
- logistics;
- home-work travel of employees;
- corporate travel.

As a predominantly technology and services company, most of Lottomatica's emissions are Scope 3, indirect and generated along the value chain.

TARGETS

SCOPE 1

-64%
in 2033

SCOPE 2

- >95%
in 2025

CO_2e

-8.000t
in 2033

‘We have approved a mid-term plan that will almost achieve zero Scope 2 emissions by 2025 and abate over 8,000 tonnes of CO2 equivalent by 2033’.

THE DECARBONIZATION PLAN

IMPACTS	CO_2 SCOPE		DECARBONIZATION LEVERS		POTENTIAL CO_2 REDUCTION (estimates)	
Heating and car fleet	Scope 1	1	GREEN FUELS SOURCING	GO Biomethane	- 61%	Neutralise direct office emissions through the supply of certified 100% green energy.
		2	MOBILITY	Electric fleet	- 3%	Renewing the company fleet with electric and low-emission vehicles.
Headquarters and direct halls/shops	Scope 2	3	GREEN ELECTRICITY SOURCING	GO green energy (direct gaming halls)	- >95%	Almost zeroing indirect emissions from offices and point of sale by supplying certified 100% green energy.
Online gaming activity	Scope 3	4	SUPPLIER MANAGEMENT (CAT. 1)	Green energy	- 26%	Selecting suppliers who are aware of the environmental sustainability of their activities, encouraging technological investments and responsible behaviour along the entire value chain.
Physical gaming activity		5	GREEN LOGISTICS (CAT. 9)	Electric fleet	- 53%	

The decarbonisation plan includes a **10-year commitment** and dedicated decarbonisation levers for each of the identified impact areas.

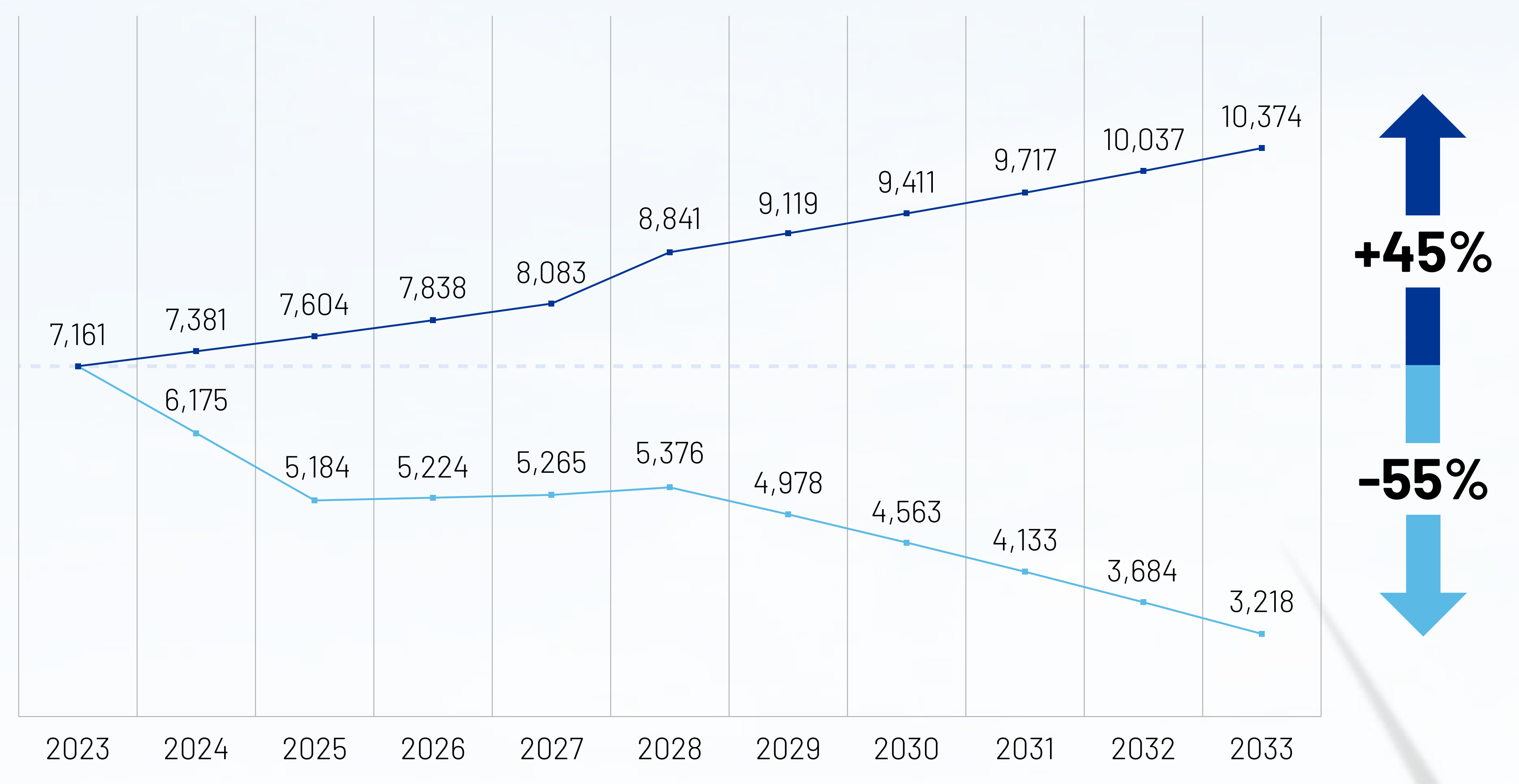
The Group also has the ambition to be a **virtuous** "**ringleader**", able to lead the development of a value chain increasingly focused on sustainability and attentive to limiting its emissions.

THE **DECARBONIZATION PLAN**

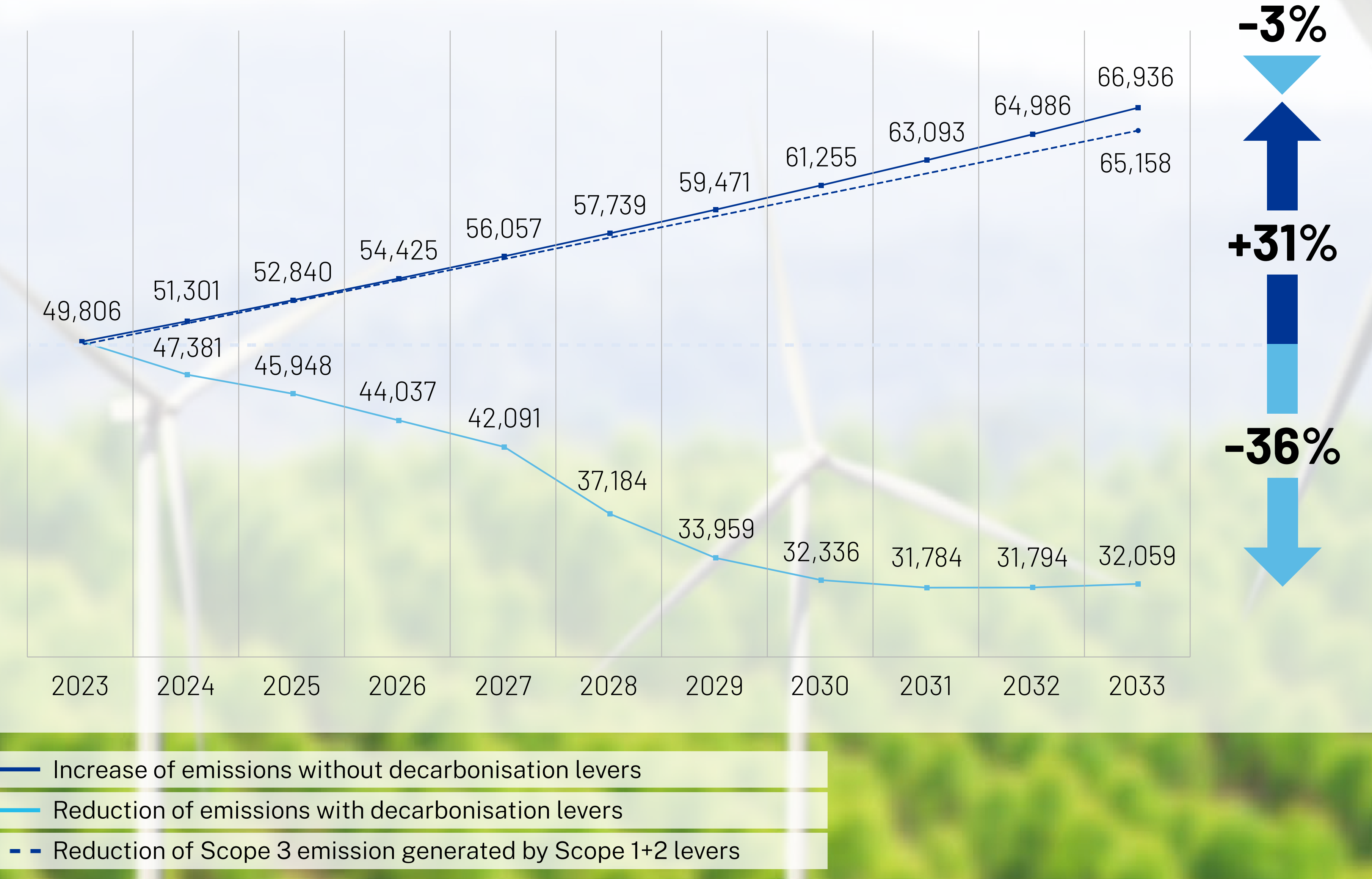
The implementation of the decarbonisation plan will significantly reduce direct and indirect emissions, which would otherwise increase as a result of business growth.

An overall reduction of **-55%** is planned for Scope 1 and 2 emissions, and **-36%** for Scope 3 emissions.

Scope 1+2 GHG Emissions (tCO_2e)



Scope 3 GHG Emissions (tCO_2e)



SUSTAINABILITY GOVERNANCE

BOARD OF DIRECTORS
with the responsibility to approve the ESG strategy and provide the development direction of the environmental, social and governance dimensions.

BOARD'S INTERNAL ESG COMMITTEE
with a preparatory, propositional and advisory support role to the Board of Directors.

MANAGERIAL OPERATIONS COMMITTEE
in charge of developing the ESG strategy, setting the targets and monitoring the relative KPIs.

DEPARTMENTS AND FUNCTIONS
supporting the implementation of programmes, and the monitoring and the representation of the sustainability commitments.

The **implementation** of the decarbonisation plan, the **measurement of** results and the **verification** of the progressive achievement of **targets** are ensured by specific **company departments and functions**, which are part of the broader **ESG governance** structure of the Lottomatica Group.

In particular, the coordination of environmental projects, including the assessment of physical and transitional risks, is assigned to the **Environmental** department, while the **Internal Audit & GRC - Anti-bribery & Corruption** department is responsible for monitoring environmental risks, with particular reference to climate risks (physical and transitional).

ENVIRONMENTAL

INTERNAL AUDIT & GRC – ANTI-BRIBERY & CORRUPTION

CLIMATE AND ENVIRONMENTAL RISKS

Aware of their increasing relevance and potential impacts at the strategic and operational level, and despite having assessed them as having a low impact on the Group's activities as a service company, Lottomatica has integrated **climate change risks** into its Enterprise Risk Management Framework.

In this context, Lottomatica, through its committees and corporate management, is committed to continuously updating its system for identifying and assessing climate and environmental risks, aiming at increasingly integrating these types of risks into the Group's strategy and its operations, through analyses based also on complex medium-long term scenarios.

CLIMATE AND ENVIRONMENTAL RISKS

In 2024, a further in-depth process focused on assessing the **physical risks to which the** Group's companies and activities are subjected.

For each strategic asset (headquarters, directly managed points of sale, strategic suppliers, etc.), the risks were assessed taking into account the main international studies, including the one regularly carried out by the Intergovernmental Panel on Climate Change (IPCC).

The analysis led to a risk score (heatmap) for each of the climate-related hazards and the resulting days of disruption, thus allowing the actual financial impacts to be quantified.

HEATMAPS
to identify any major risk areas

Business Interruption Days (BID)
per cluster and single location

Financial Impact
based on the EBITDA

RESULTS

PHYSICAL RISKS

ZERO
HIGH RISK AREAS

None of the almost **6,000 assets** analysed (offices, directly managed PoS, suppliers, etc.) have a high exposure to climate risks.

<1
BUSINESS INTERRUPTION DAYS
FOR LOTTOMATICA'S POINTS OF SALE

The estimated business interruption days for directly managed points of sale are not significant in terms of EBITDA (<1 day).

<1
BUSINESS INTERRUPTION DAYS
FOR SUPPLIERS' PREMISES

The estimated business interruption days for suppliers' premises are not significant in terms of EBITDA (<1 day).

TRANSITIONAL RISKS

<1
IMPACT ON EBITDA
FOR UTILITIES INCREASE

The impact on EBITDA caused by an increase in the cost of utilities of up to 10% is not significant (<1%).

LOTTOMATICA

For further information: less@lottomatica.com

www.lottomaticagroup.com