

GRUPPO
Gamenet



2019 SUSTAINABILITY REPORT

SUMMARY

LETTER FROM THE CEO	5
1. GROUP PROFILE	9
Group's highlights	
1.1 About us	
1.2 Shareholding structure	
1.3 Mission, Values, Vision	
1.4 Integration of ESG policies	
1.5 Group's structure	
1.6 Corporate governance	
1.7 Compliance and internal control system	
2. THE SCENARIO IN WHICH THE GROUP OPERATES	22
2.1 Gaming sector revenues and tax receipts	
3. BUSINESS ACTIVITIES	24
3.1 Betting and online gaming	
3.2 Retail and Street Operations	
3.3 Gaming machines	
4. SUSTAINABILITY FOR GAMENET GROUP	28
4.1 Stakeholders	
4.2 Material aspects for Gamenet Group	
5. ECONOMIC IMPACT	35
5.1 Economic performance	
5.2 Generating and distributing value	
5.3 Tax contribution	
6. SOCIAL IMPACT	40
6.1 Responsible gaming	
6.2 Training and awareness in points of sale	
6.3 Security and protection of players	

7. HUMAN CAPITAL **47**

- 7.1 Composition of employees
- 7.2 Personnel training
- 7.3 Occupational health and safety
- 7.4 Equal opportunities
- 7.5 People care and company welfare
- 7.6 Internal communication and employee engagement
- 7.7 Prizes and awards

8. SERVICE QUALITY **57**

- 8.1 Customer centricity
- 8.2 Sales network
- 8.3 Quality system and certifications
- 8.4 Suppliers

9. THE COMMUNITY **61**

- 9.1 Social responsibility projects
- 9.2 Collaboration with institutions and trade associations

10. ENVIRONMENTAL IMPACT **64**

- 10.1 Energy consumption
- 10.2 Emissions
- 10.3 Water consumption
- 10.4 Waste
- 10.5 Efficiency improvement

11. METHODOLOGY NOTE **68**

12. GRI CONTENT INDEX **69**



LETTER FROM THE CEO

It is with great satisfaction that we are publishing Gamenet Group's 2019 Sustainability Report, an instrument that has enabled us, for four years now, to share our company's path of growing commitment and transparency in social, environmental and financial matters with all our stakeholders. As in previous years, the 2019 edition, too, has been prepared by applying the "GRI Sustainability Reporting Standards", which are reference rules for sustainability reporting, adopted at a global level with the aim of providing reliable, complete, balanced, accurate, comprehensible and comparable information.

In 2019 we steadily strengthened the link between the attainment of excellent financial performances and the adoption of an approach that includes particular ESG (Environmental, Social and Governance) objectives by carrying out projects with a positive social and environmental impact, by further improving governance and by strengthening the safeguards already put in place in previous years.

The positive results achieved this year were made possible by a combination of factors: the commitment of our human resources, the efficacy of the strategies that we adopted, our Group's promptness in responding to the transformations in the market and the maturity of our awareness of the impacts of our business in our sector, one that is strictly regulated and exposed to potential risks.

Indeed, we work in total consciousness of our role and of our responsibilities, cooperating constructively with the regulatory and supervisory authorities and supporting the State in the pursuit of important objectives such as fighting illegal gambling, preventing compulsive gambling and gambling by minors and protecting the consumer. In addition, we commit ourselves to seeing that the increases in our profits and financial position go hand in hand with



a business model that respects the needs and aspirations of the community and our stakeholders, enriched by an increasingly comprehensive social responsibility programme, which this document sets itself to present.

This is the background for our unwavering commitment to the encouragement of responsible gambling, a task that we carry out, for example, by means of targeted training and certification programmes for our gaming hall staff, conducted in collaboration with the major academic, social and health institutions in our country. The enhancement of our IT structure also goes in the direction of an increasingly secure and reliable gaming offer: improvements in 2019 took the form of the implementation of technological solutions, processes and procedures that instituted an active monitoring and incident response system to prevent and repel attacks and threats against our cyber security system.

This year, too, close attention is paid to the care of our employees: for example, on one hand by boosting measures for worker health and safety prevention and protection and on the other hand by putting people care and company welfare plans in place, among which it is worth noting the creation of an ample and major supplementary health insurance open to all our employees and the members of their families.

Our corporate history tells us that Human Capital is a fundamentally important resource for winning the challenge of change, and one of the pivotal elements of our strategy is certainly to fashion a stimulating and inclusive working environment that values every person in it and in which all can feel fully motivated to make a positive contribution to our mission by pooling their skills and professionalism.

Indeed, it is thanks to the professionalism and reliability of our human resources as well as to the solidity of our IT infrastructure that we managed to respond promptly to the lockdown imposed after the outbreak of COVID-19 in the early months of 2020: from the time the first signs of an emergency appeared, the Group took steps to take all the action necessary to safeguard the health of its employees and customers by adopting extensive smart working methods while ensuring that its operations continued to the extent allowed by law, scrupulously observing the measures decided upon by the Government and even supplementing them with additional measures, including taking out special insurance cover for all our personnel, specifically designed with the health emergency in mind.

More than at any time in the past, we felt motivated to multiply our efforts and our commitment, being aware that we are on the right path to start a new phase of lasting and sustainable growth for our Group, for the benefit of all our stakeholders.

Guglielmo Angelozzi

Chief Executive Officer

A handwritten signature in black ink, appearing to read 'G. Angelozzi', written in a cursive style.



1. GROUP PROFILE

“Gamenet aims to be the partner of choice for the best operators in the gaming sector in Italy, supporting their growth by making the best use of all the company’s assets. Gamenet is committed to ensuring its customers an experience that is fun, engaging and sustainable, in high-quality, safe locations that provide players with care, passion, professionalism and transparency.”

Source: Gamenet Group Mission

Group’s highlights¹

BUSINESS NETWORK

	2019
Number of betting rights	1,732
Number of Video lotteries (VLT) rights	8,570
AWP operating permits (NOE ²)	29,911 (and 11,045 owned AWP)
Points of sale	8,439 (of which 66 directly operated)

MAIN FINANCIAL INFORMATION (AS OF 31 DECEMBER 2019)

	2019	+/-	2018 ³
Total bets collected	€ 9.5 billion	+21.8%	€ 7.8 billion
Revenues	€ 738.1 million	-5.14%	€ 646.1 million
EBITDA	€ 164.6 million	+57.2%	€ 104.7 million

IMPACT ON THE COMMUNITY

	2019	+/-	2018
Number of employees	720	-4.5%	754
Employees’ salaries and wages	€ 41.9 million	+15.1%	€ 36.4 million
Total tax contribution	€ 933 million	+21%	€ 771 million
Operating costs (value distributed along the supply chain)	€ 556 million	+6%	€ 520 million

¹ Unless otherwise specified, all income statement figures and business data reported herein in relation to 2018 include GoldBet within the scope of consolidation for the three-month period from 1 October to 31 December 2018.

² Operating permits (NOE – Nulla Osta d’Esercizio) pursuant to Article 38, paragraph 5, of Italian Law 388/2000.

³ The data of the Consolidated Statement of Financial Position at 31 December 2018 have been restated following the purchase price allocation (PPA) assessment process regarding the former Goldbet (for more details, see note 7.4 of the Notes to the 2019 Consolidated Financial Statements).

1.1 About us

Gamenet Group S.p.A. is one of the largest gaming companies operating in Italy's public gaming sector, and is authorised by the Customs and Monopolies Authority (ADM). The Group is a market leader in the betting and online gaming segment, with a significant presence in entertainment machines (AWPs and VLTs) and retail segments, with more than Euro 9.5 billion in bets collected at 31 December 2019 and 720 employees.

The Group was created on 1 July 2016, when Gamenet S.p.A. (Italian licensee active since 2004) acquired Intralot Holding and Services S.p.A., the Italian branch of the Intralot Group, and one of the largest global service providers in the gaming industry.

On 6 December 2017, the Group was listed on the STAR segment of the Electronic Stock Market of the Italian Stock Exchange, for markets dedicated to medium sized companies that are committed to meeting standards of excellence in terms of transparency, corporate governance and liquidity.

The Group's growth profile underwent a further acceleration in October 2018, when it successfully acquired GoldBet S.r.l. (now GoldBet S.p.A.) - a key operator authorised for collecting games and bets in Italy.

On 1 May 2019, GoldBet and Intralot Italia were merged into a single company that retained the name of GoldBet S.p.A.: the transaction was part of a wider process of reorganising and streamlining Gamenet Group's corporate structure which thus strengthened its leading position in the sports betting segment through the two brands Intralot and GoldBet.

On 16 December 2019, Gamma Bidco S.p.A., a company established on behalf of the investment funds managed by affiliates of Apollo Management IX L.P., became the majority shareholder of the Group through the acquisition of 48.67% of the share capital. On 27 January 2020, Gamma Bidco launched a mandatory takeover bid involving all outstanding shares. The bid closed on 14 February 2020, while on 26 February the process was completed with the delisting of Gamenet Group S.p.A. from the Electronic Stock Market of the Italian Stock Exchange.

1.2 1.2 Shareholding structure

The Share Capital of Gamenet Group S.p.A. amounts to Euro 32,300,625.00 and is divided into 30,368,100 ordinary shares without par value⁴.

The sole shareholder of the Group is Gamma Bidco S.p.A., a company established on behalf of the investment funds managed by affiliates of Apollo Management IX L.P.. The latter is controlled by Apollo Global Management Inc., a leading company in the management of alternative investments worldwide, listed on the New York Stock Exchange. Apollo managed approximately \$331 billion of affiliated private equity, credit and real estate funds as at 31 December 2019.

⁴ The share capital amounted to Euro 30,000,000.00 at 31 December 2019, divided into 30,000,000 ordinary shares without par value.

1.3 Mission, values, vision

In line with its forward-looking approach to strategic management, the Group's mission and values serve to communicate its strategy and reinforce its corporate culture, as well as creating a sense of belonging and supporting the alignment of personal and corporate objectives.

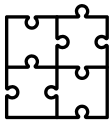
1.3.1 Mission

Gamenet Group is among the leading players in the gaming sector in Italy, where it operates as both a concessionaire and a retailer. The company aims to be the partner of choice for the best operators in the industry, supporting their growth through the use of all company assets.

In terms of retail, Gamenet Group wants to ensure its customers have an experience that is fun, engaging and sustainable, in high-quality, safe locations that provide players with care, passion, professionalism and transparency.

Gamenet Group wishes to ensure the provision of excellent service and to this end the company focuses on taking care of its people, striving to be a place where staff are proud to work and on the ability to attract and retain top professionals.

1.3.2 Values



COLLABORATION

Gamenet Group believes that teamwork, sharing and clear communication are vital to strengthen mutual trust, participation and the achievement of common objectives, further developing a sense of belonging. The Group considers it essential to enhance the different skills and competences of each individual as well as the work of the group as a whole.



HONESTY

Gamenet Group practices the utmost integrity and transparency in our interactions with colleagues and partners, and remain fully compliant with the relevant regulations. The Group believes that clarity and simplicity of communication, intellectual honesty and fairness in managing relationships are key issues for creating relationships with our stakeholders that are based on mutual trust.



RESPONSIBILITY

Gamenet Group believes that each employee should accept responsibility in carrying out their role and be aware of the impact and consequences that their actions have in achieving results. The Group works constantly towards finding a sustainable balance among its own business objectives, the requirements of the State and social needs, while ensuring the protection of vulnerable people and those most at risk.



RESPECT

Gamenet Group aims to operate with the utmost respect for the dignity of all, and with great care and attention to the needs of others. The needs of its partners and customers, the work of each colleague - regardless of the position held - and the time of each person are all fundamental to the Group, which considers humility and politeness to be the basis of any relationship.



EXCELLENCE

Gamenet Group wants to strive for excellence, to offer products and services that stand out for their high-quality standards. The Group believes it is vital to implement career paths for people able to stimulate and drive change in a constantly evolving market, who can see the signs at all levels, in order to anticipate scenarios and to understand everyday situations.

1.3.3 Vision

“ To be the benchmark concessionaire for the leading operators in the market and the best retail operator in Italy in the gaming industry”.

1.4 Integration of ESG policies

With a view to responsible growth, our Company is aware of the need to link the attainment of excellent financial performances to an approach that fully integrates specific ESG factor objectives, in order to assist our company to become a more responsible business entity and achieve more sustainable corporate growth by carrying out projects with a positive social and environmental impact, by further improving governance and by strengthening the safeguards already put in place in previous years.

In fact, the Group operates in a closely regulated sector whose main mission is to run gambling for the public and related tax revenues for the Government and the community while ensuring its total legality and security, protecting consumers and stopping all forms of compulsive gambling and gambling by minors. Therefore, in total consciousness of our role and of our responsibilities, we work constructively with the regulatory and supervisory authorities and undertake to do more than is in the line of our duty, so that the increases in our profits and financial position go hand in hand with a business model that respects the needs and aspirations of the community and our stakeholders, enriched by an increasingly comprehensive social responsibility programme.

The following chapters provide more information on the projects and initiatives carried out during the year or planned for 2020.

1.5 Group's structure

As of 31 December 2019, Gamenet Group included⁵:

- Gamenet S.p.A., for AWP's and VLT's management;
- GoldBet S.p.A., for betting and online games;
- Gamenet Entertainment S.r.l., Easy Play S.r.l., La Chance S.r.l., for the direct management of medium-sized gaming halls;
- Billions Italia S.r.l., a company specializing in the development and management of large entertainment halls with a high level of service;
- Gnetwork S.r.l., New Matic S.r.l., Jolly Videogiochi S.r.l. and RosilSPORT S.r.l., companies that deal with the management of gaming machines and gaming halls;
- Agesoft S.r.l., specializing in software development and ICT solutions.



Also with a view to the enhancement of its commitment to social responsibility and heedfulness of ESG policies, the Group also holds a quota in Think About S.r.l., a start-up specialising in ethical trade that has developed an e-commerce platform, NO.W (No Waste), to offer foodstuffs at competitive prices that would otherwise be intended for disposal (because redundant, defective in appearance or badly packaged), thus creating a virtuous circle among producers, distributors and end users⁶.

⁵ The 2019 Consolidated Financial Statements also include Topplay S.r.l. in liquidation, which has not been included in the scope of reporting of the Sustainability Report.

⁶ For more information, see the chapter on the "Environmental Impact" below.

1.6 Governance

The primary objective of Gamenet Group's corporate governance model is to create shareholder value and protect stakeholders' interests, while recognising the importance of transparency regarding choices and corporate decision-making as well as the need to establish an effective internal control and risk management system.

The Company's corporate governance is based on the traditional model and is therefore structured as follows.

1.6.1 Shareholders' meeting

The shareholders' meeting, whether convened as an ordinary or extraordinary meeting, makes decisions on matters within its competence, as so reserved by law or the Articles of Association.

1.6.2 Board of directors

Gamenet Group S.p.A is governed by a Board of Directors with the broadest powers permitted by law, excluding those legally reserved for the Shareholders' Meeting, to manage the Company and undertake all actions deemed necessary or advisable in pursuing the Company's objectives.

The Board of Directors is composed by 7 members who satisfy the requirements stipulated by the provisions of law and who remain in office for a maximum of 3 financial years. The Board of Directors is chaired by the Chair of the Board. Gamenet Group's Board of Directors, holding office from 6 March 2020, is currently composed as follows: Andrea Moneta (Chairman), Guglielmo Angelozzi (CEO), John Paul Maurice Bowtell, Eric Lurie Press, Michele Rabà, Michael Ian Saffer, David Benjamin Sambur.

As at 31 December 2019, Gamenet Group's Board of Directors was composed as follows: Vittorio Pignatti Morano Campori (Chairman), Guglielmo Angelozzi (CEO), John Paul Maurice Bowtell, Laura Ciambellotti, Giacinto d'Onofrio, Andrea Moneta, Michele Rabà, Claudia Ricchetti, Michael Saffer.

COMPOSITION OF THE BOARD OF DIRECTORS OF GAMENET GROUP S.P.A.⁷

2019	Total		Men	Women
<= 29 years	1	11%	1	0
30 -50 years	4	44%	3	1
Over 50	4	44%	3	1
Total	9	100%	7	2

⁷ The data shown in the table above refers to the composition of the Board of Directors as at 31 December 2019.

COMPOSITION OF GOVERNANCE BODIES OF GAMENET GROUP BY GENDER AND AGE GROUP⁸

		Men	Women	Total	Men	Women	Total
Total headcount by gender	Unit	94	39	133	97	46	143
Boards of Directors	No.	62	7	69	68	10	78
Boards of Statutory Auditors	No.	21	19	40	21	23	44
Supervisory Boards	No.	11	13	24	8	13	21
Total headcount by age bracket	Unit	94	39	133	97	46	143
<= 29 years	No.	5	0	5	5	0	5
30 -50 years	No.	44	38	82	55	43	98
Over 50	No.	45	1	46	37	3	40

The policy on diversity adopted by the Board of Directors and Board of Statutory Auditors describes the optimal features of the composition of the boards in order to ensure that they can carry on their duties in the most effective way, taking decisions with the concrete contribution of people having different qualified opinions and able to examine the matters under analysis from different viewpoints, enabling the members of the boards to be more open to innovative ideas.

1.6.3 Board of statutory auditors

The Board of statutory auditors has the function of supervising the activity of the Group and comprises three standing auditors and two alternate auditors. All the auditors meet the requirements of professionalism, integrity and independence that is required under the provisions of applicable law.

The Board of Statutory auditors is responsible for watching over: compliance with the law and the Articles of Association as well as with the principles of proper administration in carrying out corporate activities; adequacy of the Company's organisational structure, of the internal control system and of the administrative and accounting system; actual implementation of the rules of corporate governance provided for by the Corporate Governance Code; the financial reporting process⁹.

Gamenet Group's Board of Statutory Auditors is composed as follows: Maurizio de Magistris (Chairman), Andrea Collalti, Francesca Di Donato (Standing Auditors), Maria Federica Izzo, Giovanni Parisi (Alternate Auditors).

⁸ The data shown in the table above refers to the composition of governance bodies as at 31 December 2019.

⁹ As a result of the delisting of the shares of Gamenet Group S.p.A. from the Electronic Stock Market of the Italian Stock Exchange, which took place on February 26, 2020, the Company is currently no longer subject to the obligations set out in the Corporate Governance Code.

1.6.4 Supervisory board

Members of the supervisory board, established by the Company pursuant to Legislative Decree no. 231/2001, have full independent powers of intervention, action and control in respect to the proper functioning, effectiveness and observance of the adopted organization and management model, in order to prevent any wrongdoing from which administrative liability could derive for the Company.

1.6.5 Independent auditors

The statutory audit is carried out by an appropriately qualified external audit firm, PriceWaterhouse-Coopers (PwC), appointed by the ordinary shareholders' meeting based on a proposal submitted by the Board of Statutory Auditors.

1.7 Compliance and internal control system

In consideration of the Group's need to establish and maintain productive and collaborative relationships with regulatory authorities, the system of governance that has been adopted by the Group (and the bodies which make up the group) prioritises the objective of observing strict compliance with legal requirements, particularly those related to anti-money laundering, anti-corruption, protection of privacy, and prevention of underage and problem gambling.

An internal control system brings together the instruments needed to direct, manage and audit the Group's business accordingly, orienting it towards the achievement of its objectives and putting in place all the actions needed to prevent and mitigate different types of business risk.

In order to identify, assess and mitigate business risk, Gamenet Group S.p.A. has established a position for Internal Audit and Governance, Risk & Control. This role is tasked with the verification of the adequacy and suitability of the internal control and risk management systems, through specific audit activities, both on an ongoing basis and in relation to specific needs for complying with international standards.

The Head of Internal Audit & GRC (appointed by the Board of Directors by resolution of 23 August 2017) reports regularly on the activities and methods used to conduct risk management, including compliance with plans defined for reducing risk. Reports are made to the Chair of the Board of Statutory Auditors, the Chair of the Controls, Risks & Sustainability Committee, and the Chair of the Board of Directors, as well as to the director appointed to oversee internal control systems and risk management¹⁰.

Gamenet Group's 2019 Audit Plan, as approved by the Board of Directors, is prepared according to a risk-based approach that identifies such corporate processes as are considered most at risk and is divided into the main areas of action listed below:

- Audit;
- Compliance;
- Risk Management.

¹⁰ As a result of the delisting of the shares of Gamenet Group S.p.A. from the Electronic Stock Market of the Italian Stock Exchange, which took place on February 26, 2020, the Company has not renewed the establishment of the internal committees of the Board of Directors, including the Risk Control and Sustainability Committee, as well as the appointment of the director in charge of the internal control and risk management system.

The main activities carried out under the scope of the 2019 Audit Plan, in addition to specific audit activities, were:

- Reviewing the Organisation, Management and Control Model under Legislative Decree 231/2001 for Goldbet S.p.A., Billions Italia S.r.l. and Gnetwork S.r.l.;
- Adopting the Organisation, Management and Control Model under Legislative Decree 231/2001 for Jolly Videogiochi S.r.l.;
- Carrying out specific training activities under the scope of Legislative Decree 231/2001 for employees of Gamenet Group S.p.A., Gamenet S.p.A. and Goldbet S.p.A.;
- Monitoring procedures in the field of whistleblowing and reporting management through a dedicated EthicsPoint Platform, which was implemented by the company from 2018, in order to ensure the utmost protection and anonymity of informants;
- Monitoring information flows to/from the Supervisory Bodies of the Gamenet Group companies that have adopted an Organisation, Management and Control Model under Legislative Decree 231/2001;
- Reviewing the Enterprise Risk Management (ERM) Model, which was adopted by Gamenet S.p.A. as early as in 2017 in order to implement the corporate and organizational changes that occurred following the acquisition of Goldbet S.r.l. and the subsequent merger of Goldbet S.p.A. into Intralot Italia S.p.A., as well as to bring the specific components of the ERM Model into line with the principles laid down in the “Enterprise Risk Management Framework - Integrating with Strategy and Performance” (CoSO ERM 2017). Specific indicators (Key Risk Indicators) have also been defined as part of this update project in order to enable the assessment and monitoring of the performance of the main ERM risks on an ongoing basis.

The Internal Audit function also conducted an audit concerning data protection issues and related formalities required by Regulation (EU) No. 2016/679. The Audit ended with the issue of a report that did not call attention to any particular structural or extensive shortcomings that could be such as to impair the solidity of Gamenet Group companies’ approach to the matter of Privacy or such as in any way to entail significant organisational or operational risks. The Audit, therefore, ended with the production of a report to the effect that the general approach to the matter of privacy was substantially satisfactory.

Finally, the Group’s Data Protection Officer (DPO) simulated an Italian Data Protection Authority inspection in order to verify whether, in practice, the set of measures and precautions adopted by Gamenet Group companies complies satisfactorily with personal data protection regulations. Specifically, the inspection probed the processing of the personal data of the Group’s employees and of its online players; it ended with the issue of a report that did not call attention to any particular critical issues, confirming the correctness of the set of measures and procedures adopted by Gamenet Group companies for the protection of the personal data it processes.

1.7.1 The organization, management and control model

On 20 October 2017, pursuant to and in compliance with Legislative Decree 231/2001, the Board of Directors approved an Organization, Management and Control Model and Group Ethics Code and appointed a Supervisory Board.

On 1 August 2018, the Board of Directors approved revisions to its Organization, Management and Control Model to reflect certain regulatory changes introduced in the meantime, including the amendments introduced by Article 2 of Italian Law no. 179/2017 regarding whistleblowing by employees and/or third parties.

Specifically, the company has created a dedicated communication channel to be used by employees, collaborators, business partners and third parties to communicate with the utmost confidentiality the details of any matters relating to Group companies that may involve illegal acts or behaviours that may violate the provisions of the Ethics Code, the Organization, Management and Control Model pursuant to Legislative Decree no. 231/2001, regulations and law applicable to the Group or internal procedures and guidelines. To this end, the resolution dated 1 August 2018 approved a Whistleblowing procedure, which regulates the entire process of receiving, examining and dealing with reports.

As provided for by the Gamenet Group Organisation, Management and Control Model, the main subsidiaries, having identified their activities which present the risk of committing predicate offences and the most appropriate measures to prevent them, adopted their own Organization and Management Model consistent with the principles and the content of the Company's model. The subsidiaries companies also appointed their own Supervisory Board; finally, on 17 April 2020 the Board of Directors approved the updated version of the Organization, Management and Control Model under Legislative Decree no. 231/2001 in order to implement the corporate and organizational changes that had occurred, as well as any amendments to laws and regulations.

1.7.2 Code of Ethics

The Code of Ethics expresses the commitment and the ethical responsibilities related to the conduct of business and company affairs, undertaken by anyone dealing with Gamenet Group.

The Gamenet S.p.A. Code of Ethics is formally adopted by all the companies belonging to the Group as a key tool for managing an effective corporate strategy and organisation. Furthermore, it clearly sets out the values and the responsibilities acknowledged, accepted, supported and undertaken by the Group, consequently explaining the principles and the functions all the stakeholders have to comply with.

The Gamenet Code of Ethics refers explicitly to the principles listed below:

- Compliance with laws and regulations;
- Ethics and correctness;
- Integrity of the person and impartiality;
- Professionalism and HR development;

- Competition and anti-trust laws;
- Responsible gaming;
- Models and standards of behaviour.

1.7.3 Training and promoting compliance with 231 model and Code of Ethics

Gamenet Group promotes the knowledge of the Model, the Code of Ethics and the company procedures among all the employees who are therefore required to know their content, to comply with them and to contribute to their implementation.

The Human Resources Department, in collaboration with the Supervisory Board, manages the training of the employee on Legislative Decree 231/2001 and on the implementation of the Model through a specific plan.

The general principles and rules of conduct in the Code of Ethics are required of all Group stakeholders, and are an essential part of the contractual obligations governing all of our trade and/or financial relations. The Group promotes the knowledge and the compliance with the Model and the Code of Ethics also among the financial and business partners, consultants, collaborators and suppliers, providing specific information tools according to the various needs and responsibilities of the stakeholders, and appropriate disciplinary or contractual sanctions in the case of non-compliance.

1.7.4 Anti-corruption and anti-money laundering (AML)

Although no episodes of corruption were reported in the Group during 2019, Gamenet acknowledges and is committed to preventing the risk of corruption and money-laundering linked to its business activities:

- managing financial flows, particularly intercompany invoicing, accounting and closing monthly and consolidated accounts;
- procurement;
- relations with institutions and public authorities;
- personnel selection and management;
- organising events and trade fairs, sponsorships and advertising, corporate gifts, entertainment and hospitality;
- corporate affairs;
- commercial and business activities.

As providers of public gaming activities, the Group companies fall under the obligations of Legislative Decree 231/2007, as amended and supplemented, relating to AML and fight against terrorism financing.

Therefore, procedures to ensure regulatory compliance were laid down in this area, which include:

- customer identification and due diligence;
- recording and storing data and related supporting documents;
- the ongoing monitoring of observance of procedures;
- the ongoing monitoring of the safeguards put in place for the detection of suspicious transactions;

- the maintenance of active cooperation with the Italian Financial Intelligence Unit and other competent Authorities;
- reminding partners continually of the requirement to fight against money laundering and the financing of terrorism;
- regular training and follow-up courses for personnel in the chain.

Gamenet Group has also put a formal overall Anti-Money Laundering procedure in place, which contains comprehensive rules governing the procedures that all the persons involved are expected to abide by, in accordance with the risk-based approach principle, in fighting against money laundering and the financing of terrorism; this procedure has been accompanied, since 25 March 2019, by detailed operational instructions intended for the Regulatory Compliance and Anti-Money Laundering Management Area.

The document sets out the responsibilities, duties and procedures for preventing and managing the risk associated with using the financial system to launder criminal proceeds and finance terrorism, as part of the on and offline gaming and gaming services we offer. This document is kept constantly up to date, available and easily accessible for all employees covered by it.

Great attention is also paid to the issue of money laundering at European level and various laws have been enacted against it.

The most recent update concerns the transposition of the 5th Anti-Money Laundering Directive under Legislative Decree no. 125 of 4 October 2019, in force from 10 November 2019, making amendments and additions to Legislative Decrees no. 90 and no. 92 of 25 May 2017, implementing Directive (EU) 2015/849, as well as implementing Directive (EU) 2018/843 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Directives 2009/138/EC and 2013/36/EU.

Furthermore, on 18 February 2019 the Customs and Monopolies Agency published the final version of the Guidelines provided for under Article 52, paragraph 4, of Legislative Decree no. 231 of 21 November 2007, by which the aforesaid Authority provides operational guidance to concessionaires. To this end, and with more general reference to all requirements on the topic of anti-money laundering, Gamenet Group has put suitable procedures and control systems in place for the correct application of the safeguards in this field, which are in any case also kept up to date, constantly improved and made more sophisticated.

It is worthy of note that Gamenet has implemented an innovative customer identification system at its VLT and betting points of sale, which is named DAISY (DAta Identification SYstem). The system dematerialises the identification modules and carries out a series of controls in real time, which include the integration of special databases in order to achieve a very high level of precautions against money laundering and the financing of terrorism. These safeguards are also in place for online gaming.

Training is a very important factor in the functioning of the control system: hence special anti-money laundering courses are delivered to all the persons involved on an e-learning platform, Gamenet

Academy. It is obligatory for all personnel concerned with anti-money laundering activities to attend and pass these courses.

Also to comply with specific contractual obligations regarding the operation of entertainment machines (AWPs and VLTs), inspections are conducted at points of sale in the gaming network every year in order to ascertain that they are complying with the laws and regulations governing this sector.

Finally, in order to minimise the possibility of money laundering and fraud related to online gaming activities, the Group has adopted and certified control and monitoring systems aimed at identifying, recording and monitoring unusual or suspicious gaming transactions, and displaying the related customer's personal data. Furthermore, the Group adopted a monitoring system that carries out systematic checks throughout the life-cycle of bets and winnings transactions, in order to detect non-compliance with the laws in force and with the internal policies disseminated among partners of the retail network. Indeed, in case of violation of legislations and policies currently in force, contracts entered into by Gamenet Group's companies with partners of the retail network, will include specific clauses allowing for an express dissolution of the contract and legal obligations to report these breaches to the competent Authorities.

2. THE SCENARIO IN WHICH THE GROUP OPERATES

In Italy the gaming sector, in which Gamenet operates, is the result of a long and complex regulatory process started in the early 2000s at different institutional levels which led to defining and regulating the requirements of the games, the means of making the offer, the characteristics of the distribution network and points of sale, the criteria for distributing collection and revenues among the various subjects involved in the supply chain (players, the State, concessionaires, operators, retailers).

Regulation of the gaming sector is the responsibility of the Ministry of the Economy and Finance and, specifically, of the Customs and Monopolies Agency, formerly known as “Amministrazione Autonoma dei Monopoli dello Stato” (Independent Authority for the Administration of State Monopolies), which sets guidelines for the rational and dynamic development of the industry and verifies the lawfulness of the operations of concessionaires. Specifically, the Customs and Monopolies Agency, which is the authority with responsibility for the gaming sector, entrusts the operation of gaming activities to entities that it selects through open and non-discriminatory competitive tenders, in accordance with the principles laid down in EU and national rules regarding concessions. The Customs and Monopolies Agency regulates the public gaming sector through ongoing monitoring of the gaming operations of concessionaires and targeted action to combat irregularities. In addition, it performs a control function in relation to the assessment of the sector specific taxes: specifically, the one-off tax withdrawal (hereafter, the PREU tax - Prelievo Erariale Unico) in the case of entertainment devices (pursuant to Article 110, Paragraph 6 of the Consolidated Act of Public Safety laws); and the flat-rate tax on bets in the case of betting. In addition, Customs and Monopolies Agency shall fulfil its role by setting guidelines for the rational and dynamic development of the industry and verifies regularly the lawfulness of the operators’ actions.

Through the concession system, the State seeks to control supply and pursues objectives of public interest, i.e.:

- a) compliance with the law and the rules of public gaming;
- b) countering organised crime through territory and industry control;
- c) consumer protection by offering controlled, regulated and measured products;
- d) direct and indirect measures to prevent Gambling Disorder;
- e) economic development in terms of both business (the distribution has been organised in about 100,000 companies¹¹ for years) and employment (tens of thousands of jobs) as mentioned in the annexed tables;
- f) bringing undeclared tax revenues into open.

However, despite the stringent law, the sector remains exposed to some negative perception of part of the public opinion and the media, worried that the dissemination of opportunities to gamble both in physical venues and online may negatively impact on the community in terms of the spread of pathologies and access to gaming on the part of minors. In addition, there is the tendency, in some cases, to underestimate the positive value of regulated gaming in combating illegal gaming, which, albeit considerably decreased over the years, still represents a public order problem.

¹¹ Source: Informal hearing before the 11th (Public and Private Labour) and 12th (Social Affairs) Commissions of the Chamber of Deputies held on 4 March 2019.

The gaming sector in Italy is also exposed to the possibility of further changes to the regulatory framework which could entail changes in the criteria for taxing and/or granting licences, as well as to the proliferation of regional laws and municipal regulations which impact on the positioning of gaming machines and/or in the use of games by players. The economic sustainability of the whole industry, which is the result of past interventions undertaken in more favourable tax conditions than today, is exposed to the risks related to changes introduced by the most recent laws.

Italian Law no. 96 of 9 August 2018 (“Dignity Decree”) and the 2019 Budget Law of 30 December 2018 introduced a number of amendments regarding:

Gaming Machine Segment

- Evolution of PREU rates and of minimum pay-out level 2019;
- Changes in the procedures for issuing new AWP operating permits (NOE, Nulla Osta di Esercizio);
- Changes in the fee for issuing distribution permits (NOD, Nulla Osta di Distribuzione).

Betting and online segment

- Modifications regarding the extension of concessions and the flat tax relating to the segment.

2.1 Gaming sector revenues and tax receipts

In 2019, total revenues in the Italian gaming market, i.e. the total amount of money wagered, amounted to about Euro 108.7 billion (with an increase of 1.7% over the previous year). The AWP segment accounted for 42.8%, Betting and online gaming segment for 38% and other types of gaming for the remaining 19.2% of the total revenues of the industry¹².

Game Type	Players' expenditure (values in €/M)		
	2019	2018	2019/2018 Change
AWP – Amusement with Prize	7,116	7,168	-0.7%
Lotteries	2,407	2,410	-0.1%
VLT - Video Lottery Terminal	3,129	3,018	+3.7%
Lotto	2,345	2,297	+2.1%
Sports betting	1,598	1,489	+7.3%
Online gaming	969	857	+13%
Bingo	490	448	+9.4%
Horse-racing betting	125	138	-9.4%
TOTAL	19,211	18,551	+3.6%

Values in €/M	2019		2018		2019/2018 Change %
	Bet	% on Bet	Bet	% on Bet	
Machines	46,537	42.8%	48,741	45.6%	-4.5%
Betting & Online games	41,331	38.0%	37,656	35.2%	9.8%
Other games	20,843	19.2%	20,451	19.1%	1.9%
Total	108,710	100%	106,848	100%	1.7%

¹² Source: Prisma S.p.A.'s estimates on ADM and market data (2020); ADM, Blue Book 2018 - Organization, Statistics, Activities (for 2018).

3. BUSINESS ACTIVITIES



1,732

BETTING SHOPS
AND CORNERS



477

ONLINE GAMES



66

GAMING
HALLS



38,500

GAMING
MACHINES

No. of licenses as of 31 December 2019

Gamenet Group is one of the major operators in the legal gaming market in terms of total bet collected and size of the distribution network, with Euro 9.5 billion in final bets collected at 31 December 2019, through a network of 8,439 total points of sale.

Gamenet Group operates as a concessionaire and a retailer in the following operating segments: betting and on and offline gaming (“Betting Retail” and “Online”), direct operation of gaming halls and owned AWP (“Retail and Street Operations”), entertainment devices (AWPs and VLTs).

GAMENET GROUP BET BY OPERATING SEGMENT

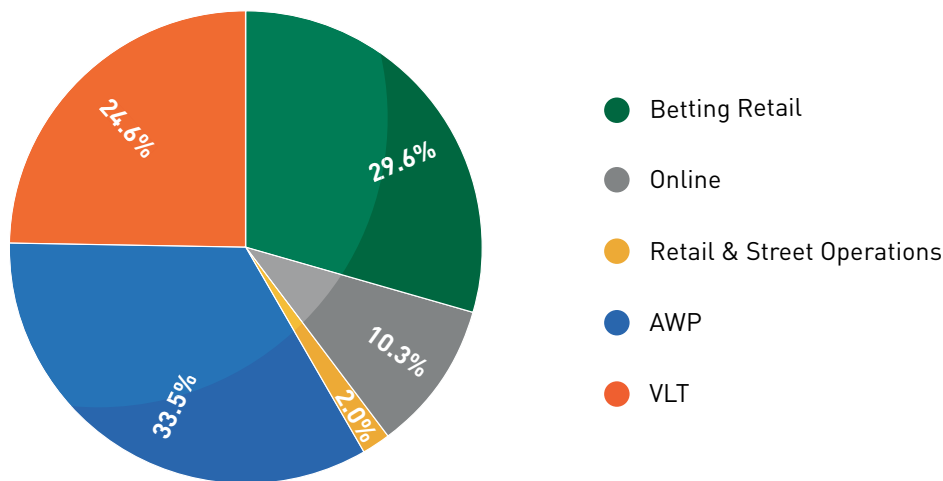
Values in €/M	2019	2018	+/- %
Betting Retail	1,754.5	822.5	> 100%
Online	1,591.8	555.1	188.8%
Retail and Street Operations ¹³	361.5	400.0	-9.6%
AWP	2,568.2	2,661.9	-3.5%
VLT	3,196.9	3,323.3	-3.8%
Total	9,472.9	7,762.8	+22.0%

GAMENET GROUP REVENUES BY OPERATING SEGMENT

Values in €/M	2019	2018	+/- %
Betting Retail	218.4	116.3	+87.8%
Online	76.3	23.8	> 100%
Retail and Street Operations ¹³	14.4	16.1	-10.4%
AWP	247.4	281.1	-12.0%
VLT	181.7	208.8	-13.0%
Total	738.2	646.1	+14.2%

¹³ Revenues from the Retail & Street Operations segment only relate to revenues from third-party concessionaires; if Gamenet is the concession holder, 100% of supply chain revenues are reported by the concessionaire itself within the AWP and VLT segments.

GAMING REVENUES BY TYPE (%)



3.1 Betting and online gaming

Gamenet is the leading Group in Italy in the offline gaming segment, through Goldbet S.p.A. and the Intralot and GoldBet brands, through a national network of 1,631 points of sale operating at 31 December 2019 (out of a total of 1,732 rights for sports betting), dedicated to sports and horse-race betting and other gaming products such as virtual games.

The points of sale in the betting network are split between shops and corners. The shops are environments that are dedicated exclusively to gaming and betting. They are equipped with innovative equipment and ground-breaking technology, and are designed to be meeting places for fans and experts, where customers can express their passion for the sport. Whereas the “corners” for sporting events and horse races tend to be set up in more confined spaces within other businesses (bars, newsagents, shopping centres, etc.). These corners guarantee equally high standards in terms of games offered, technological presence and service levels.

The Company also offers a wide range of online products through the GoldBet.it¹⁴ website. The Group’s online offering is characterised by a strong technological presence, along with maximum security standards for protecting and transmitting data. It relies on a complete and innovative portfolio for remote gaming - also available through dedicated apps for smartphones and tablets.

Furthermore, Gamenet Group only relies on international level partners for their own online offering, so that they are able to offer not only the games and most popular content, but also the most secure and reliable platforms. The Group’s online product offering includes a complete and innovative range of online gaming products, including –in addition to sports betting- hundreds of casino games, a brand-new web portal for online bingo and a platform targeted at poker fans which allows them to play directly on the website.

¹⁴ In the first quarter of 2019 -within the scope of the integration process of the Group’s online offering- Intralot customer base migrated to the GoldBet online platform.

3.2 Retail e Street Operations

Since 2012, Gamenet Group has pursued a strategy of vertical integration in the business segment involving the direct management of owned gaming halls (Retail) and the direct management of owned AWP's (Street Operations).

Significant streamlining efforts have resulted in the Group now directly managing 66 gaming halls (and 3,648 owned AWP's) throughout Italy, under various distribution formats and brands.

3.2.1 Gamenet Entertainment

Gamenet Entertainment gaming halls are unique and original environments, each one with its own identity but all united by the high quality standard guaranteed by Gamenet Group. The attention to detail, professional staff and customer care make them places where people can socialise and meet, as well as share a positive gaming experience, in an elegant yet discreet setting, designed to be welcoming while ensuring privacy for each guest.

3.2.2 Enjoy the Game

“Enjoy the Game” is the brand that identifies high profile gaming halls in the Gamenet Group’s network, selected from best halls in the Gamenet network and conceived according to the highest standards in interior design. Enjoy the Game gaming halls combine all the most engaging aspects of entertainment and are a benchmark for variety and the comprehensive nature of the games and services offering.

3.2.3 Easy Play

Easy Play ensures a gaming experience consisting of the right combination of a complete and multi-product offering (betting, VLT and AWP), within halls characterised by high quality services and cutting-edge technological management solutions.

3.2.4 Billions

Born from direct experience and an in-depth knowledge of gaming halls around the world, Billions is an all-Italian company specializing in the development of large rooms with a high level of service. The unique style of Billions halls, based on a balanced mix of entertainment, food and games, makes them the ideal place for an enjoyable evening of fun, good music and quality food.

3.3 Gaming machines

Within the entertainment devices segment, all the gaming solutions offered by Gamenet are carefully selected to ensure the maximum levels of reliability and safety for players due to cutting-edge facilities and technologies. The Group’s gaming offer regarding entertainment devices segment include both AWP's and Video Lottery.

3.3.1 Amusement With Prize (AWP)

AWP's (Amusement with Prize), also known in Italy as “Newslot”, represent traditional “slot machines” and may be installed in all authorized betting shops, including bars, coffee shops and similar outlets, public gaming halls, horse racing and sports betting shops and agencies, etc.. The machines

are connected to the concessionaire's online network for control purposes; the software is contained in a smart card issued by the Customs and Monopolies Agency and inserted into the AWP machine, which cannot be modified remotely.

In this segment which is so important for tax revenues, Gamenet Group occupies a prominent place thanks to an efficient, reliable and technologically advanced online network, able to monitor and manage tens of thousands of devices, distributed by hundreds of partners in public venues and gaming halls throughout the country. As of 31 December 2019, Gamenet Group had 29,911 AWP operating permits (pursuant to Article 38, paragraph 5, of Italian Law no. 388/2000), following the reduction expected on 30 April 2018. It is recalled in this regard that the 2016 Stability Law had required that the number of active permits in Italy be reduced by 30%.

3.3.2 Video Lottery Terminal (VLT)

VLTs (Video Lottery Terminals) can be fully remotely controlled. They may be installed exclusively in reserved gaming halls meeting strict safety and control criteria. Access to VLTs gaming halls by under-age people is strictly forbidden.

Gamenet Group is one of the major operators in Italy in the Video Lottery segment, with 8,570 licenses and an average of 8,338 machines installed in 740 dedicated gaming halls throughout Italy. The geographical areas where to open the halls are identified after a thorough analysis of the social and urban context of the specific district, with assessments about security and proximity to sensitive locations, and in collaboration with representatives of the local institutions.

Thanks to agreements with the leading international manufacturers of gaming technologies, Gamenet is also one of the first concessionaires in Italy to provide four different gaming platforms in their gaming rooms (Spielo, Novomatic, Inspired and WMG) in order to offer a wide variety of games, ensuring high security standards and meeting the needs of every type of player.

4. SUSTAINABILITY FOR GAMENET GROUP

“We believe that each of us, as part of our role, should shoulder our responsibilities and be aware of the impact and consequences that our actions have in achieving results. We work constantly towards finding a sustainable balance between our business objectives, the requirements of the State and social needs, while ensuring the protection of vulnerable people those most at risk”.

Source: Gamenet Group’s Values

4.1 Stakeholders

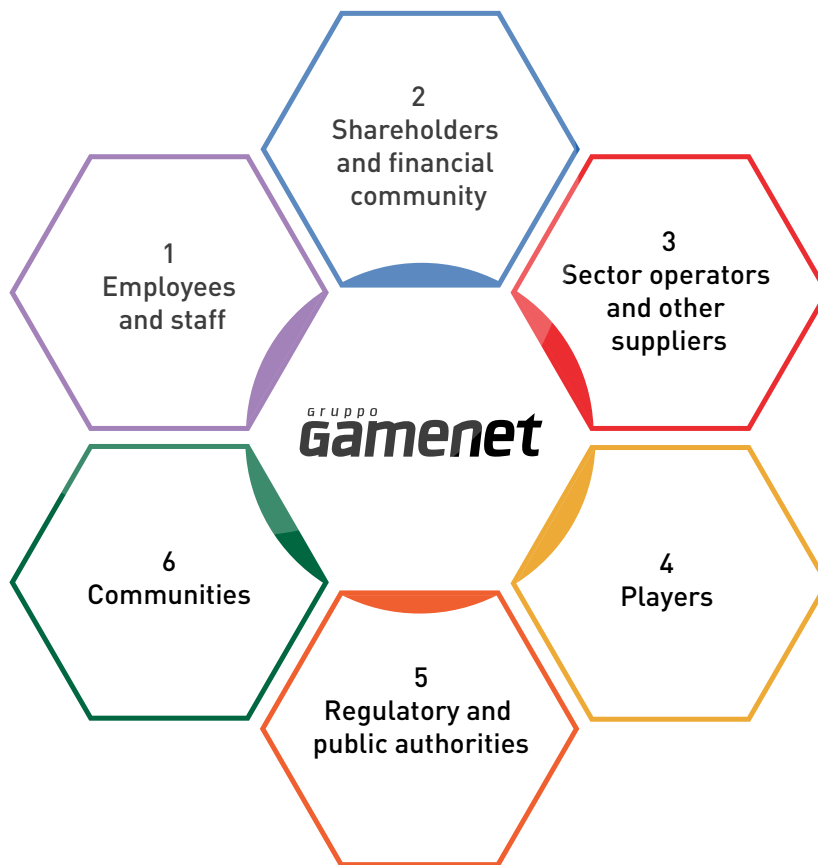
The particularly sensitive nature of the sector in which Gamenet operates attracts the expectations of numerous stakeholders, who are increasingly attentive to the way companies act in a social and environmental context.

In order to provide the best possible response to these needs, Gamenet identifies and maps all stakeholders, both internal and external, according to their influence on Group activities, and sets up a relationship based on dialogue, listening and respect for principles and rules of conduct, as set out in the Group Code of Ethics.

The Group runs engagement and discussion programs, including our annual process of identifying material aspects for the company while drafting this Sustainability Report. The frequency of this dialogue and the methods used to listen to and engage with stakeholders vary according to the type of stakeholder and their relationship with the Group.

The stakeholders identified by Gamenet are mainly located within Italy, and fall into 6 macro-categories:

- **Employees and staff** in offices and gaming halls;
- **Shareholders and the financial community**, including investment funds, shareholders, bond holders, potential investors and other financial bodies;
- **Sector operators and other suppliers**, such as: Group commercial partners (AWP entertainment device and gaming hall managers, retailers); gaming platform developers; manufacturers and providers of terminals and other hardware; gaming material suppliers; logistics providers; legal, tax, administration and financial advisors; partners in the advertising, marketing and market research sector; technical assistance services; car rental and leasing agencies;
- **Players**, both in our physical venues and online;
- **Regulatory and public authorities**, including the Customs and Monopolies Agency, the Ministry of Economy and Finance and central authorities, police, the Institute for Advertising Self-Regulation and the CONI (Italian National Olympic Committee);
- **Communities**, including local communities, cultural and sporting associations and bodies, scientific research institutes, consumer associations and the media.



The table below summarises the main stakeholder issues, the engagement methods chosen by the Group, the commitments taken and a description of the main activities conducted during the year.

MATERIAL ASPECTS	GAMENET'S COMMITMENT	ENGAGEMENT TOOLS	ACTIVITIES
EMPLOYEES AND STAFF			
<p>Employee training and education</p> <p>Financial performance</p>	<p>Supporting employment.</p> <p>Promoting a healthy and safe working environment that respects personal dignity.</p> <p>Acknowledging merit and equal opportunities.</p> <p>Encouraging professional growth and development.</p> <p>Offering corporate welfare tools.</p>	<p>Corporate intranet</p> <p>Company presentations</p> <p>Corporate documents</p>	<p>Continuing our commitment to Games Operator Training under the agreement with the National Institute of Health and the Customs and Monopolies Agency.</p> <p>Creating "Next" a staff evaluation platform dedicated to development and professional growth for the employee."</p> <p>Personal coaching for managers.</p> <p>UNI EN ISO 45001 certification for staff safety, health and wellbeing.</p> <p>Welfare flexibility solutions.</p>

MATERIAL ASPECTS	GAMENET'S COMMITMENT	ENGAGEMENT TOOLS	ACTIVITIES
SHAREHOLDERS AND FINANCIAL COMMUNITY			
<p>Compliance</p> <p>Financial performance</p> <p>Quality of the Service offered</p>	<p>Establishing business relationships based on honesty, transparency and integrity.</p> <p>Creating long-term sustainable value and profit for shareholders.</p> <p>Managing risks and material aspects.</p>	<p>Corporate documents</p> <p>Website</p>	<p>Periodic communications and meetings with investors, shareholders and ratings agencies.</p>
SECTOR OPERATORS AND OTHER SUPPLIERS			
<p>Player protection</p> <p>Promoting legal and responsible gaming</p> <p>Compliance</p> <p>Financial performance</p> <p>Service quality</p>	<p>Promoting relationships based on loyalty, integrity and lawfulness.</p> <p>Establishing relationships that promote professional and business growth for our partners.</p> <p>Offering a range of quality, innovative, safe and reliable products.</p> <p>Seeking satisfaction for the final player.</p> <p>Promoting the knowledge and sharing of the principles of responsible gaming.</p>	<p>Website</p> <p>Periodic Sales meetings</p>	<p>Increasing training hours, opportunities and themes for commercial retailers, owners and partners, in collaboration with international companies specialised in training on gaming.</p> <p>"Gamenet Academy" e-learning platform.</p> <p>Strategic agreements with IT companies specialised in developing gaming management software.</p> <p>Conventions with clients and commercial partners for new commercial proposals and regulatory updates.</p> <p>Cyber security assessment of the IT infrastructure.</p> <p>Compliance with EU legislation on the processing of personal data.</p>

MATERIAL ASPECTS	GAMENET'S COMMITMENT	ENGAGEMENT TOOLS	ACTIVITIES
PLAYERS			
<p>Player protection</p> <p>Promoting legal and responsible gaming</p> <p>Compliance</p> <p>Service quality</p>	<p>Promoting fun, safe and sustainable gaming experiences.</p> <p>Offering a complete and diversified range of products.</p> <p>Offering technologically advanced, reliable and safe gaming platforms.</p> <p>Guaranteeing a high quality gaming environment.</p> <p>Guaranteeing maximum honesty and transparency in our operations.</p> <p>Guaranteeing the maximum security of financial transactions.</p>	<p>Website</p> <p>Relation with the gaming-hall staff</p>	<p>Gaming solutions selected to ensure the maximum levels of reliability and safety.</p> <p>Rigorous selection procedures at the point of sale outlets and compliance controls.</p> <p>Responsible gaming Programme.</p> <p>"Safety Zone" project.</p> <p>Three-year agreement with A. Gemelli Teaching Hospital's IRCCS Foundation for the research and prevention of problem gambling.</p> <p>Promotion material for Responsible Gaming at the point of sale and information material with details of nearby help centres.</p> <p>Quality certifications and Information Security certifications.</p> <p>Optimising and updating the online gaming platforms and products.</p> <p>Cyber security assessment of the IT infrastructure.</p> <p>Compliance with EU legislation on the processing of personal data.</p> <p>Evaluation survey on provided quality perceived by customers.</p>

MATERIAL ASPECTS	GAMENET'S COMMITMENT	ENGAGEMENT TOOLS	ACTIVITIES
REGULATORY AND PUBLIC AUTHORITIES			
<p>Player protection</p> <p>Promoting legal and responsible gaming</p> <p>Compliance</p>	<p>Operating in full compliance with current laws and regulations.</p> <p>Ensuring a management style that aims to minimise risk and guarantee player protection.</p> <p>Act as a reliable partner in implementing public policies aimed at controlling gaming.</p> <p>Contributing to the development of technological solutions to protect the public interest.</p> <p>Actively collaborating to prevent illegal gaming and unlawful behaviour.</p> <p>Guaranteeing the protection of minors and vulnerable persons.</p>	<p>Corporate documents</p> <p>Institutional relations</p>	<p>Continuing to dialogue with regulatory, administrative and police authorities.</p> <p>Rigorous selection procedures at the point of sale outlets and compliance controls.</p> <p>Monitoring system of compliance with the laws and local regulations.</p> <p>Anti-money laundering prevention and monitoring.</p>
COMMUNITIES			
<p>Player protection</p> <p>Promoting legal and responsible gaming</p> <p>Compliance</p> <p>Supporting the community</p> <p>Environmental impact</p>	<p>Offering safe environments (physical and virtual) for fun gaming.</p> <p>Producing wealth by creating employment, purchasing from suppliers, paying taxes and trickle-down wealth throughout the value chain.</p> <p>Promoting the creation and sharing of know-how and professional skills.</p> <p>Contributing to reducing illegal forms of gaming by offering safe, legal games.</p> <p>Promoting responsible and sustainable ways of gaming.</p> <p>Actively supporting social and cultural initiatives.</p>	<p>Website</p> <p>Institutional relations</p> <p>Collaborations with research organizations and institutes</p>	<p>Continuing to dialogue with local authorities and communities.</p> <p>Stepping up our Commitment to support trade associations and research institutions.</p> <p>Supporting national economy through direct, indirect and induced impacts on GDP and employment.</p> <p>Commitment to prevent illegal and irresponsible gaming.</p> <p>Anti-money laundering prevention and monitoring.</p> <p>Social responsibility activities with numerous stakeholders.</p>

4.2 Material aspects for Gamenet Group

The contents of this Sustainability Report focus on the main issues relevant to Gamenet's core business and stakeholders. These aspects were identified using a materiality analysis, as described in the *Global Reporting Initiative* (GRI) guidelines, and structured into 4 phases: identifying aspects, defining material aspects and priorities, validation and revision.

Identification of material aspects took account of the GRI guidelines and an analysis of numerous sources, both internal and closely linked to the company (such as the code of ethics, financial reports, reputational analysis, etc.), and external, in order to get a broad view of the relevant topics at a national and international level.

The aspects that emerged were then grouped by topic and assessed according to priority, using stakeholder assessments and decisions, and the impact on corporate strategy (as described). Priority was assessed according to the importance to stakeholders and impact on strategies. The impact of the topics on stakeholder assessments and decisions was based on qualitative assessments conducted during the analysis of the sources considered when identifying relevant issues. Management provided the initial input, given their strong and ongoing relations with the various categories of stakeholders identified, after which the press, international sustainability standards in the sector and main competitors were analysed.

For the impact on Gamenet's financial, social and environmental strategies, qualitative assessments were conducted taking account of the Group's current situation, future growth and development strategies and the macro-economic outlook in the sector.

As a result, the following material aspects were identified:

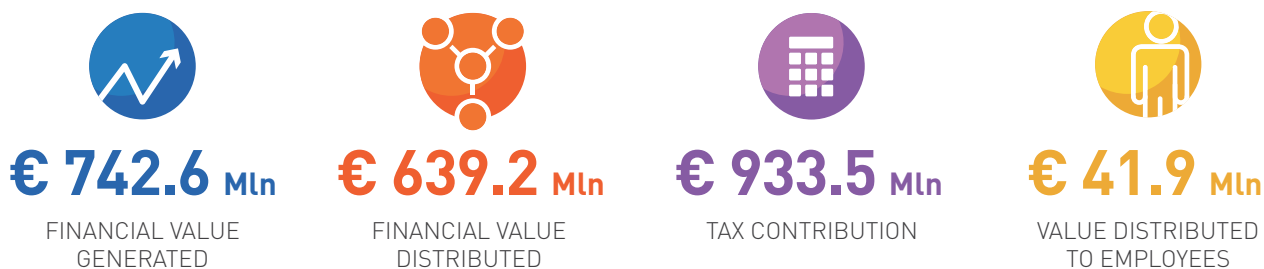
1. Player protection;
2. Promoting legal and responsible gaming;
3. Compliance (anti-corruption and money-laundering);
4. Financial performance;
5. Employee training and education;
6. Service quality;
7. Supporting the community;
8. Environmental impact.

MATERIAL ASPECT FOR GAMENET GROUP	CORRESPONDING GRI STANDARD ASPECT	INTERNAL IMPACT	EXTERNAL IMPACT ¹⁵
Player protection	Customer Privacy Marketing and labelling Social-Economic Compliance	All Group companies	Operators and retailers
Promoting legal and responsible gaming	Customer Privacy Marketing and labelling Social-Economic Compliance	All Group companies	Operators and retailers
Quality of the service offered	Customer Privacy Social-Economic Compliance Employment Occupational Health and Safety Training and Education Diversity and Equal Opportunities	All Group companies	Operators and retailers
Employee training and education	Occupazione Salute e sicurezza sul lavoro Formazione e Istruzione Diversità e Pari Opportunità	All Group companies	-
Financial performance	Financial Performance	All Group companies	-
Compliance (anti-corruption and money-laundering)	Anti-corruption Social-Economic Compliance	All Group companies	Operators and retailers
Supporting the community	-	All Group companies	-
Environmental impact	Energy Emissions	All Group companies	Operators and retailers

¹⁵ The impact indicator shows which area (internal or external) is affected by the material aspect. In some cases, impact may be directly linked to organisation activities, while in others it may be the result of commercial relations with other entities or persons. This figure takes into account the company's ability to manage and mitigate the impact of third party activities connected to the Group's business.

5. ECONOMIC IMPACT

“To be successful in the long term, a company must create value both for itself and its shareholders and for the society in which it operates, bringing concrete and measurable benefits along the whole value chain to people, the community and the local areas where it operates”.



5.1 Economic performance

The financial year ended December 2019 saw Gamenet Group achieve satisfactory economic and financial results, with growth in revenues (+14.2%) and EBITDA (+57.2%).

The revenues increase was mainly due to the growth in the Betting Retail and Online gaming segment, thanks to the contribution of GoldBet for the entire year 2019.

FINANCIAL PERFORMANCE (€/000)

	2019	2018
Revenues and other income ¹⁶	742,561	650,342
EBITDA	164,617	104,715
Net profit (loss)	10,165	4,611
Shareholders' equity	32,303	45,787
Net financial debt	396,831	394,162

5.2 Generating and distributing value

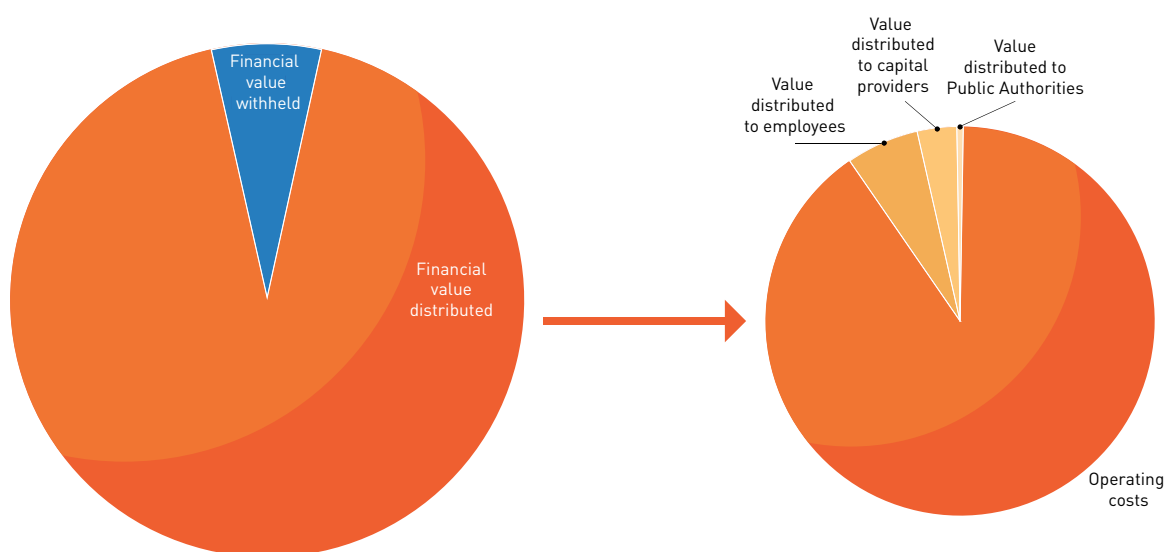
We also calculate the Group's social impact in terms of the value created - i.e. the capacity to produce and distribute wealth to all the stakeholders involved.

In 2019, the Group achieved net revenues of more than Euro 742 million, up by 14.2% compared to 2018. With these annual results (financial value created), Gamenet distributed around 86.1% of this value to stakeholders. The following table shows the result of the reclassification of the Group's consolidated income statement, and shows how much wealth was created and how it was distributed.

¹⁶ "Revenues and other income" are obtained by adding together Revenues and Other revenues and income as per the 2019 Consolidated Financial Statements.

DISTRIBUTION OF ADDED VALUE IN 2019 (€/000)

	2019		2018	
Financial Value generated ¹⁷	742,561	100%	650,342	100%
Financial Value distributed	639,199	86.1%	587,545	90.3%
Operating costs ¹⁸	556,518	74.9%	519,539	79.9%
Value distributed to employees	41,897	5.6%	36,364	5.6%
Value distributed to capital providers	30,579	4.1%	31,167	4.8%
Value distributed to Public Authorities	10,205	1.4%	475	0.1%
Financial value withheld	103,362	13.9%	62,797	9.7%



During 2019, Gamenet paid Euro 539.4 million in production costs (+6.1% on 2018). 82.3% of these were for retailers; 4.8% for VLT platform licences and grants; and the remaining 12.9% were for consultancy fees to tax, legal, administrative and financial advisors; rentals and leases; utilities, postal and logistics expenses; bank and insurance fees. These business costs provide income for suppliers, create employment and opportunities for spending, and make sure that the wealth created by Gamenet's activities feeds into the economy as a whole and contributes to the wellbeing of society. More than Euro 41 million were paid in the form of employee salaries, wages and other staff expenses and leaving indemnities.

Around Euro 10 million were paid to the public administration during the year. This amount does not include taxes or licence fees (see paragraph below "Tax contribution").

More than Euro 30 million were used to pay financial liabilities.

Profit from the period (around Euro 103 million) and depreciation/amortization, provisions and impairments of tangible, intangible and financial assets were withheld.

17 "Financial value generated" is obtained as the sum of Revenues and Other revenues and income.

18 "Operating costs" are obtained as the sum of Costs for services and Other operating costs and charges.

5.3 Tax contribution

Gamenet's contribution to these revenues came from taxes paid to the State on income from gaming, and on licences, both relating to the Group's core business. This was in addition to income tax on the period and local taxation (IMU property tax and other local taxes). Overall, in 2019 the Group paid more than about Euro 933 million in taxes (+21% on 2018) including more than Euro 922 million for its activities as public gaming concessionaire.

TAX IMPACT ON GAMENET (€/000)

	2019	2018	2019/2018 Change
Flat-rate tax (PREU) and other gaming taxes	798,349	710,303	+12.4%
Taxes on winnings from gaming activities	14,630	16,286	-10.2%
Flat-rate tax on public gaming	83,179	20,419	> 100%
Licence fees	26,134	22,072	+18.4%
Total taxes on gaming	922,290	769,080	+19.9%
Income taxes	10,205	475 ¹⁹	> 100%
Local taxes	983	1,229	-20%
Total	933,478	770,784	+21.1%

¹⁹ The data of the item at 31 December 2018 have been restated following the purchase price allocation assessment process of the former Goldbet. For more details, reference should be made to the Group's Consolidated Financial Statements.





6. SOCIAL IMPACT

“We believe that clarity and simplicity of communication, intellectual honesty and fairness in managing relationships are key issues for creating relationships with our stakeholders that are based on mutual trust. We work constantly towards finding a sustainable balance among our business objectives, the requirements of the State and social needs, while ensuring the protection of vulnerable people and those most at risk.

We operate with the utmost respect for the dignity of all, and with great care and attention to the needs of others. The needs of our partners and customers, the work of each of our colleagues - regardless of the position held - and the time of each person are all fundamental to us. We consider humility and politeness to be the basis of any relationship.”

Source: Gamenet Group’s Values

6.1 Responsible gaming

Gaming as entertainment is an experience that has always held a particular importance in people’s everyday lives and imagination, and cuts across any level of income or social and cultural background. Nonetheless, participating in gaming exposes players to a number of risks, which are linked to health, financial security and the protection of personal details. As the demand for gaming has increased in Italy, public opinion and expectations of regulatory authorities and other subjects involved in the sector have increasingly focused on protecting players and the community.

For this reason, Gamenet Group prioritises the objective of observing strict compliance with legal requirements, particularly those related prevention of underage and problem gambling, and pays great attention to the developments of regulations issued by the local authorities by adjusting its own offer locally to keep it always in line with the provisions issued by Municipalities, Counties and Regions. Furthermore, Gamenet Group works in a constantly reliable and professional manner to promote a healthy gaming culture and a responsible and mindful approach to gaming, supporting legal gambling, guaranteed by the State, as opposed to the dangers and risks of illegal gambling, in order to maintain the confidence and respect of investors and stakeholders, as well as institutions and players.

In conducting its business, the Group has also laid down guidelines to raise awareness among all employees who maintain relations with players for any reason, whether directly in entertainment locations or indirectly through the planning and creation of gaming platforms. Key elements of the guidelines include:

- the protection of minors by taking particular measures for preventing them from gaining any form of access to gambling;
- a responsible gambling model, meaning a form of amusement to be chosen in awareness that provides clear, exhaustive and impartial information;
- the prevention of forms of excessive gambling, also thanks to special training programmes for personnel who are more in direct contact with players or with the help of technological solutions for online platforms.

In line with these objectives, the Group has developed and is carrying on with a comprehensive programme of projects for fostering responsible gambling and is encouraging a continuous dialogue with employees, the Customs and Monopolies Authority and the Institutions, and develops every year activities and projects focused on the study of specific issues related to problem gambling, as well as specific resources training on the subject of responsible gaming.

The company websites also host large sections that are dedicated to protecting players and encouraging responsible gaming, detailing the set of information, initiatives and useful tools for pursuing these objectives.

6.1.1. G4 Certification



The Group undertook a new path in order further to enhance its commitment to the encouragement of secure and responsible gambling in 2019: the certification of the GoldBet.it online gaming platform by the Global Gambling Guidance Group (G4).

The G4 is an organisation consisting of an international group of gambling sector experts that focuses on fostering responsible gambling and minimising the harm caused by problem gambling. It has developed a certification programme for online platforms and gaming halls that is an international point of reference for the application of responsible gambling best practices based on globally adopted standards and protocols and applying for certification is an opportunity for the best operators in the sector, both online and land-based.

This certification, which the Group aims to obtain in 2020, will take its place in a deliberately chosen strategic pattern: it strengthens the Group's corporate image and reputation in the eyes of stakeholders, investors and the community, provides a strong and unambiguous message of responsibility and social commitment, is in keeping with the Group's mission of innovation, secure gambling and mindfulness of players and confirms the Group's resolve and initiative in confronting responsible gambling issues.

6.2 Training and awareness in points of sale

6.2.1 The "Punto Sicuro" project



The "Punto Sicuro" project is a system set-up through one of the Group's retail companies, with the joint aims of preventing Pathological Gambling Disorder (PGD), identifying players who may be at risk and referring them to specialized centres for treatment and contributing to initiatives to counteract illicit activities such as money laundering, usury and criminal infiltration.

Three of the largest Group-owned gaming halls obtained Punto Sicuro certification, thus confirming that they apply the principles of "Sustainable Gaming", or gaming that emphasises the entertainment aspects of the activity, counterbalancing, as far as possible, any negative externalities. The principles, which have been grouped together in a Code that has been validated by the Department of Psychiatric Consultation Department of the Gemelli Teaching Hospital in Rome, in addition to specific training courses delivered

to gaming hall staff members, have demonstrated their objective worth in preventing, identifying and containing the risk of problem gambling; the principles range from dedicating special attention to weaker categories (those aged under 21 and over 65) to the creation of a “Player Service Charter”, from maintaining a Gaming Hall Register in which to record potentially anomalous situations to being able to identify signals that give an early warning of “behaviour at risk”, as well as the related management of crisis situations. The certification was confirmed in 2019 and issued by an independent third-party body (Rina Services S.p.A.), which verified the staff training and the compliance with the Code requirements, through interviews and inspections both scheduled and unscheduled.

6.2.2 The “Gioco Intelligente” project



In order to expand the prevention of problem gambling activities to additional venues in the Group network, at the end of 2018 a three-year agreement (from 2019 to 2021) was reached between Gamenet S.p.A. and the Università Cattolica del Sacro Cuore (Catholic University of Rome) - Faculty of Medicine and Surgery “A. Gemelli”.

Among other arrangements, the agreement provides for staff at the Group’s gaming halls to be trained in the prevention of Problem Gambling and in the correct detection and management of persons at potential risk, for the promotion of annual open days devoted to gambling disorder and for the supervision of information material in Gamenet’s network of gaming halls.

Within the framework of this collaboration, the first edition of the *Gioco Intelligente* (“Intelligent Gambling”) training course for gaming hall staff was held at one of the Group’s locations in November 2019. The course, given by lecturers who are specialists in psychiatry and neurosciences and experts in treating gambling disorder, was attended by more than 15 persons from different Group gaming halls, who thus gained additional and more precise skills in detecting or preventing gambling disorder and joining the fight against this addiction.

6.2.3 Information material

Gamenet Group also promotes, on its websites, the National TollFree Hotline for issues related to Gambling (Gambling Hotline). The service is run by the National Institute of Health, and is not only directed at allowing players to get in touch with industry professionals and ask for help, but is also open to anyone who wishes to receive information on the health services available for treating gambling disorder. This includes information on services managing socioeconomic problems and/or legal matters related to indebtedness, and can be reached on the regional toll-free numbers dedicated to the issue.

The Group also produces and disseminates a wide range of information materials at its points of sale, which are aimed at promoting responsible gaming practices and providing very detailed information on gaming products. This material includes: posters and illustrated postcards promoting responsible gaming, setting out the “Ten commandments of responsible gaming”; guides to help spot problematic behaviour and identify the signs of a potential pathological gambler; details of how to contact help centres near the sales point; posters on the probability of winning the various games; signs forbidding entry under the age of 18; information on anti- money laundering and personal data processing; game rules for video lotteries, betting and virtual games.

THE TEN COMMANDMENTS OF RESPONSIBLE GAMING

- 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 gamble to recoup losses and accept the outcome as an expense of the entertainment.
- 7 Do not borrow money to gamble.
- 8 Do not overdo the frequency of your gambling and do not give up other leisure activities to focus on gambling.
- 9 Do not lie to friends and family about the amounts that you have spent on gambling.
- 10 Do not treat gambling as a way of resolving issues and concerns and do not gamble while under the influence of alcohol or drugs.

Players also have access to an online self-assessment test on the Group's institutional website, on gambling websites and at its physical locations throughout the country. By taking this test, customers can assess their gambling profile anonymously and without it being possible for them to be traced and see whether the result indicates a potential risk of their developing problematic behaviour, by answering questions on their own gaming behaviour over the last year.

SELF-ASSESSMENT TEST: WHAT KIND OF PLAYER ARE YOU?

IN THE LAST 12 MONTHS, HOW OFTEN HAVE YOU...	NEVER	SOMETIMES	OFTEN	ALMOST ALWAYS
Gambled more than you could afford to lose?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Needed to gamble more to feel any excitement?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Returned to gambling with the idea of getting back the money you have lost in order to "get back on your feet"?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Asked for a loan or sold something to have money to gamble with?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Had the sensation of having a gambling problem?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Been accused by someone of having a gambling problem, whether you consider it true or not?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Thought that gambling has caused you economic problems or has caused them to your family finances?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Felt guilt for your way of gambling or for what happens when you gamble?	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Gamenet Group operates and communicates its activities strictly in compliance with the Balduzzi Decree Law (Article 7 of Legislative Decree no. 158/2012). This decree banned advertising gaming for cash prizes on the television and radio, in newspapers, magazines, publications, or in theatres and cinemas open to minors, as well as through Internet. Messages inciting or

promoting gaming, or including the presence of minors, or which do not warn about the risk of addiction are also forbidden.

In general, any advertising must clearly state the percentage probability of winning for each game, and must show warnings about the risk of gaming addiction for cash prizes.

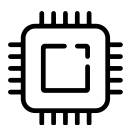
Decree Law no. 87 of 12 July 2018, as amended and converted into Law no. 96 of 9 August 2018 (“Dignity Decree”) - also introduced a ban on “any form of direct or indirect advertising related to games or bets with cash winnings, regardless of the method or means by which they are advertised, including at any sporting, cultural or artistic event, via television or radio broadcasts, newspapers, magazines or publications in general, or on billboards, or the internet. “

Furthermore, the Dignity Decree provides for certain information obligations towards customers, in addition to those already provided for under the reforms known as the Balduzzi Decree (for which the Customs and Monopolies Agency has provided a number of operational guidelines for licensees). In particular, Article 9-bis, paragraphs 4 and 5 have expanded the requirement for displaying warning signs on VLT machines and in areas where AWP machines are present.

For the purpose of facilitating compliance with the requirements that have been recently introduced, the Group has prepared dedicated information notices which have been made available in the login areas of company websites, and distributed throughout the company network. Furthermore, the Group continues to provide these notices to commercial partners on request.

Gamenet Group strictly complies with the decree, and has never therefore been fined or sanctioned over the information and marketing of our services.

6.3 Security and protection of players



TECHNOLOGY



SECURITY



INNOVATION



PROTECTION
OF LEGALITY



PROTECTION
OF MINORS

Gamenet Group considers it its duty to provide consumers with ever-greater levels of protection and a legal, safe and high-quality product offering. To this end, it deploys resources and investments to respond rigorously and promptly to legal requirements and ensure ongoing control. At the same time, it takes steps to obtain from its commercial partners, employees and stakeholders conduct in line with the directives aimed at transparency and correctness.

The Group has implemented a series of initiatives aimed at preventing compulsive gambling, including the provision of: training and refresher courses for all gaming hall employees; support, whether online or directly in gaming halls, for potentially problematic players and their families; and information on the risks associated with problematic gambling behaviour, as well as how and where to find help.

All the gaming solutions offered by Gamenet are carefully selected to ensure the maximum levels of reliability and safety for players. Whether it is VLT or online gaming, for example, any transaction can take place only given a real-time connection with the data centres of Gamenet Group –all ISO27001 certified- and with SOGEI, the IT division of the Ministry of Economy and Finance, and only following the confirmation of acceptance of the wager to guarantee the validity of players and the payment of any winnings. In real-time and without the player being aware of it, dozens and dozens of information exchanges occur at all times, with each of those information being individually monitored and verified in order to ensure the security and legality of gaming. Therefore, the Group's IT systems handle over 260 million of transactions per day, distributed among AWP and VLT entertainment devices, betting and online gaming. Moreover, 20 million of events are monitored on a daily basis by the SIEM (Security Information and Event Management) advanced monitoring platform operated by Gamenet Group.

In agreement with the Customs and Monopolies Agency, the Group has also implemented a series of solutions to prevent excessive gambling practices and compulsive gambling online. These include: self-limitation, by the player, of the maximum amount for each individual bet, for the spend and for the replenishment of the account, as well as voluntary self-exclusion from gaming, either temporarily or definitively. Furthermore, in order to prevent under-age gaming, activation of the gaming account takes place only following verification of the validity of the data input during registration and receipt of the copy of the identity document and the signed contract. Furthermore, to ensure the security of customer data, access to the reserved area of Gamenet website takes place through an encrypted connection. Every access is tracked by the system, which shows the date and time of the last login, as well as accesses to the page giving the statement of account.

During the year Gamenet Group companies continued adapting to the rules laid down in Regulation (EU) No. 679 of 27 April 2016 (General Data Protection Regulation, or GDPR), which came into force on 25 May 2018. Specifically:

- they adopted further technical and organisational measures for the protection of the personal data they process;
- they updated the list of suppliers that process personal data in the capacity of data processors on their behalf;
- they started to review the assessments of the impact of some types of processing (this work is to continue into 2020).

In 2019 the IT Security function, in accordance with the Security Governance process that has been adopted, conducted the periodic cyber security assessment of Gamenet's IT infrastructure based on the Italian Cyber Security Framework, which is created by the Rome La

Sapienza University Cyber Intelligence Unit and the Italian Inter-University IT Consortium (CINI), adopting the framework standards of the US National Institute of Standards and Technology (NIST). This framework in fact provides organisations with a homogeneous approach to coping with the complex aspect of security in cyberspace in order to prevent digital threats and reduce the risks deriving from them. This assessment enables an organisation to find a development plan and a strategy to raise the level of maturity of the infrastructure and processes with cyber security in mind.

Addressing one of the main requirements in the previous Cyber Security Assessment, during 2019 the IT Security function created a new and fundamentally important unit, a Security Operation Centre (SOC), which put into effect technological solutions (e.g. SIEM and EDR) and processes and procedures for creating active monitoring and Incident Response safeguards against cyber threats, with the aim of responding reactively and proactively to IT security attacks.

Despite our efforts to comply with legal requirements for the way we collect and process personal data of our clients and potential clients, including their use for marketing purposes, the Group remains exposed to the risk that sensitive personal data on customers and partners (including name, address, age, bank details and betting and gaming history) could be wrongfully appropriated, lost or disclosed, or processed in breach of data protection regulations. In spite of this – and this is also due to the security measures that were taken – during 2019 the Company did not receive a single complaint of any type from its customers in relation to privacy and/or the loss of information (such complaints entail the obligation on the operator to report the matter to the Italian Data Protection Authority). On the other hand, the Company received some requests from customers for access to their data, which have all been handled and met with the help of the Data Protection Officer (DPO) in compliance with current legal terms and conditions.

7. HUMAN CAPITAL



720

PEOPLE



40

AVERAGE AGE



38%

WOMEN



62%

MEN

People are a key factor for the success of their enterprise in Gamenet. The Group puts the creation of a stimulating and inclusive environment at the heart of its strategy, an environment in which everyone can feel fully motivated to make an effective contribution to the corporate mission by pooling their competencies and professionalism.

With the aim of recognising, developing and cultivating its workers' potential, the Group carries out an annual appraisal process and arranges ad hoc training and growth courses to enhance the professionalism of its human resources, fill any gaps that have come to light and motivate persons in a perspective of continuous development and improvement.

The Group also considers that teamwork is fundamental, with everyone sharing the same values and working together to achieve its strategic objectives in full awareness of the role and impact of their work in their organisation.

The engagement of new staff is planned on the basis of organisational needs and the recruitment process is conducted observing the principles set out in the Code of Ethics: to guarantee equal treatment based on candidates' individual capacities, avoiding any kind of favouritism or unfair advantages, and basing the selection exclusively on the criteria of professionalism and skill.

In the onboarding phase, newly engaged staff are guided by their line managers, by Human Resources Office staff and by members of their teams, with an introduction process designed to help them completely integrate with the company.

The growth of a shared awareness of values and mission combined with an inter-function mastery of the Group's business give our human resources a strong sense of belonging.

7.1 Composition of employees

In 2019, the Group recorded a 4.5% decrease in headcount compared to the 2018.

The following table provides a breakdown of total employee numbers as of the reporting date (31 December 2019) by gender and age group. As indicated below, the total workforce for all companies in the Group is shown to have been 720 employees in 2019, of which 38% were female.

COMPOSITION OF GAMENET GROUP EMPLOYEES

	2019			2018		
	Men	Women	Total	Men	Women	Total
Total number of employees by gender						
No. of units	446	274	720	469	285	754

EMPLOYEES BY PROFESSIONAL CATEGORY

Executives	23	6	29	26	7	33
Middle managers	57	19	76	56	16	72
White collars	285	212	497	306	216	522
Blue collars	81	37	118	81	46	127

EMPLOYEE AGE

<= 29 years	49	40	89	74	49	123
30 -50 years	340	212	552	341	214	555
Over 50	57	22	79	54	22	76

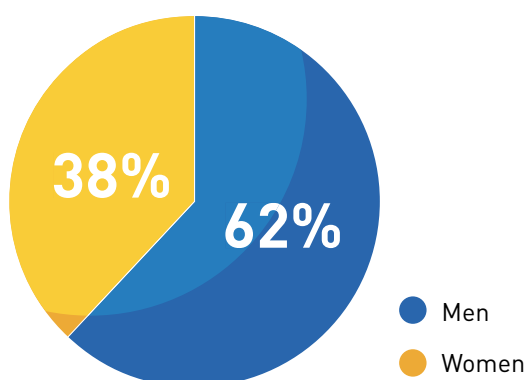
EMPLOYEES BY CONTRACT TYPE

Permanent contract	418	248	666	422	240	662
Fixed term or temporary contract	28	26	54	47	45	92

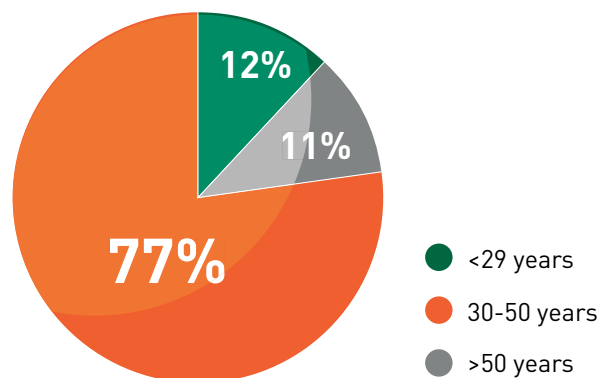
BY TYPE OF EMPLOYMENT

Full-time	430	234	664	452	253	705
Part-time	16	40	56	17	32	49

GENDER DIVERSITY



EMPLOYEE AGE



As it can be inferred from the data reported in the table below, during 2019 the Gamenet Group companies hired 101 employees, of which 59 men and 42 women. Of these, more than 90% were under the age of 50.

In the same year, 135 employees left the Group (82 men and 53 women).

NEW HIRES AND LEAVERS BY GENDER AND AGE

No. of units	2019			2018		
	Men	Women	Total	Men	Women	Total
NUMBER OF EMPLOYEES HIRED	59	42	101	99	82	181
<= 29 years old	11	20	31	24	28	52
30 -50 years old	40	22	62	68	49	117
Over 50	5	0	5	7	5	12
NUMBER OF EMPLOYEES LEAVING	82	53	135	85	67	152
<= 29 years old	19	16	35	14	20	34
30 -50 years old	51	34	85	62	43	105
Over 50	12	3	15	9	4	13

The table below provides details on new hires and leaving employees' turnover during 2019, by gender and age group. Staff turnover expresses the ratio between the sum of new hires and leavers during the year and the average number of employees present as of the end of the reporting period.

TURNOVER RATE BY GENDER AND AGE

Values %	2019			2018		
	Men	Women	Total	Men	Women	Total

HIRES BY AGE GROUP

<= 29 years old	22%	50%	35%	32%	57%	42%
30 -50 years old	12%	10%	11%	20%	23%	21%
Over 50	9%	-	6%	13%	23%	16%

LEAVERS BY AGE GROUP

<= 29 years old	39%	40%	39%	19%	41%	28%
30 -50 years old	15%	16%	15%	18%	20%	19%
Over 50	21%	14%	19%	17%	18%	17%

7.2 Personnel training

The Group believes employee training and the development of highly qualified and specialised professional profiles to be one of its fundamental key success factors. With the aim of boosting the skills and encouraging the aspirations of the people that work in the Company, Gamenet puts a number of plans and projects in place to enhance the professional competencies of all Group employees, at the same time supporting the development of talents.

Training programmes are planned and carried out on the basis of the actual needs that emerge from the human resources appraisal process. In 2019 training sessions at various levels were held for the development of both soft skills and technical and specific competencies related to the participants' roles and e-learning training was given in the areas of health, safety and quality.

As regards management training, appraisals continued in 2019 in order to make objective assessments of Managers' ability and professional skills. The appraisals were structured in such a way as to assess the managers' possession of the competency factors necessary for the attainment of the Group's objectives, pointing up strong points and areas for improvement so that possible future career growth can be considered.

In the framework of growth plans and talent management, the Group also arranged Personal Coaching sessions to strengthen and refine managerial ability through this form of personal development, and a Team Coaching course for top management to enhance the already growing synergies within the organisation, reinforce group identity and stimulate cohesive and constructive dynamic processes in the Group.

The Group Companies also continued to update and train employees in the principles and obligations laid down in the European Regulation mentioned above in the matter of the processing of personal data. Two separate e-learning training courses were given: the first for all employees who, on a generic basis, process personal data in the course of the performance of their duties, and the second specially for the personnel that have been appointed as system administrators owing to the delicate nature of their task.

The Annual Appraisal Process has been running in the Company since 2018, through the "Next" platform. The goal of the project is to direct the resource development process on three axes — training, horizontal mobility, and vertical mobility. It includes all Group staff regardless of their level and position in the company.

In 2019 the Group provided more than 6,209 hours of training, showing a sharp increase (>100% compared to 2018), for an average of 8.6 hours per person.

TRAINING²⁰

	Unit	2019			2018		
		Men	Women	Total	Men	Women	Total

TOTAL HOURS OF TRAINING, BY EMPLOYEE CATEGORY

Executives	hours	75	30	105	107	32	139
Middle managers	hours	279	102	381	359	69,5	428
White collars	hours	2,803	2,042	4,844	900	463	1,363
Blue collars	hours	515	364	879	454	140	594
Total	hours	3,671	2,538	6,209	1,820	704	2,525

AVERAGE HOURS OF TRAINING, BY EMPLOYEE CATEGORY

Executives	hours/employee	3.3	5.0	3.6	4.1	4.6	4.2
Middle managers	hours/employee	4.9	5.4	5.0	6.4	4.3	6.0
White collars	hours/employee	9.8	9.6	9.7	2.9	2.1	2.6
Blue collars	hours/employee	6.4	9.8	7.4	5.6	3.0	10.7
Total	hours/employee	8.2	9.3	8.6	3.9	2.5	3.3

In order to stimulate team spirit, improve communication and strengthen cooperation among staff, in 2019 the Group launched an experimental outdoor work project on digital transformation, the delegation of responsibilities and sustainability. This team building exercise was a precious occasion for the involvement, training and construction of the identity of the group that took part and stimulated the generation of ideas and new projects, some of which will be put into effect in 2020.

An industry with rapidly evolving policies and technology, such as that of public gaming, requires constant refresher training to maintain professional standards that are sufficient to the needs of the business. To this end, in addition to training and refresher courses for the Group internal staff, Gamenet provides, for its gaming hall staff and the Group's business partners, specific training courses for the opening and management of VLT gaming halls, cash desk and gaming hall-terminals management, as well as courses for technical staff dedicated to the installation and maintenance of VLTs. Retailers and hall operators are also provided with a range of training opportunities on numerous issues, including:

- general start-up training on all products, the player, and business management and accounting;
- refresher courses on specific gaming products, such as horse racing betting or VLTs;
- courses (which are also delivered using e-learning tools) on anti-money laundering policy and controls to support proper management of the payment of winnings from VLTs and bets;
- specific refresher courses on responsible gaming and combating pathological gambling, such as, for example, those organised within the scope of the "Punto Sicuro" and "Gioco Intelligente" projects.

²⁰ It should be noted that, due to the national health emergency caused by the spread of the COVID-19 virus, it was not possible to collect and process data for RosilSPORT.

Support for educational activities was also extended to family members of staff: within the scope of People Care activities, in fact, work continued on the “Best report card of the Year” project, which awards a scholarship to the children of Group employees who achieved the highest average grade compared to their peers in the same curriculum. 21 scholarships were awarded in the 2018/2019 school year.

In 2019, the Group also delivered to all employees a basic IT security course in e-learning mode, with the aims of increasing security awareness within the company, encouraging greater awareness on the use of IT technologies available in the workplace, and assisting employees in developing greater ability to identify and avert potentially damaging actions for the company’s entire IT system.

7.3 Occupational health and safety

As set out in the Group’s Code of Ethics and in compliance with the applicable legal provisions, with particular reference to Legislative Decree no. 81/2008, Gamenet Group undertakes to protect the health of workers, introducing all necessary and appropriate measures in order to ensure that workplaces (including those open to the public) comply with the highest standards in matters of health and safety. The Group also works to promote and consolidate a safety culture based on protecting the health of workers in the workplace, developing, as stated in the Code of Ethics, “awareness of the risks and promoting responsible behaviours among all employees and/or collaborators.”

Gamenet Group grants an ad hoc allowance to people involved with OHS (staff emergency team, first aid, etc.), along with careful and continuous training for staff involved, and indeed all staff, under the scope of applying Legislative Decree no. 81/2008.

Furthermore, Gamenet was one of the first companies in Italy to have obtained the UNI ISO 45001 certification for “Occupational health and safety management systems”, with the international agency Bureau Veritas awarding the certification just nine months after the standard was released. The certification was obtained with the aim of reducing the number of accidents and increase staff well-being, by raising the overall level of organisational understanding and culture on health and safety at work. This will be achieved by distinguishing elements such as: greater involvement on OHS issues at all business levels; active participation in improving working conditions; more careful management of procurement processes and outsourcing with particular reference to safety; and defining of specific processes for change management, be it organisational or technological.

A number of safety courses were provided throughout the financial year, with particular emphasis placed on first aid and related refresher training, fire safety procedures (medium risk and high risk), training and refresher training for OHS representatives, training for managers, and e-learning training courses.

During 2019, no fatal accidents or cases of occupational illness were recorded within the Group. The table below summarises the Group's main performance figures for occupational health and safety recorded in 2019²¹.

OCCUPATIONAL HEALTH AND SAFETY IN 2019

	Unit	Men	Women	Total
Total hours worked	No.	783,043	427,988	1,211,031
Total number of injuries recorded	No.	6	6	12
<i>Of which commuting accidents</i>	No.	1	4	5
Injury Rate ²²	-	1.53	2.80	1.98

7.4 Equal opportunities

In line with its Code of Ethics, Gamenet Group undertakes to guarantee equality of treatment and opportunities for each collaborator. The Company works to overcome any kind of discrimination, corruption, exploitation of child or forced labour and, more generally, to promote dignity, health, freedom and equality of workers, in compliance with the Universal Declaration of the United Nations, the fundamental Conventions of the International Labour Organization and the OECD Guidelines.

During the year Gamenet Group scheduled a workshop cycle on the theme of Inclusion & Diversity to encourage an inclusive culture that supports people in expressing their potential regardless of gender, the generation to which they belong and all other forms of diversity.

The question of harassment was examined in particular detail with the aim of providing the participants with a tool to pick out and prevent this problem, and measures to protect and defend anybody that could be exposed to behaviour that could constitute harassment in any way were put in place.

The table below shows the difference in pay between female and male Group employees, calculated using a weighted average in order to account for the differences in the number of staff in the various Companies in order to obtain a truer mean difference.

WAGE RATIO BETWEEN WOMEN AND MEN BY OCCUPATIONAL CATEGORY

	Weighted average	
	2019	2018
Executives	72%	97%
Middle managers	91%	93%
White collars	89%	92%
Blue collars	80%	84%

²¹ Since the Group has adopted a new method of data collection from the current reporting period, the comparison with previous years has not been included.

²² Injury rate is calculated by dividing the number of injuries recorded by the number of hours worked during the reporting period and multiplying the total by 200,000.

7.4.1 Parental leave

In accordance with the law and the national collective labour agreements, all employees who take parental leave return to the workforce at the end of such leave (any separations are wholly voluntary); as a result, the rate of return of employees to Group companies following parental leave is 100%. For the sake of completeness, we report that 54 employees took parental leave during 2019, of whom 36 were women and 18 men. 51 employees returned to work after their period of leave, 33 of whom were women and 18 men. All those who took parental leave in 2018 were still Group employees at the end of 2019.

7.5 People care and company welfare

Gamenet takes people's welfare and organisational well-being to heart: the Group's people care and welfare policies reflect this commitment, which is based on its corporate values of Responsibility and Respect.

The company welfare system, which is fully integrated with the provisions of Group and national collective agreements, offers all employees, both full-time and part-time, flexibility solutions and measures aimed at promoting work-life balance, including

- paid leave of up to 4 hours in any given day for medical visits to public structures;
- flexible starting and finishing working hours;
- overtime bank for employees that do not earn a leave entitlement for reduced working hours;
- parking spaces reserved for pregnant employees with the aim of facilitating their movements and making it easier to reach the workplace during pregnancy; parking spaces for disabled people and shift workers;
- supplementary insurance for occupational injuries;
- parental leave for fathers, which allows them to stay at home for 5 days following the child's birth.
- granting part-time hours;
- meal vouchers;
- deals with sports centres and gyms for employee wellbeing.

Furthermore, on an experimental basis, in 2019 the Group started a Smart Working pilot project at its Rome headquarters in Via degli Aldobrandeschi, allowing staff to work from home one day a week²³.

Another brick was added to the company Welfare edifice in 2019 with the institution of a Supplementary Health Scheme available to all employees. This scheme considerably enlarges the number of medical and health services available and provides a network of facilities that deliver health care under agreements and helps to reduce the health costs of employees and the members of their families, to whom the possibility of subscribing has been extended. And in order to provide even greater protection and be even nearer to the Group's employees and their families, to the supplementary health scheme was added a temporary policy in case of death or total permanent

²³ This experiment helped the Gamenet Group to implement a Business Continuity Plan after the onset of the COVID-19 epidemiological emergency. On this occasion the Company allowed all its staff to work in a smart-working mode without interruptions in business continuity except in cases in which business had to stop by law. Another measure to report is that in order to add to the action already taken since the health emergency started, the Group promptly took out a special insurance policy to cover all its employees against hospitalisation, convalescence and medical assistance related to infection with COVID-19.

disability and Long-Term Care cover which provides for the payment of a lifetime allowance. In fact, it is the Group's wish to protect its people, and not only its employees themselves, by means of measures that go beyond a mere working relationship.

In order to make working in teams easier and more comfortable, the main Group companies completed their move to the Rome Headquarters in 2019. Here the workplaces are divided by functional areas and designed on the open space basis to encourage inter-personal relations, communication and, indeed, teamwork. There are meeting rooms of various sizes and pleasant break areas. The headquarters also has an interior bar and canteen, an infirmary, spacious car parks for private vehicles, reserved car sharing spaces and shuttles that run during the hours at which work starts and finishes to make it easier to come to and leave work without using a car.

7.6 Internal communication and employee engagement

Gamenet considers internal communication an important support in processes of organisational growth and change: internal communication helps to spread corporate values, provides information on projects and business activity and assists in creating an internal climate and organisational well-being.

Accordingly, the Internal Communication function came into being in 2019 inside the Human Resources & Organisation Department, with the objectives of operating internal communication channels, improving information flows in the Group and creating more opportunities for communication, harmony and sharing.

A key moment for internal communication and reviewing business activities is the Group's end-of-year event, to which all its employees are invited and during which the year's results and the priority strategies for the near future are unveiled.

Apart from providing its personnel with information about business activities and projects, Gamenet promotes and organises employee engagement events; in 2019, for example, the first Summer Party for Group employees and their families was held.

7.6.1 The corporate intranet

The corporate intranet has a strategic role in promoting our corporate culture, based on principles of transparency, sharing and speed.

The plan for the development and strengthening of the Group's internal media began to be put into effect in 2019, particularly focusing on the intranet. It will be further carried forward during 2020 so that the contents and information published reach the entire Group population.

In 2019 Gamenet began publishing its quarterly results, corporate events and Group projects and activities on intranet.

7.6.2 Job posting

In 2018 the Group launched an internal job posting system with the objective of putting to good use the skills, ambitions and professional aspirations of those who work for it. All its employees can reply to the announcements published on the company intranet and enter the selection procedure after consulting their line manager.

This system encourages internal mobility, assists in the development of transversal competencies and satisfies organisational requirements, at the same time stimulating proactiveness and internal mobility, increasingly important factors in a challenging and continuously evolving business scenario.

7.6.3 The Gaming Cup

Every year, Gamenet Group takes part in the Gaming Cup, an 8-a-side football and padel tournament among gaming operators; the team consists of players from various Group companies. In 2019, the Gamenet team earned the fourth place in the 8-a-side football tournament and gained awards for the best coach and the best goalkeeper of the tournament.

7.6.4 The “Become” project



Gamenet Group is a young and fast-moving enterprise, with a strong vocation for innovation, and it is in order to exploit its innovative power and put it to the best possible use that the Group brought “Become” into play in 2019.

“Become” is a concept created to recognise “who we are and who we want to become” and communicate it internally; it is the expression of a spirit with which the entire organisation can

identify itself, even through a logo whose different shades are intended to represent all the essences of the Group’s workers. Through “Become”, the Group wishes to talk about the corporate innovation process, made up of projects and tangible actions.

“Become Green”, a sustainability project launched in early 2020, was the first of these initiatives: at the Rome headquarters it resulted in a noticeable reduction in disposable plastics for common use, which were replaced by eco-friendly and more sustainable alternatives.²⁴

7.7 Prizes and awards

In 2019 Le Fonti AWARDS® gave the “HR Team of the Year in the Gaming Sector Award” to the Gamenet Group’s HR team, who collected the honour during a ceremony in Milan, at Palazzo Mezzanotte, on 7 November 2019.

The reasons for the award were that the Group considers persons as the enterprise’s true competitive edge and believes in their competencies; specifically, the Group received the Award because it formed a special unit for professional training and follow-up which arranges courses in collaboration with the other major organisations in the sector.

²⁴ For more details, see the chapter on the “Environmental Impact”.

8. SERVICE QUALITY

8.1 Customer centricity

Given the particular nature of the sector in which it operates, and the variety of products and services offered, Gamenet targets a heterogeneous range of customers, the centre of all the business activities.

The Group's strategies are therefore built on a constant and constructive dialogue with customers; listening to their requests is the basis of any and all activities of researching and developing products, services and technological solutions capable of responding quickly and effectively to any market needs, while still maintaining high levels of quality, transparency and security, in full compliance with current laws and regulations.

This approach is probably the reason for Gamenet Group's successful business in the regulated gaming sector, allowing it to offer its customers attractive games, as well as a pleasant gaming experience, within the restrictions on concession. The professionalism and courtesy of its employees, the care and welcome offered in its gaming halls, the additional services offered and the reliability and safety of its (offline and online) gaming platforms are some of the unique features of the Group's offering.

The Group also contributes to the business growth of its commercial partners, a wide and diversified network provided with an extensive and efficient technical assistance service that responds to complex issues and technical and organisational challenges in real time.

Indeed, in addition to final players - the customers who play in the gaming and betting halls, on AWP and VLT machines or online - the Group also has a wide and diverse network of commercial partners. These include the companies that rent and run AWP entertainment devices, who work under contract with the Group to distribute, install and manage the proceeds from these machines - and the owners of the retail points where the machines are installed.

8.2 Sales network

As of 31 December 2019, Gamenet Group's distribution network consisted of approximately 8,439 points of sale, including 740 gaming halls, 66 of which are directly operated (among these, 39 under the Gamenet Entertainment brand, 3 under the Billions brand, 20 under the Enjoy The Game brand and 3 under the Easy Play brand). To these are added 1,626 points of sale under the Goldbet and Intralot brands, operating as at 31 December (out of a total of 1,732 rights for sports betting), split between gaming shops and corners dedicated to sports and horse-racing betting and other gaming products such as virtual games.

The gaming environment is an important part of guaranteeing service quality and an enjoyable gaming experience for customers within the Gamenet retail points and gaming halls. Decisions regarding where to locate halls are made in collaboration with representatives of local institutions and only after detailed examination of the social context of the area, considering safety issues and the vicinity of halls to sensitive locations. Customer care and the professionalism of the employees combine to create positive gaming and entertainment experiences.

The online sales channel consists of the website www.goldbet.it, which houses a wide and innovative range of online gaming products, also delivered on mobile devices through dedicated app for smartphones and tablets²⁵. In this context, the migration of gaming accounts from the Intralot platform to Goldbet started in February 2019 certainly amplified the importance of the online sales channel.

8.3 Quality system and certifications

The Group believes that the real measure of service quality is the ability to satisfy the requirements of end customers, while ensuring corporate efficiency and sustainability. To this end, the Group has developed and implemented a Quality Management System (QMS), which is now the Integrated Quality and Safety Management System (IMS), even following the achievement of the UNI EN ISO 45001:2018 certification, in order to meet the various requirements of interested parties, achieve continuous performance improvements and comply with relevant sector regulations and legislation.

IMS documents are drawn up at the following levels: the Quality and Safety Policy, which sets out the Group's general IMS objectives; the Integrated Management System Manual, which describes the context and the structure of the IMS, states the policy adopted and defines the way in which the other IMS documents are used and their scope; the Procedures, which describe the operational procedures for the various activities; the Operating Instructions, which are necessary to implement the procedures; and the Forms and Registrations, which are records of the work done within the scope of the IMS.

Since its incorporation, Gamenet Group has pursued Quality Management objectives, obtaining UNI ISO 9001 certification and maintaining such certification over the years. As reported in the Quality Policy, the Management System represents a guarantee:

- To the End Customer:
 - in terms of Service completeness, so that it fully meets their needs;
 - in terms of Service legality, by operating in compliance with the provisions of the licence;
 - in terms of Service reliability, by involving supply chain Partners in company activities, and believing that they make an active contribution to the achievement of pre-established objectives.
- To the Personnel:
 - by developing a culture oriented towards Quality and continuous improvement;
 - by maintaining a high level of motivation, empowerment and involvement;
 - by providing the training needed for professional development.
- To the Management:
 - by developing, implementing and improving a process control system oriented towards the prevention and management of risks;
 - by planning company strategies with a view to satisfying end customers.

²⁵ For more details, see the chapter on the "Business Activities".

The Quality Policy, which is periodically updated and communicated to all employees through the corporate intranet and notice boards, is therefore fully aligned with the corporate position on quality, which is based on comprehensive commitment in all areas

Currently, the Group's certified gaming environments are as follows:

- “Implementation and management of the network for the telematic management of legal gaming through entertainment devices as well as related activities and functions”, held by Gamenet S.p.A. which holds the licence;
- “Supply and management of games with cash prizes, distributed both remotely and through points of sale, as well as production and company management processes” held by GoldBet S.p.A., which holds the licences.

It should be noted, among other things, that, within the scope of the certification objectives aimed at improving management level and quality, during 2019 GoldBet S.p.A. maintained the ISO 9001:2015 certification, renewed in 2018, and the ISO 27001:2013 certification for information security management (ISMS), obtained by Intralot S.p.A. since 2015 and renewed by it in 2018.

Furthermore, the Group believes that an effective policy on service quality cannot disregard a careful selection and management of a supply chain capable of ensuring in any situation a prompt response in line with business needs. To this end, the Group has set out specific procedures to regulate the supplier qualification and management process and has opened an appropriate Supplier List in which economic operators can ask to be accredited online and through which the Group can verify that they meet its requirements, abide by the Code of Ethics, comply with the regulations in force, the solidity of their revenues, cash flow and financial position and monitor their performance closely and regularly.

8.4 Suppliers

A fundamental aspect of Gamenet Group activities are strong commercial relations with numerous partners and suppliers. In fact, the Group's value production chain relies on collaboration with a range of players in the gaming sector, including:

- gaming platforms and software developers;
- terminal and hardware manufacturers and providers;
- gaming material suppliers;
- logistics service providers;
- legal, tax and financial advisors;
- partners in the advertising, marketing and market research sector;
- technical assistance services;
- car rental and leasing agencies;
- gaming hall and points of sale concessionaires and managers.

Thanks to the quality control system, the process of identifying and selecting commercial partners involves an assessment phase based on honesty, fairness and transparency. In fact, the Group is only interested in bringing partners with high reliability standards into our commercial network.

To this end, since 2018 Gamenet Group has developed a “Supplier Portal” and have therefore introduced a new procedure- which applies to the whole Group- in order to regulate the qualification and management process of the suppliers. The procedure foresees the introduction of a specific Supplier Register to which all the suppliers must subscribe for orders above Euro 5,000. Within the procedure, the potential suppliers shall be assessed in order to verify compliance with the Group’s requirements and applicable laws.

In order to be accredited, potential suppliers are required to provide the following documents:

- certified registration with the Chamber of Commerce, Industry, Crafts and Agriculture;
- general terms of purchase;
- anti-mafia declaration;
- declaration pursuant to Legislative Decree No. 81/2008;
- identity document of the legal representative;
- updated single insurance contribution payment certificate (DURC);
- information on the processing of personal data;
- latest financial report;
- declaration of acceptance of the Gamenet Code of Ethics.

In the unremitting search for improvement in quality and higher service levels, in 2019 the Group also embarked on a project for setting up an E-procurement portal to optimise the entire acquisition process and enhance its efficiency through web-based digital platforms in compliance with Legislative Decree no. 50/2016 (Code of Contracts for Public Authorities); the Decree brought in a formal obligation to use digital means in tender award procedures. With the adoption of an E-procurement portal, which is expected to open in 2020 and will be integrated into the Group’s Supplier List, operations will be more efficient, the resources engaged in the work will be rationalised, all the tender and acquisition activities will be traceable, the entire acquisition process will be transparent and there will be a greater guarantee of compliance with organisational models adopted under Legislative Decree no. 231/2001.

9. THE COMMUNITY

With the objective of forming stakeholder relationships based on mutual trust, the Group is committed to actively promoting quality of life, the socio-economic development of the local communities where it operates and the development of human capital and local capacity, while at the same time conducting its business in ways that are compatible with fair and proper business practice and economic development.

To this end, the Group promotes transparency in all its dealings with local communities (in particular with regard to those matters of most concern to them) and engages in ongoing dialogue with both local communities and regulatory authorities so that the gaming experience offered is sustainable from a local and social viewpoint.

Gamenet Group contributes to generating value for the community through wealth creation distributed among all its stakeholders, through payment of gaming-sector specific taxes, which have a significant impact on the Country's tax revenues, in addition to taxes and income taxes for the fiscal year and local taxation (totalling, as of 2018, more than Euro 755 million). For further information on the economic contribution to the community economy, see the chapter on the "Economic Impact".

9.1 Social responsibility projects

The Group has always been actively involved in awareness-raising campaigns and charity fundraising, on its own or in cooperation with associations or other companies in the sector.

Specifically, note activities and projects in support of:

- **FAI – Italian Environment Fund:** as from 2018, Gamenet Group embarked on a path to support the Italian Environment Fund, by joining their corporate membership program — Corporate Golden Donor. This decision to support excellence, which was made in 2019 too, enhances the company's image and corporate identity, distinguishing the Group for its level of care and concrete commitment to the arts, culture and Italian landscape;
- **Telethon:** building on its experience from previous years, the Group again supported Telethon in 2019 too, through active participation in initiatives to raise awareness and collect funds to help scientific research to develop effective treatments and therapies against genetic diseases. Among the Telethon campaigns supported by the Group, through donations and the involvement of its points of sale and online gaming portals, are the "Walk of life" and the annual "Il gioco fa rotta sulla ricerca" (Gaming targets research) campaign, which since 2005 has resulted in raising funds for almost Euro 6 million, to be spent on scientific research, thanks to the involvement and solidarity of Gamenet Group and the other most important players in the legal public gaming sector;
- **Caritas:** Gamenet Group contributed to the work of Caritas in 2019, its support consisting of the donation of IT equipment to the Caritas offices in Rome;

- **Banco Alimentare:** the Group launched the “Food for People” project during the Christmas holidays, organising a collection of foodstuffs to support the Banco Alimentare, an association that has been arranging the collection of prime necessities and their redistribution to charitable bodies all over Italy for 40 years. More than 70 kg of foodstuffs – pasta, rice, sweet and savoury biscuits, vegetables, panettone cakes and children’s food – were collected thanks to contributions from Group employees;
- **Vidas:** the Group gave active support to the Vidas Association, which assists terminally ill patients thanks to the work of doctors specialised in pain therapy and palliative treatment.

9.2 Collaboration with institutions and trade associations

Gamenet Group maintains a constant dialogue with institutions and authorities, in particular the Customs and Monopolies Agency (Customs and Monopolies Agency), central and local administrations, and the police.

The Customs and Monopolies Agency is the regulatory authority in the Italian public gaming sector, and oversees the legality and responsibility of gaming; it supervises the organisation and provision of all games, takes care of the administrative side of licensing, checks that taxes are paid correctly and regularly, draws up directors and regulations, and holds public tenders for new licences.

The constant regulation and control performed by the Customs and Monopolies Agency has the primary goal of ensuring increasing protection for users, in a well-monitored and technologically advanced environment. Gamenet Group employs resources and investment to respond rigorously and promptly to regulatory evolutions, firm in the duty to provide the collaboration necessary to guarantee consumers a professional, safe and high quality service. At the same time, the Group’s commercial partners, employees and other figures are also required to honestly and transparently comply with the directives issued.

The Group is also a member of ACADI (Association of Concessionaires of Entertainment Devices), one of the main non-profit trade associations in the Italian market that has, over time, established direct relations with the Italian legislator and the institutions in general. ACADI promotes initiatives in the field of gaming, with specific reference to regulatory, technical and communication issues.

Thanks to the transparency and sense of responsibility of its member Concessionaires, ACADI supports all projects or instruments that are likely to assure legality and responsibility with respect to players, the State and other economic operators, supervising the application of the rules and reporting any cases of non-compliance. The Association also plays an active part in fighting gambling disorder and fostering responsible gambling.

ACADI has belonged to Confcommercio – Enterprises for Italy since 2019. Confcommercio, short for General Italian Confederation of Enterprises, Professional Activities and Self-Employment, has over 700,000 members.

9.2.1 Acadi's Report on Public Gaming

ACADI presented its first “Report on Public Gaming” on 28 November 2019. Drawn up by the members of the Association in collaboration, including Gamenet Group, the aim of the Report is to draw attention to the main qualitative and quantitative elements in the industry of gambling for money, highlighting, from time to time, the contribution made by ACADI members and their chains, calculating the total amount generated for society and the Italian economy by the public gaming offering and the positive externalities that have derived, over time, from the regulation of gambling for money. The Report also puts a precise value on the contribution that the gaming sector gives the Italian economy in terms of wealth (GDP), employment and the social objectives that it pursues²⁶.



²⁶ For more information, see the website www.acadi.it.

10. ENVIRONMENTAL IMPACT

Operating in the gaming sector and offering services that are mainly supported by IT technology, Gamenet Group does not have any serious environmental impact issues. The Group does not therefore have a department for drafting specific environmental procedures and policies, or the relative control tools. Nonetheless, it does comply with the principles of the corporate Code of Ethics, including the cautionary approach as defined in principle 15 of the Rio Declaration on Environment and Development.

The Group is aware of the importance of respecting the environment as part of an advanced business strategy, and includes the topic in our material aspects analysis. For this reason, the Group is not only committed to complying with current legislation in the area, but goes beyond environmental regulations to identify the business areas with the heaviest direct and indirect impact on the environment, taking care to monitor them and introduce tools and procedures to reduce them.

The activities with the greatest impact were found to be energy use and the emissions produced by using the company car fleet. The Group has therefore implemented the best practices and technology available in these areas to reduce the energy use and protect the environment.

10.1 Energy consumption

The Group records and reports on the following types of consumption:

- electricity for offices and gaming halls;
- diesel and other fuels used by the car fleet;
- methane gas for heating (where used).

The following table shows aggregate consumption levels during the reference period, expressed in gigajoules (GJ), in relation to Group gaming halls and offices. The figure for fuel consumptions is an estimate based on fuel cards used by the car fleet.

DIRECT CONSUMPTION	UoM	YEAR	
		2019	2018
Methane (for heating)	GJ	1,646.99	1,945.86
Diesel (for powering vehicles)	GJ	11,613.60	11,847.68
LPG (for powering vehicles)	GJ	0.64	2.45
Methane (for powering vehicles)	GJ	1,116.48	893.62
Petrol (for powering vehicles)	GJ	147.12	79.15
INDIRECT CONSUMPTION	UoM	2019	2018
Purchased electricity	GJ	34,479.52	38,196.03
TOTAL CONSUMPTION	GJ	49,004.36	52,975.28

Employee mobility for working activities has considerable and multiple impacts on the environment: emissions, noise, use of fossil fuels. For this reason, in line with our commitments, from 2016 the Group has begun partially renewing its car fleet with models that have a lower environmental impact.

With reference to the electricity purchased, the reorganisation of the energy supplies of the gaming halls managed directly by the Group should be noted: in 2019 an agreement was in fact reached with a single certified supplier, which from 2020 will guarantee the procurement of energy wholly from renewable sources.

10.2 Emissions

The Group records and reports on greenhouse gas emissions produced by its corporate activities. Direct emissions (Scope 1) are linked to the use of fuel for company cars and methane gas used to heat gaming halls and offices.

Indirect emissions (Scope 2), on the other hand, are linked to electricity used in gaming halls and offices, and are calculated based on the figures provided by electricity providers.

The table below shows the values of the Group's emissions recorded during 2019, shown in CO₂ equivalent tonnes, and calculated using:

- estimated consumption of diesel by company cars, calculated on the basis of internal fuel cards in general (reported in GJ and multiplied by a national inventory UNFCCC CO₂ emission factor of 73.578 tonnes of CO₂/TJ);
- consumption of natural gas, based on supplier invoices (reported in GJ and multiplied by a UNFCCC CO₂ emission factor of 55.954 tonnes of CO₂/ TJ);
- consumption of other fuel, based on supplier invoices (reported in GJ and multiplied by a UNFCCC CO₂ emission factor of 55.934 tonnes of CO₂/ TJ).
- electricity use communicated by providers (multiplied by emission factor 375 g CO₂ eq / kWh, as shown in the Terna database.

DIRECT EMISSIONS	UoM	YEAR	
		2019	2018
Methane for heating	t CO ₂	92.12	108.84
Diesel for powering vehicles	t CO ₂	854.51	871.73
LPG (for powering vehicles)	t CO ₂	0.04	0.16
Methane (for powering vehicles)	t CO ₂	62.45	49.95
Petrol for powering vehicles	t CO ₂	10.79	5.80
TOTAL DIRECT EMISSIONS	t CO₂	1,030.70	1,037.20
INDIRECT EMISSIONS	UoM	2019	2018
Purchased electricity	t CO ₂	3,591.62	3,978.83
TOTAL INDIRECT EMISSIONS	t CO₂	3,591.62	3,978.83

10.3 Water consumption

As with water consumption, the Group does not report on waste as, given the nature of its business as service providers, the Group water consumption is reserved for civil use, without any noticeable impact on water sources.

10.4 Waste

Given the nature of our activities, Gamenet Group gaming halls and offices produce exclusively urban waste, which is disposed of by the public waste services.

In line with its intention to step up our commitment to the environment, however, Gamenet has set up a project to promote recycling, focussing on communicating sustainable behaviours and best practices to maximise employees' attention and awareness of environmental issues.

10.5 Efficiency improvement

In 2019 Gamenet's commitment to improving energy efficiency continued to build on its activities of previous years, mainly focusing on the headquarters at Via degli Aldobrandeschi. Among the most important interventions were:

- coating the windows with anti-UVA film, to reduce the internal building heat;
- production of electrical energy in the premises through solar panels and remote control of climatic comfort parameters;
- installation of dimmable LED lighting, equipping individual offices and open spaces with presence detectors, more sustainable from an environmental and energy consumption point of view;
- automatic cut-off of the lighting, ventilation and air conditioning system at the end of the working day, in order to optimise visual and environmental comfort within 24 hours and limit consumption.

10.6 Become Green



In 2020 the “Become Green” campaign was launched. This is an environmental sustainability project which started off with the Rome Headquarters, its objective being to eliminate the use of disposable plastic (coffee cups, bottles, plastic cups) and replace it with eco-friendly alternatives such as paper cups and aluminium flasks, usable with free microfiltered water dispensers specially installed for the purpose for the use of Group personnel.

In the subsequent steps of the campaign, the collection of sorted waste will be intensified and the amount of paper used at work will be reduced.

10.7 Think About



The Group entered Think About S.r.l. in 2019, continuing on its process of growing attention to and awareness of environmental topics. The company is an innovative start-up with a social vocation, formed with the purpose of creating software and social solutions that generate both economic and social value and steer people towards the sustainable consumption of foodstuffs. Think About has developed an ethical e-commerce platform, NO.W (No Waste) for businesses and their employees, who can buy food products with a click at heavily discounted prices and have them delivered directly at their office.

The objective of the NO.W project is to use surplus food which would otherwise be wasted by means of a solution that confronts the problem upstream, in the section of the supply chain between the transformation industry and distribution, and brings foods of excellent quality within the end consumer's reach, even if they are no longer marketable for various reasons (an imminent sell-by date, a non-compliant product or packaging, even if they are perfectly edible), with ethical, environmental and financial advantages for all concerned.

11. METHODOLOGY NOTE

The Sustainability Report is the tool used by Gamenet Group to report not only on the economic and financial impacts of our business, but also the social and environmental effects of the Group's acknowledgement of our social responsibility, particularly in relation to responsible gaming and compliance with sector regulations.

The Sustainability Report is drafted annually, and the reporting period for this document is the 2019 financial year (01/01/2019 - 31/12/2019). The information contained in the document refers to the 2019 financial year and provides, where possible, a comparison with the 2018 financial year.

The scope of reporting did not change significantly compared to 2018. However, it should be noted that, with legal effect from 1 May 2019, GoldBet S.p.A. was merged by incorporation into Intralot Italia S.p.A. and that the Company resulting from the merger, Intralot Italia S.p.A., changed its name to GoldBet S.p.A..

Therefore, as of 31 December 2019 the Gamenet Group included: Gamenet Group S.p.A., Gamenet S.p.A., Gamenet Entertainment S.r.l., Topplay S.r.l. in liquidation²⁷, Billions Italia S.r.l., Gnetwork S.r.l., Jolly Videogiochi S.r.l., New Matic S.r.l., Agesoft S.r.l., La Chance S.r.l., RosilSport S.r.l., Easy Play S.r.l., GoldBet S.p.A..

The document is intended to provide reliable, complete, balanced, accurate, comprehensible and comparable information, as required by the reporting standards used: GRI Sustainability Reporting Standards. Gamenet Group has decided to draft the document in compliance with the core reporting option. It should be noted that the Group has adopted the updated version (2018) with reference to the Standard 403: Occupational Health and Safety, compared to the previous reporting cycles.

As described in the section on "material aspects for Gamenet", the contents of the report were chosen by analysing the material aspects, the sustainability context in the sector, and bearing in mind the principles of stakeholder inclusion and providing complete information.

The contents of the report are drafted internally, and where not otherwise specified, the data sources are therefore internal. The Group also opted to have the 2019 Sustainability Report independently audited by PricewaterhouseCoopers (PwC). The results of the audits carried out are provided in the audit firm's report at the end of the document.

The Sustainability Report is published in both Italian and English, and is available from the Group's website only in digital format, in order to reduce the environmental impact of Gamenet Group by limiting the use of paper.

For further information on the contents of the report, please contact:
ufficiostampa@gamenetgroup.it

²⁷ This company has not been considered for the purposes of preparing the Sustainability Report.

12. GRI CONTENT INDEX

GENERAL DISCLOSURES

GRI Standard	Disclosure	Paragraph and notes
GRI 102: General Disclosure	102-1 Name of the organization	About us
	102-2 Activities, brands, products, and services	Business activities
	102-3 Location of headquarters	Via degli Aldobrandeschi 300 – 00163 Roma
	102-4 Location of operations	The Group operates in Italy
	102-5 Ownership and legal form	About us
	102-6 Markets served	Business activities
	102-7 Scale of the organization	About us, Human resources
	102-8 Information on employees and other workers	Composition of employees
	102-9 Supply chain	Suppliers
	102-10 Significant changes to the organization and its supply chain	About us
	102-11 Precautionary Principle or approach	Environmental impact
	102-12 External initiatives	The community, Responsible gaming
	102-13 Membership of associations	Collaboration with institutions and trade associations
	102-14 Statement from senior decision-maker	Letter from the CEO
	102-16 Values, principles, standards, and norms of behavior	Mission, Values, Vision
	102-18 Governance structure	Group's structure, Corporate Governance
	102-40 List of stakeholder groups	Stakeholders
	102-41 Collective bargaining agreements	100% of our employees have collective bargaining employment contracts
	102-42 Identifying and selecting stakeholders	Stakeholders
	102-43 Approach to stakeholder engagement	Stakeholders
	102-44 Key topics and concerns raised	Stakeholders
	102-45 Entities included in the consolidated financial statements	Methodology note, Material aspects for Gamenet Group
	102-46 Defining report content and topic Boundaries	Methodology note, Material aspects for Gamenet Group
	102-47 List of material topics	Methodology note, Material aspects for Gamenet Group
	102-48 Restatements of information	Methodology note
	102-49 Changes in reporting	Methodology note
	102-50 Reporting period	Methodology note
102-51 Date of most recent report	Methodology note	
102-52 Reporting cycle	Methodology note	
102-53 Contact point for questions regarding the report	Methodology note	
102-54 Claims of reporting in accordance with the GRI Standards	Methodology note	
102-55 GRI content index	GRI Content Index	

MATERIAL TOPICS

201 – ECONOMIC PERFORMANCE (FINANCIAL PERFORMANCE)

GRI Standard	Disclosure	Paragraph and notes
GRI 103: Management approach	103-1 Explanation of the material topic and its Boundary	Material aspects for Gamenet Group
	103-2 The management approach and its components	Economic impact
	103-3 Evaluation of the management approach	Economic impact
GRI 201: Economic Performances	201-1 Direct economic value generated and distributed	Economic impact

205 - ANTI-CORRUPTION (COMPLIANCE)

GRI Standard	Disclosure	Paragraph and notes
GRI 103: Management approach	103-1 Explanation of the material topic and its Boundary	Material aspects for Gamenet Group
	103-2 The management approach and its components	Anti corruption and anti-money laundering (AML)
	103-3 Evaluation of the management approach	Anti corruption and anti-money laundering (AML)
GRI 205: Anti-corruption	205-3 Confirmed incidents of corruption and actions taken	During 2019, no corruption incidents were recorded in Group companies

302 - ENERGY (ENVIRONMENTAL IMPACT)

GRI Standard	Disclosure	Paragraph and notes
GRI 103: Management approach	103-1 Explanation of the material topic and its Boundary	Material aspects for Gamenet Group
	103-2 The management approach and its components	Environment impact
	103-3 Evaluation of the management approach	Energy consumption
GRI 302: Energy	302-1 Energy consumption within the organization	Energy consumption Note: please note that, for the year 2019, the electricity consumption of via Aldobrandeschi headquarter is not considered in the total amount.

305 - EMISSIONS (ENVIRONMENTAL IMPACTS)

GRI Standard	Disclosure	Paragraph and notes
GRI 103: Management approach	103-1 Explanation of the material topic and its Boundary	Material aspects for Gamenet Group
	103-2 The management approach and its components	Environment impact
	103-3 Evaluation of the management approach	Emissions
GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions	Emissions
	305-2 Energy indirect (Scope 2) GHG emissions	Emissions

401 - EMPLOYMENT (EMPLOYEE TRAINING AND EDUCATION)

GRI Standard	Disclosure	Paragraph and notes
GRI 103: Management approach	103-1 Explanation of the material topic and its Boundary	Material aspects for Gamenet Group
	103-2 The management approach and its components	Human Resources
	103-3 Evaluation of the management approach	Human Resources
GRI 401: Employment	401-1 New employee hires and employee turnover	Composition of employees
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	People care and Corporate welfare
	401-3 Parental leave	People care and Corporate welfare

403 - OCCUPATIONAL HEALTH AND SAFETY (EMPLOYEE TRAINING AND EDUCATION)

GRI Standard	Disclosure	Paragraph and notes
GRI 103: Management approach	103-1 Explanation of the material topic and its Boundary	Material aspects for Gamenet Group
	103-2 The management approach and its components	Occupational health and safety
	103-3 Evaluation of the management approach	Occupational health and safety
GRI 403: Occupational health and safety	403-9 Work-related injuries	Occupational health and safety

404 - TRAINING AND EDUCATION (EMPLOYEE TRAINING AND EDUCATION)

GRI Standard	Disclosure	Paragraph and notes
GRI 103: Management approach	103-1 Explanation of the material topic and its Boundary	Material aspects for Gamenet Group
	103-2 The management approach and its components	Human resources
	103-3 Evaluation of the management approach	Human resources
GRI 404: Training and education	404-1 Average hours of training per year per employee	Personnel training
	404-2 Programs for upgrading employee skills and transition assistance programs	Personnel training

405 - DIVERSITY AND EQUAL OPPORTUNITY (EMPLOYEE TRAINING AND EDUCATION)

GRI Standard	Disclosure	Paragraph and notes
GRI 103: Management approach	103-1 Explanation of the material topic and its Boundary	Material aspects for Gamenet Group
	103-2 The management approach and its components	Human resources
	103-3 Evaluation of the management approach	Human resources
GRI 405: Diversity and Equal Opportunity	405-1 Diversity of governance bodies and employees	Board of directors, composition of employees
	405-2 Ratio of basic salary and remuneration of women to men	Equal opportunities

417 - MARKETING AND LABELLING (PLAYER PROTECTION; PROMOTING LEGAL AND RESPONSIBLE GAMING; SERVICE QUALITY)

GRI Standard	Disclosure	Paragraph and notes
GRI 103: Management approach	103-1 Explanation of the material topic and its Boundary	Material aspects for Gamenet Group
	103-2 The management approach and its components	Responsible gaming, Online gaming security, Service quality
	103-3 Evaluation of the management approach	Responsible gaming, Online gaming security, Service quality
GRI 417: Marketing and labelling	417-1 Requirements for product and service information and labelling	Responsible gaming
	417-2 Incidents of non-compliance concerning product and service information and labelling	During 2019, no infractions or sanctions were reported in this respect
	417-3 Incidents of non-compliance concerning marketing communications	During 2019, no infractions or sanctions were reported in this respect

418 - CUSTOMER PRIVACY (PLAYER PROTECTION; PROMOTING LEGAL AND RESPONSIBLE GAMING; SERVICE QUALITY)

GRI Standard	Disclosure	Paragraph and notes
GRI 103: Management approach	103-1 Explanation of the material topic and its Boundary	Material aspects for Gamenet Group
	103-2 The management approach and its components	Responsible gaming, Online gaming security, Service quality
	103-3 Evaluation of the management approach	Responsible gaming, Online gaming security, Service quality
GRI 418: Customer privacy	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Security and safeguarding of online gaming

419 - SOCIO ECONOMIC COMPLIANCE (PLAYER PROTECTION; PROMOTING LEGAL AND RESPONSIBLE GAMING; SERVICE QUALITY; COMPLIANCE)

GRI Standard	Disclosure	Paragraph and notes
GRI 103: Management approach	103-1 Explanation of the material topic and its Boundary	Material aspects for Gamenet Group
	103-2 The management approach and its components	Responsible gaming, Online gaming security, Service quality
	103-3 Evaluation of the management approach	Responsible gaming, Online gaming security, Service quality
GRI 419: Socio Economic Compliance	419-1 Non-compliance with laws and regulations in the social and economic area	During 2019, no incidents of non compliance with laws or regulations in the social and economic area were reported

SUPPORTING THE COMMUNITY

GRI Standard	Disclosure	Paragraph and notes
GRI 103: Management approach	103-1 Explanation of the material topic and its Boundary	Material aspects for Gamenet Group
	103-2 The management approach and its components	The community
	103-3 Evaluation of the management approach	The community



GAMENET GROUP SPA

**INDEPENDENT AUDITOR'S REPORT ON THE
SUSTAINABILITY REPORT 2019**



Independent auditor's report on the Sustainability Report 2019

To the Board of Directors of Gamenet Group SpA

We have been engaged to undertake a limited assurance engagement on the Sustainability Report of Gamenet Group SpA (hereinafter the "Gamenet Group") for the year ended 31 December 2019.

Responsibilities of the Directors for the Sustainability Report

The Directors are responsible for the preparation of the Sustainability Report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" issued by GRI - Global Reporting Initiative (the "GRI Standards"), as illustrated in the "Methodological note" section of the Sustainability Report.

The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of a Sustainability Report that is free from material misstatement, whether due to fraud or error.

The Directors are also responsible for defining the sustainability performance targets of the Group, as well as for identifying its stakeholders and material topics to be reported on.

Auditor's Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies International Standard on Quality Control 1 (ISQC Italia 1) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's Responsibilities

Our responsibility is to express a conclusion, based on the procedures performed, on whether the Sustainability Report complies with the requirements of 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 Information" (hereinafter also "ISAE 3000 Revised") issued by the International Auditing and Assurance Standards Board (IAASB) for limited assurance engagements. That standard requires that we plan and perform procedures to

PricewaterhouseCoopers Advisory SpA

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obtain limited assurance about whether the Sustainability Report is free from material misstatement. The work performed was less in scope than in a reasonable assurance engagement conducted in accordance with ISAE 3000 *Revised* and, consequently, we did not obtain assurance that we became aware of all significant facts and circumstances that might be identified in a reasonable assurance engagement.

The procedures performed on the Sustainability Report were based on our professional judgement and included inquiries, primarily of personnel of the Company responsible for the preparation of the information presented in the Sustainability Report, inspection of documents, recalculations and other procedures designed to obtain evidence considered useful.

The procedures we performed consisted in verifying compliance of the Report with the principles for defining the content and the quality of a sustainability report set out in the *GRI Standards*, and are summarised as follows:

- comparing the financial information reported in the Report with the information included in the Gamenet Group consolidated financial statements as of 31 December 2019 on which we issued our audit opinion, in accordance with articles 14 and 16 of legislative decree n° 39 of 27 January 2010, on 23 March 2020;
- analysing, through inquiries, the governance system and the process for managing the sustainability issues relating to the Gamenet Group strategy and operations;
- analysing the process aimed at defining the significant reporting areas to be disclosed in the Report, with regard to the methods for their identification, in terms of priority for the various stakeholders, as well as the internal validation of the process findings;
- analysing the internal consistency of the qualitative information described in the Report and its compliance with the guidelines identified in the preceding paragraph “Responsibility of the directors for the Sustainability Report”;
- obtaining a representation letter, signed by the legal representative of Gamenet Group SpA, on the compliance of the Report with the guidelines identified in the paragraph “Responsibility of the Directors for the Sustainability Report”, as well as the reliability and completeness of the disclosed information.
- analysing the processes underlying the generation, recording and management of quantitative data included in the Report.

In particular, we performed meetings and interviews with management of Gamenet Group SpA to achieve a general understanding of the information, accounting and reporting systems in use to prepare the Report, as well as processes and procedures supporting the collection, aggregation, processing and submission of the information to the function responsible for the Report preparation;

Moreover, in detail, we carried out:

- as regards Gamenet Group SpA (as Parent Company) and Gamenet SpA:
 - a) with reference to qualitative information included in the Sustainability Report we have conducted interviews and acquired supporting documentation to verify its consistency with the available evidence;
 - b) with reference to quantitative information, we performed both analytical procedures and limited checks to ascertain on a sample basis the correct aggregation of the data.
- as regards the other subsidiaries, on the basis of their activities, of their contribution to the performance indicators at a consolidated level and on the basis of their location, we discussed with the management and acquired documentation on a sample basis in



order to verify the correct application of procedures and calculation methods used for the indicators.

Conclusion

Based on the work performed, nothing has come to our attention that causes us to believe that the Sustainability Report of Gamenet Group SpA for the year ended 31 December 2019 is not prepared, in all material respects, in accordance with the requirements of the GRI Standards as illustrated in the “Methodological note” section of the Sustainability Report.

Rome, 10 December 2020

PricewaterhouseCoopers Advisory SpA

Signed by

Paolo Bersani
(Partner)

This report has been translated into English from the Italian original solely for the convenience of international readers

Gr u p p o
Gamenet

Gamenet Group S.p.A.

Via degli Aldobrandeschi, 300 – 00163 Roma

Share capital Euro 32.300.625,00

(fully paid up)

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