



**Sustainability
Report 2023**

LOTTOMatica

(Consolidated non-financial statements pursuant to Legislative Decree 254/2016)



Index

1	Snapshot 2023	6
	Responsability	7
	People	8
	Community and Environment	9
2	The Group and value creation	10
	2.1 We are Lottomatica	11
	2.2 Group structure	14
	2.3 Corporate Governance	15
	2.4 Sustainability Governance	18
	2.5 The value of our business	20
	2.6 The value creation model	21
	2.7 Economic value creation and tax contribution	27
3	Strategy	28
	3.1 Lottomatica Group's sustainability strategy	29
	3.2 The sustainability path	42
4	Responsibility	46
	4.1 The regulatory framework of regulated gaming	47
	4.2 Lottomatica's commitment to responsible gaming	48
	4.3 Innovation and respect for the consumer	61
	4.4 Ethics and compliance	70
	4.5 Risk management	81
	4.6 The Legality Rating	85
5	People	86
	5.1 Lottomatica's People	87
	5.2 Respect for human and labor rights	93
	5.3 Safety and welfare of people	94
	5.4 People development and skills enhancement	102
	5.5 Diversity, inclusion and equal opportunities	116
6	Community and Environment	124
	6.1 The community in which we operate	125
	6.2 Lottomatica for the environment	134
	6.3 Responsible supply chain management	151
7	Consolidated Non-Financial Statements	160
	7.1 Methodological note	161
	7.2 EU Taxonomy	164
	7.3 GRI Content Index	174
	Reports of the Auditing Firm	184

Snapshot 2023



1,507 trained employees
in responsible gaming

indirectly managed
halls trained
in responsible
gaming

3,200

ISO 27001
Security of information

ISO 27701
Privacy of information

ISO 9001
Quality and Safety

ISO 37001
Anti-bribery & corruption

★ ★ ★
Legality Rating
AGCM



**UNI/PdR125
Certification**

for gender equality

+20%
compared to 2022

**1,924
employees**

**268
new hires**

+106%
compared to 2021

+149%
compared to 2022

**22,241
hours of training**

92%
has benefited
from smart working



+170%

contributions to social
initiatives and projects
compared to 2021

energy from
renewable sources
for directly managed
gaming halls

100%

92%

recycled paper used

of suppliers evaluated
according to
ESG criteria

82%

87%

of local suppliers
based on the Italian
territory



2. The Group and value creation

We are Italy's leading Group on the regulated public gaming market, and one of the sector's most important players in Europe. We want to be the first choice for our customers, creating sustainable opportunities for our people and the communities in which we operate, striving for excellence to offer safe, unique, and innovative gaming experiences through every sales channels.

2.1. We are Lottomatica

Lottomatica is the largest operator in the public gaming market authorized by Italy's Customs and Monopolies Agency and is one of the major players in Europe.

The Group is active in the following operating segments: **"Online"** (online sports betting and gaming); **"Sports Franchise"** (sports betting and gaming on the physical networks); and **"Gaming Franchise"** (amusement and entertainment machines).

The Group relies on the skills of approximately **1,900 direct employees** and its extensive franchise network. As of December 31, 2023, Lottomatica has an **online customer base** of more than **1.3 million** and distributes its gaming products in approximately **17,300 points of sale**.

Innovation, digital and technology are the keys to guaranteeing a **complete, entertaining, and, above all, safe offer**, with the aim of ensuring maximum consumer protection and promoting a **legal and responsible gaming model**.

On May 3, 2023, the Group was listed on **Euronext Milan**, a regulated market organized and managed by Borsa Italiana. The Group's main shareholder is **Apollo Global Management Inc.**, a company listed on the New York Stock Exchange, and a worldwide leader in alternative investment management.

Lottomatica’s Corporate DNA

Lottomatica’s soul is reflected in its **Corporate DNA model**, a framework of values that provides a clear and unambiguous indication of what it means to be part of the Group: sharing an ambitious **Vision**, which can be attained by operating with a clear **Mission**, and with wide-reaching and firmly-rooted **Attitudes**.

VISION

To be the first choice for our customers, creating sustainable opportunities for our people and the communities in which we operate.

MISSION

Create **safe, unique and innovative gaming experiences**, online and in-life.
Generate **sustainable value** for our customers, people, partners, institutions, communities and shareholders.
Sustainably **innovate our industry** through technological excellence and experimentation with new business, work and relationships models.

MISSION PILLARS

- PEOPLE
- SUSTAINABLE VALUE
- CUSTOMER EXPERIENCE
- INNOVATION & TECHNOLOGY

ATTITUDES

- COLLABORATION
Be a team
- RESPONSIBILITY
Act consciously
- INCLUSION
Enhance uniqueness
- EXCELLENCE
Exceed expectations
- ENTREPRENEURIAL SPIRIT
Think beyond

HISTORY

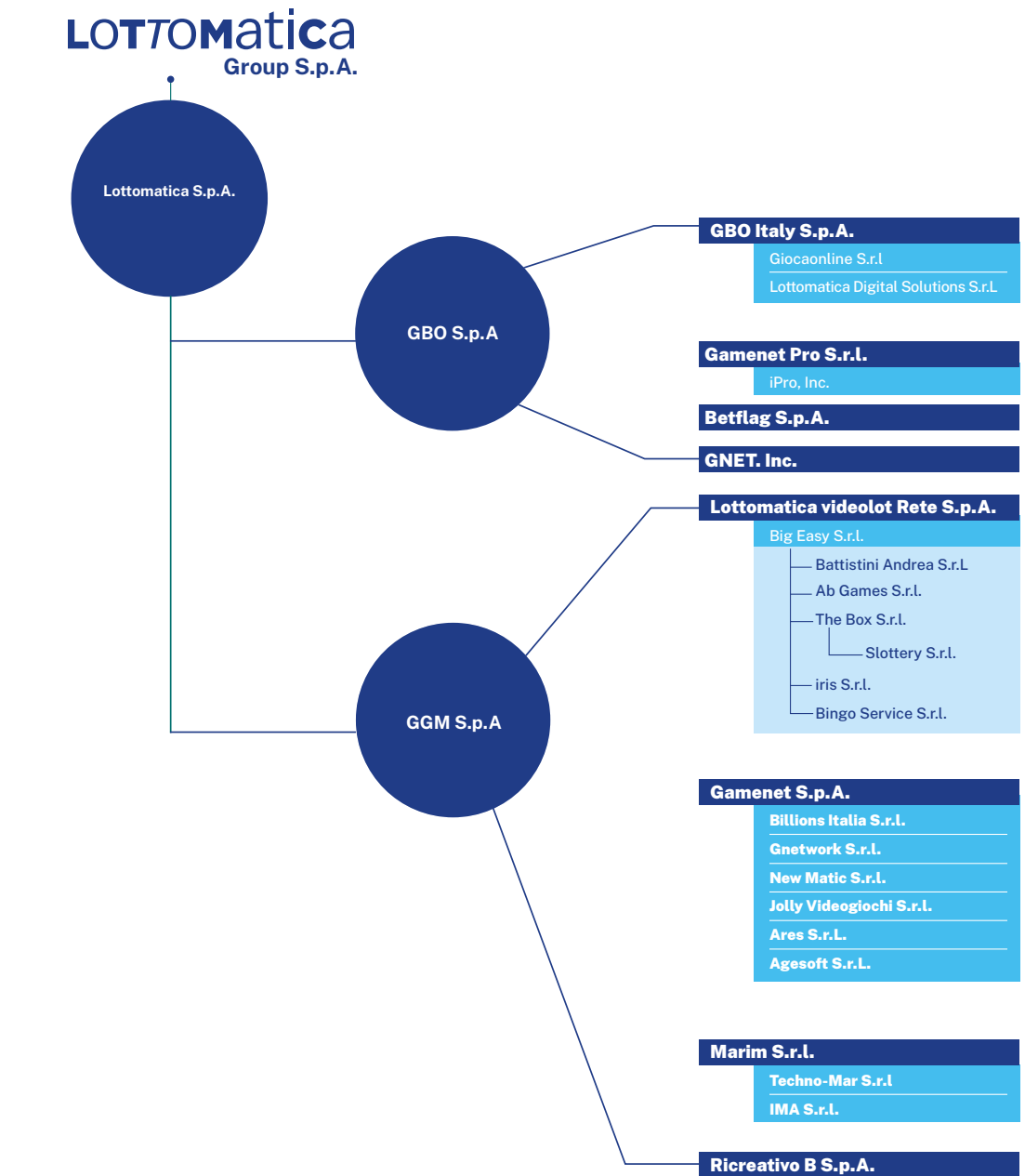
Today’s regulated market of games with cash prizes is the result of a complex regulatory process and represents **the most important factor for combating illegal gaming**, for ensuring **the protection and safety of players**, especially **minors**, and for maintaining public order.
It is within the context of this system that the **story of Lottomatica Group growth** is set: a path of **solid and sustainable development**, supported by the trust of shareholders, and encouraged by the enthusiasm and professionalism of its people.

2023	Listing of Lottomatica Group on Euronext Milan. Agreement to acquire SKS365, a leading multi-channel operator in the Italian online and sports betting market. The transaction is expected to be finalized in the first half of 2024.
2022	Acquisition of Betflag. Renewal of G4 responsible gaming certification for Lottomatica.it and Goldbet.it
2021	Acquisition of Lottomatica Scommesse and Lottomatica Videolot Rete and change of name to Lottomatica. G4 Responsible Gaming Certification obtained for GoldBet.it
2020 - 2019	Acquisition of Gamenet Group by Apollo Global Management and delisting from Borsa Italiana's Electronic Stock Market.
2018 - 2017	Acquisition of Goldbet. Consolidation of the betting segment and development of the online segment. Listing on the STAR segment of Borsa Italiana's Electronic Stock Market.
2016 - 2015	Acquisition of Intralot and establishment of Gamenet Group. Development of the betting segment.
2014 - 2013	Development of the gaming machines segment.
2010	Entry of the investment fund Trilantic Capital Partners as majority shareholder.
2006	Establishment of Gamenet, holder of the Customs and Monopolies Agency license for gaming machines.

2.2 Group structure

Lottomatica Group mainly operates in the public gaming sector as a concessionaire and retailer, through subsidiaries specialized in specific business sectors.

Combined with a solid and recognizable brand portfolio, the professionalism, know-how and specific skills of each of the Group's companies, are what make Lottomatica a **high-performance gaming company in all of its business areas**.



Group's structure also includes Lottomatica UK LTD

2.3 Corporate Governance

GRI 2-9 | GRI 2-10 | GRI 2-11 | GRI 2-19 | GRI 2-20 | GRI 405-1

Responsibility, integrity and transparency are the guiding principles upon which Lottomatica's corporate governance model is based.

The Group's governance is aimed at **creating sustainable** value for all of its stakeholders, **ensuring corporate integrity and maximum transparency** in the decision-making processes. The corporate governance of Lottomatica Group S.p.A., the parent company of Lottomatica Group, is explained below.

Shareholders' Meeting

The Shareholders' Meeting is competent to pass resolutions in ordinary and extraordinary session on matters provided for by law and the Articles of Association.

Board of Directors

The Board of Directors is vested with the broadest powers for the ordinary and extraordinary management of the Company, with the authority to perform acts deemed appropriate for the achievement of the corporate purpose, subject to the exceptions reserved by law for the Shareholders' Meeting. It is composed of members who meet the requirements of the provisions of the law and remain in office for up to a maximum of 3 fiscal years.

As of December 31, 2023, the Board of Directors of Lottomatica Group S.p.A. has an average age of 52 years, with 55% of the members consisting of women. It is composed of eleven members, one of whom is executive and ten non-executives, four of whom are classified as independent under both the TUF and the Corporate Governance Code. Some members also hold positions on other boards of directors of Group companies or on management and/or control bodies of other companies. The non-executive and non-independent members of the Board of Directors appear to reflect the interests of the reference shareholder Apollo Global Management.

The Board of Directors of Lottomatica Group S.p.A. in office since May 3, 2023, is as follows:

CHAIRMAN	Andrea Moneta
CHIEF EXECUTIVE OFFICER	Guglielmo Angelozzi
DIRECTORS	John Paul Maurice Bowtell Nadine Farida Faruque Catherine Renee Anne Guillouard Michele Rabà Michael Ian Saffer Yulia Shakhova

[GRI 405-1] Composition of the Board of Directors of Lottomatica Group S.p.A.

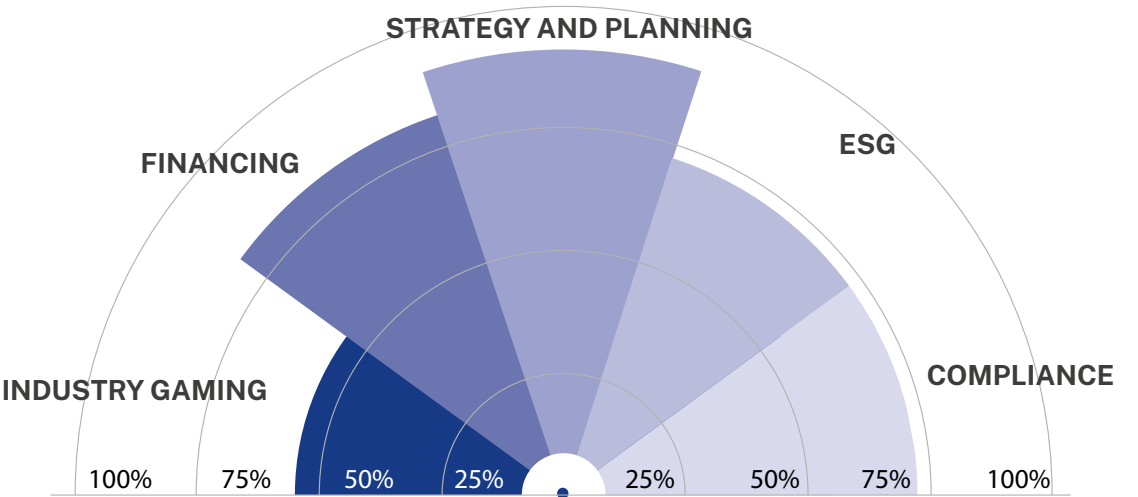
Members of the Board of Directors of Lottomatica Group S.p.A.	Unit	2023		Total
		Men	Women	
Total		5	6	11
<=29 years	N°	0	0	0
30-50 years		2	1	3
Over 50		3	5	8
<=29 years	%	0	0	0
30-50 years		67	33	100
Over 50		38	62	100

Upon admission to trading on Euronext Milan, Lottomatica Group S.p.A. implemented specific regulations and policies on stakeholder engagement, diversity, director independence and organizational impact.

These regulations and policies are in line with market best practice and aim to position the Group as one of Italy’s leading issuers. After listing, the selection and appointment of the Board members and its committees are made by the Shareholders’ Meeting of Lottomatica Group S.p.A..

Four committees have been established within the Board of Directors of Lottomatica Group S.p.A.: the Control and **Risk Committee** with the task -among others- of overseeing Privacy and Data Protection aspects; the **Nomination and Remuneration Committee**; the **ESG Committee**; and the **Related Party Transactions Committee**.

The competences of the Board members are shown in the chart below:



15)The listing on the Stock Exchange, which took place on May 3, 2023, provided for the appointment of an end-consultative Nomination and Remuneration Committee to define the Remuneration Policy, composed of a majority of independent members of the Board of Directors, which will carry out its activities following the rules of the Corporate Governance Code and market best practices. More information regarding Corporate Governance, as well as the composition and activities of the Committees during 2023 and the Remuneration Policy can be found in the Report on Corporate Governance and Ownership Structure as of December 31, 2023 and in the Report on Remuneration Policy 2024 and Remuneration Paid 2023.

Board of Statutory Auditors

The Board of Statutory Auditors of Lottomatica Group S.p.A. performs control functions and is in charge of supervising the compliance with the law and the Articles of Association, the compliance with the principles of proper administration, and the adequacy of the company’s administrative, organizational and accounting structure and its actual operation.

As of December 31, 2023, the Board of Statutory Auditors, in office since May 3, 2023, consists of three statutory auditors and two alternate auditors. Its current composition is as follows:

Chairman	Andrea Lionzo
Standing auditors	Giancarlo Russo Corvace
	Veronica Tibiletti
Alternate auditors	Angela Frisullo
	Alberto Incollingo

Both the Board of Directors and the Board of Auditors have **specific diversity policies** in order to benefit from a variety of qualified viewpoints and promote a more open approach to contamination and innovation.

Supervisory Board

Lottomatica Group’s Supervisory Board is invested with autonomous powers of initiative and control. It has the task of supervising the operation of and compliance with Model 231 and ensuring that it is updated and consists of three members.

As of December 31, 2023, the composition of the Supervisory Board is as follows:

Chairman	Francesca Rosetti
Members	Stefano Baduini
	Valentina Lazzareschi

Auditing Firm

The statutory audit service has been entrusted for the duration of nine fiscal years starting in 2023 to PricewaterhouseCoopers (PwC), a registered auditing firm on the special register, appointed for this purpose by the Shareholders’ Meeting.

[GRI 405-1] Composition of Group Companies’ Governing Bodies by Gender and Age Group*

Members of governing bodies (Headcount)	Unit	2021			2022			2023		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Boards of Directors		35	4	39	46	5	51	44	9	53
<=29 years	N°	0	1	1	0	1	1	0	0	0
30-50 years		13	3	16	18	2	20	12	3	15
Over 50		22	0	22	28	2	30	32	6	38
<=29 years	%	0	100	100	0	100	100	83	17	100
30-50 years		81	19	100	90	10	100	80	20	100
Over 50		100	0	100	93	7	100	84	16	100
Boards of Statutory Auditors		15	3	18	19	5	24	22	7	29
<=29 years	N°	1	0	1	1	0	1	0	0	0
30-50 years		3	3	6	4	3	7	7	5	12
Over 50		11	0	11	14	2	16	15	2	17
<=29 years	%	100	0	100	100	0	100	0	0	0
30-50 years		50	50	100	57	43	100	58	42	100
Over 50		100	0	100	87.5	12.5	100	88	12	100
Supervisory bodies		8	3	11	9	5	14	8	6	14
<=29 years	N°	0	0	0	0	0	0	0	0	0
30-50 years		2	3	5	1	4	5	1	4	5
Over 50		6	0	6	8	1	9	7	2	9
<=29 years	%	0	0	0	64	36	100	57	43	100
30-50 years		40	60	100	20	80	100	20	80	100
Over 50		100	0	100	89	11	100	78	22	100

*The percentage of members within the governing bodies distinguished by other diversity indicators (e.g. nationality, disability, vulnerable groups, etc.) is 0.

2.4 Sustainability Governance

GRI 2-12 | GRI 2-13 | GRI 2-14 | GRI 2-17 | GRI 2-18

Lottomatica has strengthened the path geared toward the integration of sustainability in all corporate dimensions, ensuring control over the ESG strategy and its related plan through a governance distributed among the internal stakeholders involved.

Sustainability governance, formalized in 2022, consists of **four organizational levels**: the Board of Directors, the Board’s internal ESG Committee, the ESG Management Operations

Committee, and the departments most involved in specific sustainability topics. To these is added the figure of the **ESG Officer**, with responsibility for coordinating and overseeing the implementation of the Sustainability Plan activities.

BOARD OF DIRECTORS

which is assigned the responsibility for approving the ESG strategy, the Group’s annual Sustainability Report and its publication.

BOARD’S INTERNAL ESG COMMITTEE

with a role of investigative, propositional and advisory support to the Board of Directors on sustainability issues, with particular reference to the evolution of trends and the adequacy of the strategic guidelines identified. It reports to the Board of Directors at least once a year, or when requested by the Board.

ESG MANAGEMENT OPERATIONS COMMITTEE

in charge of developing the ESG strategy, Sustainability Plan and related programs, setting ESG targets and monitoring related KPIs. It coordinates with the Board’s internal ESG Committee and includes the heads of the departments: ESG Office; Human Resources, Organization & PSS; Finance, Administration & Control; Corporate & Legal Affairs; and External Relations & Communications.

DIRECTIONS AND FUNCTIONS

most involved on specific ESG issues, with dedicated principals tasked with supporting program implementation, monitoring and representation of sustainability commitments.

Following the listing, Lottomatica Group S.p.A. adhered to the **Corporate Governance Code**, which prescribes the completion of an evaluation of the work of the highest governing body, including in relation to performance and the achievement of specific ESG objectives. In addition, the Company drafts a Corporate **Governance and Ownership Report**, containing information on governance.

In addition, the CEO has identified an **Environmental Delegate** among the Company’s staff, in charge of managing all the fulfilments of legal obligations, as well as to carry out other initiatives deemed useful to ensure constant compliance, updating and adaptation to the legislation and rules of good practice on environmental protection pursuant to Legislative Decree 152/2006, as amended, and to the requirements provided for by additional laws, regulations and provisions in force on environmental protection and the fight against pollution. To this end, both the powers necessary to represent the Company to all effects before all public and private entities and bodies in charge of exercising the supervisory, verification and control functions provided for by the general and particular regulations on the subject, and all the broadest decision-making and signatory powers have been conferred.

2.5 The value of our business

GRI 2-6

Lottomatica is the largest operator in Italy’s public gaming industry in terms of both bet collected and the size of its distribution network.

The Group is active in three operating segments: “**Online**”, which includes online sports betting and gaming; “**Sports Franchise**”, which includes sports betting and gaming on physical networks; “**Gaming Franchise**”, which includes the activities involving AWP (Amusement With Prize) and VLT (Video Lottery Terminal) amusement and entertainment machines, and the direct management of gaming halls and proprietary machines (“Retail and Street Operations”).

Online

Lottomatica is leader in the online gaming segment in Italy, where it maintains a presence with the **Lottomatica, Better, Goldbet e Betflag** brands. Distinguished by the **highest security standards**, Lottomatica’s online offering consists of a **comprehensive and innovative portfolio** of remote games, which can be enjoyed via the web, as well as through numerous dedicated apps for smartphones and tablets. The Group’s online games have been authorized and certified by Italy’s Customs and Monopolies Agency to guarantee the highest levels of security, and are provided by selected international partners, who not only offer the most popular content, but also the safest and most reliable gaming platforms.

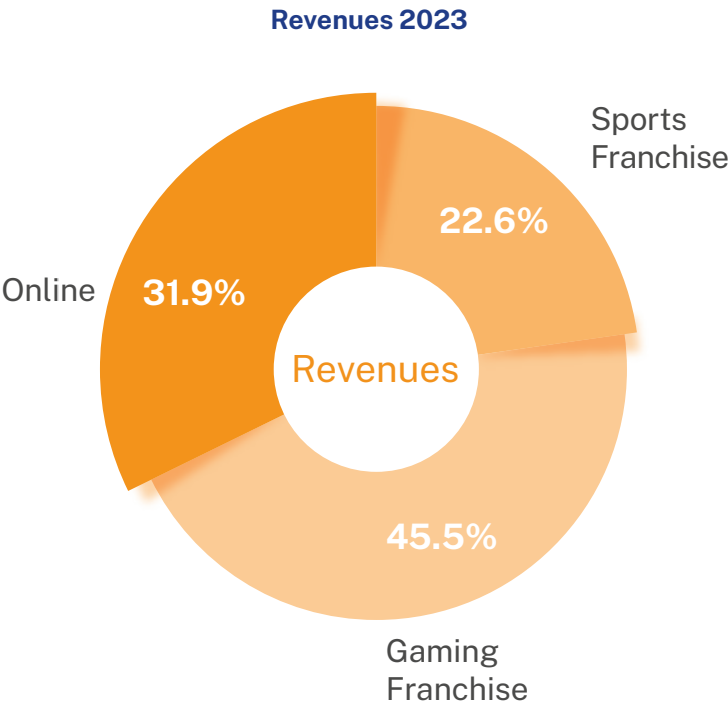
Sports Franchise

Lottomatica leads the physical network betting and gaming sector with three brands, which boast strong roots throughout the country: **Better, Goldbet e Intralot**. Thanks to its network of **thousands of outlets** dedicated to sports betting, horse racing and other gaming products, such as virtual games, as well as the professionalism of thousands of specialized operators, Lottomatica has become the leading betting operator in Italy. The betting network’s points of sales are divided into **shops and corners**: the shops are environment dedicated to sports and betting, while the corners are more confined areas set up within other commercial establishments like bars or tobacconists.

Gaming Franchise

Thanks to top quality infrastructure and technologies designed to ensure **maximum player protection**, Lottomatica installs and monitors amusement and entertainment machines within public establishments and dedicated gaming halls throughout Italy. The Group is also engaged in the **direct management of gaming machines** (Street Operations) **and gaming halls** (Retail). Located throughout Italy, the gaming halls managed by Lottomatica are distinctive and recognizable brands, and have come to represent a benchmark for their **high levels of service and customer attention**, as well as for the **quality and security** of their offer.

Lottomatica Group Revenues by Operating Segment (in millions of Euro)					
	2021	2022	2023	Var. 2023/2022	% of total 2023
Online	279.6	328.6	520.8	58.5%	31.9%
Sports Franchise	153.1	340.8	368.2	8.0%	22.6%
Gaming Franchise	375.4	725.5	743.5	2.5%	45.5%
Total	808.1	1,394.9	1,632.5	17.0%	100.0%



2.6 The value creation model

The ability to formulate effective responses to the challenges posed by the context in which it operates allows Lottomatica Group to generate and distribute sustainable value, which benefits all the players involved in the value chain.

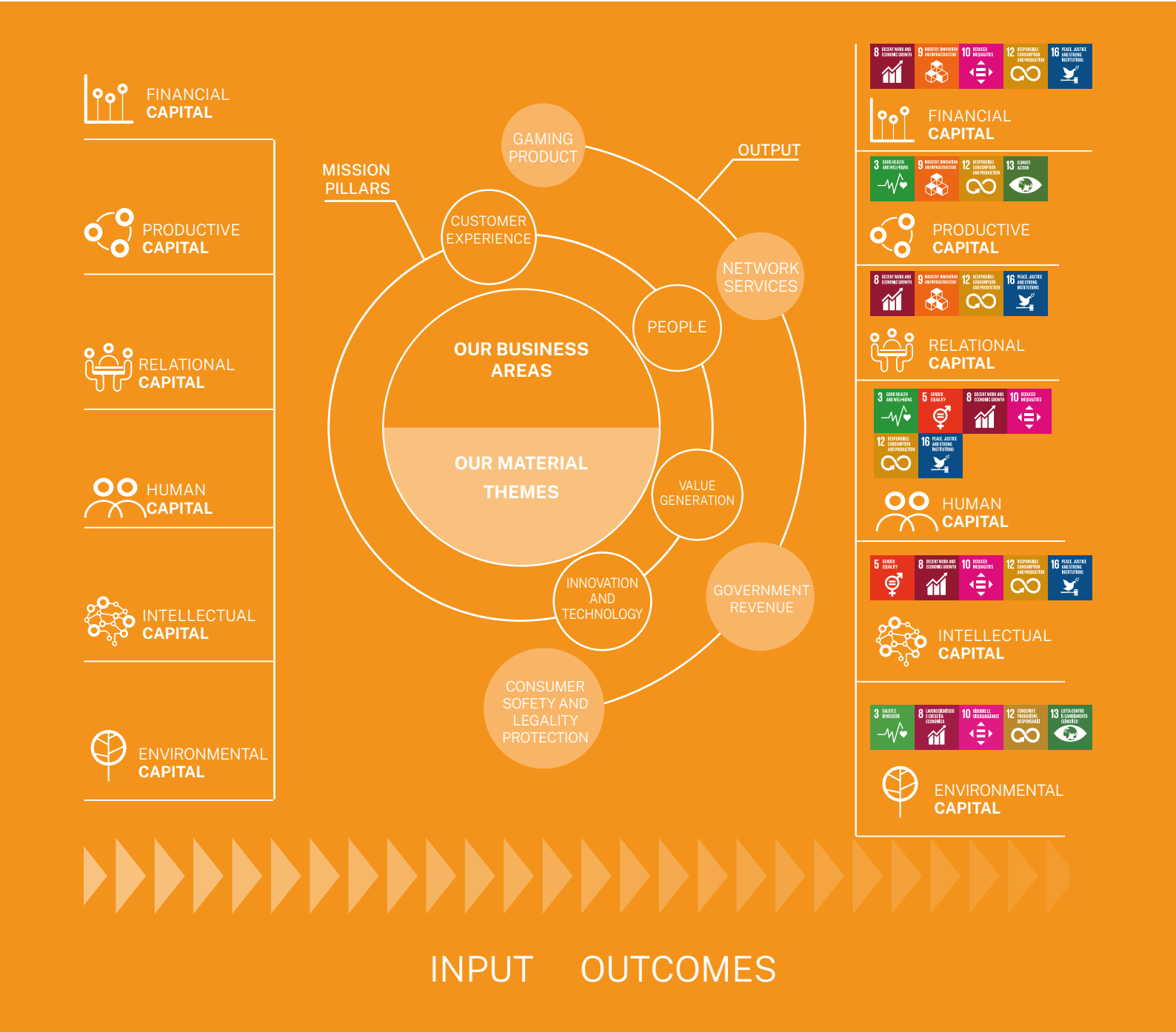
Lottomatica conducts its activities on the basis of **solid principles of environmental, social and governance responsibility**, and believes that its success in generating sustainable value primarily depends on its ability to respond effectively to the demands that arise from the context in which it operates, managing all forms of capital that oversee the creation of value in a **balanced and conscientious manner**.

The value creation model represents the transformation process of the various forms of capital with which the Group interacts, both in its business and in pursuit of its ESG goals.

Capital classes

	FINANCIAL CAPITAL	Includes the capital, economic and financial resources necessary for the organization's activities.
	PRODUCTIVE CAPITAL	Includes owned space and buildings, equipment, and all tangible assets functional for carrying out the activity.
	RELATIONAL CAPITAL	The totality of relationships established by the Group.
	HUMAN CAPITAL	The wealth of skills, abilities and knowledge of those who perform work in the company.
	INTELLECTUAL CAPITAL	Includes internal management processes and procedures, as well as intellectual property and information systems.
	ENVIRONMENTAL CAPITAL	Includes the environmental dimension on which the activities carried out by the Group impact.

The diagram illustrates the value creation process. Through corporate activities, the focus on sustainability issues topics and the Group's DNA traits, the capital inputs are able to produce successful outputs and generate positive outcomes, which create value over the short, medium and long term.



2.7 Economic value creation and tax contribution

GRI 3-3 | GRI 201-1 | 207-1 | 207-2 | 207-3 | 207-4

Lottomatica Group is committed to developing its business in a responsible and sustainable manner, in order to generate and distribute value to all of its stakeholders, while ensuring a significant source of revenue for the community.

Lottomatica is a solid and growing organization, and in 2023 it **has achieved revenues and other income of more than Euro 1,651 million** and **adjusted EBITDA of more than Euro 580 million**. These results are determined both by strong organic growth and the excellent performance of all business lines, and by the implementation of a **strategic acquisition strategy**.

Economic performance (in thousands of Euro)	2021	2022	2023
Revenues and other income	815,411	1,407,686	1,651,017
Adjusted EBITDA ¹⁶	228,115	460,350	580,351
Net profit / (loss)	(57,884)	78,431	74,222
Total shareholders' equity	11,279	106,558	541,590
Net financial debt	1,408,998	1,663,977	1,248,726

Lottomatica’s ability to create wealth for its stakeholders can be measured by calculating the **economic value generated and distributed** during the year. The distribution of this value, shown below, is based on the reclassification of the income statement items included in the Group’s Consolidated Financial Statements which has been prepared according to the requirements of the reporting standards.

During 2023, Lottomatica Group incurred operating costs of more than Euro 1,013 million, which mainly consisted of cost of services. These costs are mainly attributable to the fees paid to the Group’s distribution network.

Approximately Euro 98 million were related to the remuneration of employees and collaborators in the form of wages, salaries, other personnel costs, and provisions for severance pay.

Approximately Euro 63 million were earmarked for the **Public Administration**, for taxes pertaining to the year, excluding the portion of the collections paid to the tax authorities and license fees. Approximately Euro 192 million were related to **debt capital remuneration** for finance expenses.

The **economic value retained** by Lottomatica, represented by the difference between the economic value generated and distributed, is approximately Euro 283 million.

16) Calculated as net profit for the year adjusted for: (i) income tax expense; (ii) finance income; (iii) finance expenses; (iv) share of profit/ (loss) of equity accounted investments; (v) depreciation, amortization and impairments; (vi) costs related to M&A, international activities and IPO; (vii) integration costs (including expenses on corporate restructuring and redundancy); and (viii) other income and expenses that, in view of their nature, are not reasonably expected to recur in future periods.

[GRI 201-1] Direct economic value generated and distributed

Direct economic value generated and distributed (EVG&D)	Unit	2021	2022	2023
Economic value generated		815,411	1,407,686	1,651,017
Economic value distributed		723,849	1,169,962	1,367,655
Operating costs	thousands of Euro	553,422	910,415	1,013,710
Value distributed to employees		67,100	80,472	98,378
Value distributed to capital providers		95,703	124,251	192,148
Value distributed to the Public Administration		7,624	54,824	63,418
Economic value retained		91,562	237,724	283,362
Economic value generated		100	100	100
Economic value distributed		89	83	83
Operating costs	%	68	65	61
Value distributed to employees		8	6	6
Value distributed to capital providers		12	9	12
Value distributed to the Public Administration		1	4	4
Economic value retained		11	17	17

The figures shown in the table for the years 2021 and 2022, regarding items “Economic value generated”, “Operating costs”, “Value distributed to capital providers”, and “Value distributed to the Public Administration”, have been restated by incorporating changes in the Group’s Consolidated Financial Statements.

Lottomatica’s tax contributions

As the largest operator in the public gaming sector authorized by the Customs and Monopolies Agency, Lottomatica plays an extremely important role in the achievement of major public interest objectives through its contribution to the revenue of the Treasury and the Italian State.

Therefore, considering the impact of its work in this regard, and in the interest of ensuring **transparency, accountability and improvement** in the reporting of its ESG performance, Lottomatica has chosen to include the topic “**Fiscal contribution and transparency**” within its materiality process since 2022.

Lottomatica has always prioritized fulfilling its tax obligations in a timely and transparent manner, ensuring the correct payment of taxes and taking prudent measures to responsibly manage its tax risk.

The Group has established an **internal policy** aimed at describing the activities, management methods, roles and responsibilities, as well as the authorization and communication flows associated with the taxation process.

Tax risk management and compliance fall under the purview of the Finance Administration & Control area’s **Fiscal & Tax department**.¹⁷ This department is responsible for the timely application of the tax regulations, in line with the best practices established by the Revenue Agency and the sector, carrying out reporting and operational activities for the Supervisory Board and

17) This area consists of the following professional figures: the Fiscal & Tax Director, responsible for the function, the Fiscal & Tax Expert and the Fiscal & Tax Specialists, representing the operational staff.

the CFO (Chief Financial Officer). The income tax disclosure is subject to verification by the Independent Auditing Firm during the audit of the financial statements.

At the end of 2023, with the twofold objective of, on the one hand, making the interlocution with the tax authorities faster and more effective in the event of tax audits and, on the other hand, improving the efficiency of the detection, measurement and management of tax risk within the framework of business processes by improving the related safeguards and reducing the risk of tax disputes and controversies, Lottomatica Group, while not adhering to the collaborative compliance regime, decided to equip itself with the **Tax Control Framework** tool.

The Tax Control Framework is the set of procedures, tools, organizational structures, standards and business rules aimed at enabling, through an appropriate process of identifying, measuring, managing and monitoring the main tax risks, the conduct of the business in such a way as to minimize the risk of operating in violation of tax regulations, or contrary to the principles or purposes of the law.

Lottomatica Group also ensures that tax issues are managed in line with regulatory updates and sector best practices by organizing periodic **training and refresher courses** on the subject, intended for the employees most directly involved in these activities. Subjects covered include: tax law, analysis of financial statements, treasury management-legal and contractual profiles, risk assessment and analysis skills.

In addition to providing a disclosure of its approach to taxation, tax governance and the management of tax-related risks, the table below describes detailed financial, economic and tax information for each jurisdiction in which the Group operates.

[GRI 207-4] Country-by-country reporting*

Reporting of fiscal Information	2022			2023		
	Italy	UK	USA	Italy**	UK***	USA****
Employees	1,594	1	1	1,922	1	1
Revenues from sales to third parties (Euro)	1,405,944,943	0	0	1,709,722,735	0	0
Revenues from intra-group transactions with other tax jurisdictions (Euro)	0	0	0	0	0	0
Pre-tax profit / (loss) (Euro)	447,752,000	39,266	91,268	283,275,062	38,043	84,757
Tangible assets other than cash and cash equivalents (Euro)	103,873,006	795	0	111,845,211	604	0
Income taxes paid on a cash basis (Euro) *****	32,135,534	0	0	114,073,820	0	0
Corporate income tax accrued on profits / (losses) (Euro)	(65,482,261)	157	(14,199)	(84,354,140)	0	0

*Data refer to the only three jurisdictions of operation by Lottomatica Group (Italy, UK and USA) and have been reported as the sum of the values of the individual companies, thus not taking into account elisions and entries made at the consolidated level.

**Data refer to the following entities: AB Games S.r.l., Agesoft S.r.l., Ares S.r.l., Battistini Andrea S.r.l., Betflag S.p.A., Big Easy S.r.l., Billions Italia S.r.l., Gamenet PRO S.r.l., Gamenet S.p.A., GBO Italy S.p.A. (Goldbet S.p.A.), GBO S.p.A., GGM S.p.A., Giocaonline S.r.l., Gnetwork S.r.l., Jolly Group S.r.l. (Jolly Videogiochi S.r.l.), Lottomatica Digital Solutions S.r.l., Lottomatica Group S.p.A. (Gamma Midco), Lottomatica S.p.A. (Gamenet Group), Lottomatica Videolot Rete S.p.A., Marim S.r.l., New Matic S.r.l., Ricreativo B S.p.A., Slottery S.r.l., Tecno-Mar S.r.l., The Box S.r.l..

*** Data refers to Lottomatica UK Ltd.

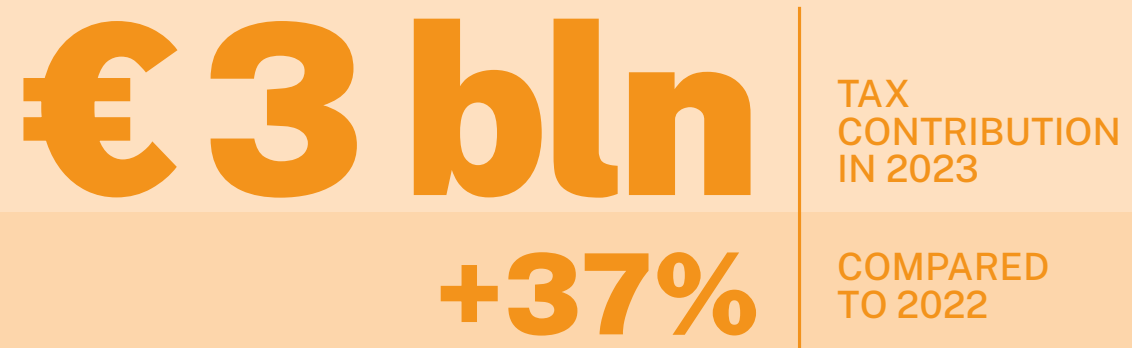
**** Data refers to GNet Inc..

*****With reference to the difference between the corporate income tax accrued on profits/losses and the taxes paid, it is specified that the latter takes into account the balance of the previous year and the advance payments for 2023, net of the advance payments for 2022 and any overpayments from previous years and/or any tax credits. With regard to accrued taxes, on the other hand, these reflect the taxable income of FY2023 for the relevant tax rate plus deferred tax assets and/or deferred tax liabilities pertaining to FY2023.

Gaming taxes

The public gaming sector, managed through selected and highly qualified concessionaires and operators, represents an **important source of public revenues** to be allocated for the **benefit of the community**.

In 2023, Lottomatica Group's contribution to tax revenue was approximately Euro 2,995 million, up to 37% from the previous year.



The table below details the gaming taxes relating to the Group's activities, as well as the income taxes and the local taxes, paid during for the three-year period 2021-2023, calculated according to the criterion of economic competence.

Taxes on gaming

Impact on taxation	Unit	2021	2022	2023
PREU and gaming taxes	thousands of Euro	899,258	1,646,593	1,612,020
Taxes on winnings		63,431	124,845	130,562
Consolidated tax on public gaming		147,330	243,561	295,315
License fees		58,211	102,135	881,613
Salva sport fund		6,557	0	0
Total gaming taxes		1,174,786	2,117,134	2,919,510
Income Taxes		7,620	73,988	72,106
Local taxes		1,211	3,276	3,903
Total		1,183,617	2,194,398	2,995,519



3. Strategy

The ambition to generate sustainable value and positive impacts for the community, the environment and all its stakeholders is part of Lottomatica Group's Vision and Mission.

3.1 Lottomatica Group's sustainability strategy

GRI 2-12 | GRI 2-24

Lottomatica Group has always paid the utmost attention to the **sustainability of its activities** and their possible **impact** on the community. Over the years, the Group has built an increasingly demanding and challenging path in the **management of ESG issues**, integrating sustainability drivers and corporate objectives more and more firmly within a well-defined strategy.

Dialogue with Stakeholders

GRI 2-29

As a leading company in a highly strategic and sensitive sector such as that of public gaming, the Group's activities are of considerable interest to a **large number of stakeholders**. Lottomatica maintains **relationships based on transparency and dialogue** with them, aware of the importance of their **active involvement** for the construction of a sustainable business model oriented to the creation of value.

Lottomatica recognizes the importance of actively collaborating with stakeholders and building a solid, trust-based relationship with them, in order to understand their expectations and create sustainable value for the community.

The internal and external stakeholders identified by the Group are divided into six macro-categories and are mainly located in Italy.

EMPLOYEES AND CONTRACTORS of offices, stores and other workplaces.	LOTTOMATICA'S STAKEHOLDERS
SHAREHOLDERS AND FINANCIAL COMMUNITY including: investment funds, shareholders, bondholders, potential investors, and other financial entities.	
INDUSTRY OPERATORS AND OTHER SUPPLIERS including: business partners, gaming platform developers, gaming materials and service providers, technical support services.	
CLIENTS of the physical and online sales network.	
REGULATORY BODIES AND GOVERNMENT DEPARTMENTS including: the Customs and Monopolies Agency, the Ministry of Economy and Finance, Central and Local Governments, Law Enforcement Agencies.	
COMMUNITY including: local communities, cultural and sports organizations and associations, scientific research institutions, consumer associations, media.	

Stakeholder engagement

Lottomatica Group prepares engagement programs and promotes discussion on ESG topics with an increasingly broad range of stakeholders. For the purpose of this document's preparation, Lottomatica's **materiality analysis** process was further optimized with the introduction of a **digital engagement platform**, and the most relevant categories of internal and external stakeholders were directly involved in **assessing** the **relevance of material topics** and the **significance of impacts**.

In particular, **four categories of stakeholders** were involved: the majority shareholder Apollo Global Management, the credit institutions, internal management and the managers of the directly managed gaming halls and betting agencies.

The process led to an **update of material topics and their impacts**, in line with **best practices in sustainability reporting**, and enabled the Group to further consolidate the **relationships based on trust** and cooperation that it has built over the years with its stakeholders

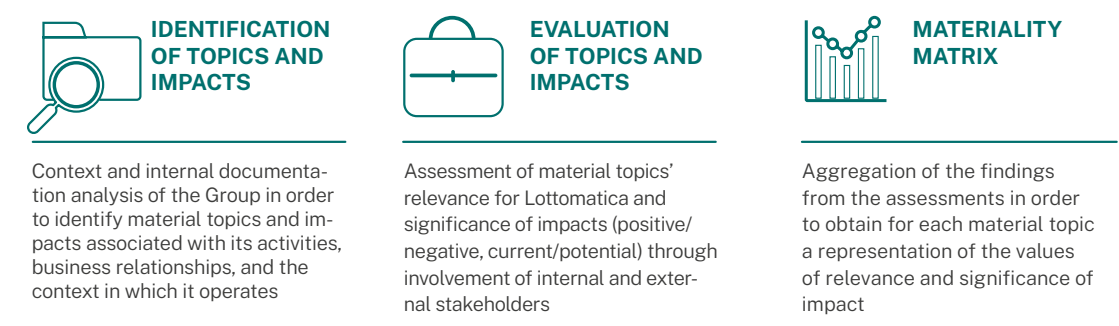
The material topics and the Group's impact

GRI 3-1 | GRI 3-2 | GRI 3-3

Lottomatica is committed to proactively responding to the changes introduced by the main sustainability reporting standards. For this reason, **the materiality analysis process was updated during 2023**, and was carried out in accordance with the GRI Universal Sustainability Reporting Standards 2021.

Specifically, the materiality analysis process consisted of three distinct phases.

The first stage of the process led to the review and confirmation of **14 material topics**, the im-



pacts of which, with a view to continuous improvement, were **updated** according to an **inside-out perspective**, thus considering the company's impacts externally, and assessed by the heads of the departments that oversee the ESG aspects most directly (ESG & Sustainability, Environment, Procurement, Finance, Internal Audit, Legal & Corporate Affairs, Operations & Technology, Personnel). Specifically, they were asked to assess the **significance** of each impact according to an evaluation scale expressed as a combination of its **likelihood** and **severity**.

Below is a list of the **material topics** considered, the associated **impacts** and the related **GRI**s, broken down by **strategic pillar**. In addition, each pillar has been associated with the UN Sustainable Development Goals to which the Group contributes through its activities.

1 Responsibility



MATERIAL TOPICS	MAIN ASSOCIATED IMPACTS	REFERENCE GRI
Promotion of legal and responsible gaming <i>The importance of the promotion of legal and responsible gaming in Lottomatica's business model and operations, in a manner that complies with the regulatory provisions, placing the protection of customers at the center of its operations, especially with regard to the most vulnerable segments of the population</i>	Lack of compliance with responsible gaming regulations <i>Non-compliance with national and local regulations in force on legal gaming, responsible gaming and the protection of minors</i> Pathological gambling cases <i>Increase in pathological gambling cases in communities where Lottomatica is present</i>	GRI 416 Customer health and safety
Quality of the service offered <i>Maximum product and quality, from design to market launch, ensuring customer consideration and satisfaction</i>	Customer protection <i>Customer protection at every stage of the customer experience, from the design of products/services to their conveyance through all touchpoints</i> Non-compliance with communication and marketing regulations <i>Non-compliance with the relevant regulations (Balduzzi Decree and Dignity Decree) on communication and marketing</i>	GRI 417 Marketing and labelling
Business ethics and integrity <i>Conduct of the business activities with moral and ethical integrity, in compliance with the values and principles laid out in Lottomatica's Code of Ethics and 231 Model, with a particular focus on combating corruption and illegality throughout all stages of the Group's value chain</i>	Failure to comply with anti-money laundering and anti-corruption regulations <i>Non-compliance with local and international anti-money laundering and anti-corruption regulations</i> Failure to respect human rights <i>Failure to respect human rights as enshrined in relevant legislation and conventions (UN Universal Declaration, ILO Core Conventions, OECD Guidelines)</i>	GRI 205 Anti-corruption
Data security and privacy protection <i>Data management and privacy protection, in line with the EU and Italian legislation, with particular regard to Lottomatica's personnel, customers, and partners</i>	Data leakage and theft <i>Secure data management, both online and at the physical network, through the implementation of safeguards to prevent cyber-attacks and/or information theft</i> Violation of privacy <i>Ability to protect one's own, customers' and other stakeholders' information assets through responsible use of shared data, in compliance with current legislation</i>	GRI 418 Customer privacy
Promotion of innovation and digital development <i>Adoption of innovative technological and digital solutions as a key factor for ensuring an increasingly comprehensive, engaging and, above all, safe range of products and services</i>	Innovative products and services <i>Development of innovative products and services and cutting-edge technology solutions through digital transformation</i> Promoting a digital mindset <i>Dissemination of a digitally aware corporate culture</i>	
Fiscal contribution and transparency <i>Timely and transparent fulfilment of tax and fiscal obligations and proactive collaboration with regulatory bodies and public administrations to achieve the objectives of public interest</i>	Failure to fulfil tax obligations <i>Non-fulfilment of tax obligations and payment/collecton of taxes due to the Treasury</i> Lack of tax compliance <i>Non-compliance in tax matters linked to risk management and in line with industry best practices</i>	GRI 207 Taxes



People



MATERIAL TOPICS	MAIN ASSOCIATED IMPACTS	REFERENCE GRI
Personal development and skill valuation <i>Continuous commitment to exalting the value of our personnel, ensuring their professional satisfaction through appropriate career paths and training programs aimed at improving their skills and knowledge</i>	Talent attraction e retention <i>Ability to attract and retain key resources within the Group through appropriate remuneration, development, retention and welfare policies</i>	GRI 401 Employment
	Developing employees' skills <i>Developing the skills of employees through the implementation of training and development activities</i>	GRI 404 Training and education
Occupational health and safety <i>Protection of the health and safety of the Group's Personnel, not only through legislative compliance, but also through the application of management systems aimed at disseminating a culture of safety and protecting the employees' physical and moral integrity</i>	Dissemination of a safety culture <i>Dissemination of a company culture sensitive to health and safety in the workplace</i>	GRI 403 Occupational health and safety
	Non-compliance with occupational health and safety regulations <i>Non-compliance related to the implementation of the Workplace Safety Management System and its compliance by employees and third parties</i>	
Diversity, inclusion and equal opportunities <i>Importance of respect for diversity within the corporate culture, and promotion of an inclusive work environment, offering equal opportunities for professional growth, with zero discrimination</i>	Dissemination of an inclusive culture <i>Dissemination of a corporate culture attentive to diversity and inclusion issues</i>	GRI 405 Diversity and equal opportunity
	Incidents of discrimination <i>Prevention of discrimination through the implementation of Diversity & Inclusion policies and initiatives</i>	GRI 406 Principle of non-discrimination



Community and Environment

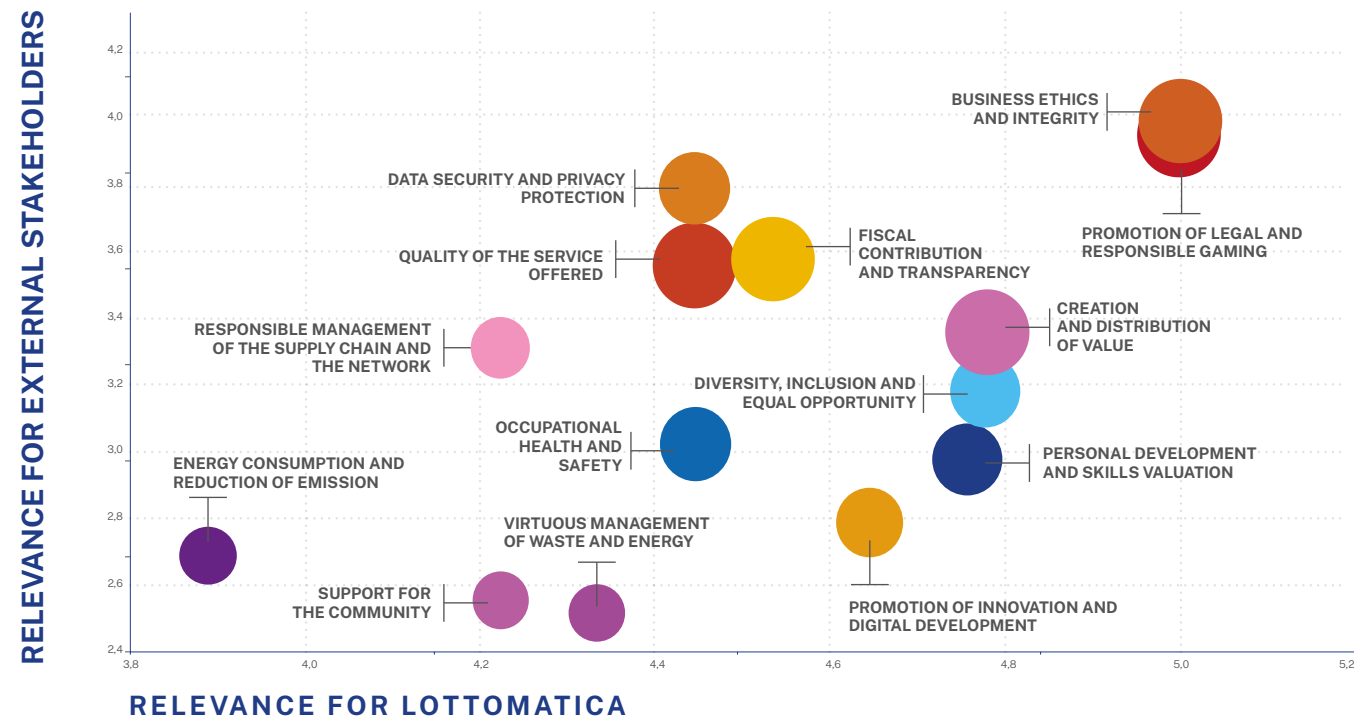


MATERIAL TOPICS	MAIN ASSOCIATED IMPACTS	REFERENCE GRI
Energy consumption and reduction of emissions <i>Implementation of strategies to reduce environmental impacts, with the aim of ensuring efficient energy consumption and the use of renewable sources, and reducing the climate-changing emissions generated both directly and throughout the value chain</i>	Energy transition <i>Contribution to the energy transition through the implementation of plans/programs aimed at increasing energy efficiency at all stages of the value chain</i>	GRI 302 Energy
	Production of emissions <i>Contribution to decarbonization through the reduction of climate-changing emissions at all stages of the value chain</i>	GRI 305 Emissions
Virtuous management of waste and energy consumption <i>Implementation of initiatives to promote the circular economy, with a commitment to reducing the consumption of water resources and the materials utilized, ensuring proper management of the resulting waste products</i>	Regulatory Compliance <i>Regulatory compliance related to the control of the cycle of hazardous and non-hazardous waste produced directly and/or generated through outsourced activities</i>	GRI 301 Materials
	Spreading a culture of environmental protection <i>Dissemination of a corporate culture through the implementation of programs based on the concept of circular economy, against the waste of resources and sensitive to responsible waste management</i>	GRI 303 Water and effluents
		GRI 306 Waste
Support for the community <i>Promotion of a business model that respects the needs and requests of the community and its stakeholders, enriched with projects beneficial to the community, in order to encourage the creation of shared value</i>	Community impact <i>Value creation and positive impact on the communities in which Lottomatica operates</i>	GRI 201 Economic performance
	Community well-being <i>Supporting the socio-economic development of the territory through the implementation of community-based initiatives</i>	
Creation and distribution of value <i>Creation and distribution of sustainable value for customers, people, partners, institutions, communities, and Lottomatica Group shareholders through responsible conduct and through technological excellence and experimentation with new business, work, and relationship models</i>	Creating shared value <i>Creating sustainable value for all stakeholders impacted by and influencing Lottomatica's activities, through the Group's business activities</i>	GRI 204 Procurement practices
	Lack of benefit for third parties <i>Loss of benefit for third parties resulting from not realizing an investment due to inadequate management of events (e.g. technical, operational, financial)</i>	
Responsible management of the supply chain and the network <i>Selection, evaluation, and management of commercial relationships with partners and suppliers based on criteria of fairness, equity, and transparency, ensuring respect for the ESG criteria throughout the value chain</i>	Improving supply chain management <i>Improvement of supply chain management, through the selection and monitoring of suppliers based on compliance with Lottomatica's values and principles (e.g., Supplier Code of Conduct, Code of Ethics, Model 231)</i>	GRI 308 Environmental assessment of suppliers
	Promoting a sustainable supply chain <i>Promoting an ESG-compliant supply chain by selecting and evaluating suppliers on the basis of environmental, social and governance, as well as economic parameters</i>	GRI 414 Social assessment of suppliers

The materiality matrix

The materiality matrix is a fundamental tool for making **informed strategic choices**, ensuring the correct **identification, prioritization and management** of the most relevant ESG topics for the Group and its stakeholders.

Lottomatica Group's materiality matrix, updated in December 2023 and approved by the CEO, **graphically expresses the assessments carried out during the internal and external stakeholder engagement phase**. The relevance of material topics is indicated by their position on the matrix axes, while the **significance of impacts** (positive/negative, current/potential) is represented by their size.

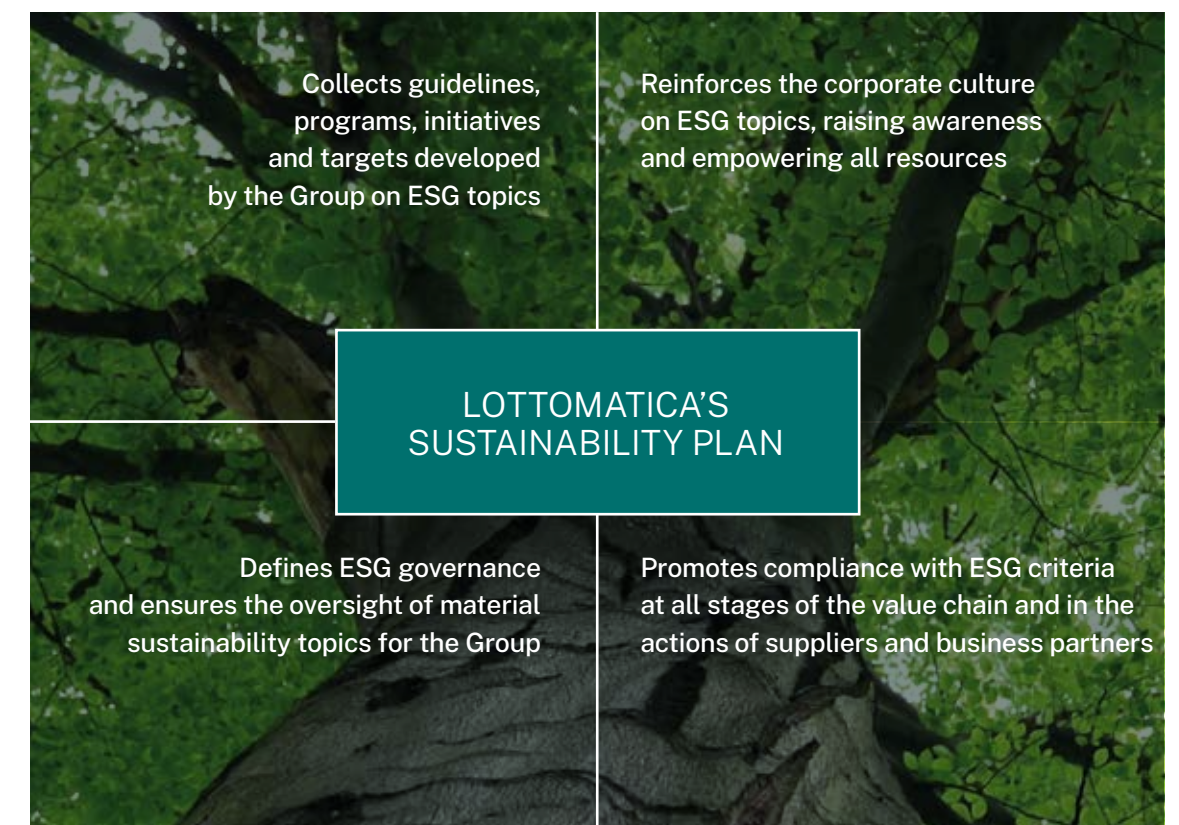


- Promotion of legal and responsible gaming
- Quality of the service offered
- Business ethics and integrity
- Data security and privacy protection
- Promotion of innovation and digital development
- Fiscal contribution and transparency
- Personal development and skills valuation
- Occupational health and safety
- Diversity, inclusion and equal opportunity
- Energy consumption and reduction of emission
- Virtuous management of waste and energy consumption
- Support for the community
- Creation and distribution of value
- Responsible management of the supply chain and the network

The Sustainability Plan

In order to ensure the **full integration of sustainability** into its business model, to guarantee the **continuous improvement of ESG performance** and to respond with increasing commitment to the reasonable **expectations of all stakeholders**, Lottomatica Group has defined a **structured ESG strategy**, consisting of the **Sustainability Plan** and a set of **Sustainability Policies**.

Established for the first time in 2022, and updated on a periodic basis, the Sustainability Plan formalizes the Group's **strong commitment to the creation of shared and sustainable value** in an organic and structured program.



Specifically, the Sustainability Plan is divided into **three fundamental strategic pillars: Responsibility, People and Community and Environment**. The company's sustainability commitments, programs and goals are focused on these pillars, through a series of actions and initiatives across the various operating sectors.





Responsibility | WE ACT responsibly

Lottomatica operates with a full awareness of its role in promoting a legal and responsible gaming model, respecting the consumer as a subject to be protected, and to whom we must strive to offer safe, high-quality, innovative, and engaging gaming experiences. The Group meets the highest standards of ethics and integrity, through a governance system made up of models and procedures designed to protect all of its stakeholders.

LEGAL GAMING

Lottomatica Group operates with full awareness of its role in the industrial sector of legal gaming, through **proactive cooperation with the institutions and compliance with the regulatory framework**.

Read more: section 4.1 “The regulatory framework of regulated gaming”.

RESPONSIBLE GAMING

Lottomatica Group promotes a **responsible approach to gaming** and establishes an annual **responsible gaming program**, which is structured according to three intervention guidelines covering the areas of gaming influence and governance in which the Group operates: the **protection** of minors, the **prevention** of excessive gaming, and the **promotion** of a healthy and knowledgeable gaming model.

Read more: section 4.2 “Lottomatica’s commitment to responsible gaming”.

PLAYER PROTECTION

Lottomatica **Group** focuses on the **central role of the customer** during the development, information and distribution phases of its gaming offer. The Group has adopted an approach based on **awareness, transparency and accountability**, as defined also by the specific **Responsible Marketing Policy** and is committed to ensuring the highest standards of **data privacy** and **cyber-security**, as governed by specific procedures, such as the **Personal Data Processing Procedure** and the **Data Breach Management & Notification Operating Procedure**.

Read more: section 4.3 “Innovation and respect for the consumer”.

GOVERNANCE, ETHICS AND INTEGRITY

Lottomatica Group aims to strengthen corporate governance through the execution of **business ethics programs, the integration of ethical and environmental risks** within the risk management model, and the maintenance of **ISO 37001 certification** to support its **Anti-Corruption policies and programs**. This commitment, in line with the principles and values of the Code of Ethics that guide the conduct of business and the execution of the Group’s strategies, has been further strengthened through the **alignment with the UNGC** as of 2022.

Read more: section 4.4 “Ethics and compliance”.



People | WE CARE about People

Lottomatica considers its people to be a fundamental resource for building a sustainable business model. The Group guarantees its employees an inclusive and stimulating working environment with high standards of safety and well-being, where diversity is valued, and professionalism and know-how are developed.

HEALTH AND SAFETY, WELFARE AND WELLNESS

Lottomatica Group is committed to creating a work environment compliant with the highest **health and safety standards**, and where individual characteristics will not lead to discrimination or conditioning, ensuring the ability to exercise all trade union and political rights. The Group has adopted its own **Human Rights Policy** -which supplements the **Freedom of Association Policy**, the Principle of Non-Discrimination and the **Working Hours Policy**, as well as an appropriate **Smart Working Policy**.

Read more: section 5.3 “Safety and welfare of people”.

PROFESSIONAL DEVELOPMENT

Professional development is an important competitive factor for the Group, as it is necessary to **attract and retain high quality human resources**, to **develop skills**, and to **build appropriate career paths**. Therefore, the Group is committed to implementing well-structured **Brand/DNA awareness, Employer acquisition, People development, Management revolution** and **Learning & development programs**.

Read more: section 5.4 “People development and skills enhancement”.

DIVERSITY, INCLUSION AND EQUAL OPPORTUNITIES

Diversity is a distinctive factor for the Group’s growth. In this regard, Lottomatica has adopted a **Diversity Policy** and **specific programs** focused on enhancing diversity, above all gender diversity, bolstering the **management’s responsibilities** and monitoring the **company’s performance levels** in the field of diversity, even including specific social standards within the supplier code of conduct.

Read more: section 5.5 “Diversity, inclusion and equal opportunities”.

Community and Environment | WE SHARE with Communities

Lottomatica contributes to the achievement of positive and tangible results for the community by implementing social initiatives and policies aimed at reducing its direct and indirect environmental impacts. The Group is also committed to the sustainable development of the production chain and promotes value creation for every operator within the chain.

COMMUNITY

Lottomatica Group has always been engaged in implementing **initiatives of public interest** in well-defined areas, including work and training, legality, diversity, social inclusion, education, health, innovation and technological progress. This support for the community is further bolstered and enhanced by **Fondazione Lottomatica**, established for the purpose of enhancing the creation of collective value through **projects of high social impact**.

Read more: section 6.1 “The community in which we operate”.

ENVIRONMENT

Lottomatica recognizes the importance of creating shared value while respecting the environment. The Group has established guidelines to support this commitment within the context of an appropriate **ISO 14001-certified Environmental Management System**, with the adoption of an **Environmental Policy** and a **Green Procurement Policy**, and an ongoing commitment to the efficient use of energy and natural resources, and the management and **monitoring of its environmental performance**.

Read more: section 6.2 “Lottomatica for the Environment”.

NETWORK, PARTNERS AND SUPPLIERS

Lottomatica has adopted a **Supplier Code of Conduct** and a **Green Procurement Policy**, which guide the selection of and the relationship with its business partners. The company is also committed to creating and **ESG certified supply chain**.

Read more: section 6.3 “Responsible supply chain management”.

Sustainability Policies

The path of integrating **sustainability into the corporate business model** has led Lottomatica Group to **formalize** and **implement** the following **policies in the ESG area**, approved by the Board of Directors and subject to periodic updates and reviews with a view to continuous improvement.

ESG POLICIES	OBJECTIVES
<i>Gender Equality Policy UNI/PdR 125:2022</i>	Promote gender equity, reduce the gender gap and disseminate an inclusive and aware culture. Recognize, protect and enhance gender differences and equal opportunities in the workplace.
<i>Quality and Safety Policy</i>	Achieve the quality requirements of all stakeholders. Safeguard and promote the health and safety of workers by reducing the level of exposure risk.
<i>Information Security Policy</i>	Ensuring the security and privacy of employees, customers and all stakeholders is one of the Group's primary objectives.
<i>Anti-Bribery & Corruption Policy and Guidelines</i>	Combating corruption in all its forms by promoting the prevention and detection of corruptive activities through the training of resources.
<i>Responsible Marketing Policy</i>	Ensure the protection of personal data of customers, employees and other third parties processed by Lottomatica Group, as well as personal data processed by suppliers and third parties contracted on behalf of Lottomatica Group.
<i>Environmental Sustainability Policy</i>	Setting the standard for responsible and customer-friendly marketing, in compliance with current legislation and the company's commitment to promote Responsible Gaming as a key to business sustainability.
<i>Green Procurement Policy</i>	Promote environmental protection throughout the value chain, committing to prevent, manage and, where possible, reduce the environmental impacts generated directly through its operations, carried out directly or through suppliers and partners.
<i>Green Procurement Policy</i>	Discipline the supplier selection process, favoring those who produce goods and/or provide services with a lesser effect on the environment. Ensure compliance with environmental legislative requirements, and apply the principles issued by relevant national and international organizations, such as the UN 2030 Agenda, the Paris Agreement and COP26.
<i>Corporate Policy on the Protection and Protection of Human Rights</i>	Define, structure and develop a clear approach to the safeguarding and protection of human rights, broader than that required by law and aimed at all those in the Group's value chain, including employees, customers, suppliers, people with disabilities, victims of discrimination and all forms of violence.
<i>Diversity and Inclusion Policy</i>	Promote a plural and inclusive culture and ensure that all people in the Group have equal access to the same opportunities, regardless of gender, age, disability, ethnic, social and geographical affiliation, trade union, language, religion, political or sexual orientation, gender identity, nationality, marital or socio-cultural status.
<i>Freedom of Association Policy</i>	Recognize and promote at every level the right to freedom of association and collective bargaining, committing to combat all forms of abuse or discrimination against those engaged in organizing or representing workers.
<i>Working hours policy</i>	Encourage compliance with working hours that allow work, family and leisure commitments to be fulfilled with equal effectiveness. Support resources that need flexible working hours and promote smart working projects, as provided for by company policy and second-level agreements.
<i>Smart working policy</i>	Define, for all Group companies, the operating methods underpinning the implementation of smart working, making it possible to work, in compliance with business objectives, in spaces other than the one defined as the 'company workplace'.

Lottomatica's Sustainable Development Goals

Lottomatica Group adheres to the United Nations 2030 Agenda and actively contributes to the **achievement of 8 Sustainable Development Goals (SDGs)** out of 17 in total, through a series of objectives and targets defined within the Sustainability Plan, in a path of collaboration and responsibility necessary to face the complex challenges of today and tomorrow.



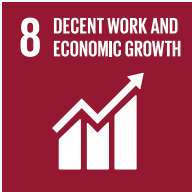
The 2030 Agenda for Sustainable Development, adopted in September 2015 by the United Nations, is an action program guiding institutions, governments, businesses and citizens towards building a more sustainable future through 17 ambitious and interconnected goals.



GOOD HEALTH AND WELL-BEING
Ensuring health and well-being for everyone and +for all ages



GENDER EQUALITY
Achieving gender equality and empowerment of all women and girls



DECENT WORK AND ECONOMIC GROWTH
Incentivising and sustaining, inclusive and sustainable economic growth, full and productive employment and decent work for all i



INDUSTRY, INNOVATION AND INFRASTRUCTURE
Building resilient infrastructure and promoting innovation and equitable, responsible and sustainable industrialisation



REDUCE INEQUALITIES
Reducing inequality within and among Nations



RESPONSIBLE CONSUMPTION AND PRODUCTION
Ensuring sustainable patterns of production and consumption



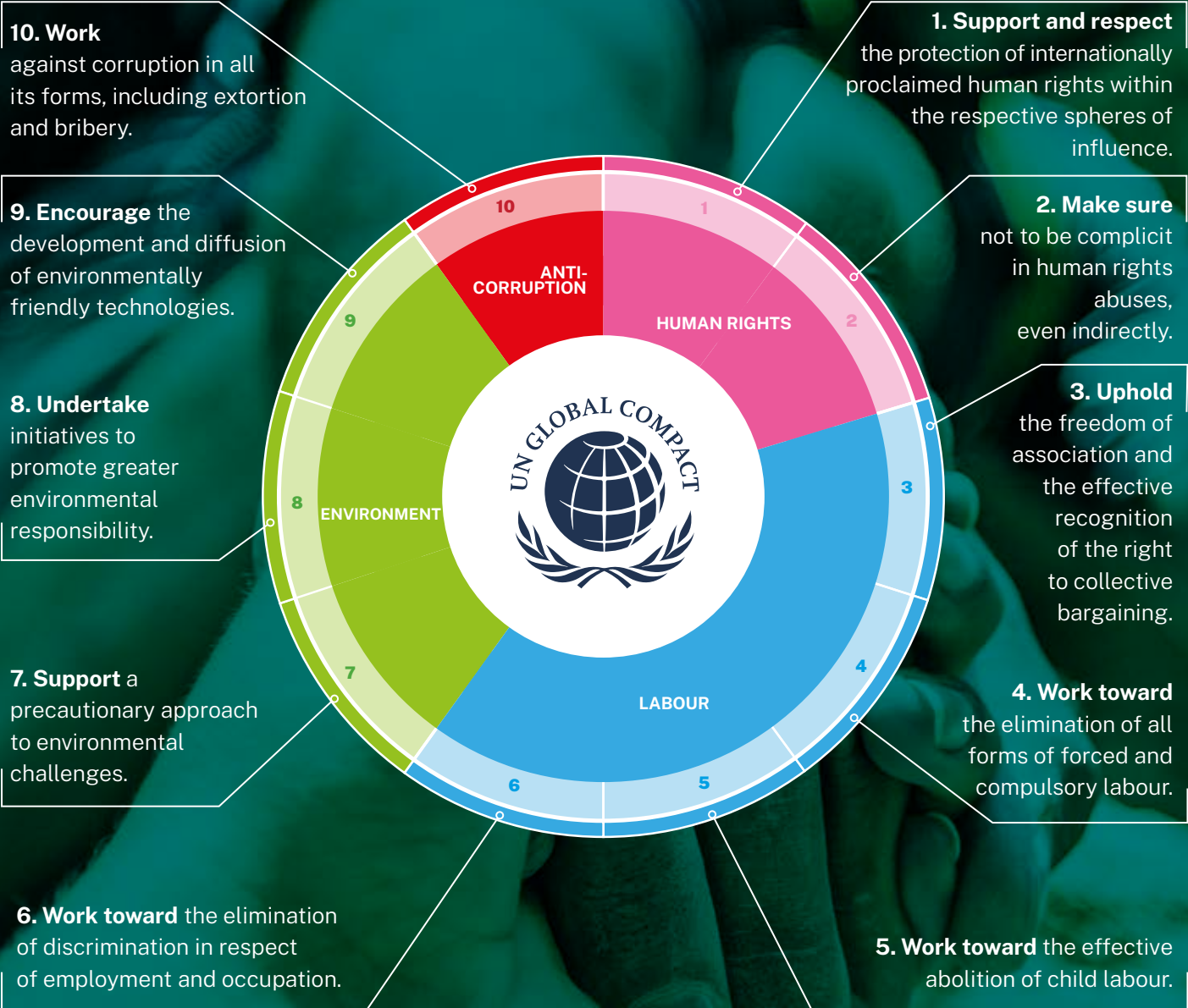
CLIMATE ACTION
Adopting urgent measures to combat climate change and its consequences



PEACE, JUSTICE AND STRONG INSTITUTIONS
Promoting peaceful and more inclusive societies for sustainable development; providing access to justice for all; and creating efficient, accountable and inclusive bodies at all levels

Adhesion to the United Nations Global Compact

The importance that Lottomatica attributes to sustainability and to ethical, economic and environmental responsibility, as well as to the integration of these aspects in its business activities, is further reflected in the Group's adhesion to the UN Global Compact. This initiative was launched by the United Nations to promote the **construction of a sustainable global economy:** respectful of human and labor rights, diversity, environmental protection and the fight against corruption.



3.2 The sustainability path

Sustainability is an integral part of the corporate Vision and Mission and represents an **essential driver for the creation of shared value**. For this reason, Lottomatica has embarked in recent years on a **path of growing commitment to the governance of ESG topics** aimed at integrating business objectives and activities within an increasingly structured strategy.

2023	Listing on the MTA of the Italian Stock Market Analysis of Scope 1,2 and 3 emission mitigation levers, aimed at defining a decarbonisation strategy Achievement of certifications: Best HR Team; UNI/PdR 125; ISO 27701.
Approval of Lottomatica's first Sustainability Plan. Adhesion to the UN Global Compact. Voluntary adhesion to the Morningstar Sustainalytics ESG rating process, with the assessment of a negligible risk of suffering significant financial impacts from ESG factors: Industry and Regional 2023 Top Rated Company by Sustainalytics.	2022
2021	Publication of the first Lottomatica Sustainability Report. Participation in the achievement of the UN Sustainable Development Goals (SDGs).
Identification of the three fundamental pillars of commitment to the community: 1) support for tax revenues; 2) creation of qualified employment for an indefinite period; 3) sharing of the value generated with the community and the supply chain.	2018
2017	Listing on the MTA of the Italian Stock Exchange and publication of the Non-Financial Statement, in addition to the Sustainability Report. Establishment of the Control, Risk and Sustainability Committee.
Publication of the first Sustainability Report , compliant with the GRI standards and subject to assurance. Definition of the material topics and stakeholders.	2016

ESG rating

Participation in ESG ratings is a particularly effective tool for maintaining a relationship of trust with stakeholders and communicating sustainability performance in a transparent manner.

Since 2022, the Group voluntarily submitted itself to the **assessment of the international ESG rating agency Morningstar Sustainalytics**, to measure its exposure to a number of risks related to ESG factors and to verify the effectiveness of related mitigation measures.

As of December 31, 2023, Lottomatica's ESG rating is 9.9 which implies a **negligible risk** of suffering significant financial impacts from ESG factors. The ESG rating obtained by Morningstar Sustainalytics places the Group among the **top rated companies worldwide** both in the "Consumer Services" industry and in the "Casinos and Gaming" sub-industry.

Lottomatica was also confirmed as an **ESG Industry Top Rated company** and as an **ESG Regional Top Rated company** for both 2023 and 2024, thus being included in the **list of companies with the best ESG rating at global, regional and industry level** that Morningstar Sustainalytics presents each year.

This recognition is a **further confirmation of the Group's commitment to ESG** and the effectiveness of the company's strategy on **environmental, social and governance sustainability**.



Copyright ©2024 Sustainalytics. All rights reserved.
This article contains information developed by Sustainalytics (www.sustainalytics.com). Such information and data are proprietary of Sustainalytics and/or its third-party suppliers (Third Party Data) and are provided for informational purposes only. They do not constitute an endorsement of any product or project, nor an investment advice and are not warranted to be complete, timely, accurate or suitable for a particular purpose. Their use is subject to conditions available at <https://www.sustainalytics.com/legal-disclaimers>.

Awards and certifications

During 2023, Lottomatica Group obtained multiple awards and certifications, confirming its growing commitment to environmental, social and governance issues.

ESG recognitions and certifications

Description



In early 2023, Lottomatica Group obtained the prestigious Best HR Team Certification. The award, promoted by the HRC Community Network - MyHRGoal, attests to the quality and effectiveness of the actions and projects carried out by the Group's HR team, with a view to an increasingly sustainable and "future-ready" company.



In July 2023, Lottomatica Group obtained the UNI/PdR 125:2022 certification for gender equality, which is part of the broader framework of the Group's Diversity & Inclusion program and represents a further step in the path of continuous growth and awareness that Lottomatica is pursuing with a view to D&I.



In 2023, ISO 14001 certification, relating to environmental management systems, came to cover 70% of the Group's operations on a constant perimeter, confirming Lottomatica's commitment to activating continuous business improvement processes in a logic of respect for the environment.



In 2023, ISO 45001 certification, which attests to the system, management and monitoring of company processes aimed at improving prevention policies and effectively combating accidents and occupational diseases, was also extended to Lottomatica S.p.A.



Lottomatica Group has implemented an Information Security Management System (ISMS) according to the international standard ISO/IEC 27001:2013.



In 2023, Lottomatica Group obtained ISO 27701 certification, which represents the extension of the ISO 27001 information security management standard to privacy.



All Lottomatica's online gaming platforms are certified for responsible gaming according to the standards of the Global Gambling Guidance Group (G4), an international organization of gaming experts focused on promoting responsible gaming and reducing the harm caused by problem gaming.



4. Responsibility

Lottomatica operates in a highly regulated and controlled sector, aimed at pursuing important public interest objectives such as the protection of legality, the fight against illegal offers, and the protection of consumers and, in particular, minors.

4.1 The regulatory framework of regulated gaming

The Italian public gaming sector, within which Lottomatica Group operates, is the result of a complex regulatory path that has led, over the last twenty years, to defining and regulating the **requirements** of the games, the **modalities** of the offer, the **characteristics** of the distribution network and of the places of sale, the **criteria for the distribution** of the collection and revenues among the various parties involved in the chain (consumers, State, concessionaires, operators), in compliance with the fundamental public interest objectives ensured by the sector.

The regulation of the sector is mainly the responsibility of the **Ministry of Economy and Finance**, and in particular of the **Customs and Monopolies Agency (ADM)**, which entrusts the management of the game to the **concessionaires**: subjects chosen through **open, competitive and non-discriminatory procedures**, in compliance with the principles of Community and national rules.

In addition to constantly verifying the work of the concessionaires, the ADM carries out control activities aimed at **combating irregularities and illegal offers**, alongside the public security authorities, and at **assessing specific taxes in the sector**: in particular, the Consolidated Tax Withholding (PREU) for the Gaming Machines with cash prizes sector, and the consolidated tax on betting with regard to the betting sector.

Lottomatica has always collaborated proactively with all public institutions, in particular with the Customs and Monopolies Agency, in order to ensure **compliance with the regulatory and legislative framework** and to promote its adequacy in the face of evolving markets and industry challenges.

The public interest objectives secured by the gaming sector

Protection of legality and combating illegal supply	Contribution to government revenue and emergence of undeclared revenue	Protection of consumers, especially minors, and data privacy	Implementation of interventions for the prevention of gaming-related disorders	Economic, business and employment development throughout the country
---	--	--	--	--

Expenditure and tax revenues from the gaming sector

The public gaming sector makes an important contribution to the economy and welfare of the Italian State thanks to the significant tax revenues it is able to secure.

In 2023, players’ expenditure (GGR) amounts to approximately Euro 21 billion, with a progressive growth in online gaming also due to the proactive action by the Customs and Monopolies Agency in combating illegal supply. As of January 2024, in fact, there were over 10,000 illegal gaming sites obscured by ADM, with a consequent conversion of demand towards legal gaming sites.¹⁸

This results in a consequent increase in **tax revenues**, which amounted to approximately Euro 10.6 billion in 2023, equivalent to half of the players’ expenditure.

Type of gaming	Unit	GGR			Tax revenues		
		2021	2022	2023	2021	2022	2023
Gaming machines	€/M	4,634	8,621	8,537	3,025	5,591	5,513
Betting & Online*		4,302	5,171	5,843	1,132	1,257	1,425
Other games**		6,399	6,247	6,529	3,484	3,440	3,607
Total		15,335	20,039	20,909	7,641	10,288	10,545

Includes virtual games and horse-based games. Does not include Betting Exchange.
**Includes lotteries and bingo distributed over a physical network.

4.2 Lottomatica’s commitment to responsible gaming

GRI 3-3 | GRI 2-24 | GRI 2-25 | GRI 416-1| GRI 416-2 | GRI 417-1 | GRI 417-2 | GRI 417-3

Lottomatica operates with full awareness of its role in promoting a legal and responsible gaming model, respecting the consumer as a subject to be protected and to whom it offers innovative and engaging gaming experiences, of quality and in total safety.

Gaming represents **occasional entertainment** and a **totally healthy and controlled moment of leisure** for the majority of consumers. However, a minority share of gamblers, especially in the presence of a combination of factors, may manifest forms of discomfort and problematic behavior, which in the most severe cases may evolve into addiction and disorder (clinically referred to as “Gambling Disorder”, or GD).
Lottomatica Group is committed to implementing all necessary actions to ensure that the **focus on responsible gaming is a central element in building a sustainable business strategy** and is an integral part of its daily operations.

In this regard, the Group works daily with seriousness and professionalism to promote a

18) <https://www.adm.gov.it/portale/siti-web-inibiti-giochi>

responsible and conscious approach to gaming, supporting its customers so that they approach such activities in a **healthy way** and with **respect for their limits**.

This commitment is formalized within the **Group’s Code of Ethics** and the specific **Responsible Gaming Program**, which structures and reports on the broad plan of actions implemented to **protect consumers** and, in particular, to **protect minors, preventing forms of excessive gaming and promoting a model of responsible, healthy and aware gaming**.

Responsibility for the **implementation of the Responsible Gaming Program** lies with the **External Relations & Communication Department**.

The focus on responsible gaming in the Lottomatica Code of Ethics

Lottomatica addresses the issue of Responsible Gaming with **extreme care** and **utmost consciousness** in **protecting minors and players**, expressly committing itself to the guidelines of **awareness, information and transparency, training and governance**.

- **commits to put in place all kinds of activities** in relation to its customers that may increase their sense of responsibility with regard to the practice of gaming itself;
- **informs users and customers** in accordance with the applicable regulations about the probability of winning, the risks of gambling and the prohibitions. Communication activities are focused on increasing players’ awareness and helping them to understand and monitor their gaming habits;
- **trains all staff**, whether they are in contact with customers and gamers or not, so that they can support and help those who do not approach gaming as a leisure activity;
- **does not allow minors under the age of 18 to play**. To this end, the Company has given precise instructions to the entire sales network not to accept requests to play from anyone under the age of 18.



THE RESPONSIBLE GAMING COMMITTEE

In order to ensure **maximum focus on the Responsible Gaming Program** at both corporate and business level, as well as its effectiveness within the broader Corporate Sustainability Plan, the Group established the **Responsible Gaming Committee** at the beginning of 2023.
The Committee is a dedicated governance structure involving representatives of the External Relations & Communication, ESG Office, Betting & Digital, VLT, AWP & Direct Distribution corporate functions.
In line with, and in coordination with, the ESG Committee, the Responsible Gaming Committee aims to foster **increasing integration between business processes and the Responsible Gaming Program**, ensuring the continuous improvement of the Program and the achievement of the expected results.

Player protection and regulatory compliance

Lottomatica operates in the **utmost compliance with current regulations on safe gaming, prevention of excessive gaming and protection of minors**. For this reason, the Group pays particular attention to the evolution of regulations issued by local authorities, adapting its offer on the territory to ensure adherence to the provisions of Regions, Municipalities and other local authorities.

In fact, the Group recognizes that it is its duty to ensure maximum protection of users, especially the most **vulnerable segments of the population**, and a safe and quality gaming offer, also requiring its business partners, employees and interlocutors to adopt behavior based on transparency and fairness.

All Group companies strictly comply with the regulations governing gaming activities and communication. In particular:

- **Balduzzi Decree** (Decree-Law No.158/2012), which introduced a ban on advertisements for games with cash winnings, stipulating that any advertisements must not in any way incite or glorify the practice of gambling and must instead contain specific warnings on the risk of addiction and the likelihood of winning;
- **Dignity Decree** (Decree-Law No.87/2018), which confirmed the prohibition of any form of advertising of games and betting on any medium and provided for additional information obligations, extending to VLT machines and all areas hosting AWP's the obligation to display warning formulas on addiction risk and probability of winning;
- regulations issued at local level by Municipalities and Regions on **combating problem gambling, on proximity to so-called "sensitive places"**, and on **hours of operation**.

The regulatory developments concerning the reorganization of public gaming envisaged by the Delegated Law for Fiscal Reform No. 111, which came into force on 28 August 2023, also heralds the introduction of further technical and regulatory measures aimed, among other things, at ensuring the full protection of the most vulnerable as well as preventing gambling disorders and underage gaming, which the Group intends to support competently and proactively in the coming months.

Responsible Gaming Guidelines

In the management of its activities, the Group has adopted specific **guidelines that cover all areas of gaming influence and governance**, raising awareness and giving responsibility to the resources that, in various capacities, work along the supply chain: from the business lines to the figures that have relations with players, in the gaming hall or through remote gaming platforms.



Protection of minors by taking specific measures to prevent any form of access to gaming by under-aged individuals.



Prevention of excessive gaming, through training, monitoring and governance tools, and support for players with gaming problems.



Promotion of a responsible model of gaming, understood as a form of entertainment to be chosen with awareness and characterized by clarity, comprehensiveness and impartiality of information.

By virtue of these guidelines, Lottomatica develops a fruitful dialogue with all parties involved in promoting legal and responsible gaming, including employees, players, regulatory authorities, institutions and other stakeholders, implementing projects focused on the following **4 macro-areas of activity**.



Training and raising awareness among its human resources

As stated in its Code of Ethics, Lottomatica guarantees an adequate degree of professionalism in the performance of the tasks assigned to its collaborators. To this end, it is committed to **enhancing the skills of its human resources** through appropriate **training, professional updating and development tools**.

All the employees are aware of their own contribution to the pursuit of responsible gaming objectives, including through the **mandatory training** provided on the Code of Ethics, which they subscribe to and whose principles they undertake to share and observe.

[MSCI Indicator] Scope of employee training - Product Safety & Quality

Training in responsible gaming	Unit	2023
Total employees	N°	1,924
Number of employees trained in responsible gaming		1,507
Percentage of employees trained in responsible gaming	%	78

In addition, considering the particular relevance of certain professions for the proximity/contact with the players, the Group has undertaken dedicated initiatives.

The “Punto Gioco Intelligente” course

The Group has launched an articulated **training and awareness program** on responsible gaming, aimed at its staff and its sales network, in collaboration with CePID, the ‘Integrated Psychiatric Centre for Research, Treatment and Prevention of Addictions’ born from the partnership between Fondazione Policlinico Universitario Agostino Gemelli IRCCS and Fondazione Lottomatica.



The course, known as the “**Punto Gioco Intelligente**”, is conducted by medical personnel from Policlinico Gemelli with experience in the treatment of cases of Gambling Disorder and is structured on various modules. Specifically, topics related to the phenomena of addiction and gambling addiction in particular are dealt with, and practical aspects for **preventing and combating problem gambling** and GD are explored, as well as the **identification of individuals potentially at risk** and their **correct management** within the gaming halls.

After covering **100% of the directly managed network** in 2022, the Group has in 2023:

- **extended training on responsible gaming** to the network of **indirectly operated points of sale**;
- extended the general module of “Smart Play Point” **to all internal staff**;
- provided for the administration of a **specific training module** for staff in the areas of Anti-Money Laundering, Customer Support, Digital Operation, CRM and VipTeam, for example.

Results and targets

✓ **In 2023**, Lottomatica achieved its goal of training **more than 70% of the operators** of VLT gaming halls and indirectly operated betting shops; it extended general training to **100% of the company’s population**, with a course completion rate of more than 75%; and it completed specific training for **100% of the staff** in closest contact with online customers.

➔ **For 2024**, Lottomatica aims to continue the training activity for the operators of VLT gaming halls and indirectly operated betting shops also by making the training itself part of the contractual obligations, with the goal of **maintaining the course completion rate above 70%**. As far as personnel are concerned, the Group intends to continue with the general training activity, continuing to ensure that **the course is available to 100% of the company population**.

Customer information and awareness

In line with its approach to responsible gaming and in compliance with the ‘Dignity Decree’, all communications relating to products and services provided by Lottomatica Group are **purely informative**, without any promotional purpose.

In its communications, the Group also does not make use of, or target, minors or weak or vulnerable members of the community, and is committed to providing **only reliable and objective information**, including information regarding the characteristics of the games and the odds of winning.

Communications, in fact, are primarily aimed at providing the broadest knowledge of the products and services offered to maximize customer awareness and provide them with all the tools to approach gaming in a safe and legal manner.

For this reason, **at every point where the game is conveyed and contact is made with the player**, appropriate safeguards are provided to reflect these principles.

Information tools on all channels

All sites, online gaming platforms and materials present in Lottomatica network points of sale display both the logos of the Customs and Monopolies Agency and **specific logos designed**



to emphasize the ban on gaming for minors under 18 years and to encourage responsible gaming. In compliance with the provisions of Article 7 of Legislative Decree 158/2012 (the so-called “Balduzzi Decree”), detailed information is also provided on the risk of pathological addiction and the probability of winning.

Results and targets

➔ **By 2024**, Lottomatica plans to complete the process of developing a **single responsible gaming logo**, started in 2023, across all Group companies and gaming verticals.

Responsible Gaming Decalogue

The Responsible Gambler’s Decalogue, available at all touchpoints with the player, such as points of sale and online on the Group’s websites and platforms, consists of **10 rules of conduct** useful to guide the player towards a **conscious approach to gambling**.

1	Gambling is entertainment, not a way to make money	2	Only gamble with amounts that are within your financial means
3	Play just for the sake of the game, and in full knowledge of the rules	4	Only gamble for the length of time that you set at the beginning and take a break when you have been gambling for too long
5	If you decide to stop or to gamble less, commit to doing so	6	Do not play to “recoup losses”, and accept the outcome as an expense of the entertainment
7	Do not borrow money in order to gamble	8	Don’t overdo the frequency of your gambling, and do not give up other leisure activities to focus on gambling
9	Don’t lie to friends and family about the amounts that you have spent on gambling	10	Don’t treat gambling as a way of resolving issues and concerns, and do not gamble while under the influence of alcohol or drugs

Self-assessment test

The self-assessment test is a tool that allows you to assess, in an autonomous, anonymous and untracked manner, your own **profile as a gambler** by answering questions about your **gambling behavior over the previous twelve months**, and to check for signs of possible problem behavior. If so, the player is invited to contact the National Helpline of the Istituto Superiore di Sanità or the nearest help center.¹⁹

The test is accessible on all the main Lottomatica websites in an interactive form, as well as being available in paper format in the Group’s halls and points of sale.

In the last twelve months how often have you...

Gambled more than you could afford to lose?

Needed to gamble more to feel any excitement?

Returned to gambling with the idea of getting back the money you have lost in order to “get back on your feet”?

Asked for a loan or sold something to have money to gamble with?

Had the sensation of having a gambling problem?

Been accused by someone of having a gambling problem, whether you consider it true or not?

Thought that gambling has caused you economic problems or has caused them to your family finances?

Felt guilt for your way of gambling or for what happens when you gamble?

Results and targets

✓ **For 2024**, Lottomatica plans to develop a new version of the Self-Assessment Questionnaire, introducing additional tips for a correct approach to gaming.

19) See the section entitled “Player Support” below.

Physical outlets

Access and gaming at Lottomatica network points of sale **are strictly forbidden for persons under the age of 18**. The staff employed inside the halls is obliged to verify the actual age of customers and patrons, turning away anyone under the age of 18.



Information and support tools

The Group produces and disseminates at its points of sale a wide range of **information materials aimed at promoting responsible gaming practices**, guiding conscious gaming behavior and providing a wide range of information on gaming products.

These include: posters, postcards and information posters; the “Decalogue of Responsible Gaming”; self-assessment tests and information guides to facilitate the identification of problem behavior and identify the signs of a potential gambling disorder; references and indications of help centers in the vicinity of the point of sale; information on the probability of winning the various games; signs prohibiting entry and gaming for minors under 18 years of age; information on anti-money laundering legislation and the processing of personal data; gaming regulations for video lotteries, betting and virtual games.

Results and targets

- ✓ **In 2023**, Lottomatica continued the project of revising the information materials in the gaming halls. As in 2022, gaming machines housed in 100 per cent of Lottomatica’s gaming halls are provided with special **labels with content on responsible gaming**.
- ➔ **For 2024**, Lottomatica plans to complete the project, started in 2023, of a **corporate campaign on responsible gaming, developed in cooperation with Cepid**.

Online sites and platforms

Lottomatica’s institutional site, gaming sites and mobile platforms have **large sections dedicated to protecting players and promoting responsible gaming**, where all the information, initiatives and tools useful to the pursuit of the objectives set in these areas are reported in detail.

Results and targets

- ✓ **In 2023**, the Group implemented **specific reports** on its gaming sites to identify behavior potentially related to responsible gaming issues, such as the use of the self-exclusion feature, or the focus on accessing specific pages.
- ➔ **For 2024**, Lottomatica plans to further improve and facilitate the online user experience in the management of control and restriction functions.

G4 Certification for Responsible Gaming

All Lottomatica's online gaming platforms are certified for responsible gaming according to the standards of the Global Gambling Guidance Group (G4), an international organization of gaming experts focused on promoting responsible gaming and reducing the harm caused by problem gaming.



The G4 certification program sets a **worldwide benchmark** in the correct application of **best practices related to responsible gaming** according to globally accepted standards and protocols.

The certification, which **lasts three years**, is issued following **repeated audits every 18 months** aimed at verifying the existence and effective adoption of tools, policies and procedures aimed at guaranteeing the highest level of security and protection for both customers and employees. The parameters considered in the assessment are, for example, the effectiveness of **checks on the age of players**, the existence of mechanisms to limit spending and to self-exclude from gambling for a fixed and indefinite period, the presence of clear **references to be contacted** in case of need, and the **effective training** received by staff and, in particular, by operators in closest contact with customers

Results and targets

✓ **In 2023**, Lottomatica obtained **G4 certification for Betflag.it**, which was added to that already granted to **Lottomatica.it** and **Goldbet.it**

→ **For 2024**, Lottomatica aims at:

- obtaining international certifications attesting the commitment to responsible gaming also for the physical network, in particular for direct VLT halls and sports betting shops;
- confirming the G4 certification for the Lottomatica.it and Goldbet.it gaming sites by passing the intermediate verification audit

Game accounts

Gambling ban for those under 18 years

It is strictly forbidden for persons under the age of 18 to register, bet and participate in any games on Lottomatica Group's gaming sites and apps.

The gaming account is nominative and personal, and checks on ownership and age of majority are carried out by verifying the **tax code of each customer** during the registration process and the consistency of the data by ADM / SOGEI.

Furthermore, the full activation of the gaming account can only take place after receipt of the signed contract and a copy of the identity document (within 30 days under penalty of account suspension and within 60 days under penalty of contract termination), and only after setting a weekly deposit limit.

It is strictly forbidden for persons under the age of 18 to register, bet and participate in any games on Lottomatica Group's gaming sites and apps.

Security of player data

Access to the reserved area of the online gaming sites is via an **encrypted connection** and each access is tracked by the system, which shows the date and time of the last login as well as the accesses to one's account statement page.

Tools for responsible online gaming

The Group's online gaming platforms implement a wide range of tools developed to provide the widest range of information, guiding customers towards an ever-increasing awareness of their gaming behavior and discouraging any problematic behavior in any way.

Online activity monitoring that includes history of logins, transactions, and game activity.

Automatic account disconnection if inactivity exceeds 20 minutes.

Voluntary **self-limitation** of the weekly deposit limit. Setting a weekly deposit limit is mandatory to open the game account and can be changed later: changes in a more restrictive direction are applied automatically, while otherwise their activation takes 7 days.

Voluntary **self-exclusion** from gaming activity, which can be **temporary** (for 30, 60 or 90 days), or permanent and can also be activated on the dealer's gaming site only or, across the board, on the sites of all dealers authorized by the Customs and Monopolies Agency. Customers who have requested self-exclusion can still make withdrawals from their account, but are unable to make deposits or take part in any type of gaming

Results and targets

✓ **In 2023**, Lottomatica introduced the possibility for users to **block individual game verticals**, thus providing an important **additional self-limitation tool that was** not a legal obligation but independently implemented on all of the Group's gaming sites.

→ **For 2024**, Lottomatica intends to implement a **screening algorithm** that will make it possible to **measure and predict possible risky gaming activities by** online players. The prevention activity will, on the one hand, allow the phenomenon to be measured more accurately through specific dedicated KRIs, and on the other hand, to be able to activate timely protection and information systems towards customers potentially at risk.

Dedicated pages and customer communications

TAll mass market communications sent to the Group’s online customers contain **explicit references to responsible gaming**.
In 2023, Lottomatica carried out a review of the responsible gaming sections of the Betflag.it website in order to standardize their content and tone of voice.



Results and targets

- ✓ In 2023, Lottomatica extended the sending of the **DEM campaign** on responsible gaming to **100% of Betflag’s online customer-base** and also completed on the Betflag.it platform the **review of responsible gaming** content already carried out in 2022 on the Lottomatica.it and GoldBet.it websites.
- ➔ For 2024, Lottomatica plans to release **new information features** within the customer area, which will create greater awareness of gaming activity.

Prevention and mitigation of impacts

Responsible marketing and supply chain

In carrying out its operations, Lottomatica is inspired by the principles of **loyalty, fairness, transparency, efficiency, respect for the law and respect for the values** expressed in the Code of Ethics, including the commitment in favor of responsible gaming, and requires similar behavior from all those with whom it has commercial and/or financial relations.

In particular, in conducting its business, **protecting customers** at every stage of the customer experience through **responsible conduct policies** is of paramount importance to the Group, from the stage of product selection and realisation to their conveyance through all channels and consumer contact points.

For this reason, Lottomatica has adopted a specific **Responsible Marketing Policy**, approved in 2022 and updated in February 2023, which sets out the **general principles** guiding the development, selection, communication and marketing of products, in compliance with the regulations in force and the company’s commitment to **promoting Responsible Gaming as a key to business sustainability**.²⁰

20) For more details on this Policy, please refer to section 4.3 “Innovation and respect for the consumer”.

[GRI 416-2] Incidents of non-compliance concerning the health and safety impacts of products and services

Cases of non-compliance regarding health and safety impacts of products and services	Unit	2021	2022	2023*
Cases of non-compliance with regulations that results in a fine or penalty	N°	0	0	0
Cases of non-compliance with regulations leading to a warning		0	0	0
Cases of non-compliance with voluntary codes		0	0	0
Total		0	0	0

*In relation to the Group’s concessionaire companies, no cases of non-compliance with regulations and/or self-regulatory codes were found.

[GRI 417-2] Incidents of non-compliance concerning labelling and product and service information

Percentage of product and service categories for which health and safety impacts are assessed	Unit	2021	2022	2023*
Incidents of non-compliance with regulations that results in a fine or penalty	N°	0	0	0
Incidents of non-compliance with regulations leading to a warning		0	0	0
Incidents of non-compliance with self-regulatory codes		0	0	0
Total		0	0	0

[GRI 417-3] Incidents of non-compliance concerning marketing communications

Incidents of non compliance	Unit	2021	2022	2023*
Incidents of non-compliance with regulations leading to a fine or penalty	N°	0	0	0
Incidents of non-compliance with regulations leading to a warning		0	0	0
Incidents of non-compliance with self-regulatory codes		0	0	0
Total		0	0	0

*In relation to the Group’s concessionaire companies, no cases of non-compliance with regulations and/or self-regulatory codes were found.

Player support

The CEPID of the Agostino Gemelli University Hospital IRCCS

At the beginning of 2023, the new Integrated Psychiatric Centre for Research, Treatment and Prevention of Addiction (CEPID) at the A. Gemelli University Hospital IRCCS was inaugurated, thanks to the collaboration between the Agostino Gemelli University Hospital Foundation IRCCS and Fondazione Lottomatica.

National toll-free telephone number for the National Institute of Health

At its points of sale, websites and online platforms Lottomatica promotes the **National Toll-Free Telephone Number** for Gambling-Related Issue (TVNGA).

The service, which is anonymous and free of charge, is managed by **Italy’s National Institute of Health** and is aimed not only at gamblers who wish to get in touch with professionals in the sector to receive assistance, but is also open to those who seek information on health services dedicated to the treatment of gam-

800 55 88 22
NATIONAL TOLL-FREE NUMBER
NATIONAL INSTITUTE OF HEALTH

bling-related problems, on services that can handle socio-economic and/or legal problems related to indebtedness, and on Regional toll-free numbers dedicated to the issue.

The National Institute of Health has also launched a portal called “**Uscire dal Gioco**”, a reference point for problem gamblers and their families where they can find information and support to start a path of change and be directed towards gambling disorder treatment services.

Gambling Therapy

Lottomatica has been working since 2022 with Gambling Therapy, a service provided by Gordon Moody (the UK’s leading provider of gambling therapy and support services) with the aim of offering assistance and support to anyone affected, directly or indirectly, by problem gambling.

This partnership enables the Group to provide its customers with tools such as: **multilingual helpline and support** groups for players and family members, **forums and direct email support**, and a dedicated app with information and tools to help identify and overcome a gambling problem.

Results and targets

✓ **Nel 2023**, Lottomatica continued the **training of Customer Support** and CRM staff on the tools provided by Gambling Therapy and activated further projects such as the **direct redirection** of the most sensitive cases to Gambling Therapy services.

➔ **Per il 2024**, Lottomatica has planned a **new revision of the Responsible Marketing Policy** and the drafting of a **Group Policy dedicated to Responsible Gaming**, in order to further strengthen governance in this area.

Study and research on responsible gaming

Lottomatica actively promotes the **study and research on legal and responsible gaming**, creating opportunities for in-depth study and discussion on the role played by the legal gaming industry, in particular, in relation to the protection of public order, legality and consumer protection.



Within this framework is the collaboration with CEPID, **the Integrated Psychiatric Centre for the research, treatment and prevention of Addictions**, inaugurated at the beginning of 2023 and born from the collaboration started in 2022 between Agostino Gemelli University Hospital Foundation IRCCS and Fondazione Lottomatica which, in addition to training activities aimed at its own network and employees, contributes scientific activities to analyze the phenomenon.

The presentation, in June 2023, of the Second Issue of the **Censis-Lottomatica Observatory on Legal Gaming in Italy**,²¹ which provided an update to the First Censis-Lottomatica Issue on Legal Gaming presented in July 2022, is in the same direction of commitment, highlighting the importance of the public gaming sector in guaranteeing an effective control of legality and in protecting consumers.

21) Legal and Public Gaming in Italy: its social and economic value (lottomaticagroup.com)

Results and targets

✓ **In 2023**, Lottomatica started a pilot project in its directly operated gaming halls to screen potentially at-risk players, detected on the basis of the “Punto Gioco Intelligente” training, covering more than 70 per cent of its direct points of sale.

➔ **In 2024**, Lottomatica will continue with the fine-tuning of the screening project of potentially at-risk players, with the aim of keeping the rate of directly managed gaming halls above 70%.

4.3 Innovation and respect for the consumer

GRI 3-3 | GRI 2-25 | GRI 418-1

The drive for innovation is part of Lottomatica’s DNA. Offering an excellent, innovative customer experience that guarantees consumer protection and the protection of personal data, both online and at the point of sale, is one of the pillars of Lottomatica’s mission.

The promotion of innovation and digital development

Lottomatica Group’s objective is “**to innovate its sector in a sustainable manner, through technological excellence and the experimentation of new business, work and relationship models**”, as stated in the Company’s Mission. This commitment is confirmed by the inclusion, also in 2023, of the material topic “**Promotion of innovation and digital development**” in the materiality matrix.

Lottomatica considers innovation and technology to be fundamental elements to guarantee its customers and consumers an increasingly complete, engaging and, above all, secure offer. Within the Group’s staff, around 400 people are involved in the **development of technology** and the **digitalisation of processes**. From 2018 to date, **investments in technology** have increased by 50%, reaching around **Euro 8 million** in 2023. Specifically, investments in cybersecurity have been increased by almost two and a half times, while the capacity of the IT infrastructure has been doubled in order to better respond to the company’s growth in size and to ensure the constant improvement of service levels.

€ 8 mln
INVESTMENTS
IN TECHNOLOGY
IN 2023

750 mln
TRANSACTIONS
PER DAY

8 data
center
ISO 270001
CERTIFIED

Lottomatica’s IT systems handle more than **750 million transactions per day**, through an infrastructure consisting of **eight ISO 27001-certified data centers** and **1,600 virtual servers**, on which more than **3 Terabytes of data transit** daily.



Since 2021, Lottomatica has been running **Become Digital**, a project designed to **promote the development of a digital mindset within the organization** and stimulate an open mindset towards the opportunities offered by digital transformation. Each person in the Group was able to draw up his or her own digital identikit and a **training platform was made available** with an extensive library of content and insights related to digital transformation. As part of the project, thematic webinars were also held focusing on the main trends and news on the digital and innovation front, confirming **the propensity to grow and innovate that is in Lottomatica’s DNA**.

As part of Become Digital, in 2023 part of the Group’s employees participated in the Digital Culture training course financed by Fondimpresa and presented to Anpal, linked to the New Skills Fund. The course developed the following topics:

 Digital tools for business	 Enabling Technologies and Online Business	 Digital Collaboration
GOALS		
develop knowledge of the most popular digital tools for communication and business transactions (Social Networks, E-Commerce, Apps and New Services, Digital Payments, Innovative Devices)	develop knowledge of enabling technologies and applications in use or potential in the business reality and market segment in which the Group operates (Digital Marketing, Artificial Intelligence and Machine Learning, Big Data and Advanced Analytics, Internet Of Things, Customer Experience, New Business and Service Models, Digital Market Awareness)	use cloud space to store and manage documents and work with Office Web Applications (Cloud Concepts, Microsoft 365: Concepts and Services, Security Features, Compliance and Privacy)

Starting in 2022, the Group has embarked on an ambitious **Digital Transformation path**, with the aim of accelerating the **optimization of business processes** and their evolution in a full digital key, significantly reducing paper consumption. The first phase of process analysis and mapping, carried out in 2022, was followed in 2023 by the design and implementation of **optimized technological solutions** to support **new paperless operational workflows**, adopted both for internal procedures and for document exchanges with third parties.

The project, which will continue in 2024, will bring a number of benefits on several levels: not only in terms of **standardization and simplification of work**, but also **more efficient use and sharing of documents**, greater **security and traceability** and, last but not least, a **significant environmental reduction in impacts**.

In 2023, the **Cyber Security Awareness** program, launched the previous year with the aim of **making the entire corporate population aware of the importance of cyber security and the proper protection of data, information, networks and systems**, continued. The program envisages the production and publication, within the company intranet, of multimedia pills, each one focusing on a specific theme: from privacy protection to safe web surfing, passing through attention to malware, spam and fake news.

Finally, with regard to the gaming products and services offered by the Group, the success of Lottomatica’s commitment to promoting innovation and digital development is confirmed by the constant increase in the customer base and the high degree of satisfaction found in the wide **variety of gaming experiences** offered by the Group and the **continuous improvement** made to **websites** and **applications**.

Customer protection, listening and involvement

The Group guarantees a legal, safe and quality gaming offer through the promotion of innovation and business excellence, respecting all the stakeholders it interacts with, especially its customers.

In carrying out its work, the Group’s priority is to **protect consumers at any stage of the customer experience**, from the selection and realisation of its products to their conveyance through all channels and consumer contact points. This commitment is enshrined in a specific **Responsible Marketing Policy**, adopted in 2022 and updated in 2023, which defines the guidelines necessary to ensure sustainable business development.

THE GUIDELINES OF LOTTOMATICA'S RESPONSIBLE MARKETING POLICY

Transparency of offers, characteristics and conditions of play, which must always be represented in a clear, truthful and unambiguous manner in order to allow a healthy and conscious approach to gaming.

Attention to minors, both in the fight against underage gaming in any form, at points of sale and online, and in the creation and communication of products and services, which must avoid the use of content and language likely to attract underage children and young people.

Beware of excessive gambling, avoiding any initiative and/or message that may be misleading with regard to gambling behavior, particularly of the most vulnerable groups, for example by representing it as a financial solution or an alternative to work.

Promotion of a model of responsible gaming, with the aim of preserving and promoting the concept of healthy gaming contextualised in the dimension and possibilities of the target audience, in which fun, challenge and the desire to socialise remain the protagonists.

Respect for the territory in the choice of areas in which to locate operating sites and outlets, which must be done by paying attention to the socio-urban context of the neighbourhood and, in the case of the commercial network, to due safety assessments and distance from sensitive places, in cooperation with representatives of local institutions and in compliance with current legislation.

Customer experience

Customer care and responsibility are central to every segment of Lottomatica's business and guide all players in the chain at every stage of the process.

The Group deals with a heterogeneous range of customers with whom it maintains a **constant and constructive dialogue**, listening to their requests in the design and development of products, services and technologies, capable of responding adequately to market needs and complying not only with current rules and regulations, but also with the strictest levels of **quality, transparency and safety**.



The Group is also committed to ensuring that the **customer journey is always pleasant and engaging**: the high level of professionalism of the staff, the care of the points of sale,²² the reliability and security of the gaming platforms, and the constant technical and commercial support guaranteed to its partners, represent, in this sense, some of the factors behind Lottomatica's success.

Data security, privacy protection and cybersecurity

Data security and privacy protection are crucial aspects for Lottomatica, to the point of being **confirmed among the material topics** also in 2023. Aware of their close **interconnection and correlation with all business risks**, the Group pays particular attention to the **training of its employees**, especially with regard to the **processing of personal data** e il contrasto di eventuali **combating cyber-attacks**.

[MSCI Indicator] Scope of employee training - Data Privacy & Security

Training in data privacy and security	Unit	2021	2022	2023
Total employees	N°	1,189	1,597	1,924
Number of employees trained in data security and privacy		291	271	480
Percentage of employees trained in data security and privacy	%	24	17	25

22) For more details, see "Store Excellence" below.

The management of the collection and processing of personal data is carried out in accordance with the highest standards of conduct and the European regulations set out in the GDPR (EU Regulation 2016/679). The latest interventions in this area have concerned, in particular:

- the introduction of technical and organizational measures aimed at maximizing the protection of processed data;
- the updating of impact assessments for specific types of processing;
- the implementation of the privacy training for qualified suppliers.

Data security and GDPR compliance

LAWFULNESS, FAIRNESS AND TRANSPARENCY	The personal data of the persons concerned are processed in a manner and for purposes that are lawful, correct and clearly described in the Informative.
LIMITATION OF PURPOSE	Personal data are processed only for specified, explicit and legitimate purposes, both in the collection and in the other activities of which the processing is composed.
DATA MINIMISATION	The information collected is limited to what is necessary to pursue the purposes for which it is processed.
ACCURACY	Lottomatica takes all measures to promptly delete or rectify data that are inaccurate with respect to the purposes for which they are processed.
LIMITATION OF RETENTION	Personal data are kept only as long as necessary to fulfil the holder's purposes or to comply with legal obligations.
RESPONSIBILITY	Data controllers and processors shall implement the most appropriate and effective measures to ensure data protection.
INTEGRITY AND CONFIDENTIALITY	Personal data are adequately protected against unauthorised processing and accidental loss or alteration.

[GRI 418-1] Complaints regarding breaches of customer privacy and loss of customer data

Breach of privacy and loss of data	Unit	2021	2022	2023
Complaints received for breach of privacy, of which:		0	0	0
complaints received from third parties and acknowledged by the organization	N°	0	0	0
complaints received from regulatory bodies		0	0	0
Leaks, theft of customer data, loss of customer data identified		0	0	0

ISO 27001 certification

Lottomatica Group has implemented an **Information Security Management System (ISMS)** according to the international standard **ISO/IEC 27001:2013**.

Currently, Gamenet S.p.A. and GBO Italy S.p.A. are both **ISO 27001** certified. In addition, in 2023, Gamenet S.p.A. and GBO Italy S.p.A. also obtained certification for **ISO/IEC 27701:2019** regarding the **information security and privacy management system**.



The ISO 27701 certification represents an **extension** of the ISO 27001 information security management standard to privacy, which the two companies have held since May 2021, enabling a **synergetic and integrated approach to information security and GDPR**, the European Data Protection Regulation.

In June 2023, the certifying body, following the ISO 27701 maintenance audit, confirmed that the management system of Gamenet S.p.A. and GBO Italy S.p.A. was assessed and found to be compliant with the requirements of the following management system standard ISO/IEC 27701:2019.

The **Group's compliance with international standards** enables a synergetic and integrated approach to the **protection of information security and privacy**, reducing the risk of breaches and stimulating the continuous updating and improvement of identified processes and safeguards.

Data protection governance

Lottomatica Group has defined a well-defined **governance structure in the field of data processing, data protection and cybersecurity**, involving the main corporate departments with different responsibilities.

The **Corporate & Legal Affairs Department** is responsible, among others, for **personal data protection aspects**, which include, in addition to keeping the Data Processing Registers of the companies belonging to Lottomatica Group and preparing the entire set of disclosures, also the procedures and appointment agreements aimed at ensuring that the data processing activities carried out within Lottomatica Group are conducted legitimately and in full compliance with the principles and dictates of the GDPR.

The Group has also set up an external and independent **Data Protection Officer** with the following tasks: to support data controllers, employees and processors in protecting and storing data in compliance with the rules; to protect the rights of recipients guaranteed by the GDPR; and to ensure cooperation with the Data Protection Authority and other competent authorities.

Lottomatica has also introduced a **cyclical Security Governance process**, from which the Security **Development Strategy** and the related **Security Development Plan** are defined, and defined a **governance structure in the area of customer data protection and Cyber Security**: the Technology Security function is in fact entrusted with the task of guaranteeing the

security of all group companies, under the responsibility of the Technology Security Senior Manager, reporting directly to the Chief Operating Officer (COO).

Following the listing of Lottomatica Group S.p.A. on Euronext Milan, the **Control and Risk Committee** assumed **supervisory responsibility also with regard to Privacy and Data Security issues**.

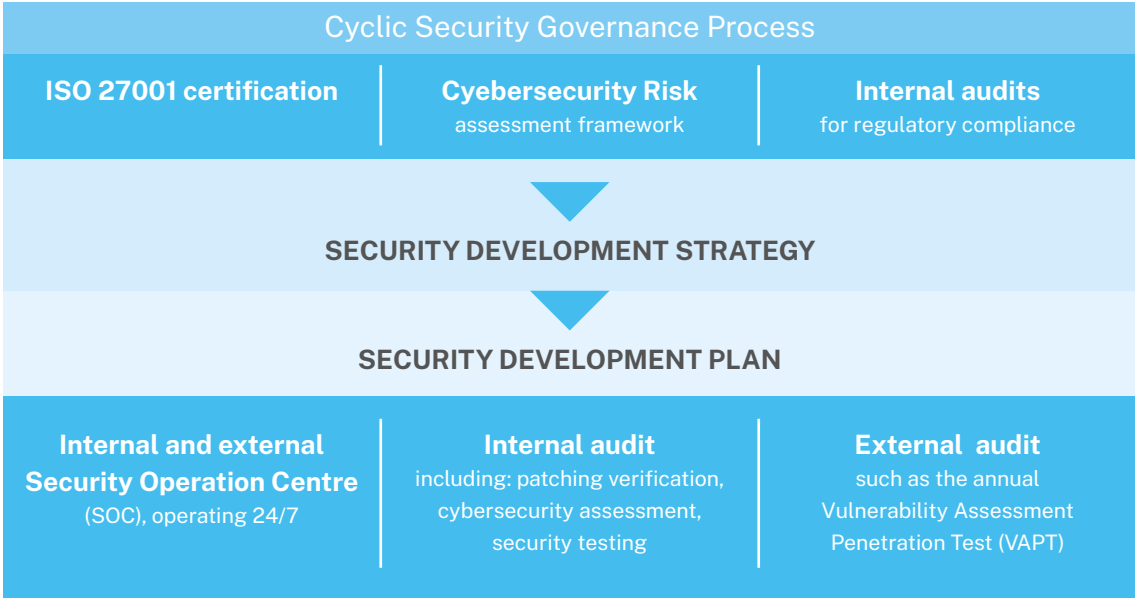
Control in this area was then further strengthened with the adoption of a Group **Data Protection Policy**, containing the main procedures and regulations already in use, such as the **Data protection regulation** and the **Data breach management & notification procedure**, for the management of information security incidents that take the form of a personal data breach.

Lottomatica Group has also made it **compulsory for third parties to be aware of and comply with its Data Protection Policy**, by supplementing its general purchasing conditions with a specific clause, and by inserting a direct reference to compliance with the provisions contained in the Data Protection Policy also within individual agreements.

The Group pays special attention to **data privacy training** courses for all new recruits and provides **periodic data protection training for all employees** dealing with this issue (100% of those concerned). These training activities also include contractors (consultants, business partners, etc.) through e-learning courses.

150 bln | EVENTS MANAGED EACH YEAR BY LOTTOMATICA'S COMPUTER SYSTEMS

Lottomatica is committed to guaranteeing the security of every transaction carried out through the activity of its information systems, managing on average in a year more than **150 billion events** related to more than 25,000 attacks managed, about 2,000 malware, 15,000 malicious urls and 150 exploits blocked, and more than 3,500 Intelligence reports.



Results and targets

✓ In 2023, Lottomatica Group had no substantiated complaints or allegations of violations of privacy and security of customer data, either from consumers or regulators.

Training

The Group has created a specific **training course** dedicated to employees on the subject of **data security**, through a Security Awareness & Training platform capable of delivering customized courses based on the level of knowledge and skills of individual resources, and on the standards required by individual structures.

In addition, the Corporate & Legal Affairs department designed and structured the **privacy course dedicated to suppliers** handling sensitive data, conveyed through an e-learning platform. The aim of the privacy course was to raise awareness among all the Group's **suppliers and qualified contractual counterparties** on the issue of the **correct handling of personal data** and related processing activities, ensuring compliance with the European legislation in force (General Data Protection Regulation GDPR -679/2016), as well as with Lottomatica Group's data protection policies.

Furthermore, in cooperation with the Human Resources, Organization & PSS department and the Data Protection Officer, the Corporate & Legal Affairs department is in charge of **periodical-ly updating employees on the protection and processing of personal data**, providing privacy training for all Group employees involved in the processing of personal data, and training on the **contents of the GDPR** and the **main security measures** in force for all new employees working at the Rome headquarters.

[Sustainalytics Indicator] Cybersecurity programs

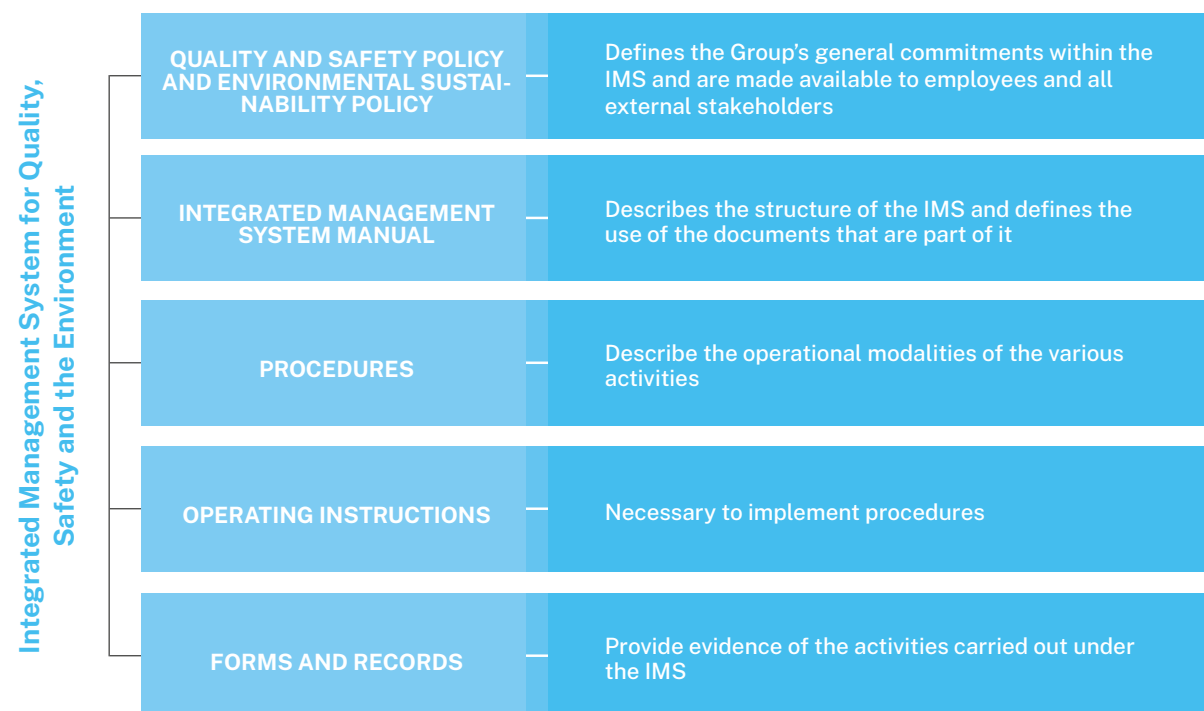
Training in cybersecurity	Unit	2022	2023
Total number of employees in the portal	N°	1,306	1,457
Total number of employees trained in cybersecurity		817	965
Percentage of employees trained in cybersecurity	%	63	66

Quality, safety and environment

Lottomatica has an **Integrated Quality, Safety and Environmental Management System (IMS)**, having achieved and maintained over the years the **UNI EN ISO 9001:2015 Quality certification**, to which was added, as of 2018, also the **UNI EN ISO 45001:2018 Workers Health and Safety certification** and, as of 2022, also the **UNI EN ISO 14001:2015 Environmental Management System certification**.

Lottomatica has an Integrated Management System for Quality, Safety and Environment (IMS) according to ISO 9001, ISO 45001 and ISO 14001 standards.

The IMS allows the Group to implement an effective **process control** system aimed at **preventing** and **managing risks**, guaranteeing the health and safety of employees and **end-customer satisfaction**, and **reducing the environmental impacts generated through its operations**, while consolidating a **corporate culture oriented towards Quality, Safety and Environmental protection**.



4.4 Ethics and compliance

GRI 3-3 | GRI 2-15 | GRI 2-16 | GRI 2-23 | GRI 2-24 | GRI 2-25 | GRI 2-26 | GRI 2-27 | GRI 205-1 | GRI 205-2 | GRI 205-3

Lottomatica operates with the highest standards of ethics and integrity through a governance of models and procedures to protect all stakeholders.

The pillars for ethical business conduct

231 MODEL

Lottomatica Group S.p.A., the concessionaire companies and the main indirect subsidiaries forming part of Lottomatica Group adopt their own **Organization, Management and Control Model pursuant to Legislative Decree No.231/2001**,²³ aimed at ensuring conditions of fairness and transparency in the conduct of business activities. With specific reference to Lottomatica Group S.p.A., the document was approved on 27 February 2023, while, with regard to Lottomatica S.p.A., the Organization, Management and Control Model reached its sixth revision on 25 May 2022. The task of supervising the operation of and compliance with the Model, and of proposing any updates, when necessary, is assigned to the Supervisory Board.

23) See Lottomatica Group's Model 231.

The Model is prepared and periodically updated following a series of phases: mapping of activities at risk and analysis of potential risks; current scenario and gap analysis; drafting of a risk assessment document preparatory to the preparation of the Model itself. It consists of a set of control protocols that guide the Company's operations and regulate specific verification activities aimed at:

- identify company activities potentially at risk;
- define an internal regulatory framework for the prevention of offences (e.g., Code of Ethics, delegation system, formalized procedures, penalty system);
- promote an organizational structure to inspire and monitor correct behavior;
- identify the processes for managing and controlling financial resources;
- provide employees with adequate training and information on the Model.

Following the various changes in the Group's structure that occurred during 2023, Lottomatica approved the 231 Model Lottomatica Group S.p.A. and Gioca On Line S.r.l. and the new revision of Gamenet's 231 Model in February 2023, Marim's 231 Model in May 2023, Betflag's 231 Model in July 2023 and the revision of Recreational B's Model in October.

Results and targets

✓ In 2023 there were **no significant cases** of non-compliance with laws and regulations that led to significant penalties for Lottomatica Group.

[GRI 2-27] Compliance with laws and regulations

Total number of significant cases of non-compliance with laws and regulations

Significant cases of non-compliance with laws and regulations	Unit	2021	2022	2023
Monetary penalties	N°	0	18	46
Non-pecuniary penalties		0	0	0
Total		0	18	46

Total number and monetary value of fines for cases of non-compliance with laws and regulations

Significant cases of non-compliance with laws and regulations	Unit	2021	2022	2023*
Penalties for non-compliance with laws and regulations during the current reporting period	N°	0	14	23
Penalties for non-compliance with laws and regulations during previous reporting periods		0	4	23
Monetary value of penalties for non-compliance with laws and regulations that occurred in the current reporting period	€	0	134,000	110,666
Monetary value of penalties for non-compliance with laws and regulations that occurred in previous reporting periods		0	28,694	4,695,044

* A number of non-compliances were contested in 2023, which can be summarized in two areas of application:

- Violations of sector regulations contested by the competent Authorities (ADM and the Police Authorities) in the ordinary course of business for causes attributable to third party business partners contracted by the concessionaire for the performance of activities functional to the collection or in any case to the execution of the activities under concession;
- Penalties applied by ADM for non-compliance with certain service levels under the ADI agreement for Gamenet and LVR for the years 2013 and 2014. Specifically, in 2023 ADM notified the recalculation of the service level penalties initially notified in 2022. The partial non-compliance with service levels is mainly attributable to inefficiencies of software suppliers, some of which have already compensated the concessionaire for their share.

In 2022, Lottomatica S.p.A., Gamenet S.p.A., Lottomotica Videolot Rete S.p.A. and GBO Italy adopted the **Anti-Bribery Management System** and obtained certification to the standards of **ISO 37001**, certification extended in 2023 to Lottomatica Group S.p.A.. At the same time, the Boards of Directors of the companies not yet certified have adopted the Group's "Anti-Bribery & Corruption Guidelines", which aim to continuously improve the sensitivity of those who work in various capacities with Lottomatica Group in recognizing corruptive phenomena and cooperating in preventing, combating and reporting possible violations. It is also required "Group Companies and all those who come into contact with them to adhere to the fundamental values of integrity, transparency and responsibility and to promote a culture of compliance, according to which corruption is never permitted".



[205-1] Operations assessed for risk related to corruption

Number of operations	Unit	2021	2022	2023
Total number of operations of the company	N°	18	30	36
Total number of transactions assessed for corruption risks*		17	27	30
Percentage of transactions assessed for corruption risks	%	94	90	83

* The following elements were considered: ISO 37001 certification; transposition of the Anti-bribery & Corruption Policy by the Boards of the individual companies; adoption of Model 231; adoption of the Group's Code of Ethics.

Code of Ethics

Lottomatica has adopted a Group Code of Ethics,²⁴ approved by the Board of Directors, which outlines the values and principles with which all Recipients must comply and forms an integral part of the 231 Model adopted by the individual companies.

All the Recipients are expected to be familiar with the content of the Code of Ethics and are required to formally accept it. The Code of Ethics, together with the 231 Model and the Anti-bribery and Corruption Policy and Guidelines, is the subject of specific training for all new employees and is available on the Group's main websites, the company intranet and portals dedicated to partners and commercial suppliers, as well as being explicitly referred to in every contract. Within the Code of Ethics, in the area of conflict of interest, it is established that Board members 'must avoid any situation and refrain from any activity that may conflict a personal interest-direct or indirect-with those of the Company'.

Furthermore, within the limits set by regulations, the Code of Ethics requires Board members to promptly and fully provide information, clarifications, data and documentation requested by customers, suppliers, public supervisory authorities, institutions, state agencies and other stakeholders.

24) See Lottomatica Group Code of Ethics.

Principles of Lottomatica's Code of Ethics

COMPLIANCE WITH LAWS AND REGULATIONS	It is necessary to know and observe the applicable laws and internal rules and to refrain from conduct contrary to or conflicting with them.
ETHICS AND FAIRNESS	Moral integrity is a constant duty and the pursuit of the Company's interest can never justify conduct contrary to the principles of fairness and honesty.
INDIVIDUAL INTEGRITY AND IMPARTIALITY	Protect and promote human rights, guarantee physical and moral integrity and respectful, safe and healthy working conditions, avoiding all forms of discrimination on any basis.
PROFESSIONALISM AND ENHANCEMENT OF HUMAN RESOURCES	Ensuring the necessary professionalism in the execution of the tasks assigned to employees and enhancing skills, also by means of appropriate training programs.
COMPETITION AND ANTI-TRUST LAW	Operate in the market in a fair manner, without infringing the principle of free competition, and do not tolerate unethical or illegal practices aimed at obtaining information on competitors, customers and suppliers.
RESPONSIBLE GAMING	Aiming at increasing the sense of responsibility towards the practice of gambling, informing in a transparent manner about the possibilities of winning, risks and prohibitions, training staff to support and help those who do not consider gambling as a leisure activity, not allowing gambling to minors under the age of 18.
MODELS AND RULES OF CONDUCT	Behaviour and relationships must be inspired by professional commitment, moral rigour, management fairness, transparency, correctness and mutual respect.

The importance of values such as personal integrity and impartiality for the Group is emphasized in the Code of Ethics, which also explicitly refers to the protection and promotion of **human rights**. Furthermore, the document regulates the **Company's relations with political organizations and trade unions**, establishing that the Group must maintain relations based on transparency and fairness and in strict compliance with the laws in force, refraining from making any direct or indirect contribution, in any form whatsoever. Excluded from this are solidarity initiatives, which the Group considers to be an essential value, playing an active and sensitive role with entities operating in the social field.

Whistleblowing Programs

GRI 2-16 | GRI 2-26

In line with the provisions of 231 Model and in compliance with regulatory provisions, Lottomatica Group has defined a **system aimed at managing the reporting of offences**. This system, by means of the digital platform “EthicsPoint Platform” (available both on the company intranet and on the institutional website) and a dedicated telephone channel, available 24 hours a day, ensures the **confidentiality and privacy of the data of the reporting parties** and of the reported persons.

Lottomatica has defined a system for the management of whistleblowing reports, which ensures the confidentiality and privacy of the data of whistleblowers and reported persons through the use of the EthicsPoint web platform.

The system for managing whistleblowing is governed by the “**Whistleblowings Management procedure**”, approved on 27/02/2023 and subsequently revised in July 2023 in order to incorporate the regulatory changes that have taken place (Legislative Decree No.24/2023 -Implementation of Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 on the protection of persons who report breaches of Union law and on provisions concerning the protection of persons who report breaches of national laws). The procedure in question, which is published on the institutional website and applicable to all Group companies, encourages stakeholders to report without delay, in good faith and based on reasonable factual elements, potential violations, conduct or practices that do not comply with the legal provisions applicable to the Group and with what is set out in the Code of Ethics, the 231 Model and/or the applicable internal procedures and guidelines.

The reports received, after being examined and investigated in depth, are compiled in a summary report, containing details of the type of misconduct and the measures taken, including any action taken, and presented annually to the Board of Directors.

Results and targets

✓ **In the three-year period 2021-2023** there were no incidents of corruption among Lottomatica employees and no reports were received, including through the Whistleblowing system.

[GRI 205-3] Confirmed incidents of corruption and actions taken

Incidents of corruption	2021	2022	2023
Total number and nature of confirmed incidents of corruption	0	0	1*
Total number of confirmed incidents for which employees were dismissed or disciplined for corruption reasons	0	0	0
Total number of confirmed incidents for which contracts with corporate partners were terminated or not renewed due to corruption-related violations	0	0	1
Legal cases in the public domain related to corruption undertaken against the organization or its employees during the reporting period and the outcomes of such cases	0	0	0

*On 12/01/2023, 1 report was received relating to a news learnt in the press and concerning an external consultant placed under house arrest for offences in the field of corruption, who had been entrusted with the defense of Gamenet jointly with another external lawyer. Following this, and in consideration of the “zero tolerance” policy applied by the Group, the mandate was revoked.

25) <https://lottomaticagroup.com/it-it/home/whistleblowing>

Internal control, anti-corruption and anti-money laundering activities

With the aim of preventing and mitigating corporate risks of all kinds, as well as ensuring compliance with legal requirements on **anti-money laundering and anti-corruption, privacy protection and gaming prevention**, Lottomatica has an **Internal Control System**, consisting of the tools necessary to direct, manage and verify the Group's activities.

Internal Audit

The **Internal Audit & GRC - Anti-bribery & Corruption** Department monitors the adequacy and suitability of the Internal Control and Risk Management System, reporting periodically on its activities, on the way in which risk management is conducted, as well as on compliance with the plans defined for their containment to the Chairmen of the Board of Statutory Auditors, the Control and Risk Committee and the Board of Directors.

In addition, the Department is responsible for preparing the **Group Audit Plan** annually, subsequently approved by the Board of Directors, and **defined according to a risk-based approach** in order to identify the corporate processes deemed most at risk.

The Audit Plan is divided into four areas of intervention: Audit (where the audit activities carried out in the area of Business Ethics in adherence to the Organizational Model are included), **Anti-Bribery & Corruption, Compliance e Risk Management**.

The main activities performed under the 2023 Audit Plan were:

- approval of the Organization, Management and Control Model pursuant to Legislative Decree 231/01 of the parent company Lottomatica Group S.p.A. and the companies Betflag, Giocaonline and Marim;
- updating of the Organization, Management and Control Model pursuant to Legislative Decree 231/01 of the Company Gamenet S.p.A. and RicreativoB S.r.l.;
- carrying out specific training activities under Legislative Decree 231/01 for Lottomatica Group employees;
- monitoring information flows to and from the Supervisory Bodies of Lottomatica Group companies that adopt the Organization, Management and Control Model pursuant to Legislative Decree No.231/01;
- revision of Lottomatica Group's Enterprise Risk Management (ERM) Model and related Key Risk Indicators in order to incorporate corporate and organizational changes;
- extension of UNI ISO 37001 certification for Lottomatica Group S.p.A.;
- conducting audits in the context of UNI ISO 37001;
- implementation of a specific platform for carrying out e-learning training in the area of anti-Bribery and Corruption (2023) and carrying out specific training activities in the area pursuant to Legislative Decree 231/01 for employees and suppliers of Lottomatica Group;
- carrying out internal audits in accordance with the Group Audit Plan.

Anti-Corruption and anti-money laundering compliance

The Group recognizes and is committed to preventing the risk of corruption and money laundering associated with the following areas of activity:

management of fiscal and financial flows	procurement	relations with institutions and public bodies
corporate affairs	organization of events and trade fairs, sponsorship and advertising, gifts and hospitality expenses	personnel selection and management
commercial and business activities	gestione del litigation management	relations with the board of auditors and the independent auditing firm

Anti-Money Laundering

The companies belonging to Lottomatica Group are subject to the obligations set forth in Legislative Decree 231/2007 as amended and supplemented, concerning **anti-money laundering and countering the financing of terrorism** (AML & CTF).

In this regard, the Group has adopted an **AML & CTF Policy**²⁶ to promote a corporate culture based on legality, ethical behavior and good corporate governance, defining responsibilities, tasks and operating methods aimed at preventing and managing the risk associated with the use of the financial system for the purpose of money laundering and terrorist financing.

Lottomatica Group has formalized an AML & CTF Policy and structured strong verification and monitoring controls in order to prevent and manage the risk related to the use of the financial system for the purpose of money laundering and terrorist financing.

Lottomatica has structured **solid verification and monitoring controls** through procedures and systems that **comply with privacy regulations** and are based on the **Risk Based Approach** principle. Adequate screening tools also ensure that the Group does not establish relationships with or provide any services to persons and entities subject to national and international sanctions.

Among the initiatives implemented in this area there is the system for identifying customers at VLT, Betting and Bingo outlets called DAISY (Data Identification System), which allows a series of real-time checks, also through **integration with specific databases**, and the **dematerialization of identification forms**. Through Daisy, in 2023 more than **550,000 identifications for anti-money laundering purposes** were managed in a **natively digital manner** at the Group's

26) <https://lottomaticagroup.com/en-us/home/antiriciclaggio>

venues, with a reduction in paper consumption estimated in the order of about 4,400 reams of 500 sheets each.

Employees and third parties are adequately **trained and made aware of the risks** to which they are exposed according to their roles, and the Group provides **appropriate communication channels to report unacceptable behavior**.²⁷

In addition, an anti-money laundering training program has been implemented over the years, available in e-learning mode, also in Chinese, aimed at both merchants and staff of the corporate organization involved in processes relevant to anti-money laundering controls.

AML & CTF Safeguards

Customer identification and verification with respect for privacy and using a risk-based approach	Registration and retention of data and supporting documentation	Monitoring compliance with the procedures and safeguards defined to detect transactions deemed suspicious
Active collaboration with the Financial Intelligence Unit and other competent authorities	Continuous awareness-raising of business partners on AML and CTF issues	Training and continuous updating of the supply chain

Anti-corruption

The Group is committed to combating corruption **in all its forms** and to promoting a culture that deters corrupt activities, facilitating the prevention and detection of such conduct, in line with the tenth principle of the UN Global Compact on “combating corruption in all its forms, including extortion and bribery”.

The Group is committed to combating corruption in all its forms and has defined a specific “Anti-bribery & corruption Policy and Guidelines”, and has also adopted a Management System for the Prevention of Bribery and Corruption that complies with the ISO 37001.

Pertanto, nell’ambito della Direzione Internal Audit & GRC è presente la funzione Anti-Bribery & Corruption, affidata all’Anti-Bribery and Corruption Officer.

Therefore, the Anti-Bribery & Corruption function, entrusted to the Anti-Bribery and Corruption Officer, is located within the Internal Audit & GRC Department. In addition, the Group has adopted a specific “**Anti-Bribery & Corruption Policy and Guidelines**”²⁸ that defines the commitments on corruption prevention, the rules of conduct to be followed, the procedures for reporting violations and the training and information activities carried out, as well as providing for appropriate checks on the reliability, reputational profile and suitability of third parties with which Lottomatica considers establishing business relations.

27) For more information, see “Whistleblowing Programmes” above.
28) See Lottomatica Group Anti-Bribery & Corruption Policy and Guidelines.

Lottomatica and the Group's main concessionaire companies have also adopted a **Management System for the Prevention of Corruption**, certified in accordance with the international standard **UNI ISO 37001:2016** in 2022 and extended to Lottomatica Group in 2023, after verification of the control systems and measures adopted to prevent and mitigate risks in this area.



Training on ethics, compliance and anti-corruption

The Group envisages specific **training/information programs** aimed at spreading **awareness of Model 231, the Code of Ethics**, the specific protocols and their updates among all Addressees, encouraging everyone's cooperation in enforcing and implementing these procedures.

During 2023, training courses were provided, also for employees of the newly acquired companies, with the aim of promoting awareness of the Code of Ethics, Model 231 and the Management System for the Prevention of Corruption among Lottomatica people. With specific reference to the subject of anti-corruption, training was also provided to the Group's suppliers.

[GRI 205-2] Communication and training about anti-corruption regulations and procedures

Total number and percentage of members of the governing body to whom the organization's anti-corruption policies and procedures have been communicated*

Governing bodies	Unit	2021	2022	2023
Members of the governing body		68	75	60
Total number of members of the governing body to whom anti-corruption policies and procedures have been communicated	N°	67	52	55
Percentage of members of the governing body to whom anti-corruption policies and procedures have been communicated	%	99	69	92

*The 231 Model is approved by the Board of Directors of the individual companies, while the Code of Ethics and the Anti Bribery & Corruption Policy and Guidelines have been approved by the Board of Directors of Lottomatica Group and implemented by the boards of directors of the individual companies.

Total number and percentage of employees to whom anti-corruption policies and procedures have been communicated, by category*

Employees	Unit	2021	2022	2023
Total managers		39	43	50
Total number of managers to whom anti-corruption policies and procedures have been communicated	N°	39	43	50
Percentage of managers to whom anti-corruption policies and procedures have been communicated	%	100	100	100
Total middle managers		144	171	194
Total number of middle managers to whom anti-corruption policies and procedures have been communicated	N°	144	171	194
Percentage of middle managers to whom anti-corruption policies and procedures have been communicated	%	100	100	100
Total white collar workers		867	1,200	1,418
Total number of white collar workers to whom anti-corruption policies and procedures have been communicated	N°	867	1,200	1,382
Percentage of white collar workers to whom anti-corruption policies and procedures have been communicated	%	100	100	97
Total blue collar workers		139	183	262
Total number of blue collar workers to whom anti-corruption policies and procedures have been communicated	N°	139	183	252
Percentage of blue collar workers who have been informed of anti-corruption policies and procedures	%	100	100	96

* The Model 231 of the individual companies, the Code of Ethics and the Anti Bribery & Corruption Policy and Guideline are available on the Group's intranet site in the documents section and on the Group's corporate website. In addition, the Model 231 of the individual companies, the Code of Ethics and the AB&C Policy and Guideline, as well as the provision of specific training activities, are provided to the employee during the recruitment phase.

Total number and percentage of business partners to whom anti-corruption policies and procedures have been communicated, by type*

Business partners	Unit	2021	2022	2023
Total suppliers		210	230	202
Total number of suppliers to whom anti-corruption policies and procedures have been communicated	N°	210	230	202
Percentage of suppliers to whom anti-corruption policies and procedures have been communicated	%	100	100	100
Total Business Partners		3,411	4,427	4,174
Total number of business partners to whom anti-corruption policies and procedures have been communicated	N°	3,411	4,427	4,174
Percentage of business partners to whom anti-corruption policies and procedures have been communicated	%	100	100	100
Total contractors		42	44	49
Total number of contractors to whom anti-corruption policies and procedures have been communicated	N°	42	44	49
Percentage of contractors to whom anti-corruption policies and procedures have been communicated	%	100	100	100

* Lottomatica Group's Supplier Portal contains the Code of Ethics and the AB&C Policy and Guidelines and there are specific contractual clauses in contracts with suppliers requiring them to read these documents. In addition, suppliers are invited to attend e-learning training on 37001.

With regard to business partners, the 231 Model, Code of Ethics and AB&C Policy and Guideline are present in the portal dedicated to them for Gamenet and Lottomatica Videolot Rete, while for GBO Italy S.p.A. the 231 Model, Code of Ethics and AB&C Policy and Guideline are present in the company website. In addition, there are specific contractual clauses on 231 and 37001 in the contracts with business partners.

Total number and percentage of members of the governing body who have received anti-corruption training

Governing Body	Unit	2021	2022	2023
Members of the governing body		68	75	60
Total number of members of the governing body who have received anti-corruption training	N°	13	24	35
Percentage of members of the governing body who have received anti-corruption training	%	19	32	58

Total number and percentage of employees trained in anti-corruption, by category*

Employees	Unit	2021	2022	2023
Total managers		39	43	50
Total number of managers who have received anti-corruption training	N°	20	37	48
Percentage of managers who have received anti-corruption training	%	51	86	96
Total middle managers		144	171	194
Total number of middle managers trained in anti-corruption	N°	74	148	175
Percentage of middle managers who have received anti-corruption training	%	51	87	90
Total white collar workers		867	1,200	1,418
Total number of white collar workers who have received anti-corruption training	N°	367	873	1,274
Percentage of white collar workers who have received anti-corruption training	%	42	73	90
Total blue collar workers		139	183	262
Total blue collar workers who have received anti-corruption training	N°	2	125	174
Percentage of blue collar workers who have received anti-corruption training	%	1	68	66

* As of 2022, there are specific e-learning courses on 231 and the Code of Ethics, and as of 2023 a specific course on 37001.

[Sustainalytics Indicator] Business Ethics Programs

Training in Code of Ethics	Unit	2021	2022	2023
Total employees		1,189	1,597	1,924
Total number of employees trained in Code of Ethics	N°	463	1,178	1,527
Percentage of employees trained in Code of Ethics	%	39	74	79

[Sustainalytics Indicator] Anti-Corruption Programs

Training in Anti-Corruption	Unit	2021	2022	2023
Total employees		1,189	1,597	1,924
Total number of employees trained in anti-corruption	N°	463	1,175	1,698
Percentage of employees trained in anti-corruption	%	39	74	88

4.5 Risk management

Lottomatica Group has implemented a solid internal control system, supported by a body of procedures and dedicated organizational structures, which allows it to identify, prevent and manage risks related to its activities, while ensuring the achievement of business objectives.

In order to identify, manage and monitor the main risks to which it is exposed, the Group implements an **Internal Control and Risk Management System** and applies since 2017 **the Enterprise Risk Management (ERM) - Integrated Framework**, recognized as an international best practice for risk management systems and corporate governance aspects.

ERM subdivides risks into “**Categories**” and “**Risk Areas**”, assigning their management to different company departments that are responsible for them, and defines the necessary **safeguards** and **level of monitoring** for the various risk categories deemed relevant.

The key elements of proper enterprise risk management

GOVERNANCE & CULTURE

definition of roles and responsibilities and promotion of a culture of risk and respect for ethical values

STRATEGY & OBJECTIVE

strategic planning based on the interpolation of ERM, strategy itself and goal setting

PERFORMANCE

process and operational mechanisms related to the identification, measurement and management of risks

REVIEW & REVISION

process of continuous monitoring and improvement of ERM components

INFORMATION, COMMUNICATION & REPORTING

process and tools used to manage the information and data supporting the ERM process, as well as the reporting model adopted

The risk categories identified in the ERM

COMPLIANCE	
• External and Internal Fraud Management • Regulatory Compliance • Payment Management • Anti-Money Laundering • Privacy • Trademarks and Patents	• Taxation • External communication • Protection of Dignity and Human Rights • Gifts • Responsible gaming
FINANCIAL/REPORTING	
• Credit • Liquidity • Market • Fiscal	
OPERATIONAL	
• Industrial Relations Issues • Data Security • IT Systems/Infrastructure • Disaster Recovery • Shop start-up and transfer of rights between shop opening and closing • Contracts	• Job Rotation/Succession Plan • Retention Plan/Reward System • Benefits • Litigation Management • Bet Value Entry • Supply chain • Logistics • Roll out
STRATEGIC	
• Merger & Acquisition • Reputational risk • Commercial strategy • Third-party collection management • Merchant abandonment • Reporting • Organisational sizing • Point of sale selection and merchant network management	• Responsible gaming • Strategic Plan Alignment • Key resources/Development plans/Training • Customer Care • Partnership management • Business Continuity • Risk Rating • Strategy & Initiatives • Climate Change

Assessment of ethical risks

Within the framework of ERM, the Governance & Culture component promotes **respect for ethical values, integrity, transparency and accountability**. In this perspective, Lottomatica Group considers these aspects fundamental and provides for a **specific ethical risk assessment** not only in terms of legislative compliance, but also in relation to the commitments outlined in the Code of Ethics, policies and procedures.

In the ethical field, three risk areas have been identified and specific mitigation measures put in place by the organization.

Ethical risk areas and mitigation measures

RISK CATEGORY: COMPLIANCE	
Risk area	Mitigation safeguards
Protection of dignity and respect for human rights Failure to observe the human rights enshrined in relevant regulations and conventions (United Nations Universal Declaration, Fundamental Conventions of the International Labor Organization and the OECD Guidelines)	• Code of Ethics; • Corporate policy on the safeguarding and protection of human rights; • Organization, Management and Control Model pursuant to Legislative Decree 231/01; • Disciplinary Code; • Health insurance policy; • Smart working policy; • Welfare programs (scholarship for children); For further information, see sections “3.1 Sustainability strategy”, “4.4 Ethics and Compliance” and “5.3 Safety and welfare of people”.
Responsible gaming Failure to protect players; Failure to comply with regulations	• Responsible Gaming Program; For further information see the following sections: “4.2 Lottomatica’s commitment to responsible gaming” and “4.3 Innovation and respect for the consumer”.
Gifts Behavior that could influence the independence of judgment of PA/Business Partner representatives or induce them to secure any undue advantage for the Company	• Policy on Gifts; • Code of Ethics; • Organization, Management and Control Model pursuant to Legislative Decree 231/01. For further information, see section “4.4 Ethics and Compliance”.

The Group has integrated **risks related to climate change** into its Enterprise Risk Framework, while assessing them with a low impact on the Group’s activities as a service company, aware of their growing relevance and potential impact at the strategic and operational level. In this context, Lottomatica is constantly committed to progressively updating its system for identifying and assessing climate and environmental risks, aiming at an ever greater integration of these types of risks into the Group’s strategy and its operations, through analyses based also on complex medium/long-term scenarios.

Risks in relation to the scope of climate change

Acute physical hazards (e.g. floods) or chronic hazards (e.g. rising temperatures, dwindling resources, etc.)	Lower revenues due to business interruptions	Impairment of asset value
Increase in operating costs for extraordinary maintenance activities (e.g. to restore the condition of assets following damage)	Increase in asset-related insurance costs	Technological disruptions due to damage to assets
Transitional risks (financial loss as a result of the adjustment process to a low-carbon and/or more environmentally sustainable economy))	Increase in the cost of utilities (energy, water, gas)	Increase in costs due to energy efficiency measures as a result of new legislative obligations or the imposition of higher energy efficiency standards
Damage in terms of brand reputation, if the company has an inadequate environmental reputation		Damage resulting from direct or indirect legal action (e.g. failure to comply with changes in legislation)

4.6 The Legality Rating

In the period between 2022 and 2023, two of the Group’s largest companies, Gamenet S.p.A. and GBO Italy S.p.A., received the **Legality Rating** from the Italian Antitrust Authority (AGCM), obtaining the **maximum rating of 3 stars**. In October 2023, the Group submitted the request for the rating also for Lottomatica S.p.A. and is currently waiting to receive the final rating.

The rating certifies compliance with a series of **voluntary regulatory and extra-regulatory requirements**, highlighting the **high standards of legality and transparency** adopted by companies, which can thus obtain an objective assessment of the degree of attention paid to the conduct of business in relation to a series of issues: from corporate risk management to corporate social responsibility, from sustainability to the **prevention of corruption**, and finally to **respect for legality**, attention to customer relations and the **traceability of payments**.



5. People

The Group recognizes the overriding importance of its people for the realisation of a sustainable business model and guarantees them a working environment characterized by high standards of safety and well-being, inclusive and stimulating, valuing diversity and developing professionalism and know-how.

5.1 Lottomatica's People

GRI 3-3 | GRI 2-7 | GRI 2-8 | GRI 401-1 | GRI 405-1

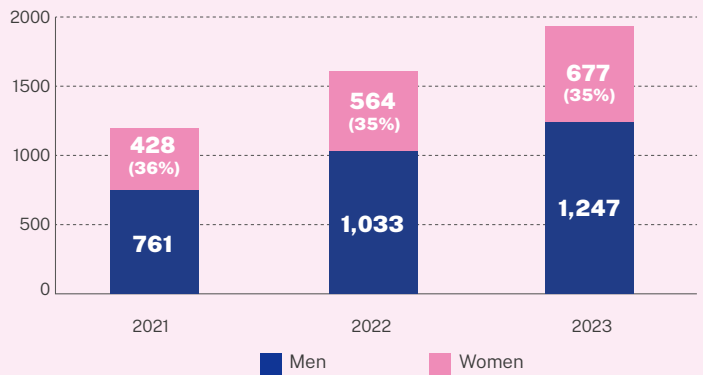
Personal composition

The composition of the Group has undergone a profound transformation in recent years, due to strong organic growth and extraordinary acquisitions, which were realized **without affecting employment levels**.

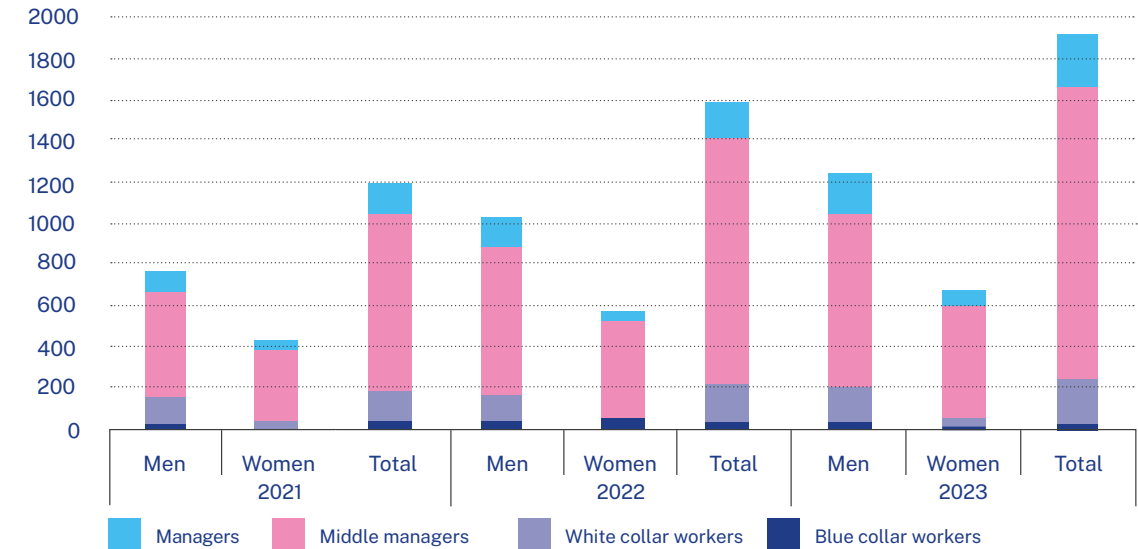
As of December 31, 2023, Lottomatica Group relies on the skills of **1,924 direct employees**, an increase of 20% (or 327) compared to 2022. Despite the significant increase in headcount due to acquisitions, 35.1% of direct employees are of the female gender, in line with last year, and reflecting the strong specialization in IT that characterizes the Group's operations. In order to balance the presence of women at all levels, Lottomatica is constantly committed to promoting gender diversity.

1,924
EMPLOYEES IN 2023
+20% compared to 2022

Staff composition 2021-2023



Number of employees by professional category



Specifically, in 2023, around 93% of employees have permanent contracts and over 93% have full-time contracts, confirming Lottomatica's commitment to guaranteeing stable and secure employment opportunities for its resources.

93%
Permanent contracts

[GRI 2-7] Total number of employees by contract type, by full-time/part-time and by geographical area

Employees by contract type*	Unit	2021			2022			2023**		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Northern Italy	N°									
Permanent		99	53	152	249	122	371	355	175	530
Fixed-term		8	8	16	28	32	60	37	35	72
Full-time		104	52	156	265	119	384	374	163	537
Part-time		3	9	12	12	35	47	18	47	65
Central Italy										
Permanent		601	340	941	650	361	1,011	757	409	1,166
Fixed-term		44	26	70	47	29	76	22	26	48
Full-time		636	330	966	689	352	1,041	764	391	1,155
Part-time		9	36	45	8	38	46	15	44	59
Southern Italy										
Permanent		7	1	8	51	12	63	65	24	89
Fixed-term		0	0	0	6	8	14	9	8	17
Full-time		7	1	8	38	6	44	74	29	103
Part-time		0	0	0	19	14	33	0	3	3
Abroad										
Permanent		2	0	2	2	0	2	2	0	2
Fixed-term		0	0	0	0	0	0	0	0	0
Full-time		2	0	2	2	0	2	2	0	2
Part-time		0	0	0	0	0	0	0	0	0
Total employees		761	428	1,189	1,033	564	1,597	1,247	677	1,924

*Data expressed in Headcount. ** In 2023 Lottomatica acquired two new companies:
1. Ricreativo B, with offices in Abruzzo, Liguria, Emilia Romagna, Lazio, Marche, Molise, Tuscany, Umbria and Veneto, with a total of 211 employees.
2. Iris and Bingo Service, with offices in Umbria and Veneto, with a total of 31 employees.

[GRI 2-8] Total number of non-employees by contract type, part-time and full-time

Non-employees by contract type*	u.m.	2021			2022			2023		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Permanent	N°	0	0	0	0	0	0	0	0	0
Fixed-term		3	2	5	4	7	11	6	5	11
Internship		5	4	9	3	1	4	4	10	14
Total		8	6	14	7	8	15	10	15	25
Part-time		3	1	4	0	0	2	0	0	0
Full-time		0	1	1	4	7	9	6	5	11
Internship		5	4	9	3	1	4	4	10	14
Total		8	6	14	7	8	15	10	15	25

*Data expressed in Headcount.

The composition and size of personnel have undergone a profound transformation due to the Group's strong growth in recent years, leading to the development of important organizational review processes and specific **integration and people caring paths, in line with Lottomatica's People Strategy**, aimed at maximizing the synergic integration of organizational structures.

Lottomatica confirms itself as a Group that invests in young professionals: the average age of its employees is in fact 42, and 67% are between 30 and 50 years old.

42 years old
AVERAGE AGE
+67% employees
BETWEEN 30 AND 50 YEARS OLD



[GRI 405-1] Total number of employees by age group, gender and level

Employees (Headcount)	Unit	2021			2022			2023		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Managers	N°	32	7	39	36	7	43	40	10	50
<=29 years		0	0	0	0	0	0	0	0	0
30-50 years		20	7	27	18	6	24	18	8	26
Over 50		12	0	12	18	1	19	22	2	24
Managers	%	82	18	100	84	16	100	80	20	100
<=29 years		0	0	0	0	0	0	0	0	0
30-50 years		74	26	100	75	25	100	45	80	52
Over 50		100	0	100	95	5	100	55	20	48
Middle managers	N°	110	34	144	131	40	171	147	47	194
<=29 years		1	1	2	1	0	1	2	0	2
30-50 years		72	26	98	85	28	113	94	34	128
Over 50		37	7	44	45	12	57	51	13	64
Middle managers	%	76	24	100	77	23	100	76	24	100
<=29 years		50	50	100	100	0	100	1.4	0	1
30-50 years		73	27	100	75	25	100	63.9	72.3	66
Over 50		84	16	100	79	21	100	34.7	27.7	33
White collar workers	N°	525	342	867	726	474	1,200	863	555	1,418
<=29 years		37	16	53	79	54	133	102	64	166
30-50 years		411	286	697	510	353	863	583	389	972
Over 50		77	40	117	138	66	204	178	102	280
White collar workers	%	61	39	100	61	40	100	61	39	100
<=29 years		70	30	100	59	41	100	11.8	11.5	11.7
30-50 years		59	41	100	59	41	100	67.6	70.1	68.5
Over 50		66	34	100	68	32	100	20.6	18.4	19.7
Blue collar workers	N°	94	45	139	140	43	183	197	65	262
<=29 years		8	20	28	15	16	31	25	18	43
30-50 years		60	23	83	97	20	117	118	38	156
Over 50		26	2	28	30	5	35	54	9	63
Blue collar workers	%	68	32	100	77	23	100	75	25	100
<=29 years		29	71	100	48	52	100	12.7	27.7	16.4
30-50 years		72	28	100	83	17	100	59.9	58.5	59.5
Over 50		93	7	100	86	14	100	27.4	13.8	24.0
Total	N°	761	428	1,189		564	1,597	1,247	677	1,924
Total	%	64	36	100	65	35	100	65	35	100

[GRI 405-1] Total number of employees by age group, gender and level

Employees (Headcount)	Unit	2021			2022			2023		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Managers with disabilities or belonging to protected categories	N°	0	0	0	0	0	0	0	0	0
Percentage of managers with disabilities or belonging to protected categories	%	0	0	0	0	0	0	0	0	0
Middle managers with disabilities or belonging to protected categories	N°	0	0	0	0	0	0	0	1	1
Percentage of middle managers with disabilities or belonging to protected categories	%	0	0	0	0	0	0	0	2	1
White collar workers with disabilities or belonging to protected categories	N°	25	26	51	34	34	68	37	38	75
Percentage of white collar workers with disabilities or belonging to protected categories	%	5	8	6	5	7	6	4	7	5
Blue collar workers with disabilities or belonging to protected categories	N°	2	0	2	4	0	4	4	0	4
Percentage of blue collar workers with disabilities or belonging to protected categories	%	2	0	1	3	0	2	2	0	2
Total employees with disabilities or belonging to protected categories	N°	27	26	53	38	34	72	41	39	80
Percentage of employees with disabilities or belonging to protected categories	%	4	6	4	4	6	5	3	6	4

Turnover

Lottomatica Group strongly pursues the search for new resources and professionalism in line with its development objectives. In 2023, **talent attraction activities** led to the **entry of 268 new resources** (+106% compared to 2021): of these, **39% are people under the age of 30**, while 42% are women.



Against the 268 new hirings recorded, there were 104 terminations through resignations in 2023, whereas in 2022 there were 263 hirings and 118 terminations through resignations. As for the **employee turnover rate**, calculated as the ratio of new entries or exits to the total number of employees present at the end of the reference year, the average figure for 2023 was 9%. Considering, on the other hand, only voluntary resignations, the attrition rate in 2023 was 6%, below the national average, whereas in 2022 it was 8.2%.



[GRI 401-1] Recruitment of new employees and employee turnover
Total number of employees and rate of new hires by age and gender

Rate of new hires	Unit	2021			2022			2023		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Total employees	N°	761	428	1,189	1,033	564	1,597	1,247	677	1,924
Total new hires	N°	81	49	130	166	97	263	156	112	268
<=29		20	22	42	52	34	86	65	38	103
30-50		55	26	81	101	57	158	82	64	146
Over 50		6	1	7	13	6	19	9	10	19
Rate of new hires	%	11	11	11	16	17	16	13	17	14
<=29		43	59	51	55	47	51	50	46	49
30-50		10	8	9	14	14	14	10	14	11
Over 50		4	2	3	6	7	6	3	8	4

Total number of employees and turnover rate by age and gender

Turnover rate	Unit	2021			2022			2023		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Total employees	N°	761	428	1,189	1,033	564	1,597	1,247	677	1,924
Total terminations	N°	69	37	106	114	79	193	104	78	182
<=29		10	9	19	22	26	48	33	28	61
30-50		47	24	71	69	48	117	55	43	98
Over 50		12	4	16	23	5	28	16	7	23
Turnover rate	%	9	9	9	11	14	12	8	12	9
<=29		22	24	23	23	36	29	26	34	29
30-50		7	8	8	10	12	10	7	9	8
Over 50		8	8	8	10	6	9	5	6	5
Overall turnover		20	20	20	27	31	29	21	28	23

Attrition Rate

Attrition Rate - resignation	Unit	2021			2022			2023		
		HC	HD discharged	Attrition Rate	Average HC	HD discharged	Attrition Rate	Average HC	HD discharged	Attrition Rate
Attrition Rate	N°	1,189	73	6.14%	1,434	118	8.22%	1,727	104	6.02%

5.2 Respect for human and labor rights

GRI 2-30

Deeply rooted in Lottomatica’s DNA are the principles of respecting human rights, protecting the rights of workers and promoting the well-being of employees, which are essential for the sustainable development of the business.

Lottomatica pays the utmost attention to **safeguarding the wellbeing of its own people and of all those with whom it collaborates** or who are part of the communities in which it operates, despite the fact that the Group does not present any particular risks in this regard by operating in a regulated sector and within a country where the protection of workers’ rights is fully regulated. To confirm this commitment, in 2022 the Group adopted a specific **Human Rights Policy**, inspired by the **Declaration on Fundamental Principles and Rights at Work** and in line with the fundamental conventions of the **International Labour Organisation (ILO)**.

This Policy reinforces, in terms of responsibilities and controls, the safeguards that already exist within the organizational model and the company’s internal control system, defining within a dedicated framework the methods aimed at ensuring the protection of human and workers’ rights.



All labor relations within the Group are regulated by the National Collective Labor Agreements (CCNL). Moreover, **Lottomatica recognizes and promotes the right to freedom of association and trade union expression**, undertaking to oppose any form of abuse or discrimination against persons engaged in activities of organization or representation of workers. As of December 31, 2023, 7.2% of employees were members of the main national trade union representatives.

100%
EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS

[GRI 2-30] Collective bargaining agreements

Number of employees covered by collective bargaining agreements	u.m.	2021	2022	2023
Total number of employees	N°	1,189	1,597	1,924
Number of employees covered by collective bargaining agreements		1,189	1,597	1,924
Percentage of employees covered by collective bargaining agreements	%	100	100	100

A further contribution to the commitment to defend the rights of each individual comes from the **commitment in favor of local communities**, with specific projects aimed at **social inclusion and the promotion of the right to education and culture**, especially for young people. These initiatives are often promoted and implemented in collaboration with leading organizations and associations, and in connection with public administrations, central and local, and Service Industry organizations.²⁹

5.3 Safety and welfare of people

GRI 3-3 | GRI 403-1 | GRI 403-2 | GRI 403-3 | GRI 403-4 | GRI 403-5 | GRI 403-6 | GRI 403-7 | GRI 403-8 | GRI 403-9 | GRI 403-10

Lottomatica is committed to creating a safe working environment, adopting all the necessary prevention and protection measures, and to ensuring the right balance between work and private life, promoting the well-being of employees and their families.

Health and Safety at Work

In line with what is set forth in the Code of Ethics and with the provisions in force relating to Legislative Decree 81/2008, Lottomatica undertakes to create a **safe working environment** (including Company premises open to the public), guaranteeing the adoption of all **prevention and protection** measures necessary to avoid, or at least reduce to a minimum, any risk to health or physical safety and optimizing working conditions through the choice of suitable equipment and appropriate working methods.

In 2023 Lottomatica expanded the internal procedures governing the activities performed by the Prevention and Protection Service Manager (RSPP), adopting the **Risk Assessment Document (DVR)** for the new Group companies and updating it for all the remaining ones, with a view to continuous improvement. The DVR is subject to an annual adequacy check and the risk assessment is carried out, on behalf of the employer, by the **RSPP** in collaboration with the competent doctor and the Workers' Safety Representatives (RLS). The risk assessment starts with an inspection of the workplace and an analysis of the activities performed, and is carried out following recognized guidelines and adapted to the type of workers involved.

In particular, during 2023, the Group updated the **work-related stress risk assessment** for most Group companies. The assessment was carried out through the direct involvement of workers and provided a true snapshot of the company reality. Where envisaged, the Emergency and Evacuation Plan of the Group companies subject to organizational and/or structural

29) For more details, see Section 6 "Community and Environment".

changes was also updated, and the annual Emergency and Evacuation Test was carried out, with the involvement of the entire emergency team, made up of employees trained in fire-fighting and first aid.

Health and safety protection involves all levels of the organization, including individual workers who, by means of specific reports sent to the Human Resources function and shared with the RSPP, actively participate in improving safety standards and removing potential health and safety risk factors in the workplace.

The competent doctor and the RSPP carry out annual inspections at all Group sites, aimed at identifying any actions to be taken to ensure **constant improvement in the management of health and safety** in the workplace.

A crucial aspect of promoting responsible behavior and consolidating an appropriate corporate culture is ongoing training on occupational health and safety. With this in mind, each employee must attend a general training course and a specific training course on the basis of the task performed and the relative risks to which he or she is exposed. In addition to these, there are the courses provided for by Legislative Decree 81/08 relating to the training of competent company figures on Health and Safety (managers, supervisors, emergency workers, Workers' Safety Representative) and their respective periodic updates.

In 2023, in addition to regulatory compliance, Lottomatica voluntarily implemented additional training and information programs with the aim of raising awareness among employees at all levels on the importance of prevention and protection in the workplace and in daily life. These include the information course on the prevention of myocardial infarction and cerebral strokes, and the BLSD (Basic Life Support Defibrillation) course for the use of defibrillators in the event of cardiac arrest, which were purchased earlier this year.

In 2023, the Group provided, among others, **1,831 hours of occupational health and safety training** in accordance with Legislative Decree 81/08, involving 311 Group employees.

1,831 HOURS OF OCCUPATIONAL HEALTH AND SAFETY TRAINING IN 2023

The Group is aware that health and safety protection requires not only adequate training, but also the presence in the workplace of appropriate tools and devices in case of need. For this reason, it periodically updates the mapping and use of the PPE (Personal Protective Equipment) given to workers for which they are needed according to the risk assessment in the various locations.

In addition, although not compulsory, there is an outpatient clinic **with daily medical care** available at the main office, accessible in case of need. Finally, the Group has set up a dedicated Health & Safety e-mail address, which can be used for all needs and from which all communications relating to health and safety at work are sent, in order to provide a single and immediate point of contact for all employees.

ISO 45001:2018 certification

The major companies of the Group - Gamenet S.p.A. and GBO Italy S.p.A. and from 2023 also Lottomatica S.p.A. -are certified according to the standard ISO 45001:2018 -Occupational Health and Safety Management System. The scope of the certification concerns the system, management and monitoring of company processes aimed at improving prevention policies and effectively combating accidents and occupational diseases.



In line with the requirements of ISO 45001:2018, the Management System is continuously monitored through internal audits and third-party audits, carried out by specially identified certifying bodies.

- As stipulated in the certification itself, there are specific procedures governing the processes of:
- consultation, communication and participation of workers in occupational health and safety management. The involvement of all workers makes it possible to improve the processes and prevention measures already identified by the company;
 - occupational health and safety training;
 - activities of the person in charge of the Prevention and Protection Service, with the aim of identifying the situations that workers must necessarily communicate to the RSPP and establishing the modalities;
 - management of accidents and near misses, in order to define how they are transmitted and reported, analyze their causes and implement specific improvement measures where necessary.

[GRI 403-8] Workers covered by an Occupational Health and Safety Management System

Employees covered by the system*	Unit	2021			2022			2023		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of employees covered by the system	N°	350	201	551	450	248	698	601	308	909
Total employees		761	428	1,189	1,033	564	1,597	1,247	677	1,924
% employees covered by the system	%	46	47	46%	44	44	44	48	45	47

* Employees covered by an occupational health and safety management system.

Employees covered by the system*	Unit	2021			2022			2023		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of employees covered by the system	N°	350	201	551	450	248	698	601	308	909
Total employees		761	428	1,189	1,033	564	1,597	1,247	677	1,924
% employees covered by the system	%	46	47	46	44	44	44	48	45	47

* Employees covered by an internally audited occupational health and safety management system.

Employees covered by the system*	Unit	2021			2022			2023**		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of employees covered by the system	N°	350	201	551	450	248	698	601	308	909
Total employees		761	428	1,189	1,033	564	1,597	1,247	677	1,924
% employees covered by the system	%	46	47	46	44	44	44	48	45	47

* Employees covered by an occupational health and safety management system that has been audited or certified by an independent third party.

** To date, the companies Gamenet, GBO Italy and Lottomatica S.p.A. are ISO 45001 certified, and therefore covered by the Occupational Health and Safety Management System.

Non-employee-es covered by the system*	Unit	2021			2022			2023		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of non-employees covered by the system	N°	5	4	9	3	2	5	2	8	10
Total non-employees		7	7	14	7	8	15	10	15	25
% non-employees covered by the system	%	71	57	64	43	25	33	20	53	40

* Non-employee workers covered by an occupational health and safety management system.

Non-employees covered by the system*	Unit	2021			2022			2023		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of non-employees covered by the system	N°	5	4	9	3	2	5	2	8	10
Total non-employees		7	7	14	7	8	15	10	15	25
% non-employees covered by the system	%	71	57	64	43	25	33	20	53	40

* Non-employees covered by an internally audited occupational health and safety management system.

Non-employees covered by the system*	Unit	2021			2022			2023**		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of non-employees covered by the system	N°	5	4	9	3	2	5	2	8	10
Total non-employees		7	7	14	7	8	15	10	15	25
% non-employees covered by the system	%	71	57	64	43	25	33	20	53	40

* Non-employee workers covered by an occupational health and safety management system that has been audited or certified by an independent third party.
** To date, Gamenet, GBO Italy and Lottomatica S.p.A. are ISO 45001 certified, and therefore covered by the Occupational Health and Safety Management System.

Accidents

During 2023, 6 commuting accidents, none of which had serious consequences, and 5 accidents at the workplace were recorded. The accident rate increased slightly compared to the previous year but was still very low, confirming the company’s good health and safety management.

In relation to non-employed workers, 12,635 hours worked during which no accidents occurred were recorded in 2023.

[GRI 403-9] Accidents at work*

Employees**	u.m.	2021			2022			2023		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Total number of recordable accidents***	N°	4	1	5	2	2	4	5	6	11
at work		4	1	5	2	2	4	3	2	5
whilst travelling		0	0	0	0	0	0	2	4	6
Deaths as a result of occupational accidents	N°	0	0	0	0	0	0	0	0	0
at work		0	0	0	0	0	0	0	0	0
whilst travelling		0	0	0	0	0	0	0	0	0
Total number of work-related accidents with serious consequences (excluding deaths)	N°	0	0	0	0	0	0	0	0	0
at work		0	0	0	0	0	0	0	0	0
whilst travelling		0	0	0	0	0	0	0	0	0
Total number of hours worked	Hours	1,194,323	587,857	1,782,180	1,504,376	771,775	2,276,151	1,946,510.56	919,493.12	2,866,004
The death rate resulting from occupational accidents	N°	0	0	0	0	0	0	0	0	0
The rate of accidents at work with serious consequences**** (excluding deaths)	N°	0	0	0	0	0	0	0	0	0
The rate of recordable occupational accidents	N°	0.67	0.34	0.56	0.27	0.52	0.35	0.31	0.44	0.35

* Risk assessment is carried out by identifying all hazards present in the work environment and estimating the risks to which workers are exposed. Although no accidents with serious consequences occurred during the year, in addition to the prevention and protection measures already in place, the Group has taken steps to identify improvement measures, including the dissemination of the correct methods for using the PPE that workers have, the provision of general and specific training courses, the proper maintenance of electrical systems and work equipment, etc.
** The calculation of rates is based on 200,000 hours worked.
*** Accidents at work or occupational diseases that cause one of the following: death, days of absence from work, restriction of work duties or transfer to another job, medical treatment beyond first aid or unconsciousness, major injury or illness diagnosed by a doctor or other authorized health care provider, even if not the cause of death, days of absence from work, restriction of work duties or transfer to another job, medical treatment beyond first aid or unconsciousness.
****Injury at work that leads to an injury from which the worker cannot recover, does not recover or it is unrealistic to expect him or her to fully recover to the state of health prior to the accident within 6 months.



Accident by type	Unit	2021			2022			2023		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Sprains, bruises and injuries	N°	4	0	4	2	1	3	3	5	8
Bruised lacerated wounds		0	0	0	0	0	0	2	0	2
Bone fractures and breaches		1	0	1	0	0	0	0	0	0
Other causes		0	1	1	0	1	1	0	1	1
Total		5	1	6	2	2	4	5	6	11

[GRI 403-10] Work-Related Ill Health

Occupational Diseases of Employees	Unit	2021			2022			2023		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of recordable cases of occupational diseases*	N°	0	0	0	0	0	0	0	0	0
Number of deaths resulting from occupational diseases		0	0	0	0	0	0	0	0	0

* Accidents at work or occupational diseases that cause one of the following: death, days off work, restriction of work duties or transfer to another job, medical treatment beyond first aid or unconsciousness, significant injury or illness diagnosed by a doctor or other authorized health care provider, even if not the cause of death, days off work, restriction of work duties or transfer to another job, medical treatment beyond first aid or unconsciousness.

Occupational Diseases of Non-Employees	Unit	2021			2022			2023		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Number of recordable cases of occupational diseases*	N°	0	0	0	0	0	0	0	0	0
Number of deaths resulting from occupational diseases		0	0	0	0	0	0	0	0	0

* Accidents at work or occupational diseases that cause one of the following: death, days off work, restriction of work duties or transfer to another job, medical treatment beyond first aid or unconsciousness, significant injury or illness diagnosed by a doctor or other authorized health care provider, even if not the cause of death, days off work, restriction of work duties or transfer to another job, medical treatment beyond first aid or unconsciousness.

HEALTH PROTECTION AND PROMOTION

In order to extend the protection measures aimed at its own people, since 2019 the Group has taken out a **supplementary health insurance policy** for its employees, which in 2021 has been further strengthened in terms of the medical services provided and the type and number of affiliated facilities, and will be reconfirmed for the years 2022 and 2023.

In addition, Lottomatica provides insurance policies for occupational and non-occupational accidents, temporary cover in the event of death or total permanent disability, and ‘Long Term Care’ cover, with the payment of a life annuity.

In addition, the Group grants paid leave for medical examinations at public and private facilities for a maximum of four hours per day and up to a maximum of 50 hours per year, considering prevention a fundamental factor for the psycho-physical well-being of its people.

THE PANDEMIC RESPONSE FROM COVID-19

Following the conclusion of the emergency phase, **the Group continued to maintain the prevention and protection measures necessary to prevent the spread of the COVID-19** virus (plexiglass partition panels in offices, disinfectant gel, periodic sanitization of offices, communications and information on how to behave, etc.).

For employees identified as ‘fragile’ workers, the Group has maintained additional protective measures, ensuring, in particular, the possibility of carrying out all work activities in agile working mode.

Furthermore, the Group continued to apply the procedures adopted to map workers who tested positive to Covid-19 or who had close contact with a positive person, with the support of the competent doctor. In order to facilitate communication and the exchange of information on this issue, a dedicated e-mail address was also made available, enabling employees to contact the company’s Competent Doctor directly.

In 2023, Lottomatica confirmed the **Covid-19 infection insurance policy** for all employees, first introduced in May 2020. This policy includes cover and indemnities relating to hospitalization and treatment caused by Covid-19 infection, as well as a package of guarantees for serious illnesses not directly related to the virus.

PARENTAL LEAVE

Lottomatica provides support to its employees during some of the most important moments in their private lives, trying, as far as possible, to offer forms of **work flexibility** to facilitate maternity status and **parental protection** in general.

With regard to paid parental leave, the Group **voluntarily grants same-parent couples the same conditions** envisaged for heterogenous couples following the birth, adoption or fostering of a child. This company decision aims to ensure complete equality of treatment, creating a situation of greater advantage than that provided for by current legislation. In 2023, 91 employees took parental leave (68 women and 23 men), 82% of whom returned to work after the period of absence.



[GRI 401-3] Parental leave

Parental leave	Unit	2021			2022			2023		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Total number of employees entitled to parental leave	N°	761	428	1,189	1,033	564	1,597	1,247	677	1,924
Total number of employees who took parental leave		18	54	72	30	64	94	23	68	91
Leave percentage	%	25	75	6	32	68	6	25	75	5
Total number of employees who should have returned to work in the reporting year at the end of the parental leave period	N°	18	52	70	29	61	90	22	57	79
Total number of employees who returned to work after the parental leave period		18	48	66	29	61	90	22	53	75
Total number of employees who returned to work after parental leave in the pre-vious year		5	42	47	18	48	66	29	61	90
Total number of employees in service 12 months after taking parental leave		18	44	62	29	61	90	21	55	76
Return rate after parental leave	%	100	92	94	100	100	100	100	93	95
Rate of job retention after parental leave		360	105	132	161	127	136	72	90	84

5.4 People development and skills enhancement

GRI 3-3 | GRI 2-19 | GRI 401-2 | GRI 401-3 | GRI 404-1| GRI 404-2 | GRI 404-3

The Group devotes the utmost attention to the enhancement and growth of its people, creating the conditions for the full development of their skills and the realisation of their potential.

Lottomatica’s People Strategy

The centrality of people is a fundamental aspect for Lottomatica Group, which is committed to enhancing and cultivating them, promoting individual and organizational well-being. With this in mind, **Lottomatica’s People Strategy** was created in 2022: a medium-long term program that, starting from the corporate DNA and with the aim of further consolidating the sense of belonging to a single large Group, traces the direction of **development of people and the organization** in terms of **culture, tools, systems and processes**, and in relation to the company’s sustainable growth objectives.

THE PRIORITIES OF LOTTOMATICA’S PEOPLE STRATEGY

- Enable** ▶ Investing in people development, cultivating their potential and skills, through dedicated learning plans, projects and programs.
- Empower** ▶ Promoting excellent organizational behavior, performance and processes through a strong leadership and competency model consistent with the company DNA.
- Engage** ▶ Feeding everyone’s passion and energy, strengthening team spirit and people’s well-being, so that they feel more proud of their Group and their work every day.

The Group’s People Strategy is embodied in the **multiple guidelines of the programs dedicated to resources and organization**, each of which brings together specific initiatives and projects implemented by the Human Resources and Organization function, in collaboration with the functions involved for their specific competence.



These drivers do not constitute a functional or organizational verticalization, instead they are the nodes of a **“network” system that synergistically links a series of activities** such as, for example, brand awareness, training, skills upskilling programs, employer branding and people management initiatives. People attraction, in fact, also includes people retention, through development programs, benefits, MBOs, long-term incentive plans (LTIP) and, from 2023 onwards, stock-based incentive plans (ESOP) involving specific groups of employees.



[MSCI Indicator] Employee stock ownership plan (ESOP) or employee stock purchase plan (ESPP)

Employee stock ownership plan (ESOP) or employee stock purchase plan (ESPP)	Unit	2023
Total employees	N°	1,924
Number of employees covered by ESOP/ESPP mechanisms		20
Percentage of coverage	%	1.04

People Growth & Development

DEVELOPMENT

In 2023 Lottomatica continued its commitment with the people development program, StepUp, aimed at recognizing, enhancing and cultivating the potential of its employees. The program aims at providing stimuli, inspiration and tools to cultivate skills and abilities that are central to the company's competency model, through experiential training, networking and comparison opportunities, thematic webinars, technical and language training courses.

StepUP

THE OBJECTIVES OF THE STEPUP PROGRAM



In order to develop specific plans to support the continuous evolution of Lottomatica Group at all organizational levels, 3 clusters were identified within the Program according to seniority level (Young, Senior and Ready).

Each route is composed of **4 stages**, with related areas of activity, declined specifically and with different levels of depth and focus depending on the seniority level of the target group:

- 1. Assessment:** assessment sessions aimed at bringing out the level of motivation and alignment with the competency model.
- 2. Coaching / Mentorship:** development of one's own potential and areas for improvement through discussion with coaches (Ready) or mentorship/group coaching experiences (Young/Senior).
- 3. Experiential training:** training - experiential experiences aimed at facilitating internal/external interactions by soliciting a focus on the competencies and meta-competencies of the Lottomatica leadership model.
- 4. Technical training:** in relation to the professional role and with respect to specific English language requirements.

LEARNING

Lottomatica considers the training of people and the **development of highly qualified** and specialized **profiles** to be important **strategic keys to success**, and invests decisively and constantly in these aspects, supporting employees in their personal and professional growth.

Group resources have access to **targeted and customized development paths**, also identified with the help of the MyEvaluation platform.

22,241 | TRAINING HOURS PROVIDED IN 2023

A total of **22,241 hours of training** were provided in 2023 (+ 149% compared to 2022), with an average of 11.6 hours per employee. The main areas covered include occupational health and safety, language training via the GoFluent platform, soft skills and specialist/technical training, namely: AWS Technical Essentials, Power BI, Project Management, Sustainable Procurement, Master Energy Management.

Moreover, with the aim of providing tools and knowledge to support professional development, through the strengthening of key skills in the Group’s leadership model and competencies, in 2023 **Management & Future** was launched, a path financed by Quadrifor and involving the new Lottomatica managers.

[GRI 404-1] Average hours of training per year by gender and employee category

Average hours of training by gender and employee category	Unit	2021			2022			2023		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Total number of training hours provided to employees	Hours	4,526	3,003	7,529	5,340	3,600	8,940	12,961	9,280	22,241
Total number of employees	N°	761	428	1,189	1,033	564	1,597	1,247	677	1,924
Average hours of training provided to employees	Hours/ N°	5.9	7.0	6.3	5.2	6.4	5.6	10.4	13.7	11.6
Total number of training hours provided to managers	Hours	364	313	677	393	243	636	813	353	1,165
Total number of managers	N°	32	7	39	36	7	43	40	10	50
Average hours of training provided to managers	Hours/ N°	11.4	44.7	17.4	10.9	34.7	14.8	20.3	35.3	23.3
Total number of training hours provided to middle managers	Hours	1,068	431	1,499	1,079	622	1,701	2,683	1,083	3,766
Total number of middle managers	N°	110	34	144	131	40	171	147	47	194
Average hours of training provided to middle managers	Hours/ N°	9.7	12.7	10.4	8.2	15.6	9.9	18.3	23.0	19.4
Total number of training hours provided to white collar workers	Hours	2,888	2,143	5,031	3,629	2,700	6,329	9,133	7,660	16,793
Total number of white collar workers	N°	525	342	867	726	474	1,200	863	555	1,418
Average hours of training provided to white collar workers	Hours/ N°	5.5	6.3	5.8	5.0	5.7	5.3	10.6	13.8	11.8
Total number of training hours provided to blue collar workers	Hours	206	116	322	239	35	274	332	185	517
Total number of blue collar workers	N°	94	45	139	140	43	183	197	65	262
Average hours of training provided to blue collar workers	Hours/ N°	2.2	2.6	2.3	1.7	0.8	1.5	1.7	2.8	2.0

People Excellence & High Performance

PERFORMANCE MANAGEMENT

The Group implements an annual **evaluation process for all personnel** by means of the MyE-valuation platform, an internally developed tool calibrated to the specific characteristics of the organization and each corporate function.

This evaluation process is based on the **new leadership and competency model**, an integral part of the People Strategy, which identifies the **key competencies and behaviors to be cultivated for the achievement of organizational goals** in line with the Attitudes that are part of the company DNA: Collaboration, Inclusion, Responsibility, Excellence, Entrepreneurial Spirit.

In this context, the MyEvaluation tool makes it possible to guide the **development of virtuous organizational behaviors**, going beyond the mere assessment of the adherence of resources to the role held.

HR DASHBOARD

In continuity with previous years, a special data analysis tool, the HR Dashboard, was also used in 2023, fundamental for collecting all information that may have a direct or indirect impact on personnel and the organization, with a view to constantly monitoring and improving HR and organizational KPIs.

CERTIFICATIONS

BEST HR TEAM

In early 2023, Lottomatica Group obtained the prestigious **Best HR Team Certification**. The recognition, promoted by the **HRC Community Network - MyHRGoal**, attests to the commitment of the Group’s HR team in implementing **innovative projects and paths**, which favor the **growth of the business, performance** and **engagement** of all people, in an **inclusive and stimulating work environment**.

People, in fact, represent a fundamental resource for the Group and constitute, at the same time, one of the key pillars of the Sustainability Plan. The projects, presented by Lottomatica in the categories of Development, Digital Transformation, Diversity & Inclusion, Employer Branding & Talent Acquisition, Labor & Change Management, Engagement & Internal Communication, People Care and People Culture, were validated by HRC Community with respect to the impact generated on 3 KPIs -People Engagement, Agile Mindset, Sustainable Business Value -leading to the achievement of the certification.



People Engagement & Total Reward

The process of hiring new resources in the company is carefully planned according to organizational needs. In this context, the recruiting process is carried out in compliance with the principles set out in the Code of Ethics, i.e., guaranteeing equal treatment on the basis of candidates' individual capabilities, **avoiding favoritism and facilitations** of any kind, and basing the selection exclusively on **criteria of professionalism and competence**.

New recruits are given special onboarding programs involving managers, team colleagues and the HR department, with the aim of facilitating the induction process, the **sharing of company objectives and full integration** in the company.

THE ONBOARDING JOURNEY

Lottomatica is convinced that a cohesive team supported by solid relationships can always make a difference, and is committed to ensuring that each new resource feels part of the team from day one in the company.

From these premises, the HR project "Onboarding Journey" was born at the beginning of 2023, which revamped the traditional onboarding process to put the employee experience at the center and accompany new resources during their first month in the company.

The objective of the Onboarding Journey is in fact to welcome, involve and retain new colleagues, making them feel part of the Group and transmitting corporate culture and values from the moment they join the company.

The Onboarding Journey is structured in several stages, designed to provide all the basic tools and information needed to orient oneself and start getting to know the new organizational context:

- **Personnel Onboarding Day:** this is the first meeting with the new colleague, who is welcomed into the company on the first day of work by the HR People Partner of reference. It is the moment when the employment contract is signed, the company procedures are signed, the welfare package is illustrated, the main company tools are described, and the welcome kit and IT equipment are provided
- **Monthly Onboarding Day:** this is the periodic appointment in which new recruits meet the Group's 'Daily Functional People'. These are the heads of some of the main structures who, starting from the sharing of the company's history and DNA by the Chief People Officer, illustrate the pillars on which the company is founded, the issues of privacy, anti-bribery & corruption, compliance & cyber defense, Welfare and Health & Safety, internal communication initiatives, and Fondazione Lottomatica's community initiatives.
- **On Field Experience:** this is a real direct 'experience' that aims to show the retail, gaming and betting business to new employees, through the description and storytelling of the venue managers.
- **Breakfast with Chief:** this is the last step of the Onboarding Journey. New employees meet a member of the company's top management, who further welcomes them to the company and explains the history and goals of their organization.

The Group has also activated a series of initiatives and projects aimed at **recognizing, enhancing and cultivating the potential of its employees** within which they fall:

- review of the performance review system in relation to the development of company career paths and annual **Salary Review**;
- reporting on the human capital **risk assessment**, related to the Human Capital Key Risk Indicators identified within the ERM Model, and the definition of structured annual training plans for all employees;
- improvement of the platform for the annual skills assessment, developed to facilitate **performance review** activities and promote a culture of open feedback and transparency;
- reskilling initiatives aimed at acquiring and developing new skills.

FAIR PAY

Lottomatica ensures remuneration in line with the minimum requirements established by collective agreements and reference regulations, actively promoting policies to prevent and combat the gender gap.

Besides being a key element within the Human Rights Policy, adopted by the Group since 2022, ensuring **fair and equitable remuneration** is one of the core principles of the Group's People Strategy. This commitment is embodied in the **Fair Pay project**, launched at the end of 2023, which introduces a minimum salary threshold for employees.

The project not only confirms Lottomatica Group's vocation for corporate social responsibility, promoting values that go beyond the financial aspect, but also plays an important role in the pursuit of the **eighth Sustainable Development Goal (SDG8) - Decent Work and Economic Growth** -by helping to create a productive work environment that promotes freedom, fairness, security and human dignity.

COMP&BEN – Weighing of positions

Also in 2023, the Group continued to evaluate, according to the **Mercer IPE international evaluation system**, the **weight of the different organizational positions** by defining **position classes**.

The activity required the precise mapping of all roles in the company, carried out through interviews and organizational analysis, and led to the definition of the index representing the weight of each individual position, **thus making the associated remuneration easily comparable with that of similar ones, both inside and outside the organization**.

PEOPLE SURVEY

The tools made available by the Group for the benefit of its employees include:

- **Onboarding:** making new employees active participants in the Onboarding process, creating a caring relationship with the organization from the very beginning;
- **Exit Interview:** survey addressed only to leavers in order to identify the main motivations;
- **Pulse Survey:** collect people's sentiment on some significant organizational dimensions.

MyLottomatica: Lottomatica Group's corporate intranet

Engaging, disseminating and creating connections, these were the priorities that guided the development of **MyLottomatica** in 2023. In this year the intranet has continued to grow and evolve, becoming more and more a point of reference for all the people of Lottomatica Group and consolidating its role as a hub for access to the main corporate tools and systems. But the main transformation of MyLottomatica has been in networking and engagement.

Since 2023, in fact, the Group's people have had functionalities at their disposal that make it easier to participate in company initiatives. In addition to offering direct access to the agenda of events through a dedicated tool, with the possibility of booking, the intranet also allows virtual participation thanks to the streaming of initiatives.

In the same vein, new sharing spaces were developed, such as notice boards, Search/ Offer and Lost&Found, to report lost items in the office.

MyLottomatica has also expanded its editorial space with formats dedicated to re-counting and reliving moments of the company life, a narrative that has also embraced various themes, ranging from sustainability to digital innovation, diversity & inclusion to wellness.

The outlook for 2024 includes further developments to make the platform more and more user-friendly, so that it is a welcoming space for all people in the Group to make contributions and share interests and experiences.

[GRI 404-3] Percentage of employees receiving regular performance and career development reviews by gender and category

Employees involved in performance appraisal processes	Unit	2021			2022			2023*		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Managers	N°	16	3	19	28	7	35	24	4	28
Middle managers		52	19	71	111	33	144	124	36	160
White collars		272	186	458	479	315	794	513	330	843
Blue collars		69	26	95	78	21	99	108	27	135
Total		409	234	643	696	376	1,072	769	397	1,166
Managers	%	50	43	49	78	100	81	60	40	56
Middle managers		47	56	49	85	83	84	84	77	82
White collars		52	54	53	66	66	66	59	59	59
Blue collars		73	58	68	56	49	54	55	42	52
Total		54	55	54	67	67	67	62	59	61

* The decrease in the percentage of employees evaluated between 2022 and 2023 is due to the nature of the process, which refers to the previous year's performance: in 2023, the performance of 2022 is evaluated. Therefore, not only the companies that entered in 2023 (Recreational B, Iris and Bingo Service), but also those that entered in the last four months of 2022 (Optima and Betflag) were excluded from the 2023 perimeter, for a total of 400 employees.

Remuneration policies

Lottomatica Group adopts **short-term variable incentive** systems with the aim of stimulating motivation and the continuous improvement of performance, in a perspective of sustainability of performance in the medium-long term and in line with the company's strategic plans and risk policy.

As part of its personnel enhancement policies, Lottomatica Group has established an **incentive system based on results achieved** in relation to predefined individual and business objectives. This approach is aimed at **motivating and retaining key resources** who have received specific assignment letters.

In particular, the **short-term variable remuneration policy (STI, Short Term Incentive)**, in line with the Group's policies, aims to guarantee the correct correlation between results achieved and sustainability, while ensuring the alignment of the interests of shareholders, management and other stakeholders. This policy represents an important management lever for directors, management and those who hold commercial roles within the company organization, favoring governance, competitiveness, attractiveness and the maintenance of professionalism suited to the Group's needs.

The short-term variable remuneration policy is aimed at **attracting, motivating and enhancing people according to principles of fairness, transparency and correctness**, in line with Lottomatica's commitment to ensure equal treatment also in terms of variable remuneration, regardless of elements of diversity such as gender, sexual orientation, age, ability, ethnicity, language, religion, political opinions, personal or social conditions.

The factors that determine the variable remuneration component include aspects such as the role held, areas of responsibility, merit, results achieved and the overall quality of the contribution made to company performance.

Below are the forms of short-term variable incentive remuneration adopted by Lottomatica Group:

• **Managerial short-term incentive schemes**

Management by Objectives (MBO)

It provides for Group and individual objectives, linked to business and organizational development targets, in line with the Group's short-term strategic and sustainability priorities. In this regard, in 2023 as well, the assignment of **specific targets attributable to ESG factors**, measurable and consistent with the objectives of the Sustainability Plan, was envisaged, which can weigh up to 20% of the annual allocation. These objectives have been assigned to all personnel receiving MBOs and include, among others, targets relating to: initiatives to mitigate environmental impacts and monitor the value chain, implementation of corporate D&I programs and professional development, responsible gaming projects and strengthening governance

• **Commercial short-term incentive schemes**

Sales Incentive Plan

It provides for Group and individual objectives aimed at stimulating effective and efficient behavior in achieving certain objectives of a mainly commercial nature, Group and individual, and differentiated by roles.

VIP Incentive Plan / Collector Incentive Plan

Aimed at particular sales or customer relations roles and aimed at stimulating the achievement of mainly area targets, with KPIs or other periodic measurement elements closely linked to the role and its typical activities.

Starting from 2023, the Group has planned to introduce a Performance Bonus for 100% of the Group's corporate employees: an economic contribution that is paid to workers in addition to their normal salary and is linked to the achievement of specific business objectives. The company also provides non-compensation benefits linked to staff welfare and wellbeing, in particular supplementary pension: the reference fund is the FONTE fund, as provided for by the Tertiary Sector Collective Labour Agreement.³⁰ The share borne by the company on the gross salary useful to form the TFR taxable amount is increased to 1.9%.

[MSCI Indicator] Non-compensation benefits including pension and retirement

Non-compensation benefits including pension and retirement	Unit	2023
Total employees	N°	1,033
Number of employees covered by non-compensation benefits		190
Percentage of coverage	%	18,39

30) Active at the moment for companies that have signed supplementary agreements (Lottomatica S.p.A., Lottomatica Videolot Rete S.p.A., Gamenet S.p.A. and GBO Italy S.p.A.).

Welfare and wellbeing

Lottomatica Group is committed to promoting the wellbeing of its people, both inside and outside the workplace, paying particular attention to the family needs and psycho-physical health of personnel, through **people care and welfare projects and initiatives** with a view to balancing work experience and private life.

In this regard, the Group adopts various flexibility solutions, including: flexible entry and exit hours; part-time working hours, especially for women; a time bank for employees who do not accrue ROL; smart working; parental leave; “pink” parking spaces for employees who are going to be mothers and reserved parking spaces for protected categories and shift workers, protecting in particular, with forms of extensive smart working at night, those who, due to their activities or duties, find it more difficult to reconcile work time with private life.

Welfare and wellbeing initiatives are open to **all Group employees** and some of the main initiatives include:

welfare

- ▶ Time bank for employees who do not accrue ROL
- ▶ Meal vouchers
- ▶ Health policies
- ▶ Supplementary health insurance
- ▶ Optional maternity supplement for 3 months (after 100% compulsory)
- ▶ Scholarships for best report card and back to school
- ▶ Reimbursements for nursery and kindergarten fees
- ▶ Partnerships and conventions
- ▶ Agreements with children's summer centers
- ▶ Paid leave for medical visits
- ▶ Christmas gift cards
- ▶ Vouchers with discount codes
- ▶ MyWelfare platform

well being

- ▶ Flexibility of incoming and outgoing hours
- ▶ Granting of part-time hours (especially to women)
- ▶ Smart working
- ▶ Parental leave
- ▶ Pink parking spaces for employees who are mothers-to-be
- ▶ Reserved places for protected categories and shift workers
- ▶ Activation of sports groups and team walking initiatives at headquarters
- ▶ Webinars on healthy nutrition
- ▶ Sport initiatives

[GRI 401-2] Benefits provided to full-time employees that are not provided to temporary or part-time employees

Financial Benefits	2023		
	Full-time employees	Fixed-term employees	Part-time employees
Life insurance	Yes	Yes	Yes
Healthcare	Yes	No	Yes
Insurance cover in the event of disability and invalidity	Yes	Yes	Yes
Parental leave	Yes	Yes	Yes
Pension contributions	Yes	Yes	Yes
Shareholding	Yes*	No	No

*It only refers to a limited number of managers.

Lottomatica Group's goal, since its Vision, has been to create sustainable value for all its people, contributing concretely to their well-being through an offer of welfare services that looks at individual needs and requirements. This is why in 2023 the Group launched the **MyWelfare platform** where it is possible to access a wide range of goods and services.

Become Healthy

As part of the Become project, the internal concept dedicated to the Group's innovative projects, in 2023 **Become Healthy** was born, the **wellbeing program** dedicated to Lottomatica's People.



Become Healthy aims to **inspire healthy and sustainable lifestyles**, starting with daily actions and choices: a path marked by individual and collective wellbeing, embracing physical activity and healthy eating, mindfulness and meditation, which is a further step towards promoting a robust health culture within the Group, a key element of an evolved welfare model. At the same time, through the shared experience of these initiatives, Become Healthy aims to facilitate the building of positive connections between people, helping to shape a healthy working environment.

Smart working

Smart working, which began as an experimental project before the Covid-19 pandemic and was adopted extensively throughout the emergency phase to ensure maximum protection for employees, proved to be a useful and profitable way of working both professionally and personally. For this reason, the Group has maintained smart working also in subsequent years, regulating it through a specific company policy and second-level agreements.

92% OF EMPLOYEES BENEFITED FROM SMART WORKING IN 2023

In 2023, about 92% of the staff benefited from this working mode, with employees being able to have two days a week of agile working even after the needs of medical emergencies have passed.

Talent Attraction

Over the years, Lottomatica Group has consolidated its dialogue with some of the most prestigious institutes of higher and specialized education, **collaborating in the institutes' projects and taking part in meetings between the world of education and the world of work, such as the "careers days"**, with the aim of intercepting the needs of the younger generations and investing in new profiles to be included in the workforce.

National partners

- **Politecnico di Bari:** for the selection and placement of young people specialised in STEM disciplines ('Science, Technology, Engineering, Mathematics').
- **ELIS:** for the insertion of young people at the end of their Masters degrees obtained at the Centre; for the creation of skills necessary for the ecological and digital transition, stimulating the participation of women (TRED project); to encourage alternating study-work, with the realisation of a 'project work' by two students from the Milan Polytechnic ('Working Student').

International Internships

- **American University of Rome, Luiss and Luiss Business School:** internationalisation project launched in 2021 in partnership with the American University of Rome, and from 2022 also with Luiss and Luiss Business School. In 2023 Lottomatica took part, through a partnership with Luiss, in the "Invest Your Talent" project, a program promoted by the Ministry of Foreign Affairs and International Cooperation, with the aim of promoting cultural contamination and the inclusion of young talents from different countries in the corporate context.

5.5 Diversity, inclusion and equal opportunities

GRI 3-3 | GRI 405-2 | GRI 406-1

Lottomatica is committed to creating a work environment in which everyone can feel fully fulfilled and motivated to contribute to the achievement of common goals, considering inclusion and the enhancement of the uniqueness of people as an integral part of its DNA.

The Principle of Non-Discrimination

Lottomatica Group adopts corporate, organizational and management mechanisms that can guarantee respect for people’s rights and freedom, so that the principles of diversity and inclusion are an integral part of corporate conduct.

In this perspective and in line with what is stated in the Code of Ethics, Lottomatica pursues the objective of **integrating its commitment to the protection and enhancement of diversity and to the promotion of a work environment free from any form of discrimination, within a proactive strategy**. Such approach aims at overcoming any form of stereotype and at identifying and solving the obstacles that may limit the inclusion of all persons in the workplace.

The company operates according to impartiality and does not allow any form of direct or indirect, multiple and interconnected discrimination in relation to gender, age, sexual orientation and identity, disability, health status, ethnic origin, nationality, political opinion, social status and religious faith.

In order to collect **reports and identify potential cases of discrimination**, the Group has set up **specific channels**. Specifically, it has equipped itself with four dedicated tools aimed at listening to its people, monitoring the work environment and verifying the effectiveness of the approach adopted on D&I within the Group.



People survey

Tool used by Human Resources and aimed at Group employees to analyze trends in the following dimensions: credibility, respect, fairness, cohesion and pride.



Talk with HR

Tool developed within the company intranet that allows messages, proposals and reports to be sent to the Human Resources team in a confidential manner.



Exit interview

Tool used by HR to interview outgoing staff in order to improve employee engagement, reduce turnover and enhance future onboarding and selection processes.



Whistleblowing

System aimed at reporting offences in a confidential and reserved manner, also easily accessible through the corporate Intranet.

Lottomatica is particularly sensitive to gender-based violence and, in line with the Code of Ethics and in order to maintain a high level of attention and focus on paths of inclusion, has implemented a **protocol on harassment and violence in the workplace**.

In 2023, **no incidents of discrimination** against external and internal stakeholders **were reported** in any of Lottomatica Group companies.

[GRI 406-1] Incidents of discrimination and corrective measures taken

Incidents of discrimination	Unit	2021	2022	2023
Total number of incidents of discrimination	N°	0	0	0

The dimensions of diversity

The enhancement of the uniqueness of each person is ingrained in Lottomatica’s DNA: in fact, **inclusion is one of the five corporate Attitudes**, and the Group is convinced that each of its people is the bearer of a personal experience and wealth that deserve to be enhanced and pooled for the achievement of common goals.

The **human resources development and management strategy** implemented to **promote an inclusive culture** to enhance the uniqueness of people and access to the same opportunities for professional growth regardless of the role held in the organization underlines Lottomatica Group’s commitment to cultivating the value of people.



The Group recognizes that each person brings with them an experience and richness that must be valued and shared. With this in mind, the **Become Younique** program was launched in 2022, geared towards **promoting a widespread D&I culture and an open, welcoming and inclusive mindset**.

The strategy, outlined in the **Diversity & Inclusion Policy**,³¹ which was approved in the first half of 2022 and updated in early 2023, focuses on **five dimensions of engagement**: gender equity, sexual orientation and gender identity, intergenerational valorization, disability and accessibility, and the promotion of an intercultural vision.

31) <https://lottomaticagroup.com/it-it/home/diversity-inclusion>

Gender equity

- Lottomatica Group values gender balance and promotes training, information and awareness initiatives aimed at overcoming bias, discrimination and prejudices linked to gender and also promotes policies and actions in favor of equal opportunities, reconciliation of life and work times and the sharing of family responsibilities.
- In this context, learning and development programs, remuneration and growth policies are geared towards ensuring gender equality and fair representation in programs aimed at managerial and leadership development, career paths and positions of responsibility in complex structures.
- The Group has always paid special attention to the issue of gender violence and has therefore adopted a harassment protocol, with a zero-tolerance policy towards all forms of violence.

Sexual orientation and gender identity

- The Group is committed to eliminating all forms of discrimination and self-discrimination on the basis of sexual orientation or gender identity: every person must feel free to fully express themselves in their working environment.
- This commitment takes the form of training, information and awareness-raising activities on the importance of using language that is inclusive, non-discriminatory and respectful of all LGBT+ people, and through actions and policies aimed at guaranteeing equal access to rights and institutions. For example, it recognizes parental leave for same-sex couples.

Intergenerational valorisation

- The presence of different generations within the organization is recognised and valued in the company's D&I strategy.
- In this perspective, internal Diversity and Inclusion policies aim at fostering intergenerational dialogue and exchange and take into account demographic perspectives and their impact on company turnover.
- The focus is not only on the age and professional seniority of workers, but also on the search for effective ways to foster the exchange of knowledge and the contamination of experiences, skills, knowledge and competences, both soft and hard (such as digital), typical of each generation.

Disability and accessibility

- The Group recognizes equal opportunities for all its people regardless of sensory, cognitive or motor disabilities, committing itself to creating accessible workplaces and implementing concrete measures to promote the integration and inclusion of people with disabilities, making full use of their talents and skills, thus contributing to the removal of cultural, sensory and physical barriers.

Promoting an intercultural vision

- Fostering a plural and multicultural context, open to confrontation, exchange of ideas, different perspectives and points of view is the basis of the company's Diversity and Inclusion strategy.
- The Group, through training, information and awareness-raising activities and through ad hoc projects and programs aimed at fostering, for example, the hiring of international resources, wants to support and promote an open and multicultural approach that is also functional to supporting innovation and accelerating corporate growth.

The Group's commitment in this area also translates into training, information and awareness-raising activities on the importance of using **inclusive, non-discriminatory and respectful language** and through actions and policies aimed at ensuring **equal access to rights and institutions**. For example, as far as parental leave is concerned, Lottomatica **voluntarily extends the same conditions to homogenous couples** as to heterogenous couples.

The Group is concretely committed to the **elimination of architectural barriers** as an obstacle to the **inclusion** and **enhancement** of people with disabilities. In this context, the Venice office was relocated to a suitable structure that allows a colleague with disabilities to move freely and safely. For the Rome headquarters, on the other hand, a 'sled' was purchased to ensure the proper evacuation, in the event of an emergency, of a colleague with disabilities, on the use of which the floor's emergency workers received special training from the RSPP.

The main initiatives to promote the culture of Diversity & Inclusion at Lottomatica have been divided into **five areas of work**, activated in 2022 and further evolved and developed in 2023.

- **CULTURE**

In 2023, Lottomatica Group confirmed its ongoing commitment to enhancing training and awareness-raising activities on diversity and inclusion. Through the implementation of online training modules dedicated to "unconscious bias", the Group aims at raising awareness among employees on unconscious biases that can influence decision-making.

At the same time, specific training sessions and thematic webinars were organized on all dimensions of diversity, offering employees the opportunity to acquire a solid body of knowledge on the subject. Furthermore, with the aim of providing an accessible and informative resource for all people, dedicated D&I content was created within the company intranet.

In 2023, Lottomatica Group continued to promote and spread an inclusive culture also through active participation in external events focused on diversity and inclusion issues. Among these, it is worth mentioning the involvement in the HRC **Barcamp**, organized by HRC, a major event in the panorama dedicated to human resources. Participation in this initiative allowed the Group to share its best practices and learn from the experiences of other actors committed to promoting inclusion in the workplace.

Moreover, for the second consecutive year, Lottomatica Group took part in **4weeks4inclusion**, the largest marathon dedicated to Diversity & Inclusion. In this context, Lottomatica specifically addressed the issue of parenthood, overcoming the stereotypes associated with it. This commitment demonstrates the Group's desire to tackle the challenges related to diversity in depth and to actively contribute to building a more inclusive and respectful work environment.

- **CERTIFICATIONS**

In 2023, Lottomatica's commitment to gender equality was recognized by obtaining **UNI/PdR 125:2022 certification**, underlining the Group's desire to create an inclusive work environment, where opportunities and professional recognition are accessible to all, regardless of gender.

The UNI/PdR 125:2022 practice certifies adherence to quality standards and practices that promote gender equality in the workplace. Lottomatica Group is concretely committed to implementing measures aimed at closing the gender gap and creating a work environment capable of enhancing the uniqueness of each person, adopting structured processes and concrete actions.

The certification is issued following an in-depth assessment not only of the organizational culture and governance in the specific areas of equality and inclusion, but also of the policies and safeguards put in place by the Group on gender balance, gender pay gap, work-life balance, parenting, and prevention of all forms of harassment and abuse in the workplace.

- **GOVERNANCE**

In 2023, the D&I Manager was appointed and the **Diversity & Inclusion Committee**, Committee was established, consisting of five members of the management board and the D&I Manager, which is the driving force behind the implementation of strategies and projects, focusing on five key pillars: Gender Equality, LGBTQ+, Disability & Accessibility, Generational Diversity, and Cultural Diversity.

Aware of the importance of training, the D&I Committee launched an internal program dedicated to raising awareness and competence among its members in diversity management. This direct engagement has greatly enhanced the committee's ability to address diversity issues with sensitivity and competence.

The **D&I Strategy** is the document, drafted and approved by the D&I Committee, which clearly outlines the Group's strategic directions on diversity and inclusion. This strategy is a concrete commitment to promote an inclusive work environment, respectful of diversity and progress-oriented. The actions taken by Lottomatica tangibly demonstrate a strong will to foster diversity and inclusion, reinforced by a solid corporate governance.

- **INVOLVEMENT AND WORKING GROUPS**

Lottomatica strengthened its commitment to diversity and inclusion by setting up dedicated working groups involving more than 100 colleagues from all organizational areas. These groups, led by the leaders of the D&I Committee, focused on the five dimensions of diversity. Through a collaborative and proactive approach, participants worked together to develop innovative ideas and proposals for action that will form the backbone of the D&I project for the year 2024.

As a result of this collective effort, concrete proposals and solutions have emerged that aim to promote a more inclusive, respectful and opportunity-rich working environment for all people involved.

- **HIRING & ATTRACTION**

The program is designed to ensure the application of D&I principles during the selection processes of new talent in all areas of the organization, with a particular focus on the promotion of the female gender within areas with a prevalence of skills in STEM (Science, Technology, Engineering and Mathematics) disciplines.

To this end, the Group is participating in the **"Liceo TRED"** project in partnership with Elis, which focuses on creating the skills necessary for the ecological and digital transition, stimulating female participation, and is **collaborating with international universities**, based in Rome, for the placement of international interns.

Since the launch of the project in mid-2021, 14 young people have been involved in this initiative, contributing significantly to the organization and bringing diversity and intercultural vision.

The **Human Resources, Organization & PSS Department** acts as the **activator** and **promoter of the Diversity & Inclusion Policy** and related programs, in close liaison with the staff and business functions, which in turn have the task of embracing and internalizing the values of diversity and inclusion in working relations.

Gender diversity

In 2023, Lottomatica Group counts 677 women among its employees, or 35% of the workforce. With reference to the governing bodies of Group companies, on the other hand, there are:

- 9 women out of 53 on the boards of directors;
- 7 women out of 30 on the boards of auditors;
- 6 women out of 14 in the Supervisory Bodies.

In 2023, the Group maintained the calculation methodology based on the position class report to measure the gender pay gap. This approach, in line with the Mercer IPE international assessment system, assigns different weights to different organizational positions according to qualitative and quantitative criteria.

With the aim of analyzing the data in a meaningful and consistent manner, Lottomatica defined the aggregation into homogeneous bands in terms of role and organizational weight. In particular: in bands 6 and 7, managers were considered, in band 5 senior managers and middle managers, in bands 2, 3 and 4 junior managers and office workers, and in band 1 office and manual workers.

Analyzing the data for 2023, Lottomatica Group is in line with the Italian pay market data:³² net of the Management Team, the overall **gender pay gap is -5%**, an improvement compared to 2022 and the target the Group had set for 2023 (-6%).

³²) Results of the Jobpricing Observatory study on the labour market and wage dynamics in Italy.

The gender pay gap, calculated on the basis of the Bands and Market Reference used in Mercer’s IPE system, is **monitored on a quarterly basis**. Through the use of this methodology, the gap varies considerably between the bands and, in order to make it consistently analyzable, it has been weighted according to the band size itself, thus identifying the actual incidence of the gap on the entire company population.

Lottomatica is committed to implementing interventions that will both normalize the individual gender pay gaps and lower the overall gender pay gap, with the aim of reducing the **latter to zero by 2030**.

Gender Pay Gap

Market reference	BAND	2021		2022		2023	
		Gender pay gap	Gender pay gap ponderato	Gender pay gap	Gender pay gap ponderato	Gender pay gap	Gender pay gap ponderato
Administration, Facilities & Secretarial	Band 1	4.0%	0.05%	-5.0%	-0.1%	11.4%	0.1%
	Band 2	13.0%	0.02%	4.0%	0.01%	4.3%	0.0%
Communications & Corporate affairs	Band 2	-	-	-	-	22.0%	0.0%
Customer Service & Contact Centre Operations	Band 1	-7.2%	-0.8%	3.0%	0.2%	-9.1%	-0.6%
	Band 2	-2.9%	-0.1%	-9.0%	-0.1%	-10.6%	-0.1%
	Band 3					27.3%	0.1%
Finance	Band 1	-	-	-	-	-0.9%	0.0%
	Band 2	0.0%	0.02%	0.0%	0.01%	-6.1%	-0.4%
	Band 3	7.0%	0.04%	8.0%	0.04%	-24.9%	-0.2%
	Band 4	-5.0%	-0.03%	-12.0%	-0.1%	-9.3%	0.0%
	Band 5	14.0%	0.1%	10.0%	0.04%	6.5%	0.0%
	Band 6	-19.0%	-0.04%	-25.0%	-0.04%	-8.3%	0.0%
	Band 7	-	-	17.0%	0.04%	-	-
Human Resources	Band 2	-	-	52.0%	0.2%	-20.7%	-0.1%
	Band 3	-	-	-	-	3.8%	0.0%
	Band 4	-16.0%	-0.1%	16.0%	0.1%	-	-
Legal, Compliance & Audit	Band 1	-	-	-	-	-13.0%	0.0%
	Band 2	-14.0%	-0.5%	-14.0%	-0.4%	-10.5%	-0.3%
	Band 3	-	-	-	-	35.6%	0.1%
	Band 4	-17.0%	-0.1%	-15.0%	-0.1%	-5.0%	0.0%
Logistics	Band 1	-16.0%	-2.8%	-14.0%	-3.5%	-6.8%	-0.7%
	Band 2	-22.0%	-1.1%	-17.0%	-0.9%	-	-
	Band 3	-39.0%	-0.5%	-37.0%	-0.4%	-	-
Procurement	Band 1	-	-	-	-	10.2%	0.1%
	Band 2	5.7%	0.02%	10.0%	0.03%	-9.3%	0.0%
Project/Program Management	Band 2	-	-	-	-	22.4%	0.0%
	Band 4	-	-	-	-	12.7%	0.1%
Sales, Marketing & Product Management	Band 1	9.7%	0.7%	6.0%	0.5%	-1.9%	-0.5%
	Band 2	-1.6%	-0.3%	-8.0%	-1.4%	-8.5%	-1.5%
	Band 3	7.5%	0.2%	12.0%	0.2%	31.0%	1.0%
	Band 4	-9.5%	-0.4%	-8.0%	-0.2%	-12.3%	-0.4%
	Band 5	49.2%	0.1%	48.0%	0.1%	-33.8%	-0.1%
	Band 6	-0.1%	-0.002%	4.0%	0.1%	-11.6%	0.0%
Technology & Operations	Band 1	8.0%	0.1%	8.0%	0.1%	-3.6%	0.0%
	Band 2	-16.8%	-1.7%	-9.0%	-0.9%	-7.8%	-0.8%
	Band 3	-34.4%	-0.9%	-20.0%	-0.5%	-17.2%	-0.5%
	Band 4	3.6%	0.04%	-1.0%	-0.01%	-4.2%	0.0%
			-7.8%		-6.9%		-5.0%



6 Community and Environment

Lottomatica actively supports projects aimed at promoting the quality of life, the socio-economic development of the communities in which it operates and the formation of human capital, contributing to the creation of value for the community.

6.1 The community in which we operate

GRI 3-3 | GRI 2-28

Lottomatica Group has always promoted a range of initiatives for the benefit of the community, both directly and through the involvement of its own people, its customers or in cooperation with its partners, aware that its business sector, organizational model and value chain make it strongly interconnected with its communities and territory.

Projects range from initiatives for the **training** and development of young people, to the promotion of **sport** as a means of inclusion and empowerment of the individual, to **scientific research** and solidarity initiatives.

The Group's commitment in this field is **growing strongly year on year**: in the three-year reference period 2021-2023, Lottomatica's contribution to community benefit initiatives almost **tripled (+170%)**.

+170% CONTRIBUTIONS TO SOCIAL INITIATIVES AND PROJECTS IN 2023 COMPARED TO 2021

Operations with local community involvement, impact assessments and development programs

Percentage of operations with local community involvement	Unit	2021	2022	2023*
Total transactions	N°	10	15	27
Operations with the involvement of the local community		7	11	15
Percentage of operations with local community involvement, impact assessments and/or development programs implemented	%	70	73	56

*Thanks to the establishment of Fondazione Lottomatica, the number of activities and initiatives launched has almost doubled since

Fondazione Lottomatica

F O N D A Z I O N E LOTTOMATICA

Fondazione Lottomatica, established in 2022, is an autonomous, independent and non-profit organization and reflects **Lottomatica's social commitment**, whose founding principles are the **attention to responsibility and legality, to people, the community** and the **territory**.

The Foundation promotes the development of a **cultural approach consistent with ESG** criteria, respect for the environment and the territory, attention to social impact and diversity & inclusion issues and good corporate governance.

Its main objective is to contribute, through **social and sustainability projects** and initiatives for study, debate, training and information, to a greater awareness and understanding of social, economic and sustainable development issues, both locally and globally.

In line with the purposes identified in its Statute, the Foundation promotes the **implementation of social and charitable initiatives** focused on certain key areas.

LEGALITY

INNOVATION AND
TECHNOLOGY

WORK AND
TRAINING

EDUCATION

HEALTH

DIVERSITY

SOCIAL
INCLUSION

The Foundation has the following **governing bodies**: a Board of Directors, headed by a President, who is the legal representative of the Foundation; an Advisory Board, consisting of experts in the Foundation's fields of interest; and a Secretary General, who defines programs and initiatives and supervises the implementation of the Foundation's activities.

CEPID and the collaboration with the Gemelli University Hospital Foundation

Among the initiatives implemented by the Foundation is the collaboration with Agostino Gemelli University Hospital Foundation IRCCS, which led to the establishment of **CEPID**, the new "Integrated Psychiatric Centre for Research, Treatment and Prevention of Addictions".

It is a **state-of-the-art facility**, equipped with **highly qualified staff and specialized equipment**, to which citizens can turn for assistance and support.

The CEPID, inaugurated in February 2023, was set up and made operational within the Complex Operative Unit for Clinical and Emergency Psychiatry at the Gemelli Hospital.

The center aims to develop clinical and research activities aimed at **preventing, combating and treating pathological addiction disorders**. In this sense, it aims to contribute to a greater knowledge of these phenomena from an epidemiological point of view, to the optimization of diagnosis and treatment pathways and to the improvement of socio-educational interventions.

The partnership with **Agostino Gemelli University Hospital Foundation IRCCS** also includes the training and awareness program "Punto Gioco Intelligente",³³ aimed at the staff and sales network of Lottomatica Group.

The "Ripartenze: Riprendiamoci il futuro!" project

Fondazione Lottomatica, in partnership with **ELIS**, a non-profit association specialized in training and job placement for the socially and economically disadvantaged, and in collaboration with the **Ministry of Justice**, promotes the project "**Ripartenze: riprendiamoci il futuro!**" (Restart: let's take back the future!), created to foster the social reintegration of prisoners through the key tools of training and work. On December 7, 2023, the memorandum of understanding kicking off the project was signed.

FIJLKAM and the "Fight like a girl" project

A multi-year project, in partnership with **FIJLKAM**, the Italian Judo Lotta Karate Martial Arts Federation, a member of the Italian National Olympic Committee (CONI), which aims to **encourage the dissemination of women's sports in some of the most disadvantaged areas of the country**, particularly in southern Italy.

FIJLKAM was founded in 1902 as the Italian Athletic Federation, an organization whose aim was to regulate the sports of Greco-Roman wrestling and weightlifting.

From October 2023, in cooperation with Fondazione Lottomatica and sports clubs in the various territories, the federation will organize free judo and karate courses for female students in the cities of Naples, Casal di Principe, Taranto, Gela and Lamezia Terme.

The project was announced in June 2023 at the CONI Hall of Honour during a public initiative during which the Censis report entitled 'Women, work and sport in Italy. For the growth of the territories and the country'.

KIM Association and the "La speranza in una stanza" project

"La speranza in una stanza" (Hope in a room) project was set up in partnership with the **KIM** association to provide care and assistance to sick children from all over the world who come to Italy, together with their mothers, to receive specialist medical treatment.

KIM is a non-profit organization that, since 1997, has been involved in the care, protection and hospitalization of seriously ill children from economically and socially difficult situations.

Donation to the Community of St. Egidio

Fondazione Lottomatica supports the **Community of Sant'Egidio**, an association founded in Rome in 1968. Today it is a community with more than 60,000 members with a special focus on

³³) For more information, please refer to section '4.2 Lottomatica's commitment to responsible gaming'.

the suburbs and outskirts, it gathers men and women of all ages and conditions, in a voluntary and free commitment for the poor and for peace.

Donation to the Municipality of Cesena

Following the flooding in May 2023 in the Romagna region, Fondazione Lottomatica decided to intervene in Cesena, one of the municipalities worst hit by the flood, and to help restore the usability of the former municipal school in Via Rovescio, in the Bagnile area, which had been used for school purposes and had been used as temporary housing for families in difficulty.

The project with the European University of Rome

In 2023 Fondazione Lottomatica launched a research project conducted by the **European University of Rome** entitled “Counteracting discrimination by promoting social cohesion. A psycho-socio-educational intervention for upper secondary schools”.

The initiative aims at fostering social integration and combating ethnic discrimination within Italian secondary schools. To this end, during the academic year 2023-2024, a research-intervention project is being carried out at the Liceo ‘Ettore Majorana’ in Latina by a researcher selected through a public call for tenders, which is aimed, on the one hand, at investigating and better understanding the group dynamics existing among the enrolled students and, on the other hand, at carrying out an activity to support social cohesion, with the aim of reducing possible discrimination in all cases where this is necessary. The initiative will conclude with scientific publications and conference proceedings on the topic.

Collaboration with the University of Rome Foro Italico and the Ministry of the Interior

In April 2023, a memorandum of understanding was signed between the University of Rome “Foro Italico” and the Ministry of the Interior, a cooperation agreement between the Ministry of the Interior, the Centre for the Study of Sports Law and Ethics of the University of Rome “Foro Italico” and Fondazione Lottomatica. The three-year agreement marks the start of a joint action for the development of the **culture of legality** in the sports sector.

In November 2023, a conference entitled ‘Instruments for the protection of legality and the prevention of corruption within sports clubs and federations: legislative decree No.39/2021’ was held as part of the initiatives planned under the collaboration, in which numerous speakers and experts took part. The round table was organized with the aim of outlining an overview of the tools available, codes of conduct, organizational and management models - which must comply with the principles of fairness, probity and correctness - and touched on numerous issues, including the general principles on the liability of sports bodies and the Supervisory Board and organizational models at the sports level.

Scholarship with the University of Roma Tre

Fondazione Lottomatica promoted and supported the activation of a scholarship to carry out research activities at the Department of Law of the University of Roma Tre. The research project, which lasted one year, focused on the theme ‘The ethical development of investments and the promotion of sustainable projects’.

Fondazione Lottomatica presents - The comparison of ideas

“**Fondazione Lottomatica presents - The Comparison of Ideas**” is a cycle of meetings and

book presentations promoted on the themes of sustainability and Italian and international cultural, social and economic current affairs. The first debate of the cycle of meetings was held on 13 April, with the presentation of the book entitled “Lo Stato digitale” (Il Mulino), written by Luisa Torchia, Professor of Administrative Law at the University of Roma Tre, and the second appointment was held on 21 December, with the presentation of “L’essenziale. Appunti di un lettore avventuroso” (Solferino), written by **journalist Giovanni Floris**.

Collaboration with Percorsi di secondo welfare

Fondazione Lottomatica undertook a deep reflection on sustainability and, consequently, on its various actors, in order to adequately address the social, economic and environmental challenges of our time.

An initiative involving **Percorsi di secondo welfare**, a laboratory of the University of Milan, which has been studying and reporting on such dynamics for over a decade, paying particular attention to those concerning social policies.

In addition to the publication of in-depth studies and reports, an annual appointment was launched by **Maurizio Ferrera**, professor of Political Science at the University of Milan, focusing on Italian citizens’ knowledge and perceptions of climate change. The report entitled ‘Italians and climate change: an eco-social barometer’, presented last July, dealt with the new challenges imposed by the ecological transition to combat climate change.

Dialogues on Law 2023 - Not Only Rights, 75 Years of the Constitution

During 2023 Fondazione Lottomatica supported the organization and holding of the **Dialoghi sul Diritto** (“Dialogues on Law”), promoted by Il Mulino and held at the Auditorium Parco della Musica in Rome. The event was divided into four separate events introduced and moderated by **Alfonso Celotto**, Professor of Constitutional Law at the University of Roma Tre and member of the Advisory Board of Fondazione Lottomatica.

Each appointment was dedicated to the in-depth study of a different article of the Constitution explained and commented on by a prominent guest from the Italian political, economic and academic scene.

Solidarity activities and initiatives supported by Lottomatica Group

Lottomatica contributes to generating positive and tangible impacts on the community through the implementation of **social initiatives**.

In 2023 Lottomatica Group supported the following associations:

- **AVINTAVÈ**, a voluntary organization dedicated to developing international cooperation and fundraising projects to ensure a present and future for children in the world’s poorest countries.
- **FIP**, Federazione Italiana Pallacanestro, is an association established in 1921 with the aim of promoting, regulating and developing the sport of basketball in Italy.
- **Fondazione IEO-MONZINO**, is a foundation that exclusively and directly funds clinical and experimental research at the European Institute of Oncology and the Monzino Cardiology Centre.

- One of the most high-profile cultural events on Rome's social calendar, the annual **McKim Medal Gala** honors individuals whose work internationally, particularly in Italy and the United States, has contributed significantly to the arts and humanities. Proceeds from the evening support the programs of the American Academy in Rome and American, Italian, and international artists and scholars, providing them with important opportunities to pursue their individual studies, to participate in and contribute to international discourse in their fields and disciplines, and to gain experience that will be invaluable throughout their careers.

ASD Warriors Viadana

Lottomatica has been supporting the **Warriors Viadana** amateur sports association for years. The association was established in 2014 with the aim of promoting sport, in particular Powerchair Hockey and Powerchair Football, for people with motor disabilities, and initiating projects to raise awareness, visibility and social inclusion. With the association, the Group has embarked on a path of increasing awareness of disability and inclusion issues.

Salvamamme

In order to contribute with concrete actions to the fight against violence and gender discrimination, Lottomatica supports the **Salvamamme association** and the “**Valigia di Salvataggio**” project. The association, which has been in the front line supporting fragile women and families for more than 20 years, with its “Valigia di salvataggio” initiative, wants to respond to the requests for help from women who are victims of violence or stalking, providing them with concrete support in the very first hours of leaving the house in which, often together with their children, they have been abused.

In January 2023, Lottomatica launched a two-pronged initiative: the first consisted of a fundraising campaign in favor of the Association, while the second involved volunteer days to carry out support, reception and distribution activities at the Roman headquarters of the Salvamamme Association.

The donations received, combined with the value of the days donated by colleagues and the contribution of Lottomatica, enabled Salvamamme to prepare 50 suitcases and rescue cases for women victims of violence and their children.

Solidarity collection for Turkey and Syria together with Salvamamme

Following the earthquake in Turkey and Syria on 5 and 6 February 2023, Lottomatica employees mobilized in favor of the population, collecting more than 280 kg of food and basic necessities, such as hygiene and baby products, and more than 1,300 winter clothes for adults, teenagers and children. The donations were handed over to the Salvamamme association, which took care of delivering the donations to the areas devastated by the earthquake.

Susan G. Komen Italia

Lottomatica and Fondazione Lottomatica are alongside the **Susan G. Komen Italia association**, a volunteer-based organization on the front line in the fight against breast cancer and the promotion of women's health protection.

Every year, the Group promotes the participation of its people in the Race for the Cure, the largest event for the fight against breast cancer in Italy and worldwide.

Food4People and Banco Alimentare

December 2023 saw the conclusion of the fourth edition of the “**Food4People**” project, through which Lottomatica Group promotes periodic **collections of foodstuffs** to be donated to charitable organizations. This year the collection was organized thanks to the collaboration of **Banco Alimentare**, the association whose purpose is to help alleviate the problem of hunger, marginalization and poverty, as well as to promote the fight against food waste, which delivered all donated goods to the KIM association.

Partnership with Rosso for blood donation

Lottomatica aims to make a contribution on the issue of blood donation through a collaboration with **Rosso**, a start-up that has the ambitious goal of eliminating the blood emergency in Italy by 2030.

During 2023, this partnership involved group employees in blood donation days, offering them the opportunity to donate blood directly at the company's premises.

University partnerships

Over the years, Lottomatica has strengthened its dialogue with the younger generation in order to understand their needs and integrate them into its business offers.

The main university partnerships have been entered into with:

Luiss Guido Carli and Luiss Business School

Lottomatica has been collaborating for years with **Luiss and Luiss Business School** to help undergraduates and graduates enter the world of work with internship opportunities. In May 2023, Lottomatica attended the Career Day promoting, together with the organizing University, the culture of sustainability in favor of environmental protection.

European University of Rome

Lottomatica started a partnership with the **European University of Rome** favoring in 2023 the admission of two trainees for the realisation of two theses on ESG issues and Diversity & Inclusion in the Group.

LUISS University and the ‘Legality and Merit in Schools’ project

In cooperation with the **LUISS Guido Carli University**, Lottomatica is the main partner of the “**Legality and Merit in Schools**” project.

The project, conceived by Vice-President Paola Severino of Luiss Guido Carli, was created with the aim of raising awareness among the new generations of the **values of legality and respect for rules**, through dialogue, listening and connection between university and high school students, in order to grow together. Thanks to the support of Lottomatica, **two scholarships** have been awarded for the academic year 2022-2023.

Bari Polytechnic and the promotion of STEM disciplines

In 2022, **Lottomatica Digital Solutions** was established in Bari, with the ambition of creating a technology hub in southern Italy focused entirely on software development. To realize this project, Lottomatica signed a three-year cooperation agreement with the **Politecnico di Bari**. In 2023, Lottomatica held a recruiting day and participated in the Career Day on the Bari Campus.

International internships

Since 2021, Lottomatica has been working with the **American University of Rome, LUISS** and **LUISS Business School** on an internationalization project with the aim of promoting cultural contamination and the inclusion of young talents from different countries in the corporate context.

This in 2023 became a reality through the 'Invest Your Talent' project, a program promoted by the Ministry of Foreign Affairs and International Cooperation and LUISS (INVEST YOUR TALENT IN ITALY - The project at a glance (esteri.it)). Since the start of the project in mid-2021, 20 young people have been involved in this initiative, **of which 6 in 2023 alone**, and are an integral part of the organization, bringing diversity and intercultural vision.



A CONSTANT DIALOGUE WITH INSTITUTIONS AND TRADE ASSOCIATIONS

Also in 2023, Lottomatica Group has confirmed its membership in **Confcommercio - Imprese per l'Italia**, the Italian General Confederation of Enterprises, Professional Activities and Self-Employed Work, is the largest business representation in Italy, associating more than 700,000 companies.

Lottomatica is also a member of **Unindustria**, the territorial association of the Confindustria system of Rome, Frosinone, Latina, Rieti and Viterbo. This choice aims at combining the opportunities of "networking" offered by the association with the Group's nature of digital and technological hub, and at consolidating dialogue and cooperation with the best entrepreneurial realities in Lazio, where the Group is strongly rooted.

The Group is also one of the founders of **AGIC** (Associazione Gioco e Intrattenimento in Concessione), a new association representing the main concessionaire companies in the public and regulated gaming sector in Italy. In addition to Lottomatica, it also includes International Game Technology (IGT), Sisal Italia and Snaitech, which together represent about 70% of the Italian legal gaming market and are present in Italy with over 6,600 employees and a total network of about 70,000 points of sale. The association is a member of the national **Confindustria (Confederation of Italian Industry)** and aims at guaranteeing a concrete and professional representation of the sector, enhancing actions and investments on legality, safety and responsibility towards consumers and the community, values that have always been at the core of the activities of the member companies and indispensable principles to build a solid and modern Italian gaming industry.

Lastly, the subsidiary GBO Italy S.p.A. is a member of the **World Lottery Association**, an international organization that for more than 20 years has represented the best companies operating in the gaming sector in over 80 countries around the world, and of the **ULIS** association (**United Lotteries for Integrity in Sport**), focused on promoting and protecting integrity in the world of sport.

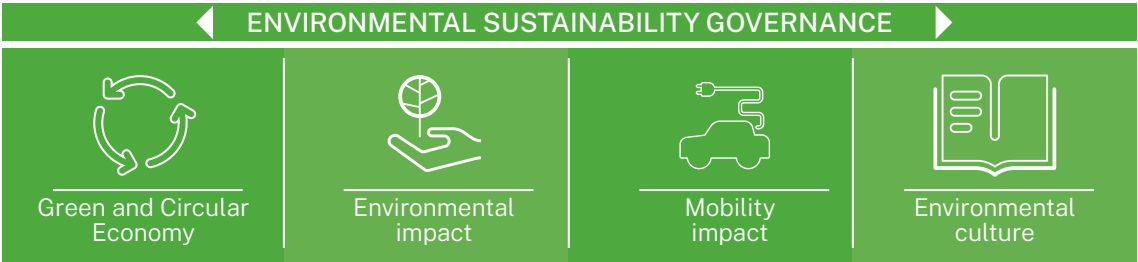
6.2 Lottomatica for the environment

GRI 3-3 | GRI 301-1 | GRI 301-2 | GRI 302-1 | GRI 302-2 | GRI 302-3 | GRI 302-4 | GRI 302-5 | GRI 303-1 | GRI 303-2 | GRI 303-3 | GRI 303-5 | GRI 305-1 | GRI 305-2 | GRI 305-3 | GRI 305-4 | GRI 305-5 | GRI 306-1 | GRI 306-2 | GRI 306-3 | GRI 306-4 | GRI 306-5

Environmental protection represents a strategic priority for the creation of sustainable value for the Group and its stakeholders, in the short and long term. For this reason, Lottomatica Group pursues impact mitigation objectives and promotes the adoption of virtuous behaviors by its partners and suppliers.

Lottomatica is committed to adopting rules of conduct and behavior capable of **combining the company's objectives of sustainable growth with respect for the natural environment**. Attention to encouraging virtuous conduct in terms of limiting **emissions, energy consumption** and the **use of natural resources**, as well as **waste management**, is in fact fundamental in the path undertaken by the Group, which places respect for the planet and the needs of future generations at the center.

Starting with the Group's material issues, in 2023, impact and intervention areas were identified that form the basis of the **Group Environmental Strategy**, nurtured and developed with the **direct involvement of stakeholders**.



Green and Circular Economy

Water consumption

Lottomatica aims at an efficient management of water both at its headquarters in Via degli Aldobrandeschi and in its offices and halls, with the intention of promoting a correct use that prevents and avoids waste.

Given Lottomatica's nature as a service provider, the Group only records water consumption for civil use at its offices and gaming halls, with no significant impact on water sources.

Lottomatica has taken concrete actions to reduce water consumption within its offices and halls. To this end, the installation of sink flow reducers inside the offices was completed in 2023 and all toilet flushing trays were maintained, with the aim of reducing water consumption of drains and sinks by at least 20%. Lottomatica's consumption of water resources measu-

red with reference to 2023 is **219,042.53 cubic meters**. With reference to the Headquarters, in **2023 the per capita water consumption decreased by 6% compared to 2022**.

Water consumption in Aldobrandeschi	Unit	2022	2023
Total water consumption	mc	16,984	16,984
Total number of employees	N°	983	1,047

*Total water consumption for 2022 and 2023 is the same as the value is parameterized on the number of workstations and square meters occupied which remain unchanged, net of the increase in the number of employees.

Confirming its awareness of the importance for the territory of a resource as fundamental as water, Lottomatica continues to map and monitor its consumption in order to detect the amount of water withdrawn from areas with high water stress. In 2023, there was an increase in water consumption due to timely settlements for each of the Group companies, which led to less use of estimates on consumption not measurable through supplier invoices.

[GRI 303-3] Water withdrawal

Water withdrawals from water-stressed areas by sources	Unit	2022	2023
Surface waters	mc	0	0
Groundwater		0	0
Seawater		0	0
Produced water		0	0
Third-party water resources*		67,521.72	219,042.53
of which:			
Surface waters		0	0
Groundwater		67,521.72	219,042.53
Seawater		0	0
Produced water		0	0
Total water withdrawal		67,521.72	219,042.53
Total water withdrawal (MI)	MI	67.52	219.04

*Water withdrawn is totally supplied by public utilities, especially aqueducts.

Water withdrawals by sources	Unit	2022		2023	
		Fresh water (≤1,000 mg/l total dissolved solids)*	Other water types (>1,000 mg/l total dissolved solids)	Fresh water (≤1,000 mg/l total dissolved solids)*	Other water types (>1,000 mg/l total dissolved solids)
Surface waters	mc	0	0	0	0
Groundwater		0	0	0	0
Seawater		0	0	0	0
Produced water		0	0	0	0
Third-party water resources*		67,522	0	219,043	0
Total water withdrawal		67,522	0	219,043	0
Total water withdrawal (MI)	MI	67.52	0.0	219.04	0.0

*Water with a total dissolved solids concentration of 1,000 mg/l or less.

[GRI 303-5] Water consumption

Water consumption	Unit	2022	2023
Total water consumption in all areas	MI	67.52	219.04

Paper consumption

OFFICE PAPER

Lottomatica embarked on an ambitious **digital transformation project** as early as 2022, which continued in 2023 with positive repercussions not only on the optimization of internal processes, but also on the mitigation of environmental impacts, particularly in relation to the consumption of paper for office activities: in fact, the Group has eliminated most of the paper used in internal operations, promoting greater operational efficiency and a significant saving of natural resources.

In particular, in 2023, through the use of the **GoSign platform**, software developed by the InfoCert Group, **more than 5,000 documents were uploaded and digitally signed**, which not only reduced the overall paper requirement, but also reduced the printing involved in the intermediate approval steps, which, through a digitized and no longer paper-based document exchange, also contributed to the reduction of paper use.

GoSign is today used both for internal procedures (Audit, Legal Affairs, HR, AFC, Business Legal,) and for contractual documentation towards the network (AWP, VLT and Betting). Furthermore, in continuity with what was already done in 2022, also in 2023 **all paper purchased for stationery use is 100% FSC recycled**. Likewise, preference is given to the use of refillable toners and colors with less environmental impact.

Finally, also in the sales outlets, digitalisation of information is favored for the realisation of communications to the network, through portals and digital walls. It is also specified that, for the realisation of paper materials dedicated to the sales network, so-called trade marketing, 100% FSC paper is, in most cases, used.

+29% RECYCLED PAPER
COMPARED TO 2022

[GRI 301-1] Materials used by weight or volume [GRI 301-2] Recycled input materials used

Material	Unit	2022	2023
Renewable		1,778.94	2,016.00
Paper*		1,778.94	2,016.00
of which: recycled	Kg	1,122.66	1,848.00
of which: non-recycled		656.28	168.00
Total		1,778.94	2,016.00
Percentage of recycled paper		63.11	91.67
Percentage of non-recycled paper	%	36.89	8.33

*Relative to the Aldobrandeschi HQ only.

THERMAL PAPER

Thermal paper, widely used all over the world for receipts in retail sales and not only, represents the most important consumable material within the sales points of the physical gaming network, with particular reference to the Betting network, made up of corners and agencies, since there is a specific regulatory obligation concerning the printing of gaming receipts. Lottomatica, aware of the importance of reducing this material which, due to its characteristics, has greater difficulty in being recycled, even though it is BPA free, has undertaken, starting from 2023, a project to **optimize the use of thermal paper for gaming receipts** in order to contain its use and avoid waste.

In particular, in order to reduce the consumption of thermal paper in 2023, a project was carried out to revise the contents of receipts, which resulted in a reduction of the average length of the ticket betting by approx. 3.2 cm with a consequent **saving of about 490 rolls of 60 m paper** and about **7 rolls of 250 m paper**.

Similarly, a consumption monitoring process was undertaken in order to optimize the management of the relevant shipments with a consequent reduction in the logistics costs associated with the procurement of materials at the points of sale with a consequent reduction in the consumption associated with the relevant transport (see Scope 3 reporting).

Store Excellence

Recognizing the strategic importance of the physical gaming distribution network, Lottomatica has been investing significant resources for years in the continuous improvement of points of sale, also with a view to environmental and social sustainability. In this area, the Group has set up a Competence Centre of professionals (Store Excellence team) with specific know-how in retail and architectural design of modern points of sale with a particular focus on the gaming machine distribution network -VLT/AWP, Bingo and gaming agencies -throughout the country.



In-house architects develop projects for the construction of new halls and for the renovation of those already in play, following the most recent indications and best practices of the main environmental certifications in the retail sector, such as those indicated by LEED ID+C, to give just one example. The objective of the Store Excellence team's activities is to create modern gaming halls that enrich our customers' gaming experience while respecting the principles of environmental and social sustainability, using materials and suppliers with internationally recognized certifications such as CO₂ neutral, Certified Recycling Program, Green Guard, FSC, etc. During 2023, 53 architectural projects were developed. Thanks to the use of textile flooring made from recycled plastics alone, it was possible to reduce the emission of 18 metric tonnes of carbon dioxide into the atmosphere, equivalent to the pollutant emission of a car travelling 74,257 km.

Waste Management

For Lottomatica, responsible waste management means **reducing its production, disposing of it in an appropriate and sustainable manner** and **promoting the use of recyclable and reusable resources**.

For this reason, this commitment is maintained through a **structured waste management and monitoring system**, including through procedures that are periodically updated, both within its own activities and in those contracted out to external organizations, and **employee communication and awareness-raising actions** aimed at reducing waste.

Lottomatica Group's offices and halls produce **almost exclusively urban waste**, which is adequately differentiated and disposed of for the most part by the public collection service, according to the criteria outlined by the municipality. The disposal of waste assimilable to urban waste that is not managed at municipal level and special waste (hazardous and non-hazardous) is entrusted to qualified companies, which guarantee the application of current regulations.

The tables below present a description of the amount of waste generated, recovered and disposed of by Lottomatica, with the relative breakdown by composition and type. The increase in waste generated in 2023 is mainly due to the enlargement of the company perimeter and the consequent increase in the number of employees.

[GRI 306-3] Waste generated [GRI 306-4] Waste diverted from disposal
[GRI 306-5] Waste directed to disposal

Waste composition	Unit	2023		
		Waste generated*	Waste diverted from disposal	Waste directed to disposal
Electrical and electronic equipment	t	606.419	606.289	0.130
Batteries and accumulators		0.985	0.985	0
Gas		0.003	0.003	0
Paper and cardboard packaging		9.100	9.100	0
Plastic Packaging		0.960	0.960	0
Mixed Material Packaging		19.518	19.518	0
Printing inks		0.081	0.081	0
Ferrous materials		15.960	15.960	0
Waste from construction and demolition operations		16.285	16.125	0.160
Municipal waste		77.964	70.764	7.200
End-of-life vehicles		1.520	1.520	0
More		451.351	451.351	0
Total waste		1,200.146	1,192.656	7.490

Waste by type	Unit	2021	2022	2023
Total waste	t	692.2	1,072.2	1,200
of which hazardous		15.6	45.8	413.6
of which non-hazardous		676.6	1,026.4	786.5

*In 2023, the amount of waste generated increased compared to 2022, however, waste generated per capita decreased by 7.5%.

Total weight of hazardous waste recovered	Unit	2023	
		On site	Off-site
Preparation for re-use	t	0.0	0.0
Recycling		0.0	0.0
Other recovery operations		0.0	413.3
Total		0.0	413.3
Total hazardous waste recovered		413.3	

Total weight of non-hazardous waste recovered	Unit	2023	
		On site	Off-site
Preparation for re-use	t	0.0	0.0
Recycling		0.0	3.2
Other recovery operations		0.0	776.2
Total		0.0	779.3
Total hazardous waste recovered		779.3	

Total weight of hazardous waste disposed of	Unit	2023	
		On site	Off-site
Disposal in landfill	t	0.0	0.0
Incinerated		0.0	0.0
Other type of disposal		0.0	0.3
Total		0.0	0.3
Total hazardous waste disposed		0.3	

Total weight of non-hazardous waste disposed of	Unit	2023	
		On site	Off-site
Disposal in landfill	t	0.0	0.0
Incinerated		0.0	0.0
Other type of disposal		0.0	7.2
Total		0.0	7.2
Total hazardous waste disposed		7.2	

Results and targets

➔ In 2024 Lottomatica will start a monitoring system on a monthly basis regarding the quantity and type of municipal waste produced within the headquarters, with the aim of being able to take educational and corrective actions with respect to the correct disposal of waste within the ecological islands that will be set up on all floors of the Via Aldobrandeschi headquarters.

Repair Lab

In order to promote proper management of the operation, ordinary and extraordinary maintenance of technological systems, as well as to lengthen the life cycle of the products themselves with a view to reducing their environmental impact, Lottomatica, as of 2021, has adopted a **specific Operating Instruction for controlling the waste cycle**. This instruction, in force for the Group’s main companies (Gamenet S.p.A., GBO S.p.A. and Lottomatica Videolot Rete S.p.A.), guarantees that activities are carried out in full compliance with the environmental policy and in compliance with the regulations in force and with the objectives of: quality, health and safety at work, energy, the environment, and company productivity.

Through its in-house **Repair Lab**, with 5 dedicated resources, the Group engages daily in the repair, maintenance and disposal of all the company’s electronic assets.

After processing, the Repair Lab assesses according to ISO 14001-certified company procedures whether the material can be repaired, reused or scrapped. As can be seen from the figures in the table, **almost 11,000 different electronic assets were processed in 2023, with more than 8,000 of these being revalued**.

TOTAL 2023

Month	Processed	of which Repaired	of which Broken
Jan-23	1,140	944	196
Feb-23	1,053	933	120
Mar-23	631	495	136
Apr-23	794	649	145
May-23	881	578	303
Jun-23	774	607	167
Jul-23	1,106	832	274
Aug-23	714	485	229
Set-23	790	573	217
Oct-23	886	553	333
Nov-23	867	655	212
Dec-23	1,362	1,183	179
TOTAL	10,998	8,487	2,511

Internal data processing Repair Lab 2023

The same procedures are also in use at the Logistics Hub in Pomezia, Lottomatica’s local unit, where incoming and outgoing Videolottery materials are tested and reconditioned on a daily basis.
In 2023, more than approximately 2,500 VLTs for both dealers (GMT, LVR) transited (entries/exits) at the Logistics Hub in Pomezia.
Attention to the life cycle of electronic assets is also extended to devices assigned to headquarters staff, such as **PCs and mobile phones**, for which a **special redemption procedure** is in place to allow employees to redeem the asset for uses other than office use. Lottomatica also undertakes to donate to third sector organizations the equipment that has been decom-

missioned and not redeemed by employees, again with the ultimate aim of enabling the most exhaustive use of IT assets, extending their average life.

Environmental Impact

Reducing energy consumption and emissions

As early as 2022, Lottomatica adopted a **GHG Emission Reduction Plan** that defines measures to reduce energy consumption and CO2 emissions. In addition to this reduction plan, further in-depth studies were conducted in 2023, with particular reference to so-called Scope 3 emissions, in order to be able to prepare a Carbon Strategy with quantitatively defined targets by 2024.

Energy efficiency in offices and halls

The objective of energy efficiency is pursued in every renovation carried out at the Group’s headquarters, other offices or points of sale (see section store excellence) and gaming halls. The **efficiency measures** carried out by the Group over the years are part of this direction.

There is a modern trigeneration plant at the headquarters, which allows the production of more than 50% of the electricity needed for the entire district’s needs. In addition, renewable energy is produced through photovoltaic panels, which cover 2.3% of total consumption.

Results and targets

- ✓ **In 2023**, interventions mainly concerned:
- **the supply of energy generated 100% from renewable sources for directly operated halls**, which has meant that 90% of PODs have switched to using renewable energy;
 - the replacement of fluorescent lamps with LED luminaires in the corridors of the main office was completed;
 - the temperature drop/rise of 2°C in the buildings during the winter/summer periods was maintained;
 - the purchase of certified carbon neutral flooring from Interface for gaming halls;
 - app-enabled and time-sensitive Wall Display Hall energy-saving options were implemented;
 - voluntary energy diagnosis carried out for headquarters and Billions hall in Rome.
- ➔ **For 2024**, further energy efficiency measures are planned, which include:
- the implementation of an electricity and energy consumption monitoring system in the head office;
 - evaluating the extension of energy audits to other Group companies;
 - the extension to the new office spaces of the replacement of fluorescent lamps with LED light fittings in the corridors of the main building.

Energy consumption of Group companies

Electricity consumptions in offices, gaming halls and sales outlets represent the main sources of direct and indirect consumption, the values of which have been aggregated in the following table, calculated in GJ. The reduction in the consumption of natural gas for motor vehicles confirms the excellent work done by the Group in terms of reducing the environmental impact of the corporate fleet. Furthermore, the Group has significantly increased **the supply of energy from renewable sources**, with a percentage change of 160% compared to 2022.

The expansion of the company perimeter and the consequent increase in terms of personnel (from 1,600 to about 2,000) led to an increase in the Group's energy consumption in 2023 compared to 2022.

[GRI 302-1] ENERGY CONSUMPTION WITHIN THE ORGANIZATION

Total fuel consumption

Direct consumption	Unit	2021	2022	2023
Total		61,877.35	68,968.73	81,716.42
Natural gas for heating		46,024.42	42,867.32	49,778.38
Natural gas for motor vehicles	GJ	901.97	1,529.32	710.25
Diesel fuel for motor vehicles		13,952.33	22,146.99	26,032.66
Petrol for motor vehicles*		997.89	2,386.74	5,195.12
LPG for motor vehicles		0.74	38.36	0.00

*In 2023, petrol consumption increased due to the rising cost of natural gas.

Indirect consumption	Unit	2021	2022	2023
Purchased electricity		60,751.63	91,700.05	91,480.44
from renewable sources	GJ	0,00	28,659.88	74,612.13
from non-renewable sources		60,751.63	63,040.17	16,868.30

Total energy consumption	Unit	2021	2022	2023
Consumption from renewable sources		0.00	28,659.88	74,612.13
Consumption from non-renewable sources	GJ	122,628.98	132,008.90	98,584.72
Total energy consumption		122,628.98	160,668.78	173,196.85

[GRI 302-2] Energy consumption outside of the organization*

Energy Consumption outside the organization	Unit	2023
Energy consumption	GJ	172,405.22

*As part of the organization's external energy consumption, we report consumption related to GHG Protocol Category 13 "Downstream leased assets" (AWP, VLT and betting machines).

[GRI 302-3] Energy intensity*

Energy intensity	Unit	2021	2022	2023**
Total employees	N°	1,189	1,597	1,924
Total energy consumption	GJ	122,629	160,669	173,197
Energy intensity ratio	N°/GJ	103.14	100.61	90.02

*Energy intensity calculation is based exclusively on the organization's internal energy consumption (GRI 302-1).

**In 2023, total energy consumption increased compared to 2022, however, per capita energy consumption decreased by 10.5 per cent.

Direct and indirect emissions

In order to measure the positive effects of its commitment to environmental protection, Lottomatica considers it very important to **quantify the direct and indirect emissions produced along the entire value chain**. In particular, reported emissions have been classified into the following types:

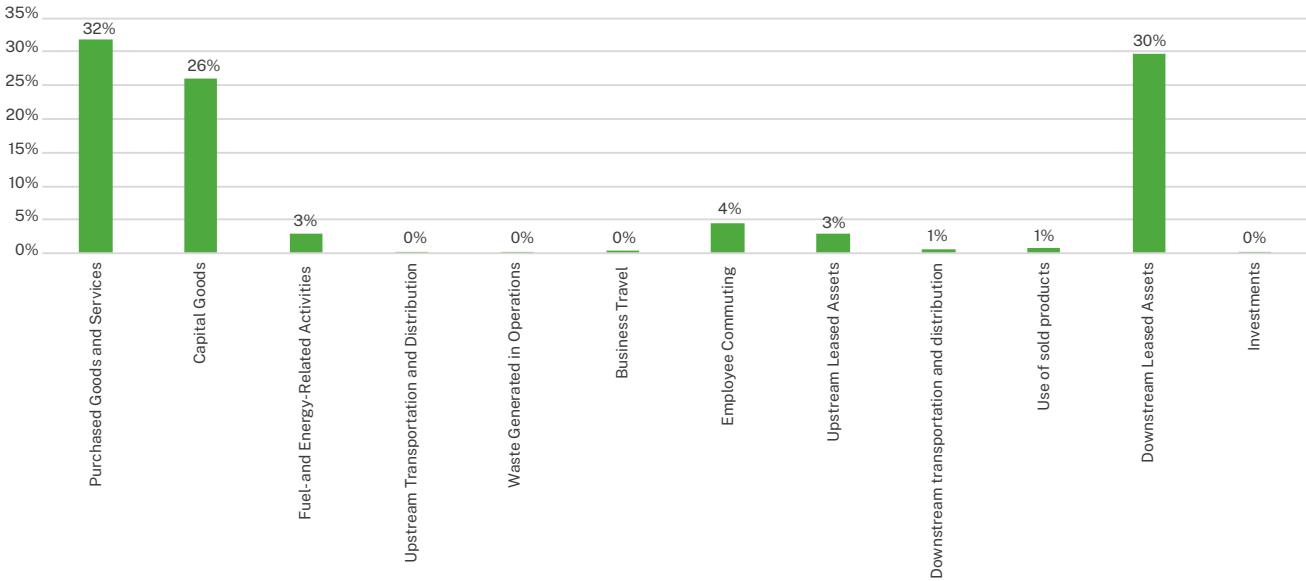
- **Direct Scope 1 emissions** from fuel consumption for the company car fleet and gas used to heat the halls and offices;
- **Indirect Scope 2 emissions** from the use of purchased electricity for its own halls and offices;
- **Scope 3 indirect emissions**, including all other indirect emissions related to the company's business that do not fall under Scope 1 and 2. The values of emissions produced by Lottomatica during 2023 are expressed in tonnes of CO₂ equivalent (tCO₂e) and the calculation of the same has been carried out taking into consideration various emission factors, specified in the notes.

Scope 3 emissions

Aware of the need to account for emissions along its value chain, Lottomatica has structured a disclosure and monitoring system for its Scope 3 emissions, in line with the GHG Protocol with reference to 12 categories, as of 2023.

In particular, Lottomatica has embarked on a strategic and structured path to manage climate issues, in compliance with sustainability regulations and with reference to the highest international standards.

In 2023, in fact, a process of gradual **analysis of Scope 1, 2 and 3 emission mitigation levers** for the Group was started, aiming at the definition of precise impact reduction targets within a decarbonization strategy.



[GRI 305-1] Direct (Scope 1) GHG emissions

Fuel emissions from non-renewable sources	Unit	2021	2022	2023
Natural gas for heating*	tCO ₂ e	2,586.84	2,410.61	2,805
Natural gas for motor vehicles**		42.67	73.87	40
Diesel fuel for motor vehicles***		975.38	1,566.71	1,838
Petrol for motor vehicles****		69.55	160.66	338
LPG for motor vehicles*****		0.05	2.46	0.07
Total		3,674.49	4,214.31	5,020.01

*The emissions resulting from the consumption of natural gas are calculated based on the values communicated by the suppliers, multiplied by the emission factor of 1.991 tCO₂ eq/1000scm published by the Higher Institute for Environmental Protection and Research (ISPRA) in 2023.

**The emissions resulting from the consumption of natural gas are calculated based on the values communicated by the suppliers, multiplied by the emission factor of 2.03839 kgCO₂ eq/t published by Defra in 2023.

***The values reported on the internal fuel sheets were multiplied by the emission factor of 2.51206 kgCO₂ eq/t published by Defra in 2023.

****The values reported on the internal fuel sheets were multiplied by the emission factor of 2.09747 kgCO₂ eq/t published by Defra in 2023.

[GRI 305-2] Energy indirect (Scope 2) GHG emissions

Scope 2 emissions (Market Based)	Unit	2021	2022	2023
Electricity*	tCO ₂ e	0	8,005.23	2,142

* The emissions generated by the consumption of electricity, the data of which are communicated by suppliers, were calculated according to the two calculation methods of the GRI Sustainability Reporting Standards:

- for the Market-Based methodology, by multiplying the consumption values of non-renewable energy by the emission factor 457.15 g CO₂ eq/kWh (AIB 2023);
- for the Location-Based methodology, by multiplying the values of renewable and non-renewable energy consumption by the emission factor 308.9 gCO₂ eq/kWh, entered in the database of the Istituto Superiore per la Protezione e la Ricerca Ambientale (ISPRA) 2023. Applying the Location-Based methodology, the total Scope 2 Group emissions in 2021 are 4,384.24 tCO₂e, in 2022 6,635.52 tCO₂e and in 2023 7,849.53 tCO₂e.

[GRI 305-3] Other indirect (Scope 3) GHG emissions*

Emissioni Scope 3	Unit	2023
Total Scope 3 Emissions		49,807
Category 1 -Purchased Goods and Services	tCO ₂ e	15,795
Category 2 -Capital Goods		12,979
Category 3 -Fuel-and Energy-Related Activities		1,502
Category 4 -Upstream Transportation and Distribution		12
Category 5 -Waste Generated in Operations		25
Category 6 -Business Travel		217
Category 7 -Employee Commuting		2,203
Category 8 -Upstream Leased Assets		1,506
Category 9 -Downstream transportation and distribution		355
Category 11 -Use of sold products		415
Category 13 -Downstream Leased Assets		14,793
Category 15 -Investments		5

* The calculation of Scope 3 emissions followed the guidelines of the GHG Protocol (Scope 3 Calculation Guidance | GHG Protocol). For more information on the methodologies used for each category reported by Lottomatica Group, please refer to the Methodology Note.

[GRI 305-4] GHG emissions intensity

GHG emission intensity*	Unit	2021	2022	2023
Total GHG emissions Scope 1	tCO ₂ e	3,674	4,214	5,020
Total GHG emissions Scope 2 (Market Based)		0	8,005	2,142
Total number of employees	N°	1,189	1,597	1,924
Intensity of direct and indirect emissions GHG Scope 1 and Scope 2	tCO ₂ e/N°	3.09	7.65	3.72
Total GHG emissions Scope 1	tCO ₂ e	3,674	4,214	5,020
Total GHG emissions Scope 2 (Market Based)		0	8,005	2,142
Total GHG emissions Scope 3*		106	65	49,807
Total number of employees	N°	1,189	1,597	1,924
Intensity of GHG emission Scope 1, Scope 2 and Scope 3	tCO2e/N°	3.18	7.69	29.61

*To calculate the emission intensity of Lottomatica Group, the number of employees as of December 31, of the three-year period was used as the denominator.

**With regard to Scope 3 emissions, it should be noted that for 2021 and 2022, emissions referring only to Category 7 “Employee commuting” were included, as per the GHG Protocol.

[GRI 305-5] Reduction of GHG emissions

Initiatives implemented	Unit	2023 Scope 2
Supply from renewable energy sources*	tCO2e	5,863
Replacing LED lamps**		3

* The initiative concerns the supply from renewable energy certified as guarantee of origin.

** The initiative concerns the replacement of 355 LED lamps at the HQ Aldobrandeschi, started in September 2023 and completed in October 2023.

Green Procurement

The Group is strongly committed to **promoting environmental protection along the entire value chain, starting** from the reduction of environmental impacts generated by its operations, carried out directly or through suppliers and partners, and has adopted, as of 2022, a specific **Green Procurement Policy** that guides the choice of environmentally virtuous suppliers and that in 2023, achieved important results by extending the use of the Synesgy platform (CRIF group and GRI member) to more than 80% of suppliers in the Supplier Register, enabling the collection and management of information on the sustainability of companies that collaborate with Group companies through self-assessment.

The use of the Synesgy platform also raises the level of awareness of partner companies who, by undergoing the self-assessment, obtain an annual assessment of their level of sustainability by obtaining a report that summarizes the assessment also with respect to the reference sector, and the issuance of a certificate that allows them to accredit their level of sustainability also with respect to credit institutions and other business partners.

Results and targets

✓ **In 2023**, more than 80% of Lottomatica Group’s suppliers accredited their ESG activities on the Synesgy platform.

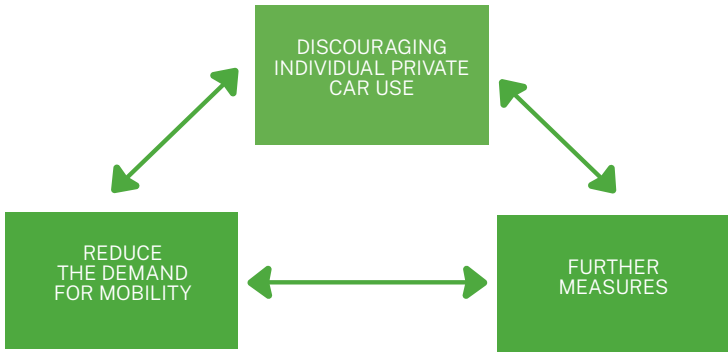
➔ **In 2024**, Lottomatica intends to keep the share of accredited suppliers on the Sinesgy platform above 80 per cent.

Mobility Impact

Employee mobility

Employee travel in the context of company activities can have multiple **impacts on the environment and the well-being of people** working for the Group.

In this regard, following a survey dedicated to analyzing staff travel patterns, with particular attention to distances, travel times and main means of transport, in 2023 the Group **defined a Home-Work Travel Plan** containing **three lines of action** to optimize employee travel and its impact.



Discouraging individual private car use

In order to encourage more sustainable **forms of collective home-work mobility**, characterized by lower atmospheric emissions, the Group’s employees have at their disposal a company shuttle service that encourages, among other things, the use of **local public transport**, linking the head office with the railway station and the nearest metro stops.



In 2023, the in-house development of a **company car pooling** application called ‘Let’s Take My Car’ (LTMCAR) was launched in 2024 to promote the sharing of home-work commuting routes and expenses with colleagues who live in neighboring areas and have compatible working hours.
The possible extension of the coverage area of the main **car sharing** platforms in the territory is also being studied.

Reducing the demand for mobility

The Group proposes, for all companies, the possibility of agile working, so called “**smartworking**”, for employees who perform a task compatible with performance outside the company premises up to a maximum of **two days** a week and with specific possibilities of derogation from the general rules laid down in the policy for some particular categories such as new parents, frail workers, shift workers and any other individual cases.³⁴

34) For further details, see section 5.4 ‘People Development and Skills Enhancement’.

Further Measures

The Group’s interest in promoting increasingly environmentally friendly lifestyles is also evidenced by the partnership entered into in 2023 with **E-GAP** to enable all employees to recharge their electric vehicles on the move and at a reduced rate. With the aim of providing an even more convenient and smart service, as of 1 February 2023, employees have been able to recharge their electric or hybrid cars, bicycles or scooters free of charge, via an E-GAP mini-van, at the Rome headquarters.

Finally, the Group periodically **renews the company car fleet**, replacing cars with **more modern and environmentally friendly ones**.

Sales Network and Logistics

Lottomatica is a territorial company, widely distributed within regions and municipalities through its own direct and indirect sales network to which activities are carried out in support of gaming collection: from the training and information of merchants, to the supply of gaming equipment, its maintenance, up to the supply of marketing materials and accessory equipment such as monitors, OCR readers, etc.

In the management of logistics, to and from the HUBs in its territory, Lottomatica has launched, as early as 2023, a travel monitoring system aimed at greater optimization of movements through the application of artificial intelligence systems capable of scheduling maintenance work as well as the supply of materials with the ultimate aim of reducing the related movements.

Environmental Culture

The integrated approach to environmental protection

The Group’s approach to environmental protection is formalized in the **Environmental Sustainability Policy**, adopted as early as 2022. This Policy sets out the **general principles** and **commitment guidelines** that the company intends to respect in order to achieve its **environmental sustainability goals**.

Lottomatica's Environmental Sustainability Policy

General principles

- **Prevention and reduction of impacts on the environment**, basing company activities on criteria aimed at preventing pollution, reducing environmental impacts (also through the dematerialisation of processes, products and services) and safeguarding the health and safety of the people involved, defining specific environmental objectives and improvement programs.
- **Promotion of environmental culture**, through environmental awareness and training activities within the organization, pursuing a growing diffusion of ecological awareness and sense of responsibility

Objectives

- **Monitoring and optimising energy consumption** by increasing investments in energy efficiency solutions, such as the use of energy-efficient electronic appliances.
- **Reducing GHG emissions.**
- **Minimising the use of natural resources** in particular by trying to reduce the use of water.
- **Reduction of environmental impacts**, through the analysis of environmental risks and through the reduction of waste produced (including plastic).
- **Participation in recycling programs and responsible waste management.**
- **Reduction in paper consumption** through the dematerialisation of documents.
- **Adoption of technologies** with a lower environmental impact.
- **Use of renewable energy sources** with a commitment to procurement.
- **Conscious and consistent action** towards all stakeholders.
- **Sensitisation of all personnel to environmental issues**, also through their involvement in dedicated projects and initiatives.

In order to achieve these goals, Lottomatica has adopted a certified **Environmental Management System** as early as 2022 and extended to other Group companies in 2023 in accordance with **ISO 14001:2015**.



The Environmental Management System, aligned with the most widespread international standards and based on the **principle of risk management and prevention**, allows the Company to systematically integrate functional tools for **monitoring environmental performance**, minimizing the risk of sanctions for non-compliance and reducing environmental liabilities.

In 2024, an assessment will also be started with respect to the possible achievement of the SGE ISO-50001 international standard that contributes to a more appropriate management of the energy used for business processes, promoting its conscious, waste-free use.

The tools of the Environmental Management System

Lottomatica's Environmental Sustainability Policy

Identification of risks of environmental violations related to the company's activities and organizational areas.

Analysis of suppliers and partners on the basis of different environmental parameters.

Evaluation of the identified risks in terms of impact and likelihood through specific metrics and assessment of the adequacy of the mitigation and remediation measures adopted with reference to the identified risks, with a specific focus on climate change.

Carrying out inspections in areas identified as most at risk.

Definition of prevention and mitigation action plans, also shared with suppliers and partners, which may include activities to extend, review and strengthen company procedures and controls and specific training and awareness-raising actions on environmental protection.

ISO 14001 certification was awarded in the second half of 2022 to the system for **monitoring the environmental resources** used in the management of the main offices of the companies Lottomatica S.p.A., GBO Italy S.p.A., Lottomatica Videolot Rete S.p.A. and Gamenet S.p.A.. It was also extended to the Jolly Group in 2023 to cover **70% of the Group's operations** at constant perimeter. The recognition attests to Lottomatica's commitment to activating continuous business improvement processes in a logic of respect for the environment and represents a strategic asset for the company's future management choices.

In line with the certification requirements, the system is subject to **continuous monitoring through annual internal and third-party audits**, carried out by specially appointed bodies. With reference to the EMS system and certification, moreover, in 2023 Lottomatica provided for adequate communication both inside and outside the company and continued **training activities on the necessary resources**, equal to 100% of the employees most involved.

Awareness-raising

The focus on the circular economy is also pursued through awareness-raising and information activities that aim to create greater awareness of the benefits of proper management of goods and resources.



Become Green

In the framework of the Become project, launched by the HR management to enhance and communicate internally Lottomatica's innovative identity through concrete projects and actions, **Become Green** is the internal awareness campaign active since 2020, created to encourage more responsible and environmentally friendly behavior, encourage the elimination of single-use plastic and achieve zero waste, maximizing separate waste collection and encouraging the use of renewable energy.

Moreover, in line with the Group's vision, Lottomatica promotes environmental sustainability and conscious consumption, also through the publication on the company intranet of articles and pills on green and sustainability issues. Among the initiatives in this sense is the launch, in 2023, of the anti-waste food diary: a quick and easy way to understand how much food to buy in relation to one's actual need.

This also includes the continuation of the anti-waste plan at the company canteen, which was started last year in order to use surplus food in a functional way.

Results and targets

→ For 2024, Lottomatica intends to strengthen its information strongholds through the creation of content to be conveyed to the entire corporate population and to the network of directly managed points of sale.

6.3 Responsible supply chain management

GRI 3-3 | GRI 2-6 | GRI 2-23 | GRI 2-24 | GRI 204-1 | GRI 308-1 | GRI 308-2 | GRI 414-1

Lottomatica integrates technical and economic criteria with environmental and social factors in the selection, evaluation and management of suppliers and business partners, ensuring sustainability and respect for human rights within the supply chain.

Lottomatica's supply chain is considered of **fundamental importance for the proper performance** of the Group's activities. For this reason, and as also indicated in its Code of Ethics, the Group establishes relations with its partners **based on loyalty, fairness, transparency, efficiency and respect for the law**, carrying out all the in-depth analyses necessary to evaluate the products and services it purchases, also considering their specific sustainability characteristics.

The Group's commitment in this area is demonstrated by the confirmation of the material topic "**Responsible Supply Chain and Network Management**" within the 2023 Materiality Matrix, as well as the adoption of specific **internal policies and processes** aimed at ensuring **sustainable procurement**.

€143
mln

EXPENDITURE
ON SUPPLIERS
IN 2023

With a total expenditure of over Euro 143 million in 2023, Lottomatica operates an extensive and diversified network of suppliers and business partners, operating both domestically (87% of the total) and in various countries around the world.



[GRI 204-1] Proportion of expenditure on local suppliers*.

Proportion of expenditure on local suppliers	Unit	2021	2022	2023
Total procurement budget**	Euro	84,201,598	205,759,984	164,274,400
Procurement budget used for local suppliers		69,000,000	170,000,000	143,231,826
Percentage of the procurement budget used for local suppliers	%	82	83	87
of which in Europe		82	92	92
of which in Italy	%	80	82	87
of which abroad		18	8	8

*Local refers to the European geographical perimeter within which the supplier is based.
**The procurement budget refers to the significant operating sites, by which is meant the perimeter of the organization's offices currently present and coinciding with the Italian territory.

Lottomatica's commercial network

Venue and point-of-sale operators represent key business partners for Lottomatica, which has a widespread presence throughout the country with **17,300 points of sale** and distribution agreements with a large number of bars and tobacconists.

The physical sales network for games and services is a strategic asset for the Group, which at the same time requires **continuous monitoring to ensure compliance with the highest standards in terms of reliability and quality**.

Training and education

Lottomatica constantly communicates the Group's strategy and its focus on **consumer protection**, providing information material (guidelines, operating instructions and protocols to be followed) and training sessions to dealers and managers of halls and points of sale.

Exchange of know-how

As the main channel with the territory, commercial partners are able to intercept the needs of players, **developing virtuous processes of innovation**. This information can be acquired by the Group in order to respond to customers' needs and share best practices with the network, Lottomatica on the other hand, supports partners in creating a comfortable gaming environment within the halls and points of sale, providing technical and commercial assistance.

Verification of compliance with guidelines

In the course of their activities, partners are exposed to various risks and must therefore ensure scrupulous attention to the **security of customer data, the fight against underage gaming and the traceability of amounts**. In order to monitor the performance of business partners and minimise risks, Lottomatica periodically carries out **visits and controls at its entire network of physical points of sale**. The results of the controls must subsequently be communicated to the competent authority.

The criteria for selecting and evaluating suppliers

Lottomatica pursues the objective of being a virtuous “ringleader” capable of guiding the development of a value chain marked by sustainability, committing itself to include in its commercial network only partners that comply with the highest standards of reliability. Partners and suppliers are, therefore, identified and selected in accordance with the principles and objectives of value creation shared by the Group.

[GRI 308-2] Negative environmental impacts in the supply chain and measures taken

Negative environmental impacts in the supply chain	Unit	2022	2023
Total number of suppliers assessed for environmental impacts	N°	189	166
Total number of suppliers identified as having significant potential and actual negative environmental impacts		75	48
Percentage of suppliers identified as having significant potential and actual negative environmental impacts with whom improvements have been agreed upon as a result of the assessment*	%	100	100
Percentage of suppliers identified as having significant potential and actual negative environmental impacts with whom relationships were terminated following the assessment		0	0

*In the logic of using suppliers that share the principles and criteria adopted by Lottomatica Group, especially with regard to ESG aspects, by way of example but not limited to, suppliers that do not make any kind of investment to reduce energy consumption, or favor the use of energy from renewable sources, or do not monitor their emissions, are assessed with a negative impact on the Group's supply chain.

By virtue of its Quality Control System, Lottomatica regulates relations with its suppliers through the **Suppliers’ Register**, which allows suppliers to be accredited and qualified in a digitalized manner, verifying their compliance with the Group’s requirements and their compliance with current regulations. Specifically, to be qualified in the **Supplier Register**, potential suppliers must submit and sign the following documents:

- CCIAA (Chamber of Commerce, Industry, Crafts and Agriculture) registration certificate;
- DURC (Documento Unico di Regolarità Contributiva) and DURF (Documento Unico di Regolarità Fiscale);
- general conditions of purchase;
- anti-mafia declaration and Legislative Decree 81/2008 declaration;
- identity document of the legal representative;
- personal data processing notice;
- last available budget;
- declaration of acceptance of Lottomatica’s Code of Ethics;
- declaration of acceptance of and compliance with the Lottomatica Supplier Code of Conduct
- declaration to take note of it and to behave in line with the Sustainability Policy in relations with Lottomatica Group;
- declaration to take note of it and to behave in line with the Anti-bribery & Corruption Policy and Guidelines in dealing with Lottomatica Group.

As a complement to the Group’s Suppliers’ Register, an **E-procurement portal** was introduced in 2020, aimed at guaranteeing **better operational efficiency, transparency and traceability of the entire purchasing process**, the rationalization of the resources used and a greater guarantee of compliance with the organizational models adopted by Legislative Decree 231/01.

The portal, in compliance with Legislative Decree 36/2023 (Public Administration Procurement Code), has improved the quality of the entire purchasing process through the use of web-based digital platforms.

Moreover, as of 2022, Lottomatica Group has adopted a specific **Supplier Code of Conduct** and a **Green Procurement Policy**, in order to promote supply chain management that is even more attentive to social, environmental and governance criteria, in line with the company’s Sustainability Plan.

The Supplier Code of Conduct

The Code of Conduct for Suppliers describes Lottomatica’s minimum and essential expectations when deciding to enter into a cooperation relationship or to prolong an existing one with suppliers, their parent companies, subsidiaries, affiliates, subcontractors and other entities that are part of their supply chain.

The expectations set out in the Code supplement the specific contractual conditions and go beyond the protective instruments such as the Code of Ethics, the Organization, Management and Control Model pursuant to Legislative Decree 231/01 and the Anti-Corruption Policy.

Each supplier guarantees, under its full and sole responsibility, that all its employees, representatives and subcontractors fully understand and comply with these guidelines.

In addition, the Group’s suppliers, in addition to complying with all applicable laws and complying with international environmental, social and governance standards, must adhere to the principles described in the Code of Conduct below. In the event of non-compliance with the latter, Lottomatica shall promptly terminate the existing relationship with the supplier.



THE PRINCIPLES OF THE SUPPLIER CODE OF CONDUCT

Professional ethics and regulatory compliance

All Lottomatica's suppliers must conduct their activities and manage business interactions with integrity, strictly complying with all rules and regulations on corruption, active or passive, money laundering, financing of terrorist activities and prohibited business practices.

Diversity and inclusion

Lottomatica's suppliers must guarantee equal contractual opportunities.

Compliance with anti-corruption regulations

The Group's suppliers represent and warrant that they comply, directly and through their officers, directors, employees or agents, with all global anti-corruption regulations.

Human rights and working conditions

Lottomatica expects its Suppliers to share the commitment aimed at promoting and respecting human rights and guaranteeing the principle of equal opportunities in the workplace.

Regulations and environmental protection

Lottomatica's suppliers must comply with all applicable environmental laws, regulations and standards, as well as implement an effective system for identifying and eliminating potential environmental risks.

Health and safety

Group's suppliers must ensure safe, suitable and hygienic work facilities and resources for their employees, adopting health and safety policies and procedures consistent with all national, international and industry laws and regulations.

Confidential and protected personal information

Lottomatica's suppliers must guarantee the protection of all sensitive information, including confidential and protected personal information, which may only be used for professional reasons.

The Green Procurement Policy

The Green Procurement Policy, which is part of the Environmental Sustainability Policy, aims to regulate the supplier selection process and aims to favor those who, for the same goods and/or service provision, have a **lower environmental impact**.

Specifically, the competitive supplier selection process includes a reward system based on two key elements:

- **compliance with environmental assessment** criteria (compliance with environmental regulations, implementation of processes with a focus on energy efficiency, use of recyclable or compostable products);
- **possession of certified environmental management systems** (EMAS, ISO 14001, etc.) proving the suppliers' capabilities.

With this in mind, Lottomatica takes on the role of supply chain leader, analyzing and monitoring the environmental performance of its registered suppliers through the international SynESGY platform, which is able to calculate an **ESG score for each of the Group's suppliers** with respect to five macro-areas: economic, social, environmental, governance and sector.

While favoring suppliers with a positive score, the Group encourages the improvement of business partners with a sub-optimal ESG score, through remediation activities aimed at identifying the causes of non-performance and critical areas.

As of December 31, 2023, **41% of the** Group's suppliers held **ISO 14001** environmental certification.

HEAD OF THE
SUPPLY CHAIN



SUPPLIER

Evaluate the corporate
sustainability of the supply
chain through a constantly
updated survey system

01

Accredit the supply chain on the
market rendering it more appealing
to credit institutions
and investors

02

Prevent operational and
reputational risks and better
manage its supplier register

03

Ensure transparency in the
assessment of the supply chain's
production process, thanks to
dashboards and scores

04



01

Perform a **self-assessment**
to assess its own sustainability
level

02

Obtain the **Synesgy certificate**
to be posted on its website and
social media channels

03

Have a **single ESG qualification**
process available for all
leading supply chain
companies that request it

04

Gain **visibility** and let its
business partners know about
its commitment to these issues

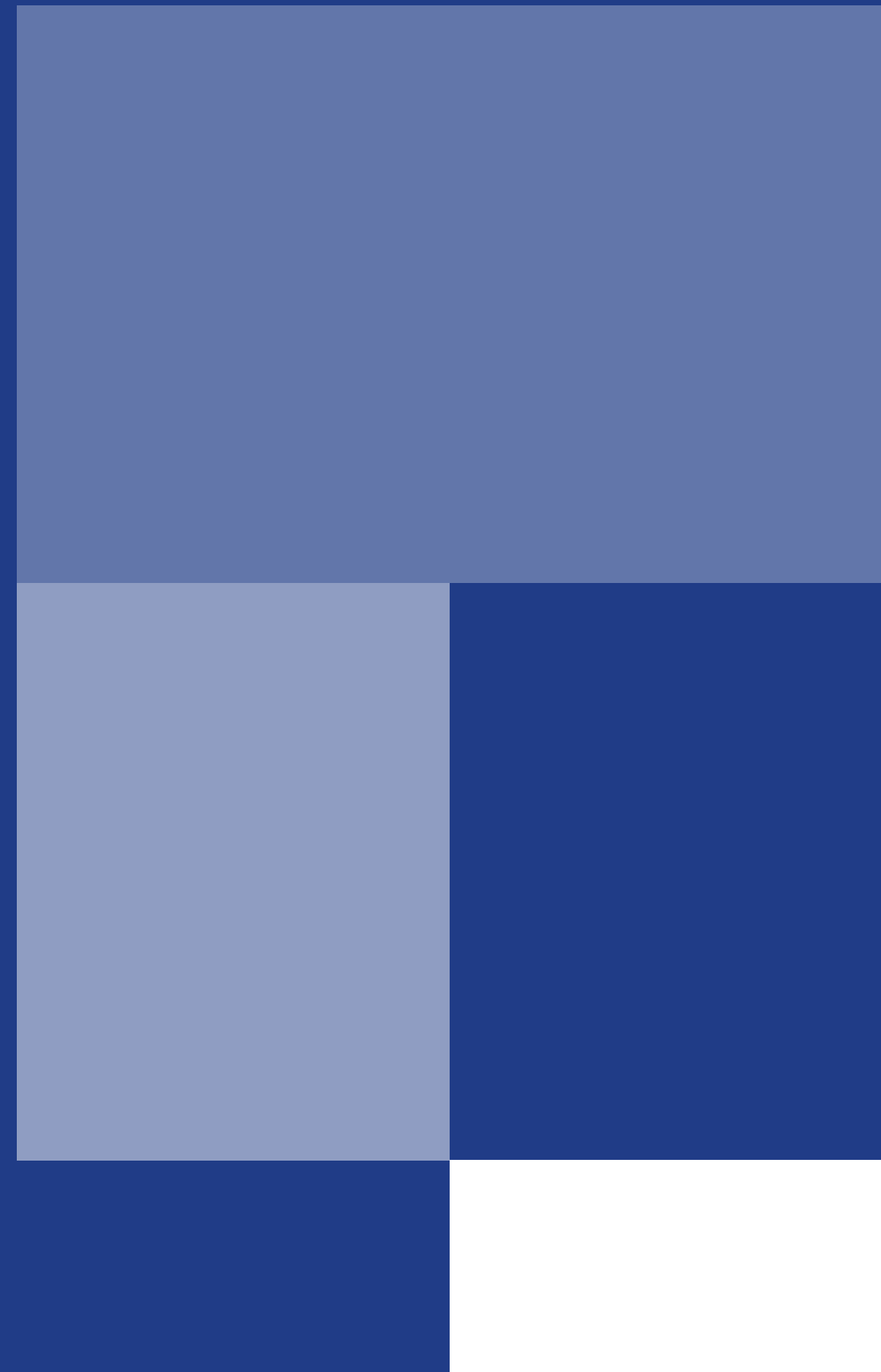
In 2023, the percentage of suppliers assessed according to environmental and social criteria is approximately 82%.

[GRI 308-1] New suppliers assessed using environmental criteria

Number of new suppliers	Unit	2022	2023
Suppliers evaluated using environmental criteria	N°	189	166
Total suppliers		240	203
Percentage of suppliers assessed by environmental criteria	%	78.8	81.8

[GRI 414-1] New suppliers assessed using social criteria

Number of new suppliers	Unit	2022	2023
Suppliers assessed by social criteria	N°	189	166
Total suppliers		240	203
Percentage of suppliers assessed by social criteria	%	78.8	81.8



7. Consolidated Non-Financial Statements

7.1 Methodological note

Objectives of the document

The Consolidated Non-Financial Statement (hereafter NFS), approved by the Board of Directors of Lottomatica Group S.p.A. on 28 February 2024, was drafted in accordance with the three fundamental strategic pillars of the Group's Sustainability Plan (Responsibility, People and Community and Environment) and plays a pivotal role in communicating and documenting the commitment made to the creation of sustainable and lasting value for stakeholders.

Regulations and reference standards for drafting the document

The NFS refers to the period between January 1, and December 31, 2023 and is prepared in accordance with the provisions of Legislative Decree No. 254 of December 30, 2016. Specifically, in line with the requirements of Article 3 of Legislative Decree 254/2016, this document has been prepared to the extent necessary to ensure an understanding of the Group's business, its performance, its results and the impact produced by it. In this regard, the NFS reports information on environmental, social, personnel-related, respect for human rights and the fight against active and passive corruption, relevant for Lottomatica Group, in order to transparently communicate performance in the ESG area to its stakeholders.

The NFS was also prepared in line with the principles set out by the GRI Sustainability Reporting Standards (hereinafter also referred to as the 'GRI Standards'), published by the Global Reporting Initiative in 2021, in line with the 'in accordance with' reporting option. The adoption of the GRI Standards requires consideration of the following reporting principles to ensure the quality of the information reported: completeness, sustainability context, balance, comparability, accuracy, timeliness, clarity and verifiability. The indicators presented are reported for the three-year period 2021-2023 and accompanied by a comment on their trend so as to allow for comparison and comparability of Lottomatica's performance over time.³⁵ Events and facts occurring after December 31, 2023 have also been described in the document as they are considered significant for the evaluation of the Group's performance and to represent prospective sustainability strategies. All GRI Standards indicators reported are shown in the GRI Content Index of this section starting on page 156.

The document represents Lottomatica Group's sustainability performance in a balanced manner through the presentation of reliable data, the choice of clear, accessible language, the use of easy-to-use graphs and tables, and a level of detail in the content adequate for understanding and evaluating sustainability performance.

35) Personnel indicators for the year 2021 do not include 82 employees of the company Slottery S.r.l., as this company had only been acquired at the end of the reporting year.

In preparing the sustainability disclosure provided in this document, Lottomatica Group has also taken into consideration the sustainability issues identified as priorities by the European regulatory and supervisory bodies (ESMA), published during the year and relating to EU Taxonomy disclosure, climate targets and Scope 3 emissions reporting.

Energy consumption

The calculation for the conversion of energy consumption into GJ was carried out using the energy conversion factors published by ISPRA in 2022 for natura gas for heating and DEFRA in 2023 for the others.

Scope 3 emissions

The calculation of Scope 3 emissions followed the guidelines of the GHG Protocol (Scope 3 Calculation Guidance | GHG Protocol). Below are reported the methodologies used for each category by the Group:

- **Category 1 - Purchased Goods and Services:** For each category of expenditure, purchase of a good or service, where possible the Average-data methodology was used, based on the quantities and weights of the goods purchased, while for services the calculation was based on energy consumption (where data is available). For cost items, where this methodology could not be applied, the Spend-based methodology was used;
- **Category 2 - Capital goods:** For each category of expenditure, a Spend-based NACE code was assigned based on the description of the cost item. For the conversion to emissions (tCO₂e) the conversion factors established by the European Environment Agency were used;
- **Category 3 - Fuel & Energy related activities:** Fuel and electricity consumption have been multiplied by the relevant emission factors that take into account the extraction, production and transport of the fuel consumed (WTT; T&D and Generation). Source DEFRA-2023;
- **Categories 4 and 9 - Upstream and Downstream Transportation and Distribution:** The calculation was performed by estimating the kilometers travelled by the means of transport and multiplying these distances by the weight transported and the appropriate conversion factor. For the purposes of the calculation, the DEFRA-2023 database was applied, using the conversion factor for heavy goods vehicles ("Average laden HGV-Rigid");
- **Category 5 - Waste:** For each quantity of waste disposed, the conversion factor was chosen according to the disposal method chosen. The database used was DEFRA-2023;
- **Category 6 - Business Travel:** distances (in km) were considered for each type of vehicle used by employees for their business trips, these km were multiplied by the DEFRA-2023 conversion factor;
- **Category 7 - Employee Commuting:** The home-work journeys of its employees were calculated on the basis of the group's internal survey. The kilometers travelled were multiplied according to the type of vehicle used using the DEFRA-2023 conversion factors;

- **Category 8 - Upstream Leased Assets:** Considering the group's leased locations, the consumption of these locations was multiplied by their respective number and square meters. The data source for the market-based conversion factor was the AIB 2022;³⁶
- **Category 13 - Downstream Leased Assets:** considering the equipment (VLTs, AWP's and Betting) that are present in the agencies and corners (through an estimation), the average hourly consumption for each equipment was estimated. This consumption was multiplied by the market-based conversion factor of the AIB 2022;³⁷
- **Category 15 - Investments:** For the purposes of the calculation, the percentages of the Group's issues in which investments are made were taken into account, depending on the share acquired.³⁸

Reporting Perimeter

The perimeter of the economic, environmental and social data is the same as that of the Consolidated Financial Statements of Lottomatica Group S.p.A. as of December 31, 2023 and any differences in the perimeter, where present, are expressly indicated in the text.

Where it has not been possible to find quantitative data with the reporting tools available to the Group, estimates have been used, which, where they exist, are based on shared methodologies and suitable for ensuring a reliable representation of performance and data, as well as appropriately reported.

External Assurance

The content of the Non-Financial Statement is based on the information provided by the contact persons of the corporate functions involved, each according to their role and competences.

The NFS is subject to a "limited assurance engagement" conformity assessment in accordance with the criteria indicated in the "International Standard on Assurance Engagements ISAE 3000 Revised - Assurance Engagements Other than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standards Board (IAASB) by PricewaterhouseCoopers S.p.A., which expresses its opinion in the "Independent Auditors' Report" shown below in the document.

³⁶)Energy consumption was estimated from a group site for which data was available.

³⁷)In the calculation of this category, AWP's owned by third parties (about 50 per cent of the park) and machines installed in directly-managed halls (already included in Scope 2) were not considered.

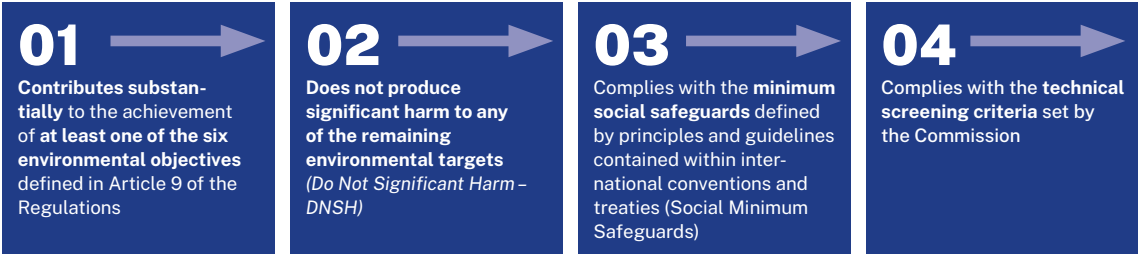
³⁸)Since Scope 1 and 2 were not available for the invested companies, estimates were used.

7.2 EU Taxonomy

The Regulatory Context of the EU Taxonomy

The growing interest in ESG issues has accelerated unprecedentedly in recent years. Indeed, in 2018, the “Action Plan for Financing Sustainable Growth” was formalized by the European Union, which is aimed at redirecting financial flows towards sustainable investments, integrating sustainability into risk management, and promoting greater transparency and a long-term perspective. Within this regulatory framework, there is also the **EU Regulation 2020/852**, known as the **Taxonomy Regulation** and adopted in June 2020. With the Taxonomy Regulation, the EU aims to establish a unique **classification system for defining sustainable economic activities**, ensuring **comparability** between operators and promoting **more responsible investment decisions**.

Specifically, according to the EU Taxonomy, an economic activity is considered environmentally sustainable if:



Specifically, the six environmental objectives identified within the Taxonomy Regulation are:

- climate change mitigation;
- climate change adaptation;
- sustainable use and protection of water and marine resources;
- transition to a circular economy;
- pollution prevention and control;
- protection and restoration of biodiversity and ecosystems

With reference to each objective, the European Commission has respectively issued a technical annex aimed not only at identifying the economic activities that could potentially contribute to achieving the corresponding target, but also at defining the eligible activities and the Technical Screening Criteria that set out the conditions to be assessed to determine the substantial contribution to the target and adherence to the DNSH principle.

Specifically, in June 2021, the European Commission formally adopted the Technical Delegated Acts, known as the Climate Delegated Act, which define the main sectors and economic activities included in the Taxonomy, as well as the technical screening criteria used to verify the substantial contribution to the achievement of the first two environmental objectives (climate change mitigation and adaptation).

Subsequently, in the course of 2023, the Commission enacted the Taxonomy Environmental Delegated Act 2023/3851, establishing the technical screening criteria for economic activities that have a significant impact on the four additional environmental objectives of the EU Taxonomy that

remained uncovered in the previous regulatory phase (sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control , and protection and restoration of biodiversity and ecosystems). In addition, amendments were made to the two existing delegated acts: the Taxonomy Disclosures Delegated Act 2021/2178, relating to the content and presentation of the Taxonomy, and the Taxonomy Climate Delegated Act 2021/2139, focusing on the technical screening criteria for climate-related environmental objectives. Specifically, the amendments to the Climate Delegated Act extend the scope of economic activities that contribute to climate change mitigation and adaptation by including manufacturing, aviation, civil engineering and disaster risk management sectors within the Taxonomy. In addition, updates were made to the technical screening criteria for some existing economic activities. Finally, the Commission also made changes to the Disclosures Delegated Act with the aim of ensuring consistency of disclosure requirements with the provisions of the Taxonomy Environmental Delegated Act, correcting any technical errors.

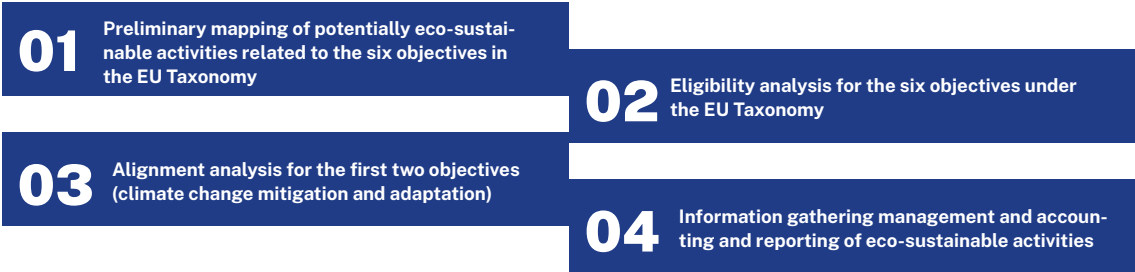
Lottomatica Group’s eligibility and alignment analysis

Within this regulatory context, and following the listing in 2023, Lottomatica Group reports for the first time on the eligibility and alignment of its economic activities, in order to comply with the regulatory obligation of the Taxonomy Regulation. In fact, Article 8 of EU Regulation 2020/852 defines the reporting obligations under the Taxonomy and, in particular, clarifies that these obligations fall on any company subject to the obligation to publish non-financial information pursuant to Directive 2013/34/EU. Furthermore, for the purposes of the disclosure of quantitative performance indicators (KPIs), the Group has taken into consideration the provisions of Annex I of the Taxonomy Disclosures Delegated Act 2021/2178, which states that Non-Financial Undertakings are required to publish:

- the **percentage of turnover from** products or services associated with economic activities considered environmentally sustainable;
- the **percentage of capital expenditure (Capex)** and the percentage of operating expenditure (Opex) related to assets or processes associated with economic activities aligned with the EU Taxonomy.

Lottomatica therefore conducted a series of analyzes aimed at identifying the economic activities eligible for the EU Taxonomy, in order to verify their possible alignment in terms of turnover, Capex and Opex.

The graphic below shows the **screening process** adopted to verify the eligibility and alignment of the Group’s economic activities.



1) Preliminary mapping of potentially environmentally sustainable activities

Through an in-depth analysis of the economic activities defined within the Delegated Acts of the Taxonomy, relative to each of the six environmental objectives, Lottomatica has carried out a preliminary mapping of the economic activities conducted by the Group that may be classified as Eligible under the European Regulation.

2) Eligibility Analysis

In cooperation with the corporate functions responsible for the potentially eligible activities identified in the previous phase, the **eligibility analysis** was carried out by assessing whether Lottomatica Group generates Turnover / Capex / Opex with reference to the respective activities. Consequently, on the basis of the evidence that emerged during the preliminary mapping phase, it was possible to identify the following **activity eligible under the EU Taxonomy**:

List of potentially eligible activities identified	
7. CONSTRUCTION AND REAL ESTATE ACTIVITIES	
7.3. Installation, maintenance and repair of energy efficiency equipment	Climate change mitigation

3) Alignment Analysis

On the basis of the identified economic activity, a verification of compliance with technical screening criteria, DNSH and Social Minimum Safeguards was conducted. In this regard, as a result of the analysis performed, **no activity aligned with the EU Taxonomy was found**, as it was not possible to confirm compliance with the technical screening criteria for the activity related to the installation, maintenance and repair of energy efficiency equipment.

However, it is specified that Lottomatica Group has carried out its economic activities in compliance with the minimum safeguards established by **Art. 18 of EU Regulation 2020/852**, thus considering the principles and **guidelines contained in international conventions and treaties**, such as the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including those established by the eight fundamental conventions of the International Labour Organisation (ILO) and the International Bill of Human Rights. Furthermore, with the aim of verifying compliance with the Social Minimum Safeguards, the Group considered the **four issues** identified by the Platform on Sustainable Finance: **Human Rights, Corruption, Taxation and Competition**.

In particular, the Group implements due diligence procedures in the performance of its business activities and has equipped itself with specific instruments, such as the Code of Ethics and the Code of Conduct for Suppliers, which clearly define the values and principles with which all those with whom it has relations must comply, in addition to an Organization, Management and Control Model that complies with Legislative Decree No. 231/2001. In addition, Lottomatica has adopted several policies aimed at safeguarding and protecting human rights,

such as the Company’s Policy on the Safeguard and Protection of Human Rights, the Diversity and Inclusion Policy and the Gender Equality Policy.³⁹ Confirming the company’s commitment in this area, it should be noted that no incidents of discrimination were recorded in 2023.

4) Disclosure

Based on the analyzes described above, Lottomatica Group was able to quantify the percentage of eligible, aligned and non-eligible turnover, capital expenditure and operating expenditure in the EU Taxonomy.

In this regard, after an accurate study of the mapped economic activities that contribute to climate and environmental objectives, as well as a detailed analysis of the management and accounting information of the activities carried out by Lottomatica, it emerged that it is not possible for the Group to quantify the numerator of the KPIs relating to turnover and Opex, both in terms of alignment and eligibility.

In fact, since the economic activities related to Lottomatica Group’s core business differ from the set of activities presented in the Climate Delegated Act and the Environmental Delegated Act, for this financial year the entire turnover and Opex is exclusively associated with activities not eligible for the EU Taxonomy.

On the other hand, with reference to the capital expenditure realized during the financial year, it was possible to identify the share of eligible Capex related to the activity belonging to the climate change mitigation objective, i.e., the activity “7.3 Installation, maintenance and repair of energy efficiency equipment”. In this regard, in fact, the accounting information related to the investments made within the scope of the renovation of the Group’s plants and the replacement of energy efficient light sources, which activities appear as the numerator of the Capex Eligible KPI. On the other hand, with reference to the denominator of the Capex KPI, in line with the provisions of the Taxonomy Disclosures Delegated Act 2021/2178, this was recalculated on the basis of the sum of the gross additions recognized in 2023 on tangible and intangible assets in application of IAS 16, 38, 40 and IFRS16, as per the movement tables of Intangible Assets, Tangible Assets and Right of Use.⁴⁰

With reference to the denominator of the Turnover KPI, the value considered is representative of the Group’s turnover presented in the Consolidated Statement of Comprehensive Income for the year ended December 31, 2023.

Finally, with the aim of fulfilling the regulatory obligations related to the way the information related to the Taxonomy Regulation is reported, below are the templates representing the alignment, eligibility and non-eligibility of the Turnover, Capex and Opex KPIs.

39) For further information, please refer to the in-depth section of the following document “The Sustainability Policies” within paragraph “3.1 Lottomatica Group’s sustainability strategy”.
40) For more information, see the Notes to the Consolidated Financial Statements, Sections 9.1, 9.3 and 9.4.

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2023

Financial year 2023	2023			Substantial contribution criteria					
Economic Activities (1)	Code (2)	Turnover (3)	Proportion of Turnover, year 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)
		€	%	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
"Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)"		-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Of which enabling		-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Of which transitional		-	0.00%	0.00%					
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)									
Turnover of Taxonomyeligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES									
Turnover of Taxonomy non-eligible activities		1,632,488,000	100%						
Total		1,632,488,000	100%						
Total		1,013,711,000	100%						

Propotion of turnover / Total turnover		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.00%	0.00%
CCA	0.00%	0.00%
WTR	0.00%	0.00%
CE	0.00%	0.00%
PPC	0.00%	0.00%
BIO	0.00%	0.00%

DNSH criteria (“Does Not Significantly Harm”)									
Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
N	N	N	N	N	N				
N	N	N	N	N	N				
N	N	N	N	N	N				

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2023

Financial year 2023	2023			Substantial contribution criteria					
Economic Activities (1)	Code (2)	CapEx (3)	Proportion of CapEx, year 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)
		€	%	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1 Environmentally sustainable activities (Taxonomy-aligned)

Installation, maintenance and re- pair of energy efficiency equipment	CCM 7.3	-	0.00%	Y					
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Of which enabling		-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Of which transitional		-	0.00%	0.00%					

A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)

				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	201,990	0.12%	EL					
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		201,990	0.12%	0.12%	0.00%	0.00%	0.00%	0.00%	0.00%
CapEx of Taxonomyeligible activities (A.1+A.2)		201,990	0.12%	0.12%	0.00%	0.00%	0.00%	0.00%	0.00%

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

CapEx of Taxonomy-noneligible activities		174,554,010	99.88%
Total		174,756,000	100%

Propotion of CapEx / Total CapEx		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.00%	0.12%
CCA	0.00%	0.00%
WTR	0.00%	0.00%
CE	0.00%	0.00%
PPC	0.00%	0.00%
BIO	0.00%	0.00%

DNSH criteria (“Does Not Significantly Harm”)									
Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T

	N		N						
	N		N						

--	--	--	--	--	--	--	--	--	--

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2023

Financial year 2023	2023			Substantial contribution criteria					
Economic Activities (1)	Code (2)	OpEx (3)	Proportion of OpEx, year 2023 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)
		€	%	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL	Y;N; N/EL

A. TAXONOMY-ELIGIBLE ACTIVITIES

A.1 Environmentally sustainable activities (Taxonomy-aligned)

"OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)"		-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Of which enabling		-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Of which transitional		-	0.00%	0.00%					

A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)

				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL
OpEx of Taxonomyeligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
A. OpEx of Taxonomy-eligible activities (A.1+A.2)		-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

B. TAXONOMY-NON-ELIGIBLE ACTIVITIES

OpEx of Taxonomynon-eligible activities		1,013,711,000	100%
Total		1,013,711,000	100%

Propotion of OpEx / Total OpEx		
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.00%	0.00%
CCA	0.00%	0.00%
WTR	0.00%	0.00%
CE	0.00%	0.00%
PPC	0.00%	0.00%
BIO	0.00%	0.00%

DNSH criteria ("Does Not Significantly Harm")									
Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T

N	N	N	N	N	N				
N	N	N	N	N	N				
N	N	N	N	N	N				

--	--	--	--	--	--	--	--	--	--

7.3. GRI Content Index

DECLARATION OF USE		Lottomatica Group S.p.A. has prepared this Non-Financial Statement in accordance with GRI Standards for the period between January 1, 2023 and December 31, 2023
GRI 1 USED		GRI 1: Fundamental Principles 2021
	INFORMATIVE REPORT	SECTION / NOTES
GRI 2 General Information 2021	INFORMATIVA GENERALE	
	2-1 Organisational Details	2.2 Group Structure Last cover page
	2-2 Entities included in the organisation's sustainability reporting	Methodological note
	2-3 Reporting Period, Frequency and Point of Contact	Methodological note
	2-4 Review of Information	Methodological note
	2-5 External Assurance	Methodological note
		Auditors' report
	2-6 Activities, Value Chain and Other Business Relationships	2.5 The value of our business
		6.3 Responsible supply chain management
	2-7 Employees	5.1 Lottomatica's people
	2-8 Non-employees	5.1 Lottomatica's people
	2-9 Governance Structure and Composition	2.3 Corporate Governance
	2-10 Appointment and selection of the highest governing body	2.3 Corporate Governance
	2-11 President of the highest governing body	2.3 Corporate Governance
	2-12 Role of the highest governing body in impact management control	2.4 Sustainability Governance 3.1 Lottomatica Group's sustainability strategy
	2-13 Delegation of Responsibility for Impact Management	2.4 Sustainability Governance
	2-14 Role of the Highest Governance Body in Sustainability Reporting	2.4 Sustainability Governance
	2-15 Conflicts of Interest	4.4 Ethics and compliance
	2-16 Communication of Critical Issues	4.4 Ethics and compliance
	2-17 Collective knowledge of the highest governing body	2.4 Sustainability Governance
	2-18 Performance evaluation of the highest governing body	2.4 Sustainability Governance

GRI 2 General Information 2021	2-19 Remuneration Rules	2.3 Corporate Governance
		5.4 People Development and Skills Enhancement
	2-20 Pay Determination Procedure	Report on Corporate Governance and Ownership Structure
		2.3 Corporate Governance
	2-21 Pay Determination Report	Report on Corporate Governance and Ownership Structure
		<i>Requirements omitted: 2-21a, 2-21b, 2-21c.</i> <i>Partial or no information available.</i> <i>In view of the updated GRI Universal Reporting Standard 2021, it is noted that it is not possible to collect historical data on intra-year changes in remuneration. Therefore, it is not planned to report the requirements of Indicator 2-21.</i>
	2-22 Sustainable Development Strategy Statement	Letter to Shareholders
	2-23 Policy Commitment	4.4 Ethics and compliance
		5.2 Respect for human and labour rights
	2-24 Integration of policy commitments	6.3 Responsible supply chain management
		3.1 Lottomatica Group's sustainability strategy
		4.2 Lottomatica's commitment to responsible gaming
		4.4 Ethics and compliance
	2-25 Processes to Remedy Negative Impacts	6.3 Responsible supply chain management
		4.2 Lottomatica's commitment to responsible gaming
	2-26 Mechanisms for requesting clarification and raising concerns	4.3 Innovation and respect for the consumer
		4.4 Ethics and compliance
	2-27 Compliance with Laws and Regulations	4.4 Ethics and compliance
	2-28 Membership of associations	4.4 Ethics and compliance
	2-29 Approach to stakeholder engagement	6.1 The Community in which we operate
	2-30 Collective Agreements	3.1 Lottomatica Group's sustainability strategy
		5.2 Respect for human and labour rights

MATERIAL THEMES		
GRI 3 Material Themes 2021	3-1 Process for Determining Material Subjects	3.1 Lottomatica Group's sustainability strategy
	3-2 List of material topics	3.1 Lottomatica Group's sustainability strategy

BUSINESS ETHICS AND INTEGRITY		
GRI 3 Material Themes 2021	3-3 Managing Material Themes	4.4 Ethics and compliance
GRI 205 Anticorruption 2016	205-1 Operations assessed to determine corruption risks	4.4 Ethics and compliance
	205-2 Communication and training on anti-corruption regulations and procedures	4.4 Ethics and compliance
	205-3 Confirmed incidents of corruption and measures taken	4.4 Ethics and compliance

PROMOTION OF LEGAL AND RESPONSIBLE GAMING		
GRI 3 Material Themes 2021	3-3 Managing Material Themes	4.2 Lottomatica's commitment to responsible gaming
GRI 416 Customer Health and Safety 2016	416-1 Assessment of health and safety impacts of product and service categories	4.2 Lottomatica's commitment to responsible gaming
	416-2 Incidents of non-compliance with health and safety impacts of products and services	4.2 Lottomatica's commitment to responsible gaming

QUALITY OF SERVICE		
GRI 3 Material Themes 2021	3-3 Managing Material Themes	4.2 Lottomatica's commitment to responsible gaming
GRI 417 Marketing and labelling 2016	417-1 Labelling and product and service information requirements	4.2 Lottomatica's commitment to responsible gaming
	417-2 Incidents of non-compliance concerning labelling and product and service information	4.2 Lottomatica's commitment to responsible gaming
	417-3 Incidents of non-compliance concerning marketing communications	4.2 Lottomatica's commitment to responsible gaming

DATA SECURITY AND PRIVACY PROTECTION		
GRI 3 Material Themes 2021	3-3 Managing Material Themes	4.3 Innovation and respect for the consumer
GRI 418 Customer privacy 2016	418-1 Well-founded complaints about violations of customers' privacy and loss of their data	4.3 Innovation and respect for the consumer

CONTRIBUTION AND FISCAL TRANSPARENCY		
GRI 3 Material Themes 2021	3-3 Managing Material Themes	2.7 Economic Value Creation and Tax Contribution
GRI 207 Taxes 2019	207-1 Approach to Taxes	2.7 Economic Value Creation and Tax Contribution



CONTRIBUTION AND FISCAL TRANSPARENCY		
GRI 207 Tasse 2019	207-2 Fiscal Governance, Control and Risk Management	2.7 Economic Value Creation and Tax Contribution
	207-3 Stakeholder Engagement and Management of Tax-Related Concerns	2.7 Economic Value Creation and Tax Contribution
	207-4 Country-by-Country Reporting	2.7 Economic Value Creation and Tax Contribution

PROMOTING INNOVATION AND DIGITAL DEVELOPMENT		
GRI 3 Material Themes 2021	3-3 Managing Material Themes	4.3 Innovation and respect for the consumer

PEOPLE DEVELOPMENT AND SKILLS ENHANCEMENT		
GRI 3 Material Themes 2021	3-3 Managing Material Themes	5.1 Lottomatica's people
		5.3 Safety and welfare of people
		5.4 People Development and Skills Enhancement
GRI 401 Employment 2016	401-1 New recruitments and turnover	5.1 Lottomatica's people
	401-2 Benefits for full-time employees that are not available to fixed-term or part-time employees	5.4 People Development and Skills Enhancement
	401-3 Parental Leave	5.3 Safety and welfare of people
GRI 404 Training and Education 2016	404-1 Average hours of training per employee per year	5.4 People Development and Skills Enhancement
	404-2 Employee skills upgrading and transition assistance programmes	5.4 People Development and Skills Enhancement
	404-3 Percentage of employees receiving regular appraisals of their performance and professional development	5.4 People Development and Skills Enhancement

HEALTH AND SAFETY AT WORK		
GRI 3 Material Themes 2021	3-3 Managing Material Themes	5.3 Safety and welfare of people
	403-1 Occupational health and safety management system	5.3 Safety and welfare of people
	403-2 Hazard identification, risk assessment and accident investigation	5.3 Safety and welfare of people
	403-3 Occupational health services	5.3 Safety and welfare of people
	403-4 Worker participation and consultation on occupational health and safety programmes and related communication	5.3 Safety and welfare of people
	403-5 Worker health and safety training	5.3 Safety and welfare of people
	403-6 Workers' Health Promotion	5.3 Safety and welfare of people
	403-7 Prevention and mitigation of occupational health and safety impacts directly related to business relations	5.3 Safety and welfare of people
	403-8 Workers covered by an occupational health and safety management system	5.3 Safety and welfare of people
	403-9 Accidents at work	5.3 Safety and welfare of people
GRI 403 Health and Safety at Work 2018	403-10 Occupational Diseases	5.3 Safety and welfare of people



DIVERSITY, INCLUSION AND EQUAL OPPORTUNITIES		
GRI 3 Material Themes 2021	3-3 Managing Material Themes	5.5 Diversity, inclusion and equal opportunities
GRI 405 Diversity and Equal Opportunities 2016	405-1 Diversity in governance bodies and among employees	2.3 Corporate Governance
	405-2 Ratio of basic wages to women's pay in relation to men	5.1 Lottomatica's people <i>Partial or no information available. The new methodology for calculating the ratio of women's basic salary to men's salary used is not aligned with requirement a. of GRI indicator 405-2.</i>
GRI 406 Non-discrimination 2016	406-1 Incidents of discrimination and corrective measures taken	5.5 Diversity, inclusion and equal opportunities

ENERGY CONSUMPTION AND EMISSION REDUCTION		
GRI 3 Material Themes 2021	3-3 Managing Material Themes	6.2 Lottomatica for the Environment
GRI 302 Energy 2016	302-1 Energy consumption within the organisation	6.2 Lottomatica for the Environment
	302-2 Energy consumption outside the organisation	6.2 Lottomatica for the Environment
	302-3 Energy intensity	6.2 Lottomatica for the Environment
	302-4 Reducing energy consumption	6.2 Lottomatica for the Environment
	302-5 Reducing the energy requirements of products and services	6.2 Lottomatica for the Environment
GRI 305 Emissions 2016	305-1 Direct greenhouse gas (GHG) emissions (Scope 1)	6.2 Lottomatica for the Environment
	305-2 Indirect greenhouse gas (GHG) emissions from energy consumption (Scope 2)	6.2 Lottomatica for the Environment
	305-3 Other indirect greenhouse gas (GHG) emissions (Scope 3)	6.2 Lottomatica for the Environment

ENERGY CONSUMPTION AND EMISSION REDUCTION		
GRI 305 Emissions 2016	305-4 Intensity of greenhouse gas (GHG) emissions	6.2 Lottomatica for the Environment
	305-5 Reduction of greenhouse gas (GHG) emissions	6.2 Lottomatica for the Environment

COMMUNITY SUPPORT		
GRI 3 Material Themes 2021	3-3 Managing Material Themes	6.1 The community in which we operate

VALUE CREATION AND DISTRIBUTION		
GRI 3 Material Themes 2021	3-3 Managing Material Themes	2.6 The Value Creation Model
GRI 201 Economic performance 2016	201-1 Direct economic value generated and distributed	2.7 Economic Value Creation and Tax Contribution

RESPONSIBLE SUPPLY CHAIN AND NETWORK MANAGEMENT		
GRI 3 Material Themes 2021	3-3 Management of Material Themes	6.3 Responsible supply chain management
GRI 204 Procurement practice 2016	204-1 Proportion of Expenditure on Local Suppliers	6.3 Responsible supply chain management
GRI 308 Supplier Environmental Assessment 2016	308-1 New suppliers selected using environmental criteria	6.3 Responsible supply chain management
	308-2 Negative environmental impacts in the supply chain and measures taken	6.3 Responsible supply chain management
GRI 414 Social evaluation of suppliers 2016	414-1 New suppliers selected using social criteria	6.3 Responsible supply chain management

VIRTUOUS WASTE AND CONSUMPTION MANAGEMENT		
GRI 3 Material Themes 2021	3-3 Managing Material Themes	6.2 Lottomatica for the Environment
GRI 301 Materials 2016	301-1 Materials used by weight or volume	6.2 Lottomatica for the Environment
	301-2 Recycled input materials used	6.2 Lottomatica for the Environment
GRI 303 Water and effluents 2018	303-1 Interaction with water as a shared resource	6.2 Lottomatica for the Environment
	303-2 Management of Water Discharge Impacts	6.2 Lottomatica for the Environment
	303-3 Water withdrawal	6.2 Lottomatica for the Environment
	303-4 Water discharge	Since Lottomatica Group monitors GRI 303-3 and 303-5, it can be assumed that the water discharge is equal to 0.
	303-5 Water consumption	6.2 Lottomatica for the Environment
GRI 306 Waste 2020	306-1 Waste generation and significant waste-related impacts	6.2 Lottomatica for the Environment
	306-2 Management of significant waste-related impacts	6.2 Lottomatica for the Environment
	306-3 Waste generated	6.2 Lottomatica for the Environment
	306-4 Waste not landfilled	6.2 Lottomatica for the Environment
	306-5 Waste sent to landfill	6.2 Lottomatica for the Environment

Report
of the Auditing Firm



**INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED
NON-FINANCIAL DISCLOSURE IN ACCORDANCE WITH ARTICLE 3,
PARAGRAPH 10, OF LEGISLATIVE DECREE 254/2016 AND ARTICLE 5
OF CONSOB REGULATION 20267 OF JANUARY 2018**

LOTTOMATICA GROUP SPA

**CONSOLIDATED NON-FINANCIAL DISCLOSURE FOR
THE YEAR ENDED DECEMBER 31, 2023**

INDEPENDENT AUDITOR'S REPORT ON THE CONSOLIDATED NON-FINANCIAL DISCLOSURE IN ACCORDANCE WITH ARTICLE 3, PARAGRAPH 10, OF LEGISLATIVE DECREE 254/2016 AND ARTICLE 5 OF CONSOB REGULATION 20267 OF JANUARY 2018

To the Board of Directors of Lottomatica Group SpA

In accordance with article 3, paragraph 10, of Legislative Decree 254/2016 (the Decree) and article 5 of CONSOB Regulation 20267/2018, we have performed a limited assurance engagement on the consolidated non-financial disclosure of Lottomatica Group SpA and its subsidiaries (hereafter, "Group") for the year ended December 31, 2023 prepared in accordance with article 4 of the Decree, shown in the specific section of the Directors' Report and approved by the Board of Directors on February 28, 2024 (hereafter "NFD")

Our review does not extend to the information set out in paragraph "EU Taxonomy" of the NFD, required by article 8 of European Regulation 2020/852.

Responsibilities of Management and Those Charged with Governance for the NFD

Management is responsible for the preparation of the NFD in accordance with articles 3 and 4 of the Decree, with the "Global Reporting Initiative Sustainability Reporting Standards" defined in 2021 by the GRI - Global Reporting Initiative (GRI Standards), shown in paragraph "Methodological Note" of the NFD, identified by them as the reporting standards.

Management is also responsible, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of a NFD that is free from material misstatement, whether due to fraud or error.

Moreover, management is responsible for identifying the content of the NFD, within the matters mentioned in article 3, paragraph 1, of the Decree, considering the activities and characteristics of the group and to the extent necessary for an understanding of the Group's activities, development, performance and related impacts.

Finally, management is responsible for defining the business and organizational model of the Group and, with reference to the matters identified and reported in the NFD, for the policies adopted by the group and for the identification and management of risks generated and/or faced by the Group.

PricewaterhouseCoopers SpA

Sede legale: Milano 20145 Piazza Tre Torri 2 Tel. 02 77851 Fax 02 7785240 Capitale Sociale Euro 6.890.000,00 i.v. C.F. e P.IVA e Reg. Imprese Milano Monza Brianza Lodi 12979880155 Iscritta al n° 119644 del Registro dei Revisori Legali - Altri Uffici: Ancona 60131 Via Sandro Totti 1 Tel. 071 2132311 - Bari 70122 Via Abate Gimma 72 Tel. 080 5640211 - Bergamo 24121 Largo Belotti 5 Tel. 035 229691 - Bologna 40124 Via Luigi Carlo Farini 12 Tel. 051 6186211 - Brescia 25121 Viale Duca d'Aosta 28 Tel. 030 3697501 - Catania 95129 Corso Italia 302 Tel. 095 7532311 - Firenze 50121 Viale Gramsci 15 Tel. 055 2482811 - Genova 16121 Piazza Piccapietra 9 Tel. 010 29041 - Napoli 80121 Via dei Mille 16 Tel. 081 36181 - Padova 35138 Via Vicenza 4 Tel. 049 873481 - Palermo 90141 Via Marchese Ugo 60 Tel. 091 349737 - Parma 43121 Viale Tanara 20/A Tel. 0521 275911 - Pescara 65127 Piazza Ettore Troilo 8 Tel. 085 4545711 - Roma 00154 Largo Fochetti 29 Tel. 06 570251 - Torino 10122 Corso Palestro 10 Tel. 011 556771 - Trento 38122 Viale della Costituzione 33 Tel. 0461 237004 - Treviso 31100 Viale Felissent 90 Tel. 0422 696911 - Trieste 34125 Via Cesare Battisti 18 Tel. 040 3480781 - Udine 33100 Via Poscolle 43 Tel. 0432 25789 - Varese 21100 Via Albuzzi 43 Tel. 0332 285039 - Verona 37135 Via Francia 21/C Tel. 045 8263001 - Vicenza 36100 Piazza Pontelandolfo 9 Tel. 0444 393311

Those charged with governance are responsible for overseeing, in the terms prescribed by law, the compliance with the Decree.

Auditor's independence and quality control

We are independent in accordance with the principles of ethics and independence set out in the Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) issued by the International Ethics Standards Board for Accountants, which are based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior. In the reporting period of this engagement, we applied the International Standard on Quality Control 1 (ISQC Italy 1) and, accordingly, maintained an overall quality control system which includes documented guidelines and procedures on compliance with ethical and professional principles and with applicable laws and regulations.

Auditor's responsibilities

We are responsible for expressing a conclusion, on the basis of the work performed, regarding the compliance of the NFD with the Decree, with the GRI Standards. We conducted our work in accordance with *International Standard on Assurance Engagements ISAE 3000 (Revised)* - *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* ("ISAE 3000 Revised"), issued by the International Auditing and Assurance Standards Board (IAASB), for limited assurance engagements. The standard requires that we plan and perform procedures to obtain limited assurance that the NFD is free from material misstatement. The procedures performed in a limited assurance engagement are less in scope than those performed in a *reasonable assurance engagement* in accordance with ISAE 3000 Revised and, therefore, do not provide us with a sufficient level of assurance that we have become aware of all significant facts and circumstances that might be identified in a reasonable assurance engagement.

The procedures performed on the NFD were based on our professional judgement and consisted of interviews, primarily of company personnel responsible for the preparation of the information presented in the NFD, analyses of documents, recalculations and other procedures designed to obtain evidence considered useful.

In detail, we performed the following procedures:

1. analysis of the relevant matters reported in the NFD in relation to the activities and characteristics of the Group, to assess the reasonableness of the selection process used, in accordance with article 3 of the Decree and with the reporting standard adopted;
2. analysis and assessment of the criteria used to identify the consolidation area, to assess their compliance with the Decree;

3. comparison of the financial information reported in the NFD with the information reported in the consolidated financial statements of Lottomatica Group SpA;
4. understanding of the following matters:
 - a. business and organizational model of the Group with reference to the management of the matters specified in article 3 of the Decree;
 - b. policies adopted by the Group with reference to the matters specified in article 3 of the Decree, actual results and related key performance indicators;
 - c. key risks generated and/or faced with reference to the matters specified in article 3 of the Decree.

With reference to those matters, we compared the information obtained with the information presented in the NFD and carried out the procedures described under item 5 a) below.

5. understanding of the processes underlying the preparation, collection and management of the significant qualitative and quantitative information included in the NFD.

In detail, we held meetings and interviews with the management of Lottomatica Group SpA and we performed limited analyses of documentary evidence, to gather information about the processes and procedures for the collection, consolidation, processing and submission of the non-financial information to the function responsible for the preparation of the NFD;

Moreover, for material information, considering the activities and characteristics of the Group:

- at a Group level,
 - a) with reference to the qualitative information included in the NFD, and in particular to the business model, the policies adopted and the main risks, we carried out interviews and acquired supporting documentation to verify its consistency with available evidence;
 - b) with reference to quantitative information, we performed analytical procedures as well as limited tests, in order to assess, on a sample basis, the accuracy of consolidation of the information;
- for the entities, Big Easy Srl, Gamenet SpA e Ricreativo B SpA, which were selected on the basis of their activities and their contribution to the key performance indicators at a consolidated level, we gathered supporting documentation regarding the correct application of the procedures and calculation methods used for some key performance indicators.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the NFD of Lottomatica Group SpA for the year ended December 31, 2023 is not prepared, in all significant respects, in accordance with articles 3 and 4 of the Decree and with the GRI Standards.

Our conclusion on the NFD of Lottomatica Group SpA does not extend to the information set out in paragraph "EU Taxonomy" of the NFD, required by article 8 of European Regulation 2020/852.

Other Aspects

With reference to the financial year ended December 31, 2022, the Group prepared a Sustainability Report in accordance with GRI Standards, the data of which are used for comparative purposes within the NFD. This sustainability report was subjected on a voluntary basis to a limited assurance in accordance with ISAE 3000 by PricewaterhouseCoopers Business Services Srl, which expressed unqualified conclusions.

Rome, March 15, 2024

PricewaterhouseCoopers SpA

Signed by

Pierpaolo Mosca
(Partner)

Paolo Bersani
(Authorized signatory)

This report has been translated into English from the Italian original solely for the convenience of international readers.



LOTTOMatica

LOTTOMATICA GROUP S.p.A.

Via degli Aldobrandeschi 300
00163 ROMA (RM)

Share Capital Euro 10,000,000.00
(fully paid up)

Tax Code 11008400969
Rome Business Register No.-RM1694552

www.lottomaticagroup.com