

Translation from the Italian original which remains the definitive version

2023
Sustainability Report

Sisal

Sisal

2023 Sustainability Report

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Letter to Stakeholders

In a world facing significant economic, social and environmental challenges, companies are called to play an active role in creating sustainable business models that, in addition to ensuring long-term competitiveness, contribute to creating a positive impact on society.

In 2025, Sisal will celebrate its 80th anniversary: a history that has accompanied the evolution of gaming in Italy and has seen the company undergo a profound transformation of its business model, focusing on a long-term strategy based on digital innovation, international development and excellence in sustainability, responsibility and inclusion.

Since 2022, Sisal has been part of Flutter Entertainment, a global leader in the gaming industry. This new chapter in our history allows us to share products, capital, technologies and expertise on an international scale, contributing to redefining the rules of the game and building a more responsible future.

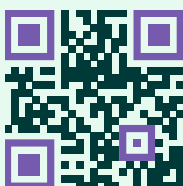
The 2023 Sustainability Report is therefore our first comprehensive report since joining the Flutter Group; a journey that has allowed us to align our sustainability strategy with the pillars and objectives of Flutter's Positive Impact Plan, further strengthening our commitment to being recognized as a leader in Responsible Gaming, in adopting an exemplary and inclusive work environment, and in establishing ourselves as an innovative and sustainable company.

In 2023, our commitment to Responsible Gaming was further strengthened with the establishment of the FAIR Foundation, an initiative dedicated to addressing the challenges of consumer protection and Responsible Gaming in Italy. FAIR represents a tangible legacy of the company, derived from our activities of studying and preventing problematic gaming, aiming to be a reference point for all organizations willing to contribute to research, listening, and innovation in the field of Responsible Gaming.



The goal is to involve and include other players, to address this crucial challenge for the gaming industry's future. We firmly believe that Responsible Gaming requires shared action and inclusive leadership: Sisal is committed to making its resources and expertise available to promote an integrated and systemic approach to preventing problematic gaming. The creation of the FAIR Foundation is a tangible sign of this commitment.

The ethical use of technologies, particularly Artificial Intelligence, has been fundamental in ensuring an increasingly safe and Responsible Gaming model. To this end, we developed A.D.A. (Anti Dependence Algorithm), a proprietary Artificial Intelligence system that analyzes our customers' gaming habits to activate protection actions and tools to prevent risky behaviours, and which in early 2024 obtained a patent for Italy from the Italian Patent and Trademark Office.



Listen to the interview with
Francesco Durante, CEO
Sustainability in Sisal

At Sisal, digital transformation also represents an opportunity to continue investing in skill development: in 2023, we inaugurated three new digital hubs in Naples, Palermo, and Istanbul, centres of excellence dedicated to technological innovation. Alongside the activities of the Innovation Lab in Turin, these networks for digital skills increase delivery capacity and strengthen our distributed innovation model. The innovation teams operate within corporate functions, technology departments, and sustainability functions, supported by a central governance that ensures coordination and communication throughout the organization.

Today, 3,205 people work at Sisal, over 1,100 of whom are in our international offices. People are the heart of the company's growth and long-term value generation, and we are committed to creating diverse and inclusive teams. At the heart of this vision is the importance of integrating Diversity, Equity, and Inclusion (DEI) into our values and culture, promoting it at every level, both in Italy and in the various countries where we operate, while fully respecting the different local contexts.

Our commitment to DEI has enabled us to make significant progress toward achieving one of the main goals of our sustainability agenda: eliminating the Gender Pay Gap by 2030. We closed 2023 with a Gender Pay Gap of -3.4% (a substantial reduction from -12.9% in 2020) and saw an increase in the number of women in top leadership roles within the company, reaching 36%.

We are reinforcing a cultural transformation path focused on respecting diversity as central elements in the company's culture and projects, with attention to various DEI areas: Gender, Accessibility, LGBTQIA+, Generations, and Multiculturalism. We firmly believe that a team representative of the many diversities within our company is a better team, capable of innovating and ensuring growth in a constantly evolving market.

Our strategy to generate a positive impact for communities continues, driven by Community Engagement initiatives, through our corporate solidarity

programme WeDo: over the past year, the number of employees involved and the hours dedicated to volunteering have increased significantly.

Additionally, our social innovation program Go-Beyond – which supports and enhances the start-up ecosystem and spreads impact skills and culture – successfully reached its seventh edition with the 2023 Call for Ideas, gathering applications from over 450 startups.

As digitalization represents an opportunity to support the country's economic development, we started a collaboration with Develhope, an innovative startup and one of the largest coding schools in Italy, which trains young NEETs – young people who are neither studying nor working – in the most in-demand digital professions. Our partnership with Develhope materializes with the allocation of scholarships covering the full costs of attending the school's programming courses, representing an opportunity for inclusion and enhancement for young people currently excluded from the labour market.

To counteract and mitigate the effects of our activities on the climate and ecosystem, we are committed to leading change in our sector by acting to reduce our environmental impact and inspiring others to do the same. We have structured a path to understand, map, and measure our environmental impacts along the entire value chain, in terms of emissions, energy consumption, and raw material usage, and we have set short- and long-term reduction goals.

Building on the excellent results we have achieved on this journey - also recognized by the main ESG rating agencies - we want to continue the journey that began in 2009, the year of the first publication of our Sustainability Report. Since then, we have progressively integrated sustainability into our business model.

Sustainability is not just a duty but also an extraordinary opportunity to ensure long-term company growth while making a positive impact on society. Together, we can make a difference and contribute to building a more responsible future.

Francesco Durante, CEO of Sisal S.p.A.

2023 in numbers

Global offering

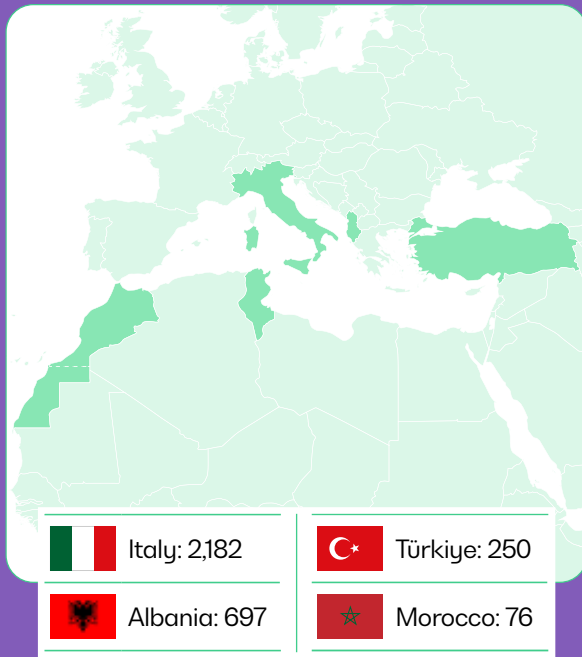
over **49,600** points of sale worldwide with Sisal Group products

35 mln customers globally

over **37,800** points of sale in Italy

over **11,800** points of sale in Türkiye and Morocco

People and skills



3,205 total employees

-3.4% Gender Pay Gap
(-2.8% vs 2022)

36% of women in top leadership roles

37 nationalities represented

+800 new hires

54,676 hours of training provided

Innovation

163 innovation projects managed since 2021

140 people working on innovation projects (FTE)¹

23 AI & Machine Learning projects launched since 2021

Responsible Gaming

94% of players use Play Well tool² (Italy)

7x A.D.A.³ seven times more accurate than the previous version

100% specialist retailers who have received training (Italy)

Environmental impact

-13% energy consumption across the entire Sisal Group (vs 2022)

100% of electricity certified from renewable sources

-15% paper consumption with a reduction of over 550 tonnes of CO₂e (vs 2022)

3,472 tonnes of CO₂e avoided through purchases of Guarantee of Origin (GO) and Energy Attribute Certificates (EACs)

Community

over **450** startup applications in the 2023 GoBeyond Call for Ideas (+29% vs 2022)

79 voluntary work projects launched in 2023

10,298⁴ lives improved in 2022 and 2023

1,249 hours of voluntary work during office hours with the WeDo corporate solidarity programme

Social media presence



77,853 total followers (+13% vs 2022)

14,128 Interactions (+23% vs 2022)



3.6 million people reached on the GoBeyond Instagram channel during the 2023 Call for Ideas (+2.7% vs 2022)

1 Full Time Equivalent.

2 Play Well tool: tools to support and protect players, for the prevention of problem players.

3 Anti Dependence Algorithm.

4 Calculated on effective lives improved data provided by non-profits, NGOs, associations (when available), or on the cost-per-head ratio provided by Flutter; this cost-per-head is updated every year considering the total amount donated the previous year. Where actual lives improved are provided by the non-profits, NGOs, associations, the cost-per-head calculation is not applied.

Our story

Evolution milestones

Sisal Founded:
Sisal created with the aim of rebuilding the sports infrastructure damaged in World War II

Introduction of Sisal betting slip (later **Totocalcio**)

Totip launched, Italy's first horse race prediction system

Introduction of the MAX 2000T Terminal that computerised the Sisal sales network

SuperEnalotto launched

Acquisition of **Matchpoint** and the network of betting agencies

Online gaming launched

Start of business development in the **gaming machine** sector

Lottery segment diversification: **Win For Life** launched

Sisal Wincity launched

Eurojackpot launched

Peschiera Borromeo physical **archive created** to promote the company's historical heritage

1945

1946

1948

1993

1997

2004

2005

2009

2010

2012

First **Sustainability Report** (on a voluntary basis)

Responsible Gaming Campaign launched

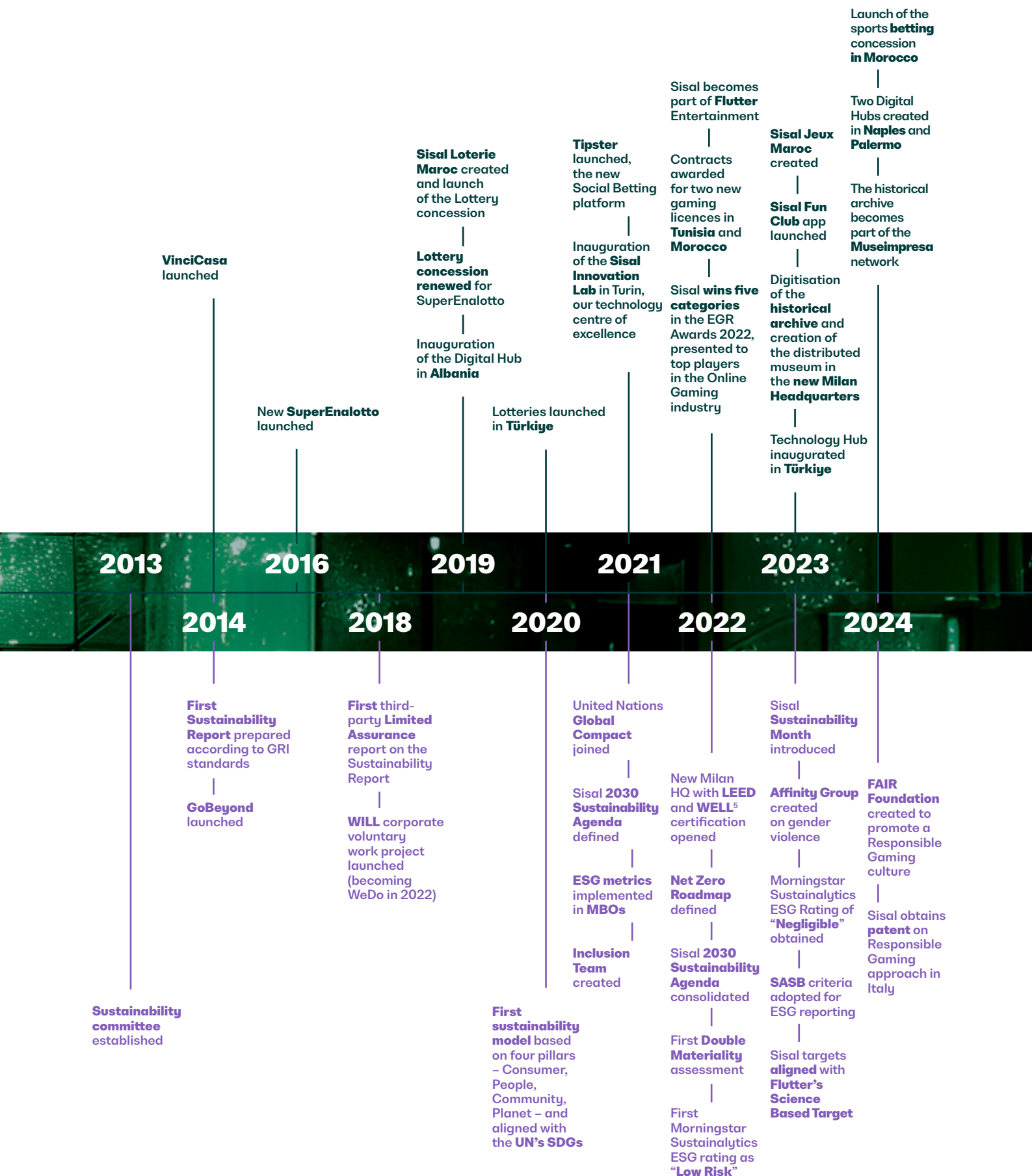
First **CSR** initiatives with community activities and projects

First World Lottery Association **Responsible Gaming certification** (WLA)

CSR – Corporate Social Responsibility – Executive Committee established

First European Lotteries (EL) **Responsible Gaming certification**

Sustainability milestones



5 The design criteria adopted resulted in gold level International LEED Certification for Green Buildings and bronze level WELL certification from the International WELL Building Institute, the first ever issued in Italy.



Highlights 2023

FAIR FOUNDATION FOR LISTENING, INNOVATION AND RESEARCH ESTABLISHED

The FAIR Foundation – Foundation for Listening, Innovation and Research – tackles the challenges of consumer protection and Responsible Gaming in Italy. Established on the initiative of Sisal, it acts as a point of reference open to all organisations that want to contribute to research and innovation in the field of Responsible Gaming, with the goal of involving and including other industry players in crucial planning for the future of the gaming industry based on a scientific approach.

FAIR represents a space for dialogue and exchange, to create a certified model and common rules which promote gaming models that are safe and sustainable in the long term.



NEW DIGITAL HUBS IN ITALY AND TÜRKIYE

The three new Digital Hubs opened in Naples, Palermo and Istanbul are centres of excellence that form part of the strategy of investing in new technologies and promoting digital skills and talent, in Italy and abroad, to support Sisal's long-term growth plan. The Digital Hubs ensure proximity to the market and effective personalisation of the strategy, promoting business innovation and disseminating it in the various countries where we operate. The Turkish Digital Hub in particular takes advantage of the innovative near-shoring mechanism, to focus on the development of digital technologies (web and apps) for international business.



EGR AWARDS 2023: A NEW RECORD FOR SISAL

Sisal confirms its leadership by winning 6 categories in the EGR Awards 2023, the prestigious awards presented to top players in the Online Gaming industry. In addition to Operator of the year (already won in 2021 and 2022), Sisal won Best Safer Gambling operator, Best Diversity & Inclusion model, Mobile operator, Best Casino operator and Best Sports Betting operator.

EGR ITALY
AWARDS 2023

SISAL OBTAINS CERTIFICATION FOR ITS RESPONSIBLE GAMING APPROACH IN ITALY

Sisal has obtained certification from the Italian Patent and Trademark Office of its approach to Responsible Gaming in Italy.

The patent recognises the uniqueness of Sisal's approach to automatic recognition and mitigation of risky gaming behaviour, based on behavioural research and Artificial Intelligence, as well as its ability to offer a concrete solution to prevent problem gaming.



SISAL AMONG THE TOP 150 COMPANIES ACCORDING TO THE SUSTAINALYTICS ESG RATING

Sisal ranked first globally in the "Casinos and Gaming" industry ESG Risk Ratings released in August 2023 by Morningstar Sustainalytics.

With an ESG risk rating of 8.9, defined as "Negligible", Sisal is now officially in the top 150 of over 15,000 companies assessed globally by Sustainalytics.



SISAL HISTORICAL ARCHIVE AND MUSEUM: EMBRACING DIGITAL TECHNOLOGY AND SHARING

The Corporate Cultural Responsibility project was launched to share the history and values of Sisal from its birth to the present day. The digital version of the Historical Archive went live, with over 10,000 items available to employees as well as to outside researchers and stakeholders who apply for access.

The Distributed Museum was opened to the public, with guided tours to mark Enterprise Culture Week.





**Sisal Group
for a more
responsible future**

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Sisal Group



Our Purpose:

build a more responsible future

We believe in gaming as a **form of entertainment that avoids excess.**

It's why we invest in resources and technology so that **our offering is increasingly advanced, simple and safe.**

We believe that **the driver of all successful innovation is responsibility,** because it's why we prioritise our **rules for protecting people and promoting individuals, for the benefit of society as a whole.**

It means we play an active role in ensuring that our business model **creates economic value in a balanced and responsible way.** Responsibility allows us to promote **higher standards that can drive sustainable evolution across our industry.**

It's why we protect **players,** putting them **at the heart of every action we take;** we support social progress by contributing to the **generation of shared value for local communities;** we **value each individual** by recognising that people are the true wealth of our society.

Because winning the challenge of responsibility means that everyone wins.

Mission

Offer the best Responsible Gaming experience, generating value for society and people

Vision

Be the leading company at international level in Responsible Gaming, driving digital innovation

Values

Responsibility



Central to our actions.

It guides our strategy, ensuring aware, sustainable and long-term growth.

People



The heart of our company.

We are committed to listening to, valuing and rewarding every person so that they can contribute to achieving our corporate purpose.

Innovation



Inspires our company.

It stimulates creativity, supports evolution and growth, and contributes to generating lasting value.

Company profile and entertainment offering

Sisal was created in 1945 from the dreams and insights of three sports journalists: the first Italian company to operate in the gaming market under government concession. For 79 years, we've accompanied Italy's evolution with our innovations in the world of gaming, offering expertise and generating trust through ongoing dialogue with all stakeholders.

We are part of Flutter Entertainment plc, the world's largest online sports betting and gaming

provider, which has a portfolio of internationally recognised brands and is listed on the London Stock Exchange (FTSE 100 index) in the LSE Index and, since January 2024, also on the New York Stock Exchange.

We operate in Italy, Morocco, Türkiye and Tunisia with a broad and diversified offering embracing lotteries, betting and gaming in both online and retail channels.

Lottery



Sisal is the exclusive concession company for national lotteries in Italy, with a broad portfolio of successful brands, including the storied SuperEnalotto, WinBox, Win for Life, VinciCasa and many more. Sisal is also a founding partner of EuroJackpot, the only lottery game in Italy with a jackpot pooled across 18 European countries. Sisal's local companies also manage lotteries and instant games in Morocco and Türkiye.

Betting



Sisal operates in the betting sector with a broad portfolio ranging from sports betting and horse racing to virtual sports competitions, as well as having exclusive products in Italy such as Scommesse on Demand and Tipster.

Gaming



Sisal manages amusement machines such as AWP (Amusement With Prize) and VLT (Videolottery) in the physical channel and online gaming (slot machines, table games and instant games) through the company's proprietary portals and mobile apps.

Our distribution network

The nationwide distribution network represents a channel of preferential dialogue with local areas and plays a strategic role for Sisal and local stakeholders in promoting our Responsible Gaming approach in all the countries where we operate.

The **ubiquity of our points of sale** contributes to the high quality of our offering to customers. Constant investment in the development of our people's technical and professional know-how and relational skills cultivates our credibility, helping us promote the rule of law and safety in gaming and pursue nationwide sustainability initiatives. It also **contributes to the growth of the online customer base from an omnichannel perspective**, thanks to the activities of opening gaming accounts and top-up in points of sale, customer care for the online customer base (provided by the staff of directly managed retail points), and the development of the omnichannel loyalty programme.

Our gaming sector network consists of over 49,600 points of sale globally, split between two physical channels: branded (Italy only) and affiliated.

To understand the needs of points of sale and provide them with updates and support, including specific training opportunities, we promote constant dialogue with retailers, partners and their staff over various channels: the **Contact Centre**, the **Retailer Portal**, and **e-mails** and **terminal messaging**.

We also **constantly monitor the performance of our network** to identify any need for corrective action to support the business or any outstanding cases to reward. This activity is carried out in two main ways: data analysis by our business analysis teams to identify variance with respect to expected results, and visits by the sales force, who actively support retailers and help them make up any gaps.

Over
49,600
points of sale
globally

Over **37,800**
in Italy



Over **9,250**
in Türkiye



Over **2,600**
in Morocco



of which
1,400 with the new
betting licence
(Sisal Jeux Maroc)
since January 2024

The Italian network

We have **over 1,500 points of sale in Italy in the branded channel.**



The top of the range in the distribution network, Sisal Wincity is an innovative concept based on the “Eat, Drink and Play” model, which combines gaming, food and beverage and entertainment. There are **48 Wincity points of sale in major Italian cities** including Milan, Rome, Turin, Brescia, Pescara, Florence, Catania and Bologna, three of which have restaurants.



There are also **about 350 Sisal points of sale** offering the full range of our products, with the main focus on horse race and sports betting, in a high-tech setting specially designed to satisfy customers’ needs. They are joined by **over 1,100 Gaming Corners (PGS) and Horse Racing Gaming Corners (PGI).**

Our products are also available in over 36,000 third-party points of sale across the entire country, with which we have built up longstanding business relations. The channel includes bars, tobacconists, newsagents and dedicated AWP⁶ rooms, whose ubiquity enables us to reach a vast consumer base.

Network digitisation

With a view to improving both the quality and safety of our services and the sustainability of our points of sale, we are promoting the digitisation of our network and connected activities.

In 2023, 68% of bets were handled by technological devices, including TG Self, Prenotatori and dedicated apps. We have also equipped some of our points of sale with payment machines that pay out winnings without consumers having to use the cash desk. Where present, this solution handles 57% of winnings, improving the customer experience, speeding up operations and reducing the workload of point-of-sale staff.

And in terms of sustainability, there has been an almost 90% reduction in printed promotional material in Sisal shops, replaced by communication solutions on digital media.

Finally, we have entered into a partnership with a national energy provider to offer partner outlets in Italy supply contracts for green electricity, 100% from renewable sources, at subsidised rates.

⁶ Amusement With Prize machines.

The online channel

Gaming within our online channels is a key aspect of our business.

Our online gaming platforms offer one of the broadest selections on the market. Alongside historic brands like Totocalcio, SuperEnalotto and Sisal Matchpoint betting, they also provide exclusive digital channel games.

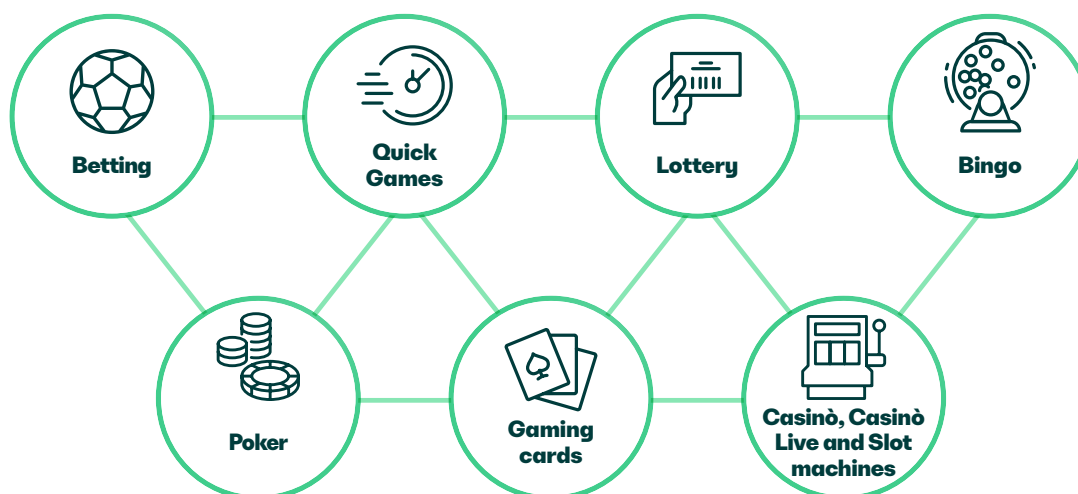
Sisal has been a **first mover** in digital, starting online betting collection as early as 2004.

Today, Sisal's platforms offer **over 1,500 online games** in a safe, secure and consumer-friendly environment, available on mobile devices with dedicated applications: Sports, Virtual and Horse Race Betting; Lotteries and Bingo; Poker and other card games; Casino, Slot and Instant Games.

The two proprietary gaming platforms (D-Box and Next) have also made it possible to expand and differentiate the offering with the launch of 50 proprietary cross-country games and the implementation of promotional and product features that have supported the growth of national and international business in recent years.

Our gaming platforms are accessible from desktop, smartphone, and mobile apps.

8.5 m
monthly
visits
to the online portal
(logins) in 2023





Sito smartphone

Sito desktop

App mobile

In 2023, Sisal reaffirmed its position as a **leader in the online gaming sector** by winning six awards at the EGR Italy Awards. This initiative annually recognizes the best players in the Online Gaming sector, focusing on the significant challenges related to innovation.

In particular, Sisal won the award for **Best Operator of the Year** due to its **online gaming** offering, the company's investment in innovation, its **omnichannel strategy**, and its consistent dedication to responsibility and consumer care.

Sisal was also recognized as the Best Safer Gambling operator, Best Diversity & Inclusion model, Mobile operator, Best Casino operator and Best Sports Betting operator.

Sisal Fun Club

The offering also extends into the **mobile hypercasual gaming** segment where, with the Sisal Fun Club app, we propose an experience that's not only free, unique and exciting, but also stands out from the gaming app market by providing real prizes.

In 2023, **over 140,000** users played quizzes, mini-games and virtual football matches, climbing the weekly and monthly leaderboards to try to win **a total of over 11,000 prizes** in a pool worth €320,000.

**Over 140
thousand users**

played Sisal For Fun quizzes

**Over 11,000
prizes**

paid out in 2023

**Sisal
Fun 2023
Club**

Tipster

Betting goes social with Tipster, Sisal's innovative social betting platform created in response to one of the needs raised by customers: to **implement the sociality and interaction typical of physical points of sale on the online platform too**. With Tipster, consumers can join the community and share, post, replay and follow other users.

Sisal, through Tipster, acts as a content certifier and provides an algorithm to identify players' skills based on certain defined parameters (e.g. complexity of the bet, number of events contained in the ticket, multiplier, number of consecutive wins, etc.).

In October 2023, we also launched the "notification centre", which has enhanced the sharing of information about user actions and activities. This has strengthened the sense of community and increased interactions on the platform, such as replays and "follows".

**Over 400
thousand**

active betting players

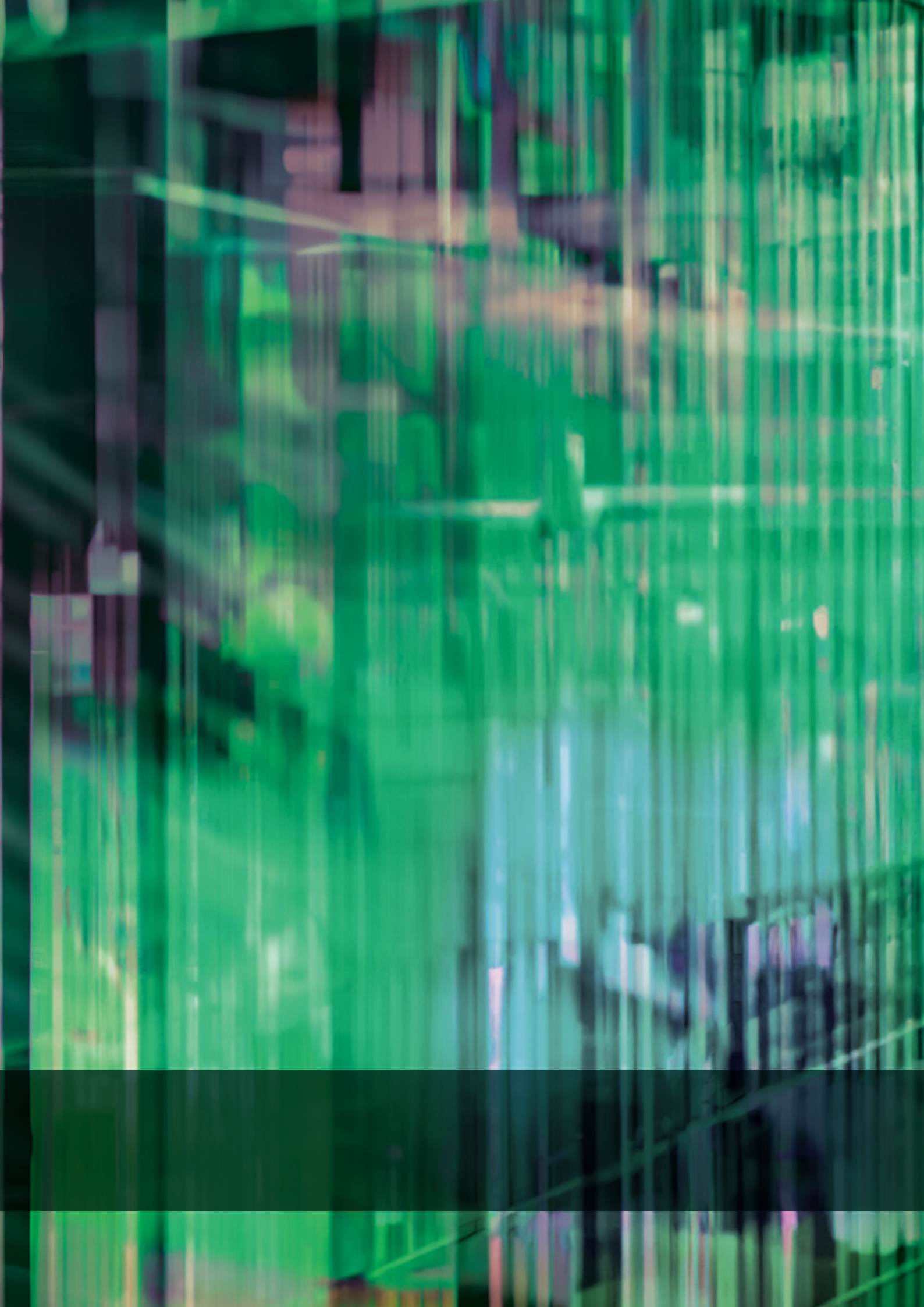
**15% of active
betting**

customers on Tipster

The Tipster logo is centered within a large, light green circular graphic. The logo itself consists of a stylized 'T' with a betting symbol (a horse head profile) integrated into its vertical stem, followed by the word 'Tipster' in a bold, sans-serif font.



Context



An unstable and constantly deteriorating global scenario

The World Economic Forum's Global Risks Report, published in early 2024, paints a picture of a generally deteriorating global socio-economic outlook. Interviewees reported that:

54%
expect instability
and a moderate
risk of global
catastrophes

30%
expect
even more
turbulent
conditions

The outlook is much more negative at the ten-year horizon. The cost-of-living crisis remains a major concern for 2024, and the risk of **inflation** and **economic recession** are among the top ten risks for the two-year period.

Crucial events such as the Russian invasion of Ukraine, the conflict in Gaza and tensions between China and the US have triggered geopolitical instability. The main economic repercussions have been:

- A decline in consumer spending on non-essential goods and a change in consumption habits;
- Supply chain disruptions for specific goods and raw materials;
- Increased energy costs.

According to McKinsey Global Institute's 2024 report "Geopolitics and the Geometry of Global Trade", the future will see trade-offs and a re-configuration of trade models: economies will increasingly align around geopolitically similar partners and trade relations will diversify to avoid over-dependence on a single country.

For Sisal, this means engaging in the development of a responsible, long-term business model that protects current and future consumers, preserving their spending power and their interest in investing in entertainment products.

Growing expectations around the role of companies in promoting sustainable business models

The Edelman Trust Barometer 2023 reports that:

79%
of employees
trust their
organisation,
23 percentage
points ahead of
other institutions

71%
of people seeking
a job consider the
company's impact
on the environment
and society
and its values

According to Axa's Future Risks Report 2023, the risks perceived most by citizens are climate change, cybersecurity and social tensions due to inequalities. This data leads to the conclusion **that internal employees and external stakeholders have very high expectations towards the corporate world**, so much so that they want a serious contribution to fighting climate change and the main threats posed by the global socio-economic scenario.

All the more so for companies in the gaming sector: promoting a responsible business model also means making an impact at a reputational level, repositioning the sector in a new dimension that breaks with the prevailing stereotype and developing appeal not only among new consumers, but also among different categories of stakeholders that have not been reached until now.

This is why, at Sisal, we have incorporated the values of sustainability into our own identity and work proactively to promote debate around the definition of clear and innovative industry governance that prevents the main risk phenomena and ensures long-term business growth.

Learn more about our sustainability model to generate value for players, our people, the environment and the communities where we operate.

The regulation of the gaming sector is evolving continuously, but Italy needs to adapt

In the European Union, gambling regulation is the responsibility of individual member states. Unlike some countries – first and foremost Finland, which has introduced clear rules – Italy has not yet updated its regulation despite increasing its efforts, especially in recent years.

In the late 1990s, the Italian state promoted laws that encouraged the gaming sector, first with lotteries and then betting and games of skill too, because they were a source of income. The change of direction began in 2009, mainly due to the recognition of gaming addiction as a pathology under Law 189/2012, although legislators went no further than an advertising ban (Legislative Decree 87/2018, the so-called Decreto Dignità).

In 2023, in the **framework of the renewal of online concessions, a bill was proposed on responsible gaming** measures, encouraging companies working in the industry to invest in this area.

This new direction doesn't come as a surprise to us, as for years we have been committed to promoting a safe and conscious gaming model, both through awareness-raising activities and by constantly improving our product offering and gaming channels.

Online gaming and minors: a dangerous and increasingly strong trend

In both Italy and internationally, the relationship between gaming and underage users is increasingly under scrutiny. The “Young people and gambling” survey published by Nomisma in October 2023 reports that:

37%
of Italians
aged between
14 and 19 have
gambled
or played games
of chance
(64% online)

14%
are frequent
users, i.e.
young people
who gamble
at least once
a week
(+9% vs 2021)

In the US, a study by C.S. Mott Children's Hospital found that in many cases the parents of teenagers have no idea about their children's attitude towards gambling: 1 in 6 parents say they don't know for sure whether their child gambles online. One of the pillars of the 2024-2026 action plan of the French Autorité Nationale des Jeux is child protection.

All this evidence points to the need for increasingly effective age controls, especially in the online channel, and greater awareness in society and families of the risks associated with access to gambling.

We are therefore committed to promoting understanding around gambling risks and to developing player protection tools designed to prevent underage gambling and detect potential problem gaming behaviour.

Learn more about our commitment to promoting a responsible gaming model and player support.

Digital transformation

In a rapidly evolving digital environment, companies are adopting innovative technologies such as Artificial Intelligence (AI), blockchain and the Internet of Things (IoT) to improve operational efficiency, personalise the customer experience and ensure that digital transactions are secure.

According to the World Economic forum and the Grand View Research Institute:

+97 million of new jobs
thanks to AI
by 2030

+37.3%
expected annual growth of AI
between 2023
and 2030

In the gaming industry, these technologies could have an impact on products, but can also help companies protect players. AI makes it possible to develop player behaviour monitoring systems and take prompt action to prevent compulsive gambling. The blockchain can also be used to create transparent and unalterable records of transactions, ensuring security and protecting players from fraud and manipulation.

However, as companies seek to remain competitive by adopting cutting-edge solutions and emerging technologies, it is essential to balance technological innovation with appropriate regulations to ensure safe, fair and responsible gaming.

For Sisal, Innovation is a strategic pillar, the tool that allows us to achieve the challenging ethical and responsible business goals we have set ourselves and to promote an ongoing commitment to support players, people, the environment and the community.

Cybersecurity as an example of the importance of fostering an ongoing commitment to innovation

Data and system security is crucial for companies and especially so in the gaming sector, where the number of daily transactions is high. According to McAfee's Cybersecurity Ventures Report and Global Cybercrime Costs Report, in 2023:

+25%
more cyber attacks
vs 2022

Over
\$ 6 tn costs
as a result
of cyber attacks

Gaming companies have become an increasingly attractive target for hackers, with a significant increase in cyber attacks in 2023.

According to the annual report of the Cyber Threat Alliance, these attacks include ransomware, phishing and DDoS (Distributed Denial of Service) attacks, compromising the security of customer data and resulting not only in direct financial losses, but also in reputational and legal damage for an industry that has always been under scrutiny. Cybersecurity is therefore essential to protect digital infrastructure, preserve consumer trust and effectively address digital threats through innovation and the promotion of a culture of digital awareness.

Data and system security is a key focus of our commitment to safe and responsible business operations, as reflected in our ongoing commitment to innovating the systems and tools used to store and protect sensitive information and ensure a truly secure gaming experience.

Learn more about our innovation strategy and commitment to AI development.

Find out about our commitment to secure data and gaming platforms.

Diversity, Equity and Inclusion (DEI) is a cultural issue

Leading research on Diversity, Equity and Inclusion points to persistent gender inequality, especially in corporate management positions. According to the Equileap Global Report 2023, of companies globally only:

8%
have
a woman
Board
Chair

6%
have
a woman
CEO

15%
have
a woman
CFO

As highlighted by the World Economic Forum's Global Gender Gap Report 2023, Italy has dropped 16 positions in the global ranking, placing 79th in 2022. According to Randstad's Employer Brand Research Report, there is growing interest in these issues among employees and jobseekers. Globally, DEI issues are a priority when choosing an employer for 27% of respondents, a percentage that increases to 34% among 18–24-year-olds. The "How to develop a Diversity, Equity & Inclusion policy" guidelines published by the D&I Observatory of the Global Compact Network (2023, Italy) emphasise the importance of integrating diversity into the corporate culture and decision-making processes, with a focus on the importance of the sense of "belonging" in a work environment that makes everyone feel accepted and respected, and in which they can express themselves without fear of discrimination or judgement, implying a sense of emotional connection with and trust in the company.

Promoting and respecting DEI has always been at the heart of our commitment, not only towards our employees but also to the community in which we operate, because we know that cultural change is the only way to achieve concrete and lasting results.

The environmental impact of the gaming industry in the digital transition

Despite the commitments made, in particular by the European Commission in the Paris Agreement, 2023 was the hottest year on record, with an increase of more than 1.5°C compared to the pre-industrial period. In the gaming industry, European Lotteries – the independent association of state lotteries and European gaming operators – launched its Environmental Initiative, identifying concrete actions to reduce environmental impacts, including the use of paper from certified sustainable forests (FSC, PEFC) and the monitoring of greenhouse gas emissions. However, the transition to digital, seen as one of the main solutions to support business decarbonisation, drives up energy demand that, if not met by using renewable sources, contributes to an increase in greenhouse gas emissions. The Shift Project, a think tank formed by companies in different industries, estimates that:

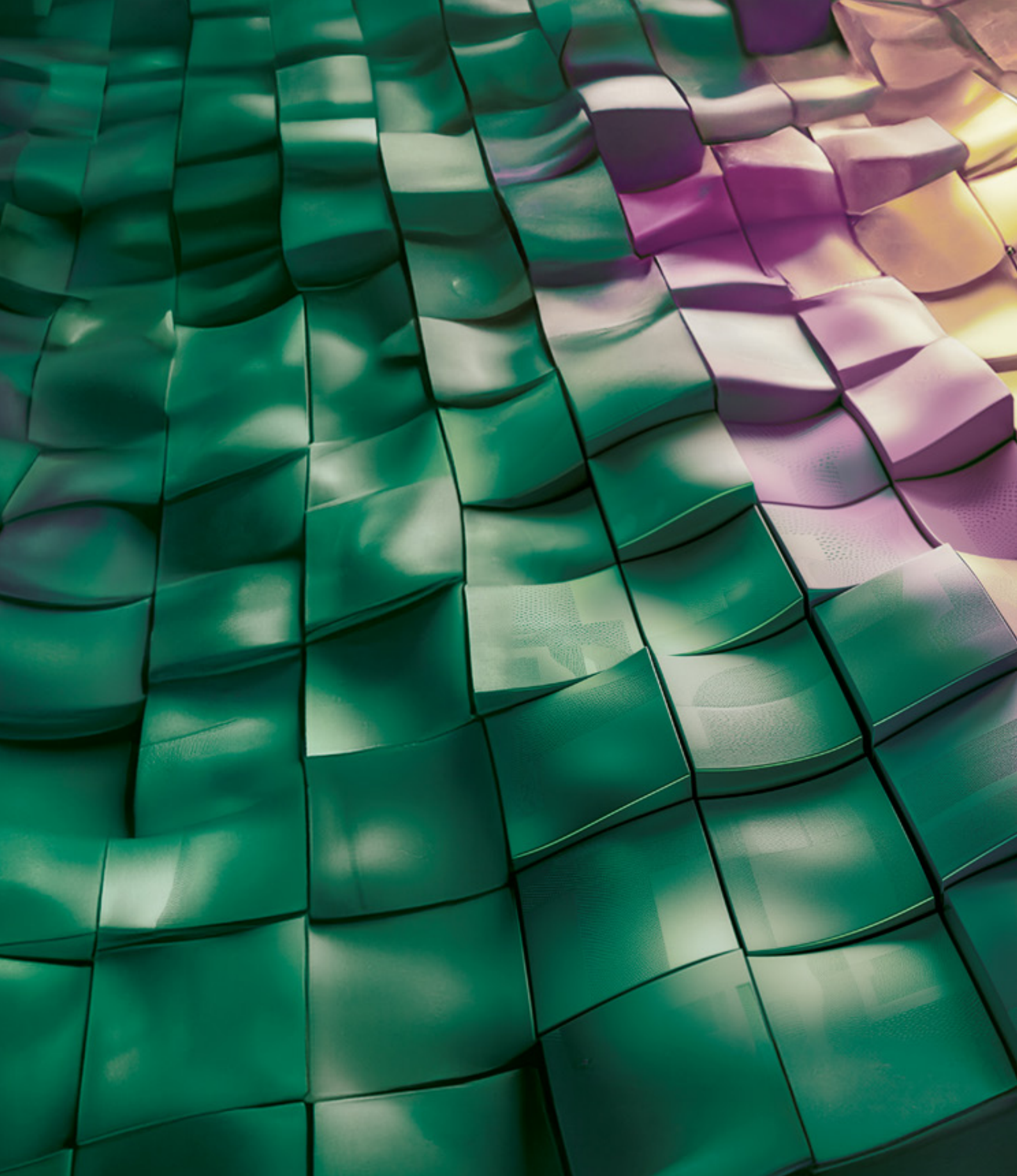
more than **8.5%**
of global emissions will be driven
by ICT technologies by 2025

The environmental impact of digital technology is also linked to the production of electrical and electronic waste (WEEE), which must undergo a special recovery and recycling process applied only to some of the components. This makes it crucial to develop technological products that have an ever-increasing lifespan and to research effective new disposal techniques.

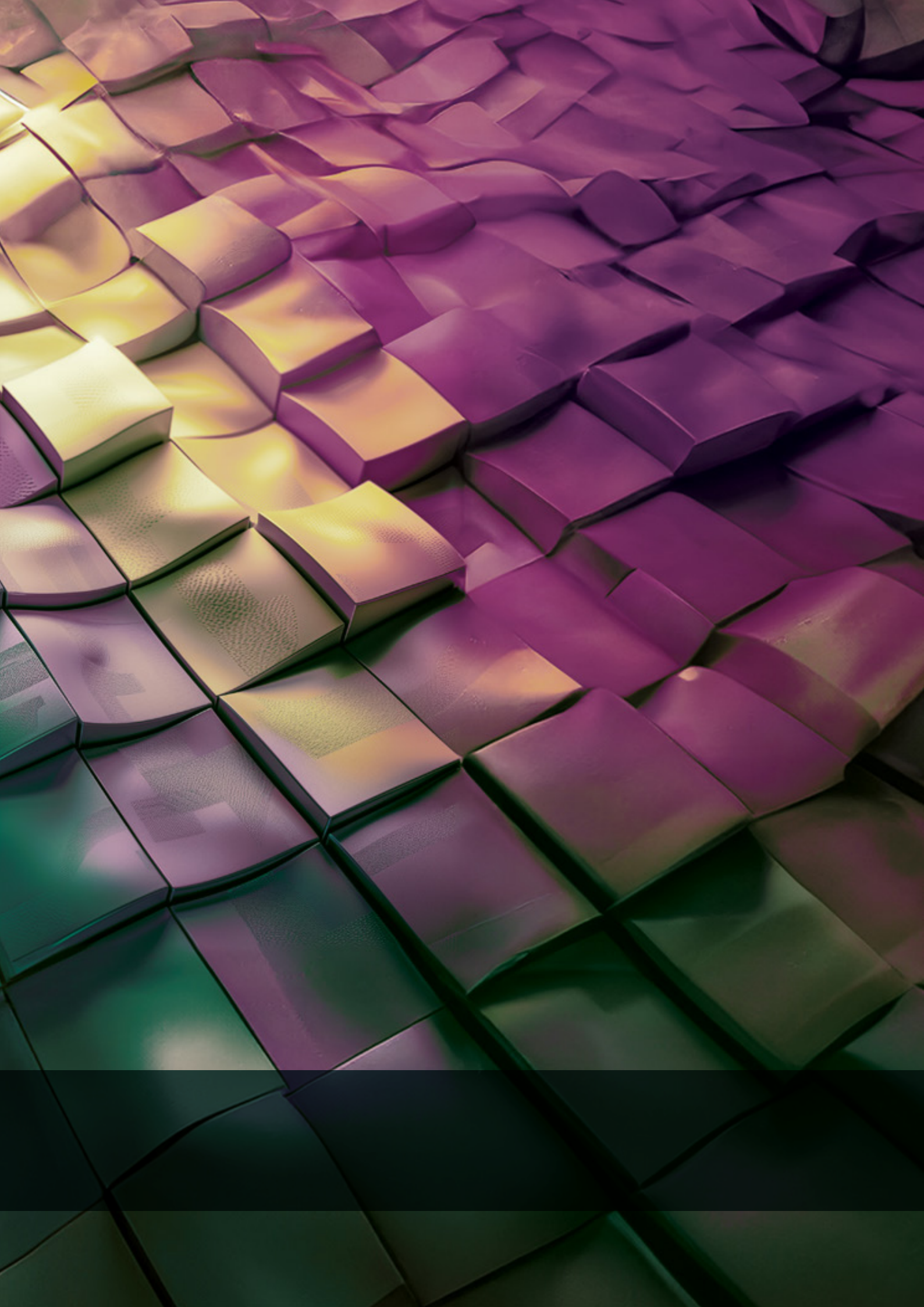
For Sisal, promoting responsible gaming has always meant taking care of the environmental impact of all aspects of the business, from direct and indirect emissions to energy consumption, and from proper management of raw materials to the promotion of circular economy models for our products and technologies.

Find out about our People Strategy and our commitment to promote and deliver DEI.

Learn more about our commitment to reducing environmental impact.



Our business model



CAPITAL

Financial

- Revenues
- Group turnover
- Growth of the International segment (in particular thanks to the commercial performance of the Turkish subsidiary Sisal Sans)

Human

- Skills of **3,205 employees** in **5 countries**
- Digital skills: **beyond 700 people** in ICT and software development and digital roles technology hub and In-house digital internal factories in different countries
- **35 million customers globally**
- **1,743 suppliers**
- Relationships with the **GoBeyond ecosystem**
- Institutional relations and university partnerships

Physical & Digital

- More than **1,500 online games**
- More than **5,700 gaming terminals**
- **2 proprietary gaming platforms** (D-Box and Next)
- **AI algorithm** for the predictive detection of risky behaviors
- **20th place** among the most visited **multi-sector eCommerce**, **1st place** in the **betting and casino sector** (Casaleggio Associati)

Natural

- **44,072 GJ of electricity consumed**, of which **100% from renewable sources**
- **3,527 tons of paper purchased**

The Business and value creation model is based on **Build a more responsible future**

We offer our customers the best Responsible Gaming portfolio of products in Italy, Morocco and Türkiye, in order to create value for society and people, with the aim of being the leader in the market and a driver of digital innovation.

Governance

Risk management

Values

Responsibility

People

Innovation

Strategic drivers

Excel in Responsibility

- **Safe and responsible** (*Play Well*)⁷
- **Exemplary employer of choice** (*Work Better*)⁷
- **Impact positive on the community** (*Do More*)⁷
- **Reduction of environmental impacts** (*Go Zero*)⁷

Boost Digital Growth

- Omnichannel
- In-house technology development
- Not Gambling Products
- Artificial intelligence

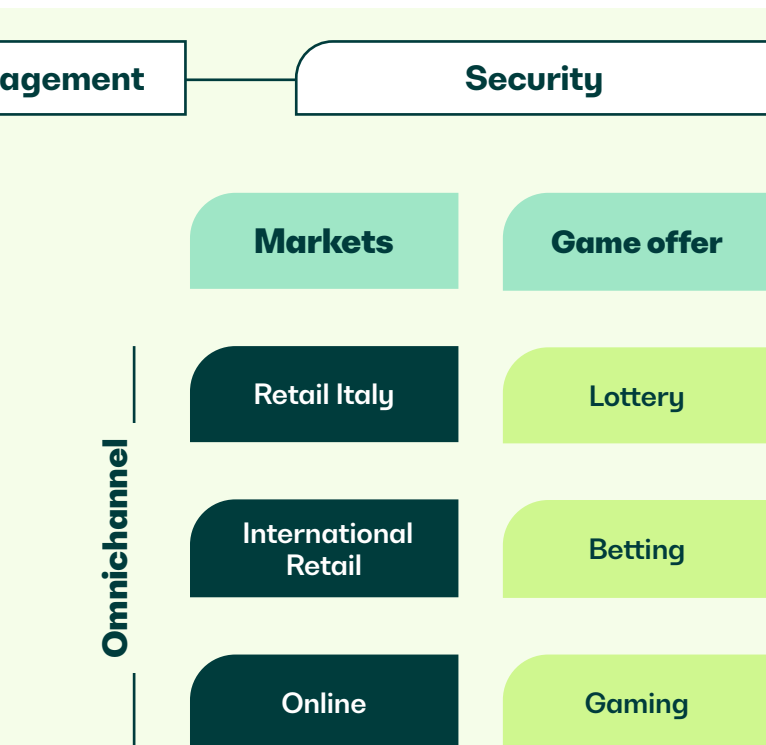
Expand International Presence

- Development of existing markets
- Scouting for new markets
- Participation in international competitions
- Diffusion of Innovation and the Responsible Gaming model

⁷ The terms «Play Well , Work Better, DoMore and GoZero » refer to the pillars of Flutter’s sustainability strategy, referred to in the Positive Impact Plan.

on our purpose:

gaming experience through a broad and diversified in both online and retail channels. We generate value leading international company in Responsible Gaming



GENERATED VALUE

for the Customers

- € 11.6 billion in winnings paid to customers (payout)
- 2,729 hours of training provided to employees on Responsible Gaming
- 94% of players using Play Well tool

for Investors

- EBIDTA
- Amount paid to capital providers

for the Institutions

- Gaming taxes paid at Group level
- Creation of the FAIR Foundation to develop thought leadership in the gaming industry
- € 373 thousand in additional SuperEnalotto draws intended for the flood emergency in Emilia-Romagna

for Partners and Suppliers

- Amounts paid to distribution networks
- Involvement of suppliers and startups in innovation, decarbonization and reduction of environmental impacts paths

for the People

- +800 new hires
- 39% of female colleagues, of which 36% in top leadership roles
- 54,676 hours of training provided

for the Community

- 1,249 hours dedicated to employee volunteering with the company WeDo programme
- € 886,200 of investments in the community
- € 440 thousand paid to startups in the seven editions of GoBeyond
- € 367 thousand in donations for the earthquake in Türkiye

for the Environment

- 3,472 tons of CO₂ avoided thanks to the purchase of Guarantees of Origin (GO) and Energy Attribute Certificates (EAC)
- -13% energy consumption
- -15% of paper consumption with a reduction of over 550 tons of CO₂e

The image features a complex, abstract digital environment. It is composed of numerous overlapping, semi-transparent geometric shapes, primarily cubes and rectangular planes, in shades of vibrant green and deep purple. These shapes are arranged in a way that creates a sense of depth and movement, as if they are floating or rotating in a virtual space. Light trails and soft glows emanate from the edges and surfaces of these shapes, contributing to a high-tech, futuristic aesthetic. The overall composition is dense and layered, with a strong emphasis on geometric forms and a rich color palette.

The strategy for a more responsible future



Our strategy to grow the business and promote a more responsible future is how we realise our corporate purpose, the raison d'être and principle that guides all our activities. **The strategy rests on three pillars: Boost Digital Growth, Expand International Presence, Excel in Responsibility**, all closely interconnected and perfectly aligned with Flutter's strategy and Positive Impact Plan.

The common thread that guides all our strategic actions is the concept of **Culture**: the culture of innovation, inclusion and responsibility towards

the players and the communities where we operate, in Italy and abroad. For Sisal, implementing the strategy means developing all the actions needed to achieve the goals we have set ourselves and promoting **widespread awareness at all levels and in all countries**.

Sisal can make a significant contribution to **building a more responsible future and generating a positive impact on the community** only through collective commitment and a corporate culture firmly rooted in the three pillars.





BOOST DIGITAL GROWTH

Technological and digital innovation is at the core of our business because it drives the continuous evolution of our products and our know-how, allowing us to identify needs and new challenges in an ever-changing gaming market. It is one of the material issues with the highest impact for Sisal, as a lever to achieve the sustainability goals we have set ourselves and to produce a concrete impact in support of our players, our people and the community in which we operate.

Our state-of-the-art omnichannel-oriented gaming platforms and in-house software and applications development skills mean we are always ready to seize the opportunities of the digital transition. We have a special commitment to studying and promoting solutions based on Artificial Intelligence, Blockchain, the Metaverse and Virtual Reality with the goal of innovating the business and making it more secure and responsible.



EXPAND INTERNATIONAL PRESENCE

Tapping into the solid experience we have gained over the years and our know-how, we work to expand our target market by bidding successfully in tenders for new concessions and licences. As part of our ongoing internationalisation process, we promote our responsible business model outside Italy, increasing the value of the company, enlarging the customer base and generating more resources to reinvest in target communities and in developing the other strategic pillars.

With our Digital Hubs – centres of excellence that ensure proximity to the market and effective personalisation of the strategy according to the specific characteristics of different contexts – we promote business innovation and disseminate it in the various countries where we operate.



EXCEL IN RESPONSIBILITY

We can only achieve our goals and generate value for players, our people and the community through business activities that are responsible towards the people and the local areas we interact with on a daily basis and that are sustainable in the long term.

We work ceaselessly to develop our Responsible Gaming programme and promote a safe and aware entertainment model. We put people front and centre, creating an inclusive and stimulating working environment and fostering wellbeing in all aspects of their lives. We take action to reduce the environmental impacts of our own activities and those of the entire supply chain, and to generate value for the local areas and communities where we operate, not least through a culture of innovation that extends beyond the company perimeter.

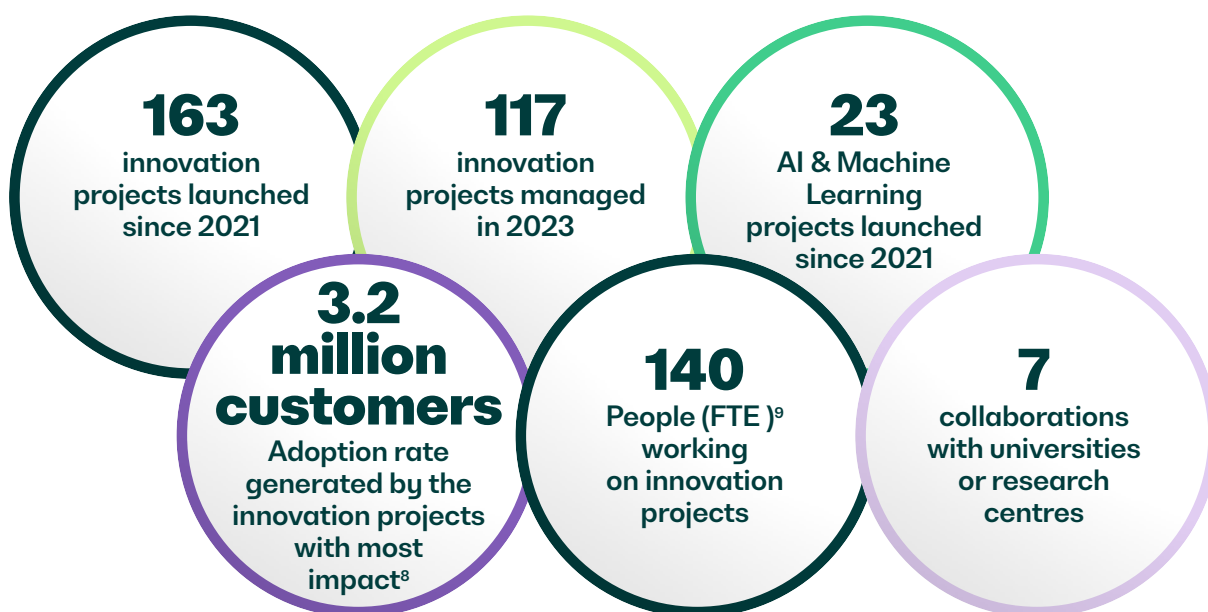
Innovation

Innovation is the strategic driver through which Sisal evolves the business and achieves the long-term objectives we have set ourselves, leveraging both internal assets and the concept of ecosystem to feed a virtuous circle of scouting, incubation and development of innovative projects.

Research and development of innovative technological solutions, services, processes and business models are key factors in Sisal's management of digital transformation. These factors are also powerful assets for improving the customer experience and contributing to the prosperity of the country as a whole and contribute to overcoming socio-cultural barriers that limit the possibility of participating in the information society.

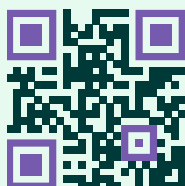
Sisal's innovation ecosystem involves various actors, including:

- **The Strategy function**, responsible for defining the company's innovation strategy and ensuring innovation governance, with the aim of creating the conditions for a coordinated short-term innovation effort and a medium to long-term innovation strategy.
- **The Innovation Lab**, a technology centre of excellence set up in June 2021 and promoted entirely by the company, with a mission to steer and implement the company's technological innovation strategy.
- **The Social Innovation function**, which with Sisal's GoBeyond acceleration programme developed to foster responsible innovation, supports socially useful business projects.
- **The innovation functions** distributed across the corporate structure and the Innovation Community, involving Innovation Managers and contact people in the different areas of the company.



⁸ Number of customers who interacted with innovation projects. Not single customers.

⁹ Full Time Equivalent.



Listen to the interview with
Camilla Folladori, Chief Strategy Officer
Our Innovation strategy

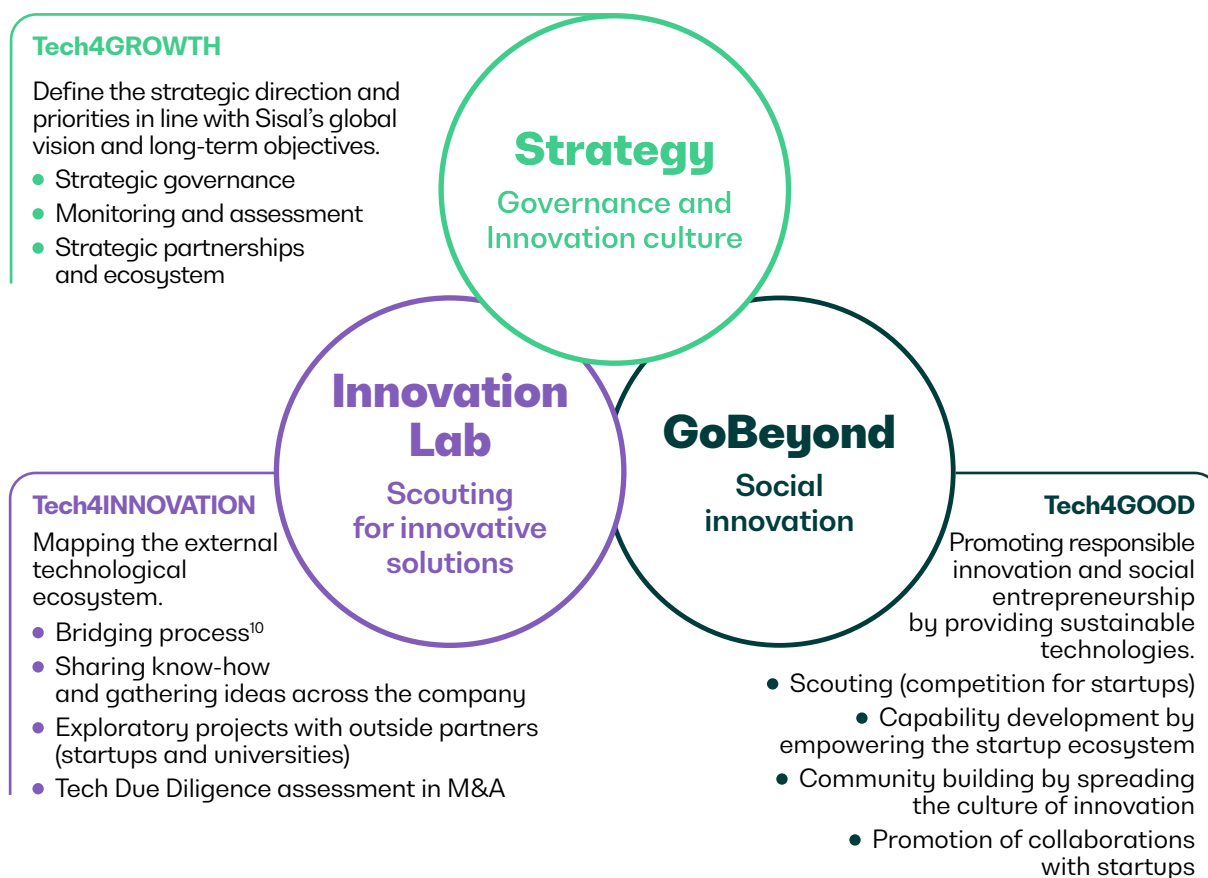
Open Innovation

Sisal adopts an **Open Innovation** approach to promoting and implementing innovation in the company, in which technological and digital development extends across all areas and is promoted externally through dedicated projects and initiatives, from support for players to business and research partnerships with Flutter, innovative startups, universities and centres of excellence to sustain community growth.

The Open Innovation makes it easier to identify business opportunities and reduce the cost of R&D and risks connected with the introduction of advanced innovation solutions. It also makes it possible to promote and strengthen a **culture of innovation** and identify new trends in technology through interactions and connections with the external innovation ecosystem. Built on our breadth and depth of vision, our innovation strategy operates across multiple timeframes:

- **short-term** activities exploit enabling technologies in continuous evolution, such as Artificial Intelligence (AI), in order to improve processes and products and at the same time foster innovation within the company;
- **medium- and long-term** activities focus on the study of technological trajectories and analysis of social and business trends, in which the preferred innovation paradigm is more proactive than reactive.

This approach allows us to advocate for an **inclusive, sustainable and digitally-biased innovation model** that reduces our impact on the environment, fostering the well-being and growth of our people and generating value for all stakeholders, with the aim of ensuring the sustainability of the company's current performance while laying the groundwork to support and improve future performance.



¹⁰ Intended as the process of rapprochement between technologies (e.g. AI) and Sisal's ecosystem.

Innovation governance

Innovation is a valuable asset for Sisal. Our ambition is therefore to promote an **innovation culture** that goes beyond the development of new products and technologies, allowing the entire business model to evolve so that it can cope with the continuous transformation of the gaming market and be an industry benchmark.

For all this to be possible, **clear and well-structured innovation governance** is required, facilitating the generation of new ideas.

Since 2023, the **Strategy function** provides governance and coordination for innovation in Sisal, **facilitating and promoting** it through constant interaction and dialogue with the various corporate functions. Reporting to it are the **innovation teams in the individual product and market BUs**, who have a vertical focus on innovation in their own area; the **Innovation Lab**, where the focus is on technological innovation and therefore cross-domain and GoBeyond, supported by the **Digital Hubs**, our centres for innovation and technology.



It is crucial to foster an environment where the desire to innovate overcomes the fear of making mistakes, with the ability to assess development proposals and determine which merit the allocation of resources and tools for their implementation.

Francesco Durante
CEO of Sisal S.p.A.

Innovation & Data Strategy Governance

**Innovation teams
in each BU**

**Innovation
Lab**

**Digital
Hubs**

24 members
of the Innovation
Community

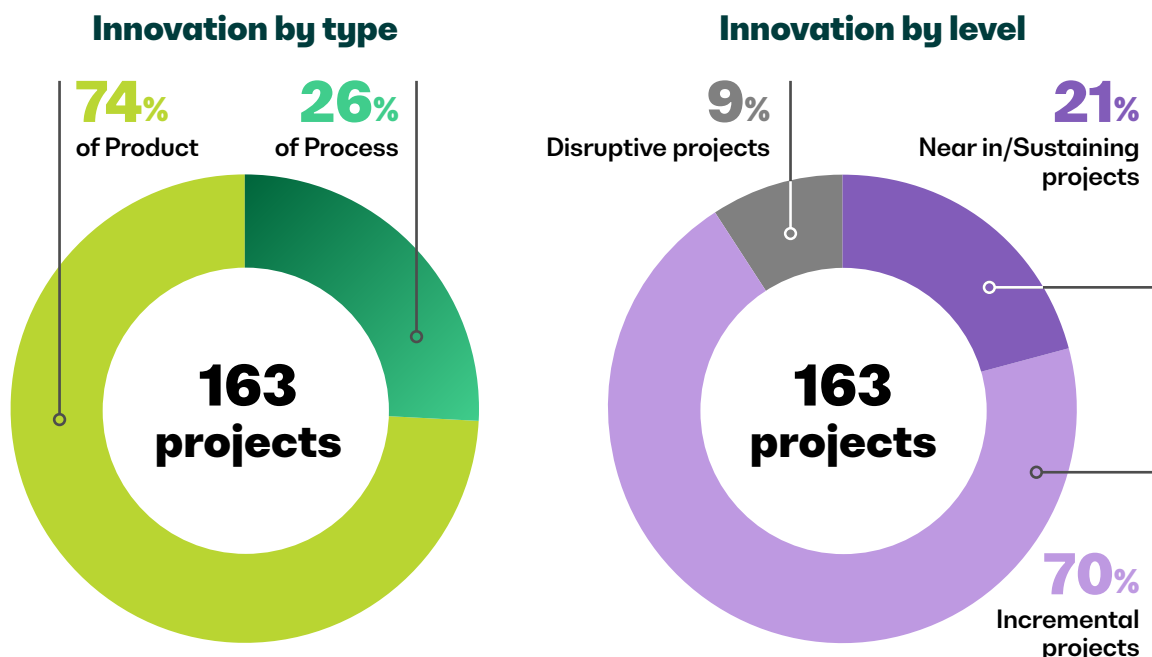
2 workshops
in 2023

Sisal's **Innovation Community** was also promoted, a participatory innovation tool and an opportunity to share ideas and action points for practical initiatives that brings together Innovation Managers and contact people from the company's various areas. As well as promoting a technical board set up to assess the feasibility of new ideas, it also aims to create awareness around current initiatives across the company and to foster the development of possible synergies and cross-disciplinary projects.

Sisal Innovation Organisation

Innovation Governance - Framework			
Perimeter <ul style="list-style-type: none"> • Definition of Innovation • Innovation governance model • Inclusion criteria • Categorisation of innovation initiatives 	Data collection and analysis <ul style="list-style-type: none"> • Innovation mapping • Performance indicators 	Assessment <ul style="list-style-type: none"> • Assessment of alignment with strategy • Hypothesis validation approach 	Allocation of resources <ul style="list-style-type: none"> • Strategic Portfolio Management • Knowledge Management
Innovation areas (products and channels)			
Product Technological and digital innovation in the Lottery, Betting and Gaming segments	International Scouting for and development of solutions to support Group business through Digital Hubs	Online Innovation for online platform development and data management and protection	Retail In-store concept innovation and digital touchpoint development
Technological Innovation/Innovation Lab			
AI Competence Centre		Open Innovation/Tech Observatory	
Social Innovation/GoBeyond			
Call for Ideas	Academy		Community

In 2023, Sisal defined new criteria for identifying innovation projects and launched a process to map initiatives and qualify them according to their level of innovation (Near-in/Sustaining, Incremental, Disruptive), their strategic positioning and all related parameters such as investments, impacts, time horizon and others. This process provided Governance with useful support in gaining a clear view of the situation and in defining guidelines on which to base current innovation strategy.



AI Strategy and Governance

For years, Sisal has been exploring the potential of AI to create value and opportunities responsibly. The AI Strategy, based on clear and measurable strategic objectives, aims to drive business evolution and generate positive impact, ensuring the resources and organisational requirements to develop the necessary technological solutions and providing the guidelines and tools to assess and mitigate AI-related risks.

Given the increasing commitment to the development of AI-based solutions, we are working to structure and implement AI Governance, to keep track of all possible AI use cases, to define standards and/or procedures, to manage potential risks and to achieve Sisal's strategic goals.

To this end:

- we have implemented a **responsible approach to AI governance** in the design and development of systems aligned with the company's purpose and values, while ensuring a transformative impact on the business;
- we have introduced a methodological, ethics-by-design approach, developed by the Innovation Lab's AI competence centre, as a fundamental pillar of AI governance. In compliance with current regulations and best practices, this approach supports the process of developing models by acting as a tool to mitigate the risk of technical failure and non-compliance with ethical guidelines and privacy and security constraints.

Innovation Lab

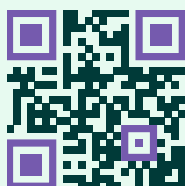
The Sisal Innovation Lab in Turin, set up in June 2021, is our technology centre of excellence.

Its mission is to **implement radical innovation in the company** through projects based on transformative technologies (first and foremost AI) and to **promote internal debate around innovation issues** by sharing know-how, nurturing an innovative mindset and creating an Innovation Ecosystem.

It acts as a **Competence Centre** that develops innovation projects and experiments with new technologies, prototypes and proofs of concept for integration in business operations. Trend and scenario analysis is also performed here to help top management keep our innovation strategy in step with new market opportunities. The Lab is also a **huge opportunity for networking** with universities, research centres and startups, acting on one hand as an external observer of the digital world and on the other as a major incubator of ideas for concrete projects.

To deliver on these goals, the **Innovation Lab's three centres work together in synergy**, combining technical and theoretical knowledge and creating value for innovation at Sisal:

- The AI and Data Science competence centre specialising in research and development into artificial intelligence algorithms.
- The XR and Web3 technology competence centre dedicated to immersive technologies, with the goal of being a benchmark in the design and development of innovative solutions based on XR and Blockchain technology solutions.
- The Tech Observatory and Open Innovation centre, which is responsible for studying and analysing trends in the digital transformation landscape, and for facilitating internal collaboration and external interaction with entities such as startups, universities and centres of excellence.



Listen to the interview with
Katia Colucci, Head of Innovation
Innovation Lab and AI Governance

DemoLab

2023 saw the creation in our Milan headquarters of Sisal's first space dedicated entirely to innovation. Designed primarily as a logical rather than a physical space where our people and outside visitors can learn about and experience innovation firsthand, the DemoLab provides a way to find out more about the Innovation Lab, its mission and the contribution it makes to corporate innovation. A touchscreen and interactive software allow visitors to explore the team's most important projects, but above all to enjoy engaging experiences through virtual reality demos, walk through and interact with the Metaverse, and discover the fascinating world of Artificial Intelligence in all its aspects.

The DemoLab is therefore a tool for communicating innovation inside and outside the company, while at the same time engaging with the company's people. A tangible place that embodies Sisal's culture of Innovation.

AI Competence Centre

This competence centre implements projects to support business areas and other company departments, combining a multidisciplinary approach and technological expertise to co-design, prototype and promote Artificial Intelligence solutions.

The centre develops both **disruptive innovation** initiatives, which use a data driven approach to promote the development of products and services for all corporate stakeholders, and **incremental innovation** projects designed to improve processes and increase business. Alongside applied innovation projects, we also carry out **exploratory activities** to advance technological or service-related knowledge that can be used in the development of future applications.

The AI competence centre is also a member of Flutter's Global AICommunity, a community of practice designed to pool experiences and skills and outline the group's best practice guidelines in the area of Artificial Intelligence.

XR and Web3 Competence Centre

Our competence centre for immersive technologies and web3 analyses technological and business evolution in relation to XR and the decentralised world, with a special focus on the Metaverse and NFTs.

The Competence Centre is also responsible for developing XR and Web3 immersive projects, such as the Multiverse Lab, a project involving the creation

of three themed spaces in three different metaverses (Spatial, Roblox e Decentraland). In the area of Blockchain and Web3, we have created a collection of NFTs for our events.

Tech Observatory and Open Innovation Centre

One of the Innovation Lab's roles is as Tech Observatory, studying digital transformation trends, outlining Sisal's potential evolutionary scenarios, and promptly identifying threats and opportunities. This know-how is made available to the company in the form of ad hoc consultancy and innovation culture initiatives that engage with Sisal's people and stimulate their ability and desire to innovate. These initiatives include:

- **Tech Trend Reports**, exploratory/discursive papers on new technologies that frame the topic and the current context, identifying the main trends, technological trajectories and potential new concepts and applications in Sisal and its business activities. The Tech Trend Reports are available in Italian and English to all Sisal's people on the corporate intranet.
- **TechRadar**, our weekly newsletter reports on new developments in innovation around the world available in Italian and English to all our people, both in Italy and internationally, with the aim of involving the entire company in innovation issues.
- **Envisioning Days**, live events to raise awareness of strategic innovation macro trends and

to stimulate thought and discussion around the practical applications of these trends in Sisal's business. The topics tackled in 2023 include: Gaming, Metaverse, NFT, Esports, Customer Centricity & Experience Design, Blockchain, Web3 Economy, Innovation & Sustainability, Sustainable Technologies, Sustainable Retail Frontiers.

A sizeable part of the Innovation Lab's activities is the creation and management of a huge network of contacts with the external ecosystem, involving ongoing technology mapping and scouting activities to identify the best collaboration opportunities with startups, companies and research centres.

Technological innovation in the company is also supported by vertical scouting based on specific needs.

This area is also responsible for developing experimental projects to produce prototypes and Proofs of Concept (PoC) in synergy with the ecosystem of startups and in close collaboration with GoBeyond¹¹, and for establishing a network of partnerships with academic institutions and technological innovation centres.

Finally, it encourages internal cooperation and promote the culture of innovation through knowledge sharing activities and idea generation workshops open to all company staff.

Tech Trend Reports

11 Tech Trend Reports
published since 2021

8 Tech Trend Reports
published in 2023

Tech Radar

93 issues
since 2021

42 issues
in 2023

Envisioning Days

10
Envisioning Days
since 2021

4
Envisioning Days
in 2023

Over 650
people involved
since 2021

Over 270
people involved
in 2023

¹¹ For more details on GoBeyond, see the Positive Impact on the Community section (p. 128).

Open Innovation: Our collaborations with startups in the GoBeyond universe

GoBeyond is a responsible innovation platform created by Sisal to promote the development of innovative and socially useful business projects and thereby foster enterprise culture in Italy.

Over the years, the project has become a benchmark both within the company, because of its potential to create new business opportunities, and externally, positioning Sisal as a virtuous example of social innovation and recognised as one of the best-known startup competitions in Italy.

GoBeyond also has the important role of interconnecting externally gathered value propositions with in-house innovation. For the purposes of the Call for Ideas, an internal Screening Committee (involving Sisal's Innovation Lab and innovation and sustainability functions) was created to consider possible synergy and collaboration between Sisal and the candidate startups as a function of the Group's Open Innovation strategy.

For more details on GoBeyond, see the **Positive Impact on the Community** section.

ReLearn

ReLearn is an innovative startup established in 2021 with the aim of using artificial intelligence to manage and monitor waste. After an initial point of contact in 2019, when ReLearn took part in GoBeyond's Call for Ideas and was one of the finalist startups, in 2023, in view of the important progress made by the project, we decided to collaborate with ReLearn to monitor the waste produced in our offices, reduce environmental impact, and spread a culture of sustaina-

bility among our employees in a smart and innovative way.

Thanks to the *Nando* product, a plug-and-play sensor installed on standard waste bins, ReLearn collects accurate data to analyse waste production and sorting quality. In 2023, we launched a pilot project in two of our locations.

For more details on the project, see the **Positive Impact on the Community** and **Reduction of Environmental Impact** sections.

Gamindo

Gamindo is an innovative startup specialising in game development for marketing and internal training purposes.

Gamindo was accelerated in Silicon Valley by Plug and Play and in 2020 was among the finalist startups in the GoBeyond Call for Ideas.

We partnered with Gamindo during Sustainability Month to launch a sustainability-themed Daily Quiz: a game designed to raise awareness and engage with the corporate population in an entertaining way.

For more details on the partnership, see the **Positive Impact on the Community** section.

Develhope

Develhope is an innovative startup, set up in 2019, that trains young people (with a special focus on southern Italy) in the digital professions most in demand on the labour market. It is one of the largest coding schools in Italy and the EdTech (Education Technology) startup that has received most investment from CDP Venture Capital.

After taking part in GoBeyond in 2022 and ranking among the best startups, the following year Sisal and Develhope identified synergy in the field of social innovation and the relative project will start up in 2024.

For more details on the partnership, see the **Positive Impact on the Community** section.

Innovation projects

Two main streams can be identified in the area of projects that develop and integrate Artificial Intelligence to support Sisal's strategy and business activities: the development of customised solutions, entirely designed in-house, and projects aimed at fostering the adoption of solutions already present on the market.

AI solutions designed and developed in-house

In the **Responsible Gaming** area, we developed and fine-tuned the **A.D.A. (Anti Dependence Algorithm)** Artificial Intelligence system, the result of Sisal's strong focus on technological innovation and behavioural research. The algorithm analyses players' behaviour, flagging potential problems and predicting risk behaviour and profiles. This tool is a clear example of how investment in digital innovation intersects our commitment to responsible business, as well as being our solution to provide a truly safe gaming experience¹².

In the **Betting** area, we have developed two solutions to support the bet acceptance process, where the Artificial Intelligence algorithm provides support for managers without replacing them, reducing effort and costs. The **Tania (Trader Assistant Not Just AI)** system processes betting requests based on players' past experiences to identify any transactions not in line with their betting history; **Suspiria (Sportsbook's Unified System for Profiling and Identifying Risks through AI)**, on the other hand, assigns each player to risk clusters based on actual gaming behaviour.

In the **AWP (Amusement With Prize machines)** area, we have implemented two AI solutions. A **predictive model**, **Best Time**, to determine the best time to replace a gaming machine, and the **Best Game** system, which uses mathematical characteristics (game duration, frequency of payout, amount of payout) to analyse the similarities between games and suggest the optimal solution to install in each point of sale from over 50,000 possibilities.

Existing AI solutions used to support Sisal's activities

We used the **GAIA (Generative AI Assistant)** project, developed in 2023 and the first AI Governance solution, to examine 23 **generative artificial intelligence**¹³ tools, focusing both on content creation and coding. After a careful selection process, we identified four tools that were tested on different use cases related to Sisal's needs to assess their performance and effectiveness. We have also already integrated four AI tools to serve our strategic and business activities.

- **Chat GPT:** helps us analyse large databases of information, facilitates the generation and exchange of ideas in co-design sessions, reduces the effort and costs of coding and content writing, and helps us produce UX test-books with operational guidelines during interface assessment.
- **Midjourney:** allows us to turn words into images, for use on our online platforms as well as on posters and other communication materials.
- **Neurons:** uses predictive analysis to test our products and game interfaces based on the tastes and needs of potential customers.
- **8 shapes:** writes the interfaces and technical documentation we share with the IT function, simplifying the workflow and reducing effort.

The use of these tools not only allows Sisal to realise substantial savings in terms of time, resources and costs, but also to implement activities that were previously considered impossible.

+ € 1 m/year
Estimated savings from using AI tools

¹² More details in the Responsible Gaming section on page 84.

¹³ Generative AI is a subset of Artificial Intelligence that exploits machine learning and deep learning techniques to generate new content never seen before. Generative AI models learn from large data sets and models and use statistical methods to generate new content.

Thanks to a careful study of the applications of **generative AI**, we have also integrated some new functions into our **customer service operations**:

- Customers are supported by a **virtual assistant** capable of answering their questions and providing a personalized experience based on their behaviors and actions. If the customer wishes, they can switch to human customer service at any time.
- We have implemented a **control process on all written interactions** of our customers in processes defined as critical for the business. In the past, customer interaction control was carried out manually and only on a limited number.
- We have integrated generative AI **to support our call center agents**, allowing them to interact warmly and empathetically with customers, setting a tone of voice that is always distinctive of the Sisal brand.

Solutions based on VR and immersive technologies

- **Wincity VR**: Project developed by the Innovation Lab, with the aim of using Virtual Reality to create an explorable and playable digital version of our Wincity Store.
- **Multiverse Lab**: This Innovation Lab project is Sisal's first venture into the Metaverse, involving the construction of themed environments in various virtual worlds including Roblox and Spatial.

Sisal Digital Hub: Sisal's innovation and technology centres

Innovation is one of the main drivers of **Sisal's internationalisation strategy**¹⁴, strengthening our competitiveness in a rapidly evolving gaming market and in contexts that have a unique culture and characteristics. The **international Digital Hubs** are centres dedicated to the development of technological innovation and the creation of digital solutions, acting as collaborative workspaces that bring together talent from different disciplinary areas. They are designed to support the Innovation Lab by providing additional resources with strong technological skills, promoting solutions close to target markets and supporting the Group's business in general.

Tirana Digital Hub

The Digital Hub in Tirana was the first to be opened by Sisal in 2019. The Hub now consists of a team of over 700 people – ICT, Customer Operation, Finance, Procurement and Human Resources – who are committed to generating and creating unique and innovative projects and, above all, to nurturing and supporting employees' personal and professional development. The main focus of the Hub is to provide technological support for the growth of Sisal's multichannel business and synergies between the countries in which it operates. The various areas in the Hub are staffed by highly specialised personnel with expertise in the company's software solutions and enterprise platforms, providing some of the Hub's specific core services such as:

- the cross-country **Control Room**;
- the **Shared Service Centre**;
- the **Security Factory**, split into three different areas: Security Governance, Security Operations and Security Operation Centre.

The goal of the Digital Hub is to design the latest IT technology solutions, developing software applications and CI/CD engineering best practices with a high level of technical expertise. Sisal Digital Hub adopts the latest technologies on the market, as well as the most advanced and recent software development methods for project management, DevOps and security to provide lifecycle support for Sisal Group's software assets. There are also specific areas with a focus on data analytics and data science, test automation and AI.

¹⁴ For more details, see the section on page 49.

Technotriangle: the Turkish Digital Hub at Bahçeşehir University

In January 2024, we promoted the event “Technotriangle - People and Innovation as the Engine of Sustainability” at Bahçeşehir University. With around 240 students involved, the aim of the event was to generate a dialogue between engineers and technicians from our Turkish Hub and future software industry talent on the subject of connections between innovation, sustainability and people and how these interconnected factors can contribute to progress, change and a sustainable future. The event is one of a series – the second took place on 9 March at Acıbadem University – that will continue throughout 2024 thanks to cooperation agreements already signed with other universities.

The collaboration with Bahçeşehir University extended beyond the event, involving continuous interaction with the students. To celebrate International Women’s Day, for example, we invited female students from the Bahçeşehir University Student Club to an event organised as the Istanbul Digital Hub.

Istanbul Digital Hub

The Istanbul Technology Hub was opened in March 2022 with mainly in-house resources and know-how. It is run in synergy with the other centres that design and develop the Group’s technological assets, and operates with the same methodologies, levels of security and best practices. The Turkish Hub’s main focus is on directly supporting the growth of Sisal’s business in the country in terms of technology and also by exploiting cultural proximity and other context and language-based synergies. It has around 80 IT resources with specialist skills focusing mainly on innovation in the field of lotteries, gaming terminals, apps and the web, and on the development of online games for various Sisal Group brands.

The Istanbul Hub is also the home of Sisal’s first Game Studio. **PLAYNEXT** is a creative games development hub consisting of an international team of young talents with specialist backgrounds ranging from mathematics to IT and latest generation gaming. The in-house development of games with high customer appeal has enabled it to further broaden the product offering and enter a highly competitive market like content production.

Tunis Digital Hub

Officially opened in 2023, the primary goal of the Digital Hub in Tunis is to support Sisal’s business growth in North Africa through the development of ICT skills. Through its innovative near-shoring mechanism, the Hub facilitates the introduction of qualified resources and focuses on the development of digital technologies (web and apps) not only for the local market but also for international business.

The Italian Digital Hubs: Naples and Palermo

The **Naples Digital Hub** was opened in January 2024 to provide strategic support for Sisal’s long-term growth. More than 30 IT professionals in different fields and with different educational backgrounds are already working in the facility, which has entered a partnership with Federico II University to foster the exchange of knowledge and skills through internship and apprenticeship opportunities.

The **Palermo Digital Hub** opened in March 2024, in another step forward in the strategy to promote innovation in Italy and abroad and to develop business in the long term. Talent scouting for the Sicilian hub is carried out in partnership with Edgemony, which will use the training bootcamps it organises to select new software development profiles.

Main events and partnerships



**Politecnico
di Torino**

**Politecnico di Torino:
Master HumanAlze**

Academic 2022/2023 saw the launch of a new Level 2 Master's degree course, "HumanAlze: human and social sciences for artificial intelligence", which has continued in 2023/2024. Designed as a continuous training activity for humanities graduates aspiring to "hybrid" professions, it exploits the combination of humanistic and technical skills (AI and digital). As a member of the STEM by Women Association, Sisal contributed to the design of the Master's course and relative project work together with other sponsoring companies. In designing the course, the companies encouraged the adoption of approaches that overcome the gender gap and promote equal opportunities in STEM jobs (for a culture of equality and inclusion), and that recognise the value of logic skills developed in humanities courses (where most students are female).



**Positive Impact Plan:
Tech4Good Award**

In July 2023, Flutter launched the first "Tech4Good Award" in collaboration with Alpha Hub, the platform connecting startups to the Flutter world. The aim of the award is to support startups that use technology to tackle major social challenges and for the common/community good. Sisal provided support for the programme, sharing the experience gained from seven editions of the GoBeyond Call for Ideas, the initiative that rewards and supports socially useful startups. Sisal also offered the six selected startups a workshop designed to provide the tools needed to assess and measure the impact of their technology.



DIGITHON

Again in 2023, through the GoBeyond programme, Sisal partnered with the DigithON digital marathon, which is one of the most important initiatives for startups organised in southern Italy. As well as being represented on the Scientific Committee which assesses the startups, Sisal awarded a special mention worth €1,000 to the startup best aligned with the values of the GoBeyond programme.



We Make Future

From 15 to 17 June 2023, Sisal took part for the first time in We Make Future, one of Italy's leading events for startups and innovation. As well as being asked to sit on the startup assessment committee, Sisal took part in a panel discussion on sustainability and digital technology organised by the COTEC Foundation.



**Flutter
Innovation Week**

From 25 to 29 September 2023, Flutter promoted its first Innovation Week to promote all aspects of innovation, connecting colleagues from throughout Flutter, sharing knowledge and projects, and inspiring new ideas. As part of Flutter Group, Sisal also participated in the event, sharing its point of view in various panel discussions and organising workshops to present specific projects developed. The presentations included our AI Responsible Gaming algorithm and our gaming market innovation projects, Sisal Tipster and Sisal Fun Club. We also held a conference at our Milan headquarters to showcase our vision and personal experience on "how to innovate".



Envisioning Days: Sustainability Cycle

In line with the principle of Open Innovation, at the Envisioning Days, Sisal's Innovation Lab promoted the live events organised for everyone in Sisal on top innovation topics, a cycle of 4 conferences between July 2023 and March 2024 on the relationship between Innovation and Sustainability. The issues touched on included Green IT and digital technologies for accessibility, innovation to support retail and store-concept rethinking, and digital solutions for player safety.



Italian Tech Week

Through GoBeyond, Sisal was a partner of Italian Tech Week, Italy's leading technology organised by the Gedi group in collaboration with Italian Tech.



Cyber Security Academy

In cooperation with the Politecnico di Milano, a training orientation course has been planned for 30 students in the target group with the aim of tackling issues related to Cyber Security and Ethical Hacking, from both theoretical and practical perspectives, with support from the DEIB Department's NECST laboratory professors and Sisal managers, who will present the concrete applications of the topics addressed in the corporate world.



STEM Academy MODIS per Sisal

This year too, Sisal is partnering with Modis on the Academy project: a training course of more than 240 hours for young graduates in STEM subjects, with the aim of training software developers and offering the opportunity of a placement in the company. The project resulted in the recruitment of 12 new professionals in the Milan and Rome offices, giving these resources the chance to join a large international company.



JOINRS

In spring 2023, in partnership with Sisal's Talent Acquisition team and the Joinrs platform, we devised a series of events called "Experience Design in Sisal". These online and in-person events are designed to engage a broad audience of students and recent graduates, giving them an in-depth overview of the roles and skills required to be part of our Experience Design team. This series of events allowed participants to gain a deeper understanding of our business and the professional opportunities available at all our locations.



Osservatorio Platform Thinking HUB del POLIMI

The Platform Thinking HUB Observatory is a Politecnico di Milano community to which Sisal actively contributes through workshops. The main purpose of the observatory is to show the flexibility of the Platform Thinking concept and its adaptability to different environments and sectors, bringing concrete benefits even in very different contexts.

Internationalisation

Our long-term vision is based on a gradual approach to **international development**, which takes into account both the need to create **sustainable business growth** and the adaptation of our organisational structure and our Responsible Gaming model according to the different realities that characterise each of the countries where we operate. Our strategy is driven by two complementary concerns:

- **Diversification:** the expansion of the user base in other countries through the acquisition of new concessions and licences, also in joint ventures with Flutter or other companies in its portfolio.
- **Innovation and Digitisation:** the development and management of technology Hubs, designed to support the Group with proprietary digital solutions and innovative services and to ensure proximity to target markets.

Drawing on our experience in lottery and gaming management and our ongoing commitment to

product innovation and consumer protection, we are working to seize business opportunities and consolidate our leadership in new markets by bidding for tenders and acquiring gaming licences. We are introducing this process in countries where the gaming culture is already rooted and present, with the aim of **spreading our sustainable business model**, which promotes responsible choices and increases player protections. We also generate value in terms of jobs and the creation of economic resources that can be reinvested to support the local area and local communities. One example is using lotteries to raise funds for social causes or natural disasters, such as the recent earthquakes in Türkiye and Morocco (2023).

At the same time, we also develop business internationally through the opening and management of **digital technology hubs**¹⁵, which support activities both within the relevant country and at Group level. Highly qualified and specialised local staff make a fundamental contribution and are now a valuable resource for Sisal in achieving its strategic objectives.

Key factors driving Sisal's International Strategy



Reputation and credibility



Product innovation



Proprietary technology developed in-house



In-house skills



Financial soundness

¹⁵ For more details, see page 45.

Through its Digital Hubs and dedicated gaming companies, Sisal has a presence in the following countries.

Albania (Digital Hub)

Sisal operates in Albania through the Digital Hub in Tirana, the first to be opened in 2019. It provides technological support for growth in Sisal's multichannel business and synergy between the countries in which it operates. The various areas in the Hub are staffed by highly specialised personnel with expertise in the company's software solutions and enterprise platforms, providing some of the core services fully developed and independently delivered by the Albanian site for the whole group.

Morocco (gaming company)

Sisal has been operating in Morocco since 2019, after being awarded the contract put out to tender by the Moroccan National Lottery Management Company (SGLN) in February 2018. The ten-year concession provides for the management and development of a portfolio that includes numerical games, instant lotteries, online games, Virtual Races and VLTs.

In November 2022, Sisal and consortium partner Paddy Power won the tender for sports betting called by Marocaine des Jeux et des Sports (MDJS). In the first quarter of 2024, Sisal started the process of managing sports betting in Morocco, through the new legal entity Sisal Jeux Maroc. The concession, which started on 1 January 2024, has a duration of eight years, with an option to renew for a further two, and is the first example of collaboration between Sisal and Flutter (through Paddy Power).

Türkiye (gaming company + Digital Hub)

In September 2019 Sisal, in partnership with Şans Dijital ve Interaktif Hizmetler Teknoloji Yatırım A.Ş., a company in the Turkish Demirören Group, won the competitive tender called by Türkiye Wealth Fund (TWF), holder of the Turkish National Lottery (Milli Piyango) licence, to award a ten-year operating contract. Operations officially started up the following year (2020), with the management and development of a portfolio comprising lotteries, instant-win lotteries, virtual races and online games. In 2022, Sisal Şans was granted a contract extension (expiring on 30 June 2031) by the Regulator.

March 2022 saw the opening of the Istanbul Technology Hub.

Tunisia (gaming company + Digital Hub)

In August 2022, Sisal was awarded the contract put out to tender by Promosport for the management of lotteries, instant-win lotteries and online betting and gaming in Tunisia. The ten-year concession, with activities in the planning and start-up phase, will be managed through the local company "Sisal Loterie Tunisia".

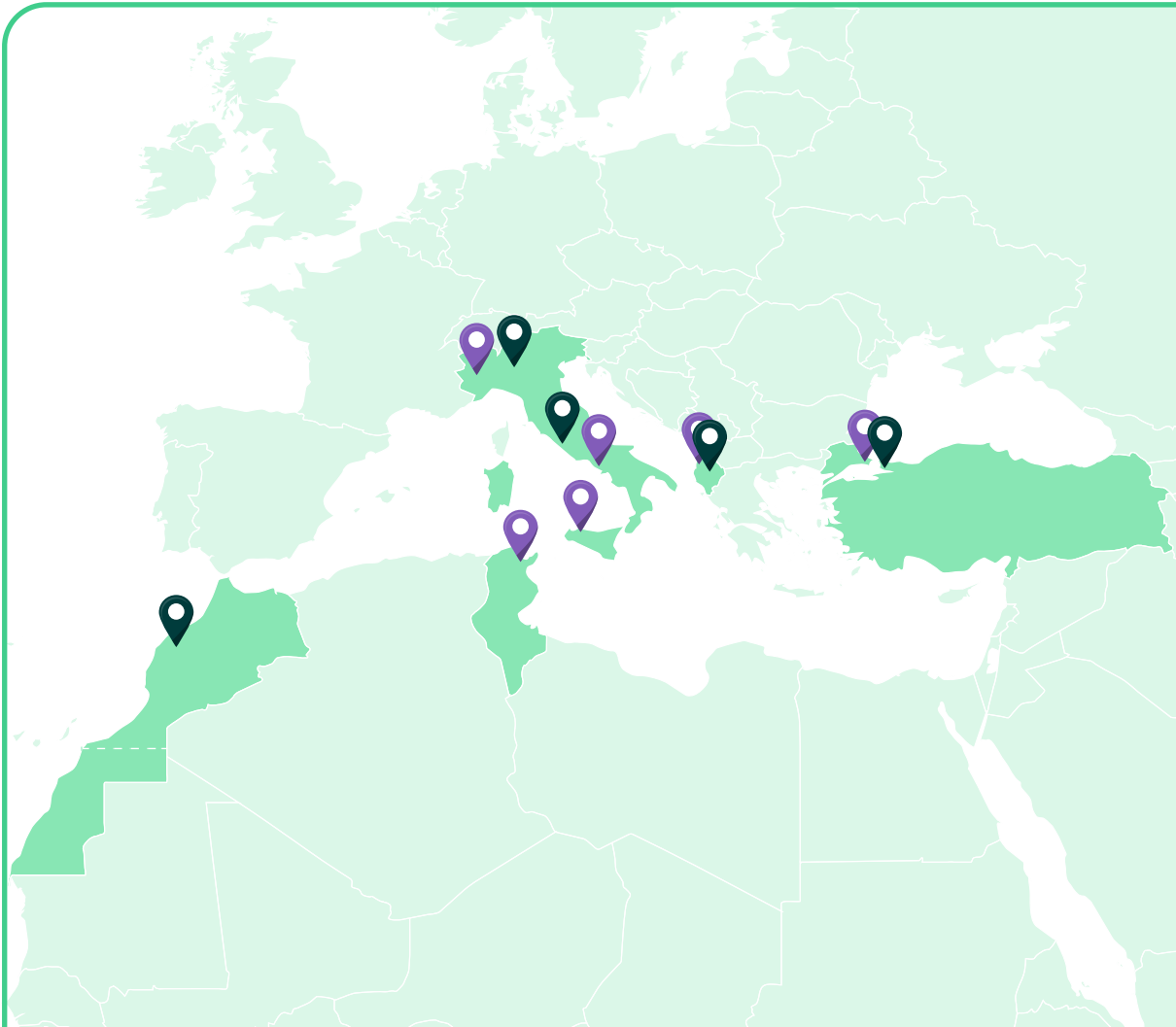
In 2023, a digital hub was opened in Tunis.

Spain (gaming company)

From 2019 to 2023, Sisal also had a presence in Spain, where it was awarded the tender launched by the Spanish Directorate General for the Regulation of Gambling (DGOJ), through two general licences for betting and the development of other games and additional single licences for Roulette, Slots and Blackjack. In 2023, these licences were sold.

Sisal's international presence

Through its Digital Hubs and dedicated gaming companies, Sisal has a presence in the following countries.



Offices

Italy

Milan
Rome

Albania

Tirana

Morocco

Casablanca

Türkiye

Istanbul

Hubs

Italy

Turin
Naples
Palermo

Albania

Tirana

Tunisia

Tunis

Türkiye

Istanbul

Sustainability

Our sustainability strategy

In line with our Purpose, **we act to build a more responsible future**. We aim to lead the sustainable evolution of our sector, promoting a type of gaming that is fun without excess; protecting and valuing people, both within Sisal and within the community, to foster personal growth and territorial development; mitigating the direct and indirect environmental impacts related to our activities. We believe that these objectives can only be achieved by investing in research and the development of innovation and by promoting an ethical and responsible business towards all stakeholders.

Therefore, we developed a path of sustainability in line with national and international best practices, with the definition in 2021 of a **strategic framework that integrates the different impact areas affected by our sustainability commitment**, each of which is broken down into concrete objectives and actions aimed at achieving the goals of **Sisal's Sustainability Agenda**.

In 2023, we **strengthened our sustainability strategy to enhance and align it with Flutter's Positive Impact Plan**, making a direct and integrated contribution to Group-wide commitment.

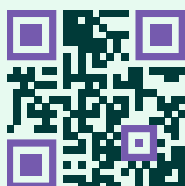
Flutter's Positive Impact Plan (PIP)

Launched by Flutter in 2022, the **Positive Impact Plan (PIP)** aims to promote a long-term commitment to **help guide the business and, more broadly, the gaming world, towards a more sustainable future**. The Positive Impact Plan is an integral part of Flutter Group's overall culture and strategy and guides the activities of all its member companies.



**POSITIVE
IMPACT
PLAN**

It is structured around four pillars, which correspond to Sisal's strategic pillars.

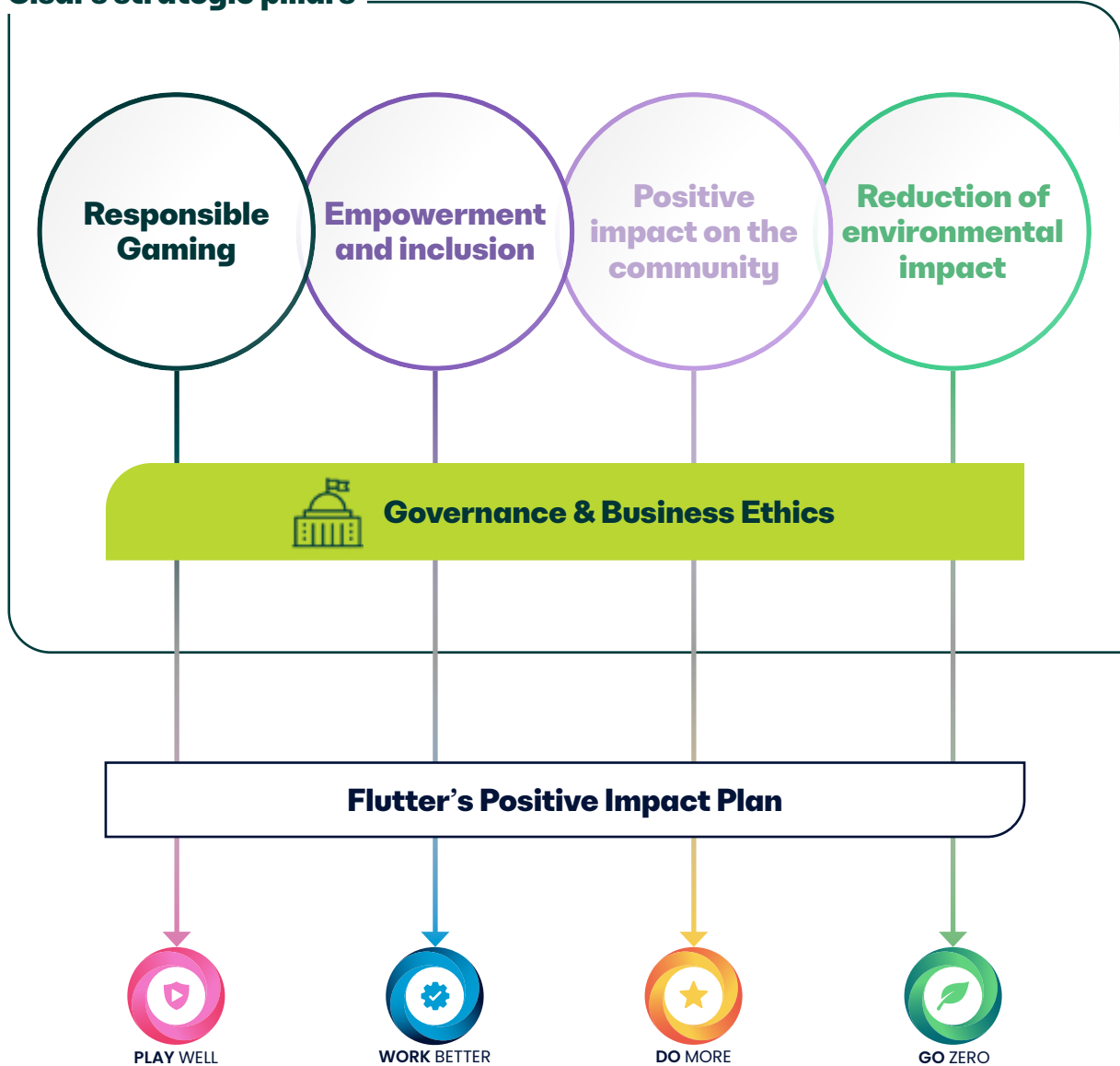


Listen to the interview with
Sue Albion, Group Director of Sustainability and Regulatory Affairs,
Flutter
Flutter's Positive Impact Plan

Sustainability Agenda



Sisal's strategic pillars



RESPONSIBLE GAMING

At Sisal, we want to **drive progress in our industry** and are committed to investing in research and innovation to generate new ideas and develop platforms and products designed to **guarantee safety and reliability**. We promote a gaming experience that puts the emphasis on fun and avoids excess in all gaming channels and in all countries where we operate, through an effective relationship with our customers. We are committed to educating and supporting players to promote conscious, **safe and responsible gaming**, as well as to taking effective action with all the tools at our disposal where we identify potential problems. Our goal is to have **94% of players using a Play Well tool by 2024**.



Responsible Gaming contributes to Flutter's Play Well pillar, the cornerstone of the Positive Impact Plan, which is committed to putting customers at the centre of everything the group does and giving them a positive entertainment experience.

Learn more about Sisal's commitment in the **Responsible Gaming** section.

EXEMPLARY EMPLOYER OF CHOICE

At Sisal we **ensure inclusion and respect for diversity** and we make sure that our people have all the tools and support they need to **be themselves and let their talents flourish**. We promote collaborative spaces both within the company and between the different companies and countries where we operate, to **foster the exchange of ideas and experiences and promote a culture of innovation**. We put **health and well-being at the centre of every working day** and are committed to providing solutions that meet the different life needs of our people. In particular, we have set ourselves **the goal of achieving Zero gender pay gap by 2030, because we believe in a merit-based pay system**.



Exemplary employer of choice contributes to Flutter's Work Better pillar, which aims to build a work environment that is fair, inclusive and values diversity: because we work better together when every voice counts.

Learn more about Sisal's commitment in the **Exemplary employer of choice** section.

POSITIVE IMPACT ON THE COMMUNITY

Sisal's commitment focuses on two areas: **Social Innovation** and **Corporate Solidarity**. We support projects to support social initiatives, collaborating with foundations and non-profit organizations, both to promote community growth and development and to respond to emergencies, such as natural disasters. We aim to promote a culture of well-being, both through sports and initiatives designed to encourage healthy lifestyles. We promote **entrepreneurship** and **social innovation** that can transform lives by creating connections, developing new skills and solving social problems.



Positive community impact contributes to Flutter's Do More pillar, the Group's global commitment to the communities where we live, work and play, through initiatives designed to generate value for society.

Learn more about Sisal's commitment in the **Positive impact on the community** section.

REDUCTION OF ENVIRONMENTAL IMPACT

At Sisal we are committed to driving change in our industry, taking action to **reduce our environmental impact, but also to inspire others to do the same**, be they partners or competitors. We have developed a **process to understand, map and measure our environmental impacts** along the entire value chain, in terms of emissions, energy consumption and raw material use, and **set short- and long-term reduction targets**. We are also investing in technologies that allow us to accurately monitor and publicly communicate our progress. We plan, in fact, to achieve **Zero net CO₂ emissions by 2035**.



Reduction of environmental impacts contributes to Flutter's Go Zero pillar, the ambitious plan for climate action and to mitigate environmental impacts by reducing net carbon emissions to zero.

Learn more about Sisal's commitment in the **Reduction of environmental impact** section.

STRATEGIC DRIVERS – GOVERNANCE & BUSINESS ETHICS






The 4 pillars are in turn supported by two strategic drivers which are fundamental for us: **Governance & Business Ethics**, with a focus on business integrity (anti-bribery, anti-money laundering, conflict of interest, human rights), data ethics (privacy, data management and protection) and security (information and systems security). These elements cut across the Strategy and we invest in them to promote continuous improvement and value creation in the medium and long term.

Learn more about Sisal's commitment in the **Business ethics** section.

To pursue our strategy and drive the business towards a more responsible future, we have therefore **set sustainability goals**, measured with indicators linked to the pillars on which the strategy rests, and **defined strategic actions** to achieve them and contribute, in a broader sense, to the objectives of Flutter's Positive Impact Plan.










ESG Scorecard

Responsible Gaming

 3 GOOD HEALTH AND WELL-BEING	 8 DECENT WORK AND ECONOMIC GROWTH	 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Target value	Year	Progress in 2023	
Players using Play Well tool* (Italy)			94%	2024	94%	
Specialist retailers who have received training (Italy)			100%	2024	100%	

* Play Well tool: tools to support and protect players, for the prevention of problem players.






Exemplary employer of choice

 3 GOOD HEALTH AND WELL-BEING	 4 QUALITY EDUCATION	 5 GENDER EQUALITY	 8 DECENT WORK AND ECONOMIC GROWTH	Target value	Year	Progress in 2023	
Gender Pay Gap - Average				-5%	2025	-3,4%	
				0%	2030		
Women in top leadership roles				40%	2026	36%	
Average annual training hours per employee				16	2025	17,1	
Participants involved in the Discover Your Talent programme*				25%	2025	25%	
Participants involved in the Boost Your Leadership talent programme**				20%	2025	24%	








* The target refers to the cumulative total for 2022-2025 and under 32s with at least one year of service.

** The target refers to the cumulative total for 2022-2025.

Positive impact on the community

 3 GOOD HEALTH AND WELL-BEING	 8 DECENT WORK AND ECONOMIC GROWTH	 16 PEACE, JUSTICE AND STRONG INSTITUTIONS	Target value	Year	Progress in 2023	
Hours of corporate voluntary work in the period 2022-2025			2,500	2025	1,949	
Employees engaged in corporate voluntary work in the period 2022-2025			1,000	2025	589	

Reduction of environmental impact

   	Target value	Year	Progress in 2023	
Reduction of GHG emissions (scope 1, 2 - market-based - and 3)*	-50%	2030	18%***	
GHG emissions (scope 1, 2 - market-based - and 3)*	0	2035	32,684 ton CO ₂ e	
Reduction of energy consumption through LED lighting (100% of offices and direct points of sale in Italy)**	-5%	2024	-15%	



* Baseline 2022. Including offsetting.

** Baseline 2022.

*** In 2023, Sisal upgraded its reporting of Scope 3 emissions, the company fleet increased by 2% leading to an increase in Scope 1 emissions, the number of partner outlets increased by 3%, and the number of employees increased by 8%. Lastly, the expansion of Sisal's presence in foreign markets involved the purchase of assets that impacted Scope 3 emissions.

The target for reduction of GHG emissions was redefined to align with Flutter's Positive Impact Plan. For more information, please refer to the chapter "Reduction of environmental impact".

Business ethics

 	Target value	Year	Progress in 2023	
% hours of ICT system availability to support the gaming platforms*	100%	Every year	100%	
% employees attending training activities on business ethics, data privacy and security	≥95%	Every year	97%	

* Calculated as the average availability of the various businesses and services.



Target achieved



Progress in line with target



New Target

Materiality assessment

Ongoing dialogue with stakeholders is how we define the strategic priorities for the development of our business and the environment in which we operate, as well as guiding our sustainability efforts.

Context analysis

The main ESG area megatrends – which characterise the broader sustainability context at national and international level and have the capacity to generate a significant impact on the Group's sector of reference – were identified and analysed. This analysis identified **15 topics of priority interest for the Gaming & Gambling sector**.

Stakeholder engagement process

A **double materiality assessment**¹⁶, taking account of both impact materiality (inside-out perspective) and financial materiality (outside-in perspective), involved a structured process of direct engagement with the stakeholders in question, based on three main steps.

- **Survey:** three different surveys were prepared to assess the strategic relevance and related impacts (positive and negative, current and potential) of each of the sustainability topics previously identified, respectively for employees, external stakeholders and top management.
- **Multistakeholder focus group:** a focus group was also conducted to explore in depth the opinions and expectations of stakeholders in relation to the strategic relevance of potentially material topics, the level of impacts associated with such topics, and the oversight implemented for each of them.
- **One-to-one interviews on financial materiality:** lastly, interviews were conducted with several management figures who have expertise in the areas of finance and risk management, in order to identify the potential positive and/or negative effects (financially relevant risks and opportunities) connected to sustainability topics defined as material.

Stakeholder categories

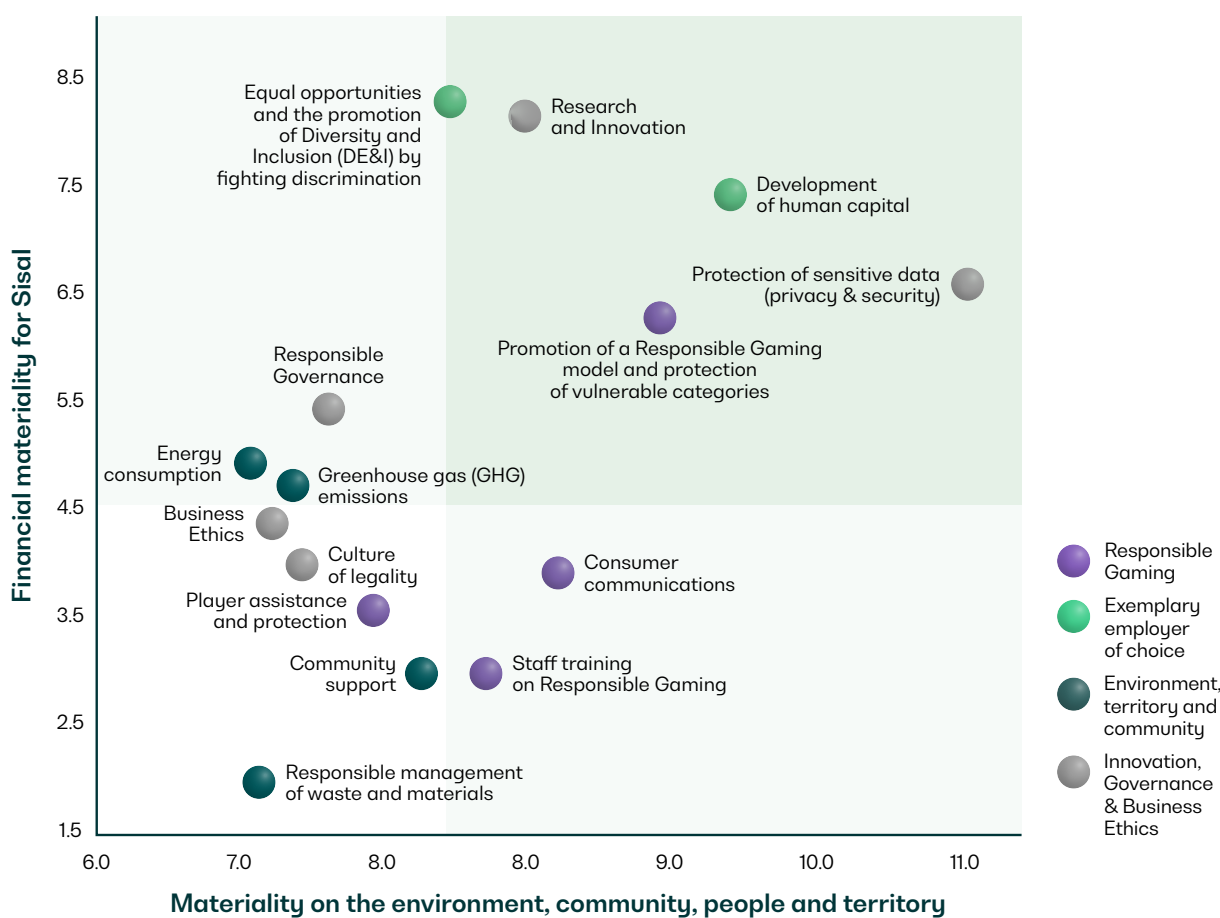
Trade associations	Shareholders	Business community	Customers
Financial Community	Local community and non-profits	Employees	Regulatory authorities and institutions
Suppliers	Media	Distribution network	Universities and research

¹⁶ The concept of double materiality was introduced by the European Commission in the 2019 Non-Financial Reporting Guidelines and then included in the Corporate Sustainability Reporting Directive of the European Financial Reporting Advisory Group (EFRAG). From this new perspective, ESG (Environmental, Social and Governance) issues create risks and opportunities that are doubly material, from both financial and impact-related standpoints. In the words of the CSRD Directive: "companies must report how on the one hand sustainability issues affect their business and on the other how they also have an impact on people and the environment".

Double materiality matrix

By combining the evaluations based on the previous studies, and particularly the scores obtained for each topic by calculating the average of the risks and opportunities involved, the following **summary matrix** was produced, with **financial materiality** along the y-axis (vertical) and **environmental, community, people and territorial materiality** on the x-axis (horizontal).

In addition, in order to identify the highest priority topics for Sisal, those with an above median¹⁷ score in both areas considered were highlighted.



Priority topics

Promotion of a Responsible Gaming model and protection of vulnerable categories	Protection of sensitive data (privacy & security) Research and Innovation	Equal opportunities and the promotion of Diversity and Inclusion (DE&I) by fighting discrimination Development of human capital
---------------------------------------------------------------------------------	------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------

For more details on the materiality assessment process and the complete list of impacts identified, see the special annex on page 171. The information related to “financial materiality” is not subject to limited assurance by KPMG S.p.A.

¹⁷ The median indicates the number that occupies the central position in a set of numbers, half of which have a higher value and the other half a lower value.

ESG Rating

Sisal: top-ranking company in the industry according to the Morningstar Sustainalytics ESG rating



In August 2023, Sisal received an ESG risk rating of **8.9** from Morningstar Sustainalytics, which corresponds to a **negligible risk** of being impacted by ESG factors, the lowest on the scale of five risk levels. **Morningstar Sustainalytics** is the leading ESG research, ratings and data company that supports investors worldwide in developing and implementing responsible investment strategies.

Sustainalytics' ESG Risk Ratings measure a company's exposure to industry-specific ESG risks and the level of management of these risks, ranking companies according to five risk levels.

Sisal ranks **first in the "Casinos and Gaming" industry worldwide** out of 85 companies analysed, second in the "Consumer Services" industry, and is in the top 150 of 15,438 companies assessed globally by Sustainalytics, improving on the previous year's assessment.

Sisal's sustainability strategy was recognised as having a special focus on the improvement of environmental performance, business ethics and governance, and listening culture.

The important result attributed to the company validates the sustainability path that Sisal is pursuing and which is in line with national and international best practices, developing a framework capable of holding together the various ESG dimensions, with the aim of building a more responsible, digital and inclusive future.

Sisal also obtained two badges:

Industry top rated



In 2023, Sisal was recognised by Sustainalytics as a top ESG performer out of more than 15,000 companies evaluated worldwide, earning the 2023 Industry Top-Rated Badge.

Regional* top rated



This award from Sustainalytics underlines the robustness of Sisal's ESG commitment, identifying it as a top performing company in its region.

* The regions defined by Sustainalytics are Africa/Middle East, US and Canada, Caribbean and Latin America, Europe and Asia/Pacific.

Sisal Sustainability Month

From 23 October to 24 November 2023, Sisal's Sustainability Month was dedicated to the culture and strategy of sustainability at Sisal, to give all employees the opportunity to explore in depth topics related to Responsible Gaming, empowerment and inclusion, social innovation, reduction of environmental impacts, community support projects, and business ethics.

It was an opportunity to learn more about Sisal's sustainability strategy and the goals and actions put in place to achieve them, to open a space for dialogue and inspiration with sustainability experts and leaders, as well as to understand how to contribute personally to promoting a more responsible future.

During the Sustainability Month, **14 events** were organised involving more than **3,000 people** in face-to-face workshops, webinars, **3 gamification activities** and **5 volunteer initiatives** as part of the WeDo programme¹⁸. The most significant activities included:

Over 100

colleagues in Milan spent a few hours packing **43,200** food rations, destined for the Zimbabwe Schooling Programme and enough to feed **200 girls and children for a year**.

Over 80 colleagues

in Rome participated in a "cleaning up" event in the Caffarella Park and surrounding areas. Thanks to their work, **over 600 kg of waste** was collected, mostly plastic and glass.

14 colleagues

from Sisal Şans Türkiye participated in a "cleaning up" event at Sile beach in Istanbul. As a result of the voluntary work, **450 kg of waste** was collected.

A group of **16 colleagues** from the Digital Hub in Albania worked together to plant **40 trees** in the Tirana National Park. The activity contributed to local **reforestation** and served to **raise colleagues' awareness** of climate change issues.

4 colleagues from the Tirana hub shared their coding skills with girls and boys from the Tumo Digital Centre, as part of a day dedicated to stimulating the curiosity of the new generations towards **STEM subjects** and new digital professions.

Sisal people took part in a quiz game for charity: each correct answer funded Coopi, supporting the psychosocial and economic reintegration of **33 war-affected single mothers** in the Democratic Republic of Congo.

¹⁸ For more information on the WeDo corporate volunteer programme, see page 136.



Corporate Governance

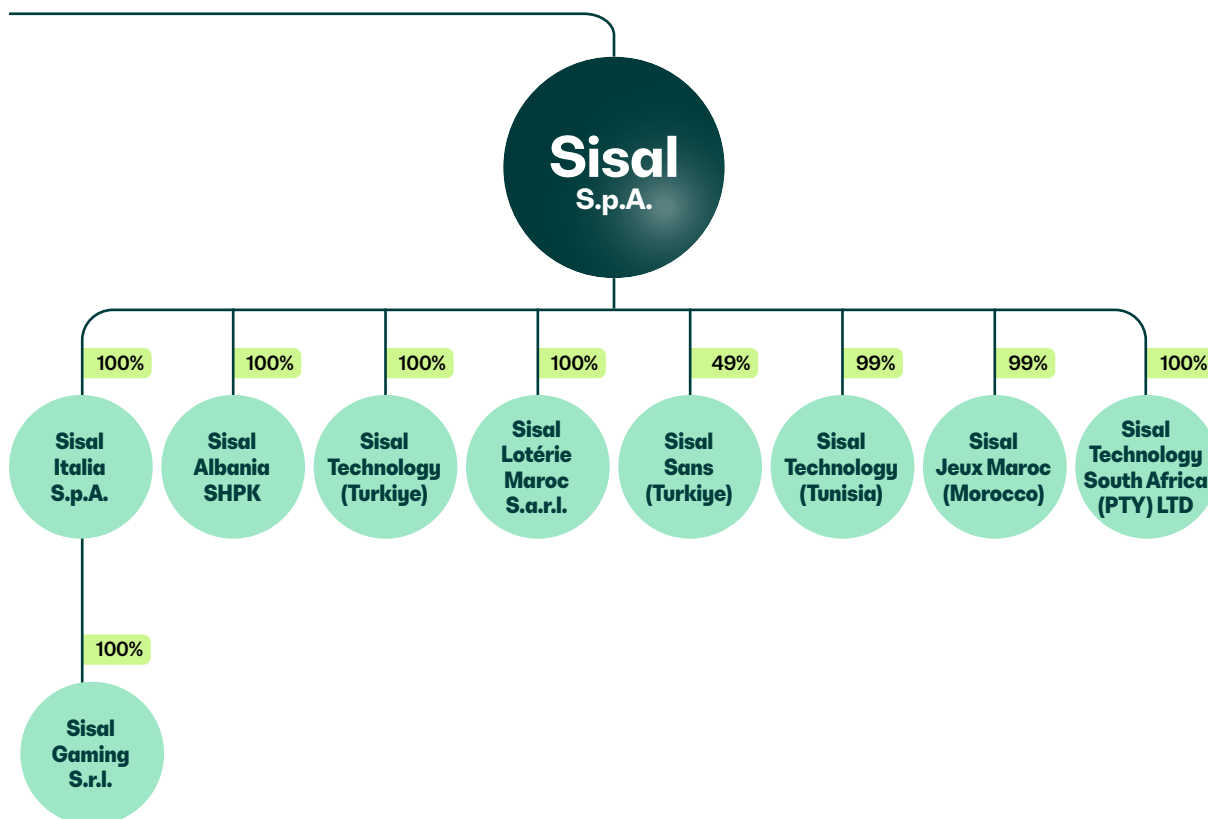


Our organisation¹⁹

Sisal Group is part of Flutter Entertainment plc, the world's largest online sports betting and gaming provider. Flutter Entertainment plc has a portfolio of internationally recognised brands and is listed on the London Stock Exchange (FTSE 100 index) in the LSE Index and, since January 2024, also on the New York Stock Exchange.

Sisal S.p.A. and its subsidiaries operate in the gaming industry based on government concessions granted by ADM (Agenzia delle Dogane e dei Monopoli - Customs and Monopolies Agency) in Italy, SGLN (Société de Gestion de la Loterie Nationale) and MDJS (La Marocaine des Jeux et des Sports) in Morocco, TWF (Türkiye Wealth Fund) in Türkiye and Promosport in Tunisia.

Flutter Entertainment Holdings Ireland LTD.



¹⁹ For more details on the organisational structure, see the website: Organizational structure | Sisal. The company chart is updated as of the publication date of the 2023 Sustainability Report.

The governance system

The prime goal of Sisal's corporate governance system is to **create value for shareholders and all stakeholders**, fully aware of the importance of **transparency in corporate decision-making** and of the need to have an **effective internal control system**. Sisal S.p.A.'s organisation is based on the traditional management and control model set out in article 2380-bis and subsequent articles of the Italian Civil Code, as follows:

- **Shareholders' Meeting:** is competent to pass resolutions in ordinary and extraordinary session on matters assigned to it by the law or the articles of association.
- **Board of Directors:** is vested with the broadest powers for the ordinary and extraordinary management of the Company, with the authority to take all appropriate action to achieve the corporate purposes, with the exclusion of those matters assigned to the Shareholders' Meeting.
- **Board of Statutory Auditors:** oversees compliance with the law and the articles of association, observance of the principles of good management, and the adequacy and actual functioning of the Company's organisational, administrative and accounting structure. The requirements, functions and responsibilities of the Board of Statutory Auditors are regulated by law.
- **Audit Company:** statutory auditing of the accounts is carried out by a specialist company, in accordance with the law, duly appointed for this purpose by the Shareholders' Meeting on the basis of a reasoned proposal submitted by the Board of Statutory Auditors.
- **Supervisory Board:** the Company has adopted an Organisation, Management and Control Model pursuant to art. 6, Legislative Decree 231/01, one of the aims of which is to ensure fair and transparent business activities, and established a Supervisory Board with the task of overseeing the observance and functioning of the Model, familiarity with it within the Company and its updating, in the framework of the ongoing general improvement of the internal control system in terms of its effectiveness and efficiency.

Board of Directors of Sisal S.p.A.²⁰

- Aurelio Regina, Chairman of the Board of Directors (non-executive)
- Francesco Durante, CEO
- Emilio Petrone, Board Director (non-executive)
- Roberto Di Fonzo, Board Director
- Rob Coldrake, Board Director (non-executive)²¹.

Board of Statutory Auditors

- Ezio Simonelli, Chairman of the Board of Statutory Auditors
- Silvia Baroffio, Standing Auditor
- Federica Menichetti, Standing Auditor
- Serena Gatteschi, Alternate Auditor
- Roberto Cassander, Alternate Auditor

Supervisory Board

- Emiliano Nitti, coordinator for Sisal S.p.A
- Iole Anna Savini, coordinator for Sisal Italia and Sisal Gaming
- Simona Paccioretti, member

Management committees

As part of a broader reorganisation of the control and governance system, Sisal approved the creation of the following Management Committees:

- Sustainability Committee
- Investments Committee
- ICT Committee
- People Committee
- Risk & Compliance Committee
- Innovation Committee

Sustainability Committee

This is an executive committee formed by the CEO and the Managing Directors/Chief Officers of Sisal's various Business Units, Markets and Departments, under the coordination of the Chief Institutional Affairs and Communication Officer. It defines and oversees Sisal's Sustainability model in terms of discussion and approval of strategic guidelines.

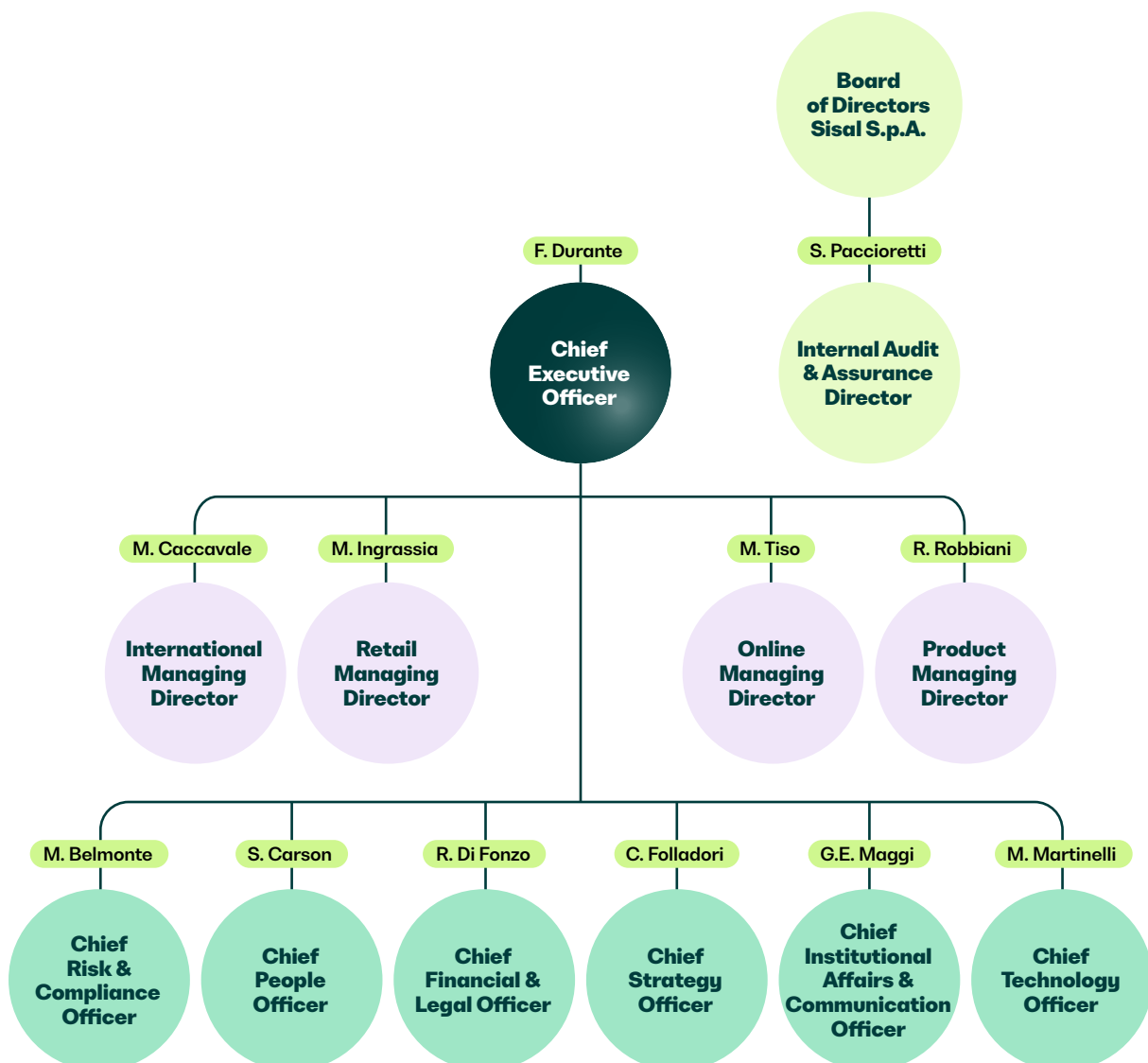
²⁰ The Board of Directors was appointed by the Shareholders' Meeting on 20 April 2023 and has a one-year term as agreed with the shareholder (Flutter). There are no independent Board Directors, with reference to the relevant requirements of the law, regulations and codes of conduct.

²¹ Rob Coldrake is CFO of Flutter International and represents Flutter on the Sisal Board of Directors.

Our internal structure

Sisal's organisational structure is split into three markets - **Retail Italy**, **Online Italy** and **International** - and a **Product** structure, which is tasked with developing the best offering to compete successfully in the various markets; the corporate structures support, in both Italy and internationally, business development and value creation in a balanced and sustainable way, consistently with values based on responsibility, people and innovation).

The Leadership Team organisation chart is as follows.



Risk Management

In recent years Sisal has evolved its rules, behaviours, policies and procedures, and also consolidated its organisational structures, in order to establish a broad-based risk culture at all levels and ensure an **adequate and comprehensive response to the risks identified**.

That is why we have adopted the **Enterprise Risk Management (ERM) Framework** as our integrated corporate risk management system, following the guidelines issued by the “*Committee of Sponsoring Organizations of the Treadway Commission (CoSO)*”.

The framework consists of the set of structures, processes, methodologies and tools such as to guarantee adequate controls for the current and prospective risks to which the Group is exposed and aims to pursue the following objectives:

- identify business risks and be able to assess them with a uniform and structured approach;
- align corporate strategy with the acceptable level of risk;
- measure the impacts of the risk scenarios identified;
- define strategies and controls to mitigate these risks;
- monitor the level of risk accepted and the adoption of clearly defined controls;
- strengthen the risk culture at all levels of the organisation;
- communicate results in regular reports to Top Management, the Board of Directors and the Internal Management Committees, and activate the appropriate escalation processes;
- ensure that the Group’s strategic objectives are achieved.

Risk Governance

The **Risk Governance Model** is based on three lines of defence:

- the assignment to the **Internal Audit** function of assurance tasks regarding the adequacy, effectiveness and reliability of the Framework as a whole;
- the assignment to the **Risk Management** function of a coordinating role in the overall management of the Group’s risk governance process, defining unambiguous strategies, policies and processes for the various controls;
- the assignment to individual **Risk Owners** of specific responsibilities for identifying and assessing the risks associated with their activities and for defining any actions required to mitigate such risks.

Finally, the **Board of Directors** of the Group issues guidelines for the management process and approves the risk assessment matrix.

The Risk Management function also **reports regularly on the activities carried out**, both to the **Risk & Compliance Committee**, on which the entire Leadership Team and the Chief Executive Officer sit, as well as to the **Board of Statutory Auditors**.

Risk Assessment in the areas of ESG and Business Ethics

Sisal promotes respect for the **ethical, integrity and transparency values** defined by the organisation in the Code of Ethics and in its **internal policies, processes and procedures**. For this reason, we have also made provision in the ERM framework for a specific **risk assessment process in relation to ESG and ethical issues**. The integration of risks associated with environmental, social and governance factors and ethical risks is fundamental for an ever better understanding of the context in which the organisation operates, a more widespread and conscious assumption of risk and, ultimately, a greater ability to respond to the needs of all our stakeholders.

The failure to manage these risks can have a negative impact:

- on the company's long-term performance (e.g. higher recruitment costs, costs incurred to adopt national or supranational climate and environmental policies);
- on the reputation of the company (e.g. reducing brand awareness and customer satisfaction or damage to relations with suppliers resulting in economic impacts for the company).

More in general, the main risk factors identified, assessed and monitored in the framework of the ERM model are grouped into the following categories:



Environment risks

The frequency of events related to climate change and the increasing importance of this topic in the economic, social and regulatory scenario, regardless of the industry, has highlighted the need to ensure greater resilience to unforeseen events caused by various phenomena and to monitor the possible risks associated with them, with a view to transitioning to a low-carbon-emission economy.

Sisal therefore integrated the management of physical and transitional risks associated with climate change into the ERM risk framework and adopted mitigation actions to manage and monitor these risks, which can be grouped into two main categories:

Physical risks	Transitional risks
<ul style="list-style-type: none"> • Lower income due to business interruption at points of sale. • Increased operating costs for non-routine maintenance activities. • Lower income due to the business interruption caused by damage to IT systems. • Increase in asset-related insurance costs. • Injury to employees caused by an extreme weather event. 	<ul style="list-style-type: none"> • Asset write-downs. • High investments in strategic initiatives/projects to implement in order to improve energy efficiency and reduce GHG emissions, with a view to achieving the environmental targets set. • Evolution of the relevant legislation applicable to the business, with particular reference to the inclusion of more stringent environmental obligations. • Loss of market share due to the inability to anticipate market sentiment on environmental issues.

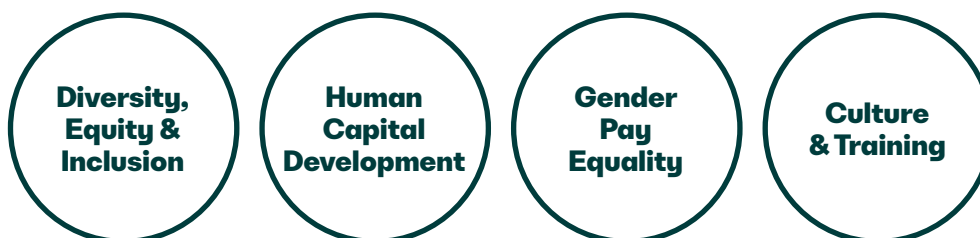
Sisal also has specific insurance coverage for damage caused by natural disasters.

For more details, see the chapter *Reduction of environmental impact*.

Human Capital risks

The corporate population is the **key resource as the business evolves into the future**, with new methods of learning, working and innovation.

The main risks identified in relation to human resources regard:



To limit these risks, Sisal has taken action to promote Diversity, Equity & Inclusion (DEI), training, growth and talent development, and full personal wellbeing.

For more details, see the chapter *Exemplary employer of choice*.

Responsible Gaming risks

Il Responsible Gaming is one of the cornerstones of Sisal's sustainability strategy. The assessment of risks associated with the failure to protect players and non-compliance with regulations is an integral part of the company's goal-setting processes and was carried out for both the online and retail channels.

To combat these risks, we have set up a structured **Responsible Gaming programme** to ensure that players, especially the most vulnerable, are protected. We do this through information campaigns, prevention of problem gambling phenomena, education in responsible gaming and help for people at risk, as well as through working groups involving the various company functions and a Product Committee to ensure compliance with responsibility and safety-by-design requirements.

For more details, see the chapter *Responsible Gaming*.

Governance risks

An efficient corporate governance system is essential both to establish an **effective internal control system** and to ensure the **creation of value for shareholders**, with transparency across the entire corporate decision-making process. For this reason, on a voluntary basis and in certain specific areas, we have aligned our corporate governance system with the legal and regulatory provisions applied to listed companies, as well as taking account of regulations and international best practices.

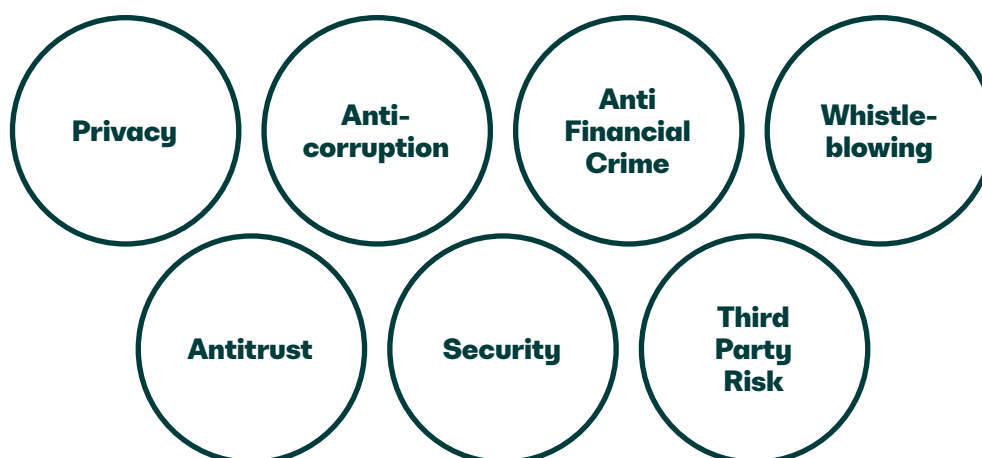
The Company has also adopted an Organisation, Management and Control Model pursuant to art. 6, Legislative Decree 231/01, which aims to ensure fair and transparent business activities, and has established a Supervisory Board.

For more details, see the chapter **Corporate Governance**.

Business Ethics risks

Sisal carries out a specific assessment of ethical risks that takes account of both legislative and regulatory aspects, as well as the values and commitments set out in the Code of Ethics and in the set of policies and procedures defined by the Group, which promote respect for ethical values of integrity, transparency and accountability.

The main risks examined concern compliance with basic consumer and employee safety standards and specifically:



For more details, see the chapter **Business Ethics**.

Internal control system

Internal Auditing is an independent, objective assurance and advisory activity designed to improve the effectiveness, efficiency and integrity of the organisation.

It provides the Board of Directors, the Board of Statutory Auditors, the Supervisory Board and Top Management with support in the pursuit of corporate objectives through a systematic professional approach that generates value because its aim is to **assess and improve the control, risk management and corporate governance processes**.

During 2023, in order to align Sisal's Internal Audit function with the approach used by Flutter, it was split into:

- a **team dedicated to Internal Auditing**, which carries out assurance and advisory activities in line with Flutter's methodology based on international internal audit standards – Risk-Based Assurance Audit Plan, Follow-up activities, High Risk Review and advisory projects;
- a **team dedicated to Assurance activities**, which carries out checks in the Retail sector, performs continuous auditing of concession regulations and requirements, and provides the Supervisory Board with support in relation to the activities set out in Legislative Decree 231/01.

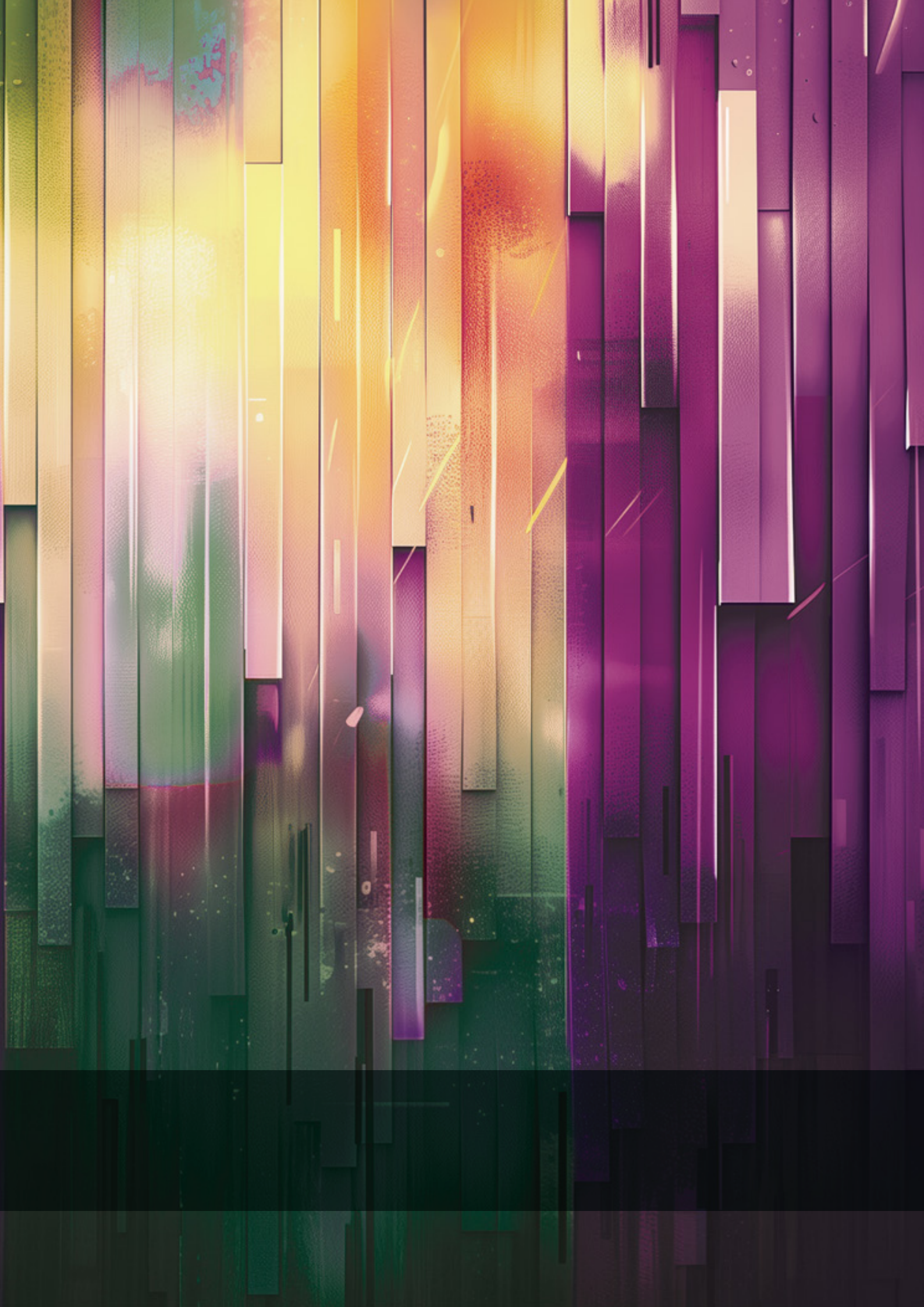
In consideration of the Team's international nature, the Internal Audit function has developed a **Risk-Based Audit Plan** for 2023 consisting of 22 projects in three different countries (Italy, Morocco, Türkiye). The Flutter Group Internal Audit function also carried out four advisory projects mainly related to IT issues.

Using a risk-based approach, the Assurance function planned 33 projects mainly related to continuous auditing of concession regulations/requirements and high-risk processes, and support for the Supervisory Board in relation to the activities set out in Legislative Decree 231/01. In addition, the Assurance function inspected 257 points of sale during 2023, focusing primarily on compliance with internal policies and procedures and on the most important national gaming regulations.

Both plans were drawn up using the ERM Methodology, ensuring oversight by the Team of all processes characterised by higher exposure to risk and drawing on the support of external consultants with regard to the most relevant regulations affecting the industry (e.g. anti-money laundering, anti-bribery, personal data protection - GDPR, Law 231/01 on anti-corruption, health, safety and environment, and Law 81/08). The Internal Audit & Assurance Department conducts a wide-ranging annual analysis of compliance aspects with regard to these regulations.

The background features a series of vertical bars of varying heights and colors, transitioning from dark green on the left to bright yellow and purple on the right. The bars have a textured, slightly grainy appearance, and some contain faint, illegible text or patterns. The overall effect is a dynamic, layered composition.

Economic value generated



Our markets

Sisal Group operates in the **games for cash prizes market** regulated by the Italian Economy and Finance Ministry (MEF), the Italian Customs and Monopolies Agency (ADM) and local regulators in our other countries.

The Gaming Market in Italy²²

2020 - 2023 trend

€m	2020	2021	2022	2023	CAGR
Total Revenue*	88,214	111,133	136,025	147,643	18.7%

* Excluding Section 7 data – Machines without cash prizes.

Total Gaming Market²³ revenue, after the years affected by the pandemic, continues to grow, hitting a record of over €147 billion and a CAGR²⁴ (Compound Annual Growth Rate) of +18.7%, driven by continuous growth in the Online Italy channel and also by growth in the betting segment.

GGR rose 17.7% in the period, touching a total of €21bn. Taxation is in line with this figure, reporting a CAGR of 17%. The Payout has risen in value due to strong growth in the Online Italy segment, which is known to have higher Payouts than the Retail Italy segment. As a result, the trend of GGR as a percentage of Total Revenue stabilised at around 14.2% in 2023. This is much lower than pre-Covid-19 levels of between 17% and 18% and the trend is set to continue.

€m	2020	2021	2022	2023
Total Revenue	100.0%	100.0%	100.0%	100.0%
Payout*	85.4%	86.2%	85.3%	85.8%
Gross Gaming Revenue**	14.6%	13.8%	14.7%	14.2%
Taxation on GGR	52.0%	50.0%	51.8%	51.3%

* Payout

** GGR (Gross Gaming Revenue), calculated as Revenue minus Payout.

22 The period analysed runs from 2020 to 2023. The values in the tables below are in € million, unless otherwise indicated. 2023 gaming market data is estimated based on ADM data.

23 Source: Italian Monopolies Agency (ADM). All the data presented excludes Section 7 data and includes AWP licence fees and the 2015 Stability Law.

24 Compound Average Growth Rate in the last three years.

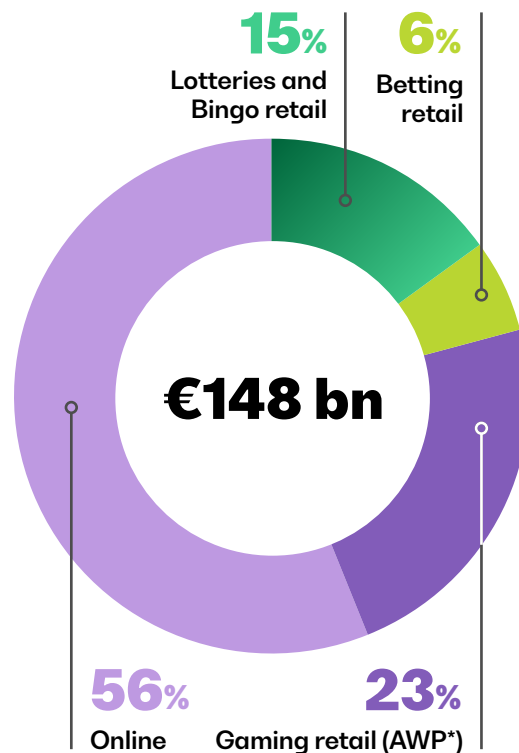
Analysing the various segments of the Gaming Market, all areas reported significant growth and retail betting in particular (with a CAGR of 28.9%). These increases are mainly explained by the fact that 2020 and 2021 revenues were heavily influenced by Covid-19 restrictions.

In this context, it is important to emphasise the growth of the Online segment (CAGR +18.8%), which has continued year after year even after the effects of the pandemic.

In a dynamic market environment, the total revenue managed by Sisal for 2023 as a whole in the various segments – about €14bn – rose by around 8% on the previous year.

Sisal’s growth is most evident in the Online segment, where it reported revenue of €7.8bn (+14.8% vs 2022) and confirms its position as market leader, with a market share of 12.7% calculated on the basis of GGR.

Revenue



Lotteries & Bingo Retail

The Lotteries segment reports a CAGR of +12.1% over the reference period, reaching a value of €22.9bn in 2023.

Betting Retail

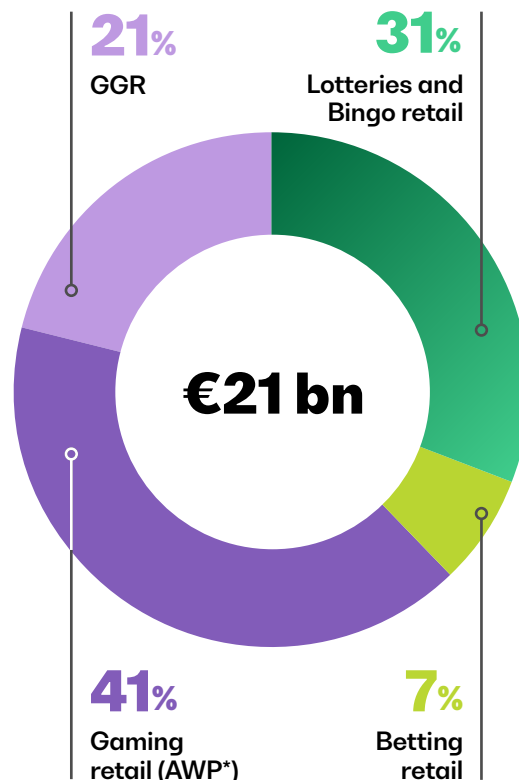
The Sport Betting Retail segment reported total average growth in 2020-2023 of -28.9%. 2023 revenue of €8.4bn rose 14.9% on 2022.

The horse racing segment has seen a major upturn after years of deep crisis, but continues to be fairly marginal compared to the past.

The traditional Totocalcio sector (referred to here as a Sports Prediction Contest) is the only one to report a negative trend in the period (CAGR -10.6%) and now plays a secondary role in the betting segment.

The Virtual Races sector is in good health, reporting revenue of €2.9bn in 2023 and the best CAGR in the period analysed (+38.6%).

Gross Gaming Revenue



* AWP: Amusement With Prize machines.

AWP (Slot machines and VLTs)

The AWP segment accounts for more than a fifth of gaming market revenue. Total gross revenue in this sector was about €33.8bn, slightly lower than 2022, but CAGR over the period analysed shows significant growth (+21.5%), mainly as a result of the restrictive measures in the 2020-2021 period due to Covid-19.

In 2023, AWP reported a 2.6% fall in revenue compared to the previous year, while VLTs are up 2.7%, showing that the effect of introducing the health card, which had a significant impact, now seems to be over.

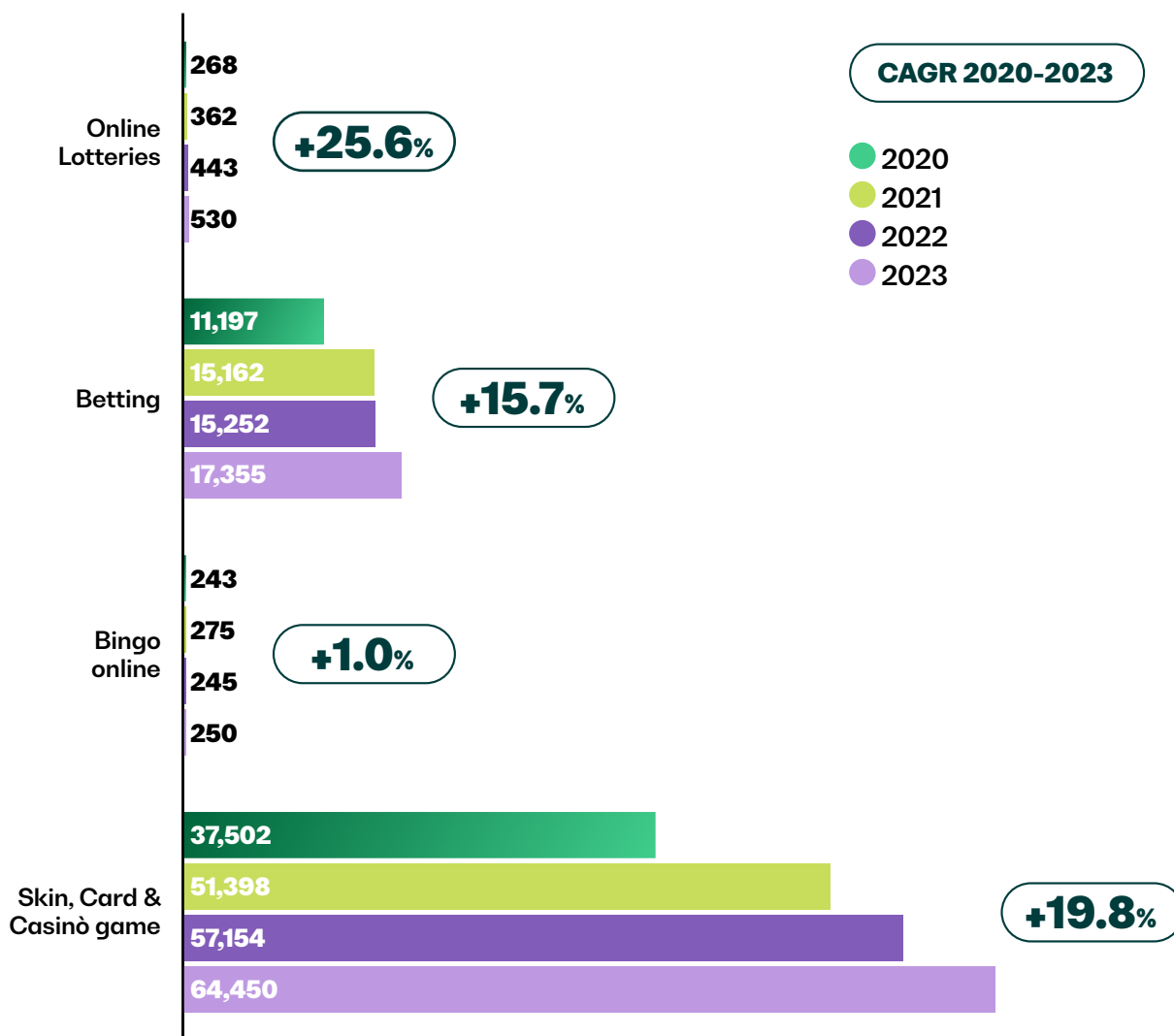
Online Market

The online gaming sector continues to report strong growth, improving its performance year after year.

CAGR in the period analysed is up +18.8% overall and the segment represents about 56% of the market as a whole. There is online growth across all segments, but the sharpest increase in the period is in the lotteries segment (CAGR +25.6%).

The majority of online market revenue is generated by Skill and Casino Games, the latter of which have attracted new games and features in recent years.

Italian online market



The international Gaming Market

Türkiye

In Türkiye, lotteries and betting on horse races and sports events are regulated by government monopolies or affiliates.

The lottery concession is under the authority of the Turkish Wealth Fund (TWF), the sports betting concession is administered by IDDAA – under the Ministry of Sport – and operated by Şans Girişim Ortak Girişimi A.S, while the Turkish Jockey Club (TJC) holds the monopoly on horse race betting.

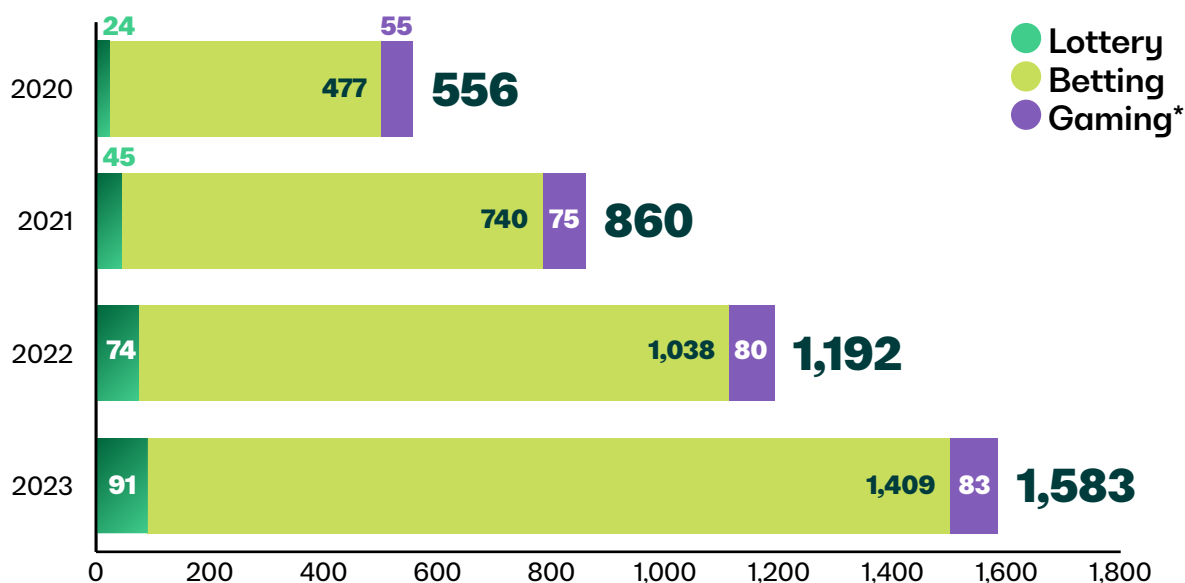
In recent years, Türkiye is experiencing extreme inflation with peaks of 80%. As a result, market estimates are rather unstable, especially in light of highly variable TL/€ exchange rates from day to day.

According to estimates from H2 Gambling Capital, revised during 2023, the Turkish gaming market generated GGR of €1.6bn in 2022, with steady growth over the period.

Growth in recent years has been driven by the Online market, which is reporting continuous development and now represents over 60% of the total market. There continues to be an online offshore market, albeit relatively small.

In terms of breakdown by product, most income is generated by betting, which accounts for over 80% of all gambling activity. Please note that income from Virtual Races is included in the betting line rather than in lottery segment forecasts.

GGR Türkiye by product (€bn)



* The term Gaming includes both AWP (Amusement With Prize machines) and Online gaming.

Morocco

There are three licence holders on the market: Sorec, under the Ministry of Agriculture, which has the monopoly on and manages horse race betting directly, La Marocaine des Jeux et des Sports (MDJS), under the Ministry of Sport, the licence holder for sports betting, and Société de Gestion de la Loterie Nationale (SGLN), under the Ministry of Finance's development bank, which holds the licence for national lotteries. Commercial licences are available for brick-and-mortar casinos, while VLTs have only recently been launched by SGLN on the Moroccan market.

A total of seven casinos offer slot machines and video poker, as well as table games and poker. Licensed slot halls are legal. Sports betting on football and other sports events are legal, with a few exceptions. On-track totalisator systems are accepted at authorised tracks. Interactive gambling is prohibited outside activities covered by state licences. However, there are few restrictions on players gambling through offshore websites. The Loterie Nationale pays state taxes and licence

fees, as well as a share of GGR to its operating partner. The surplus generated by Marocaine des Jeux is distributed to finance national sports programmes.

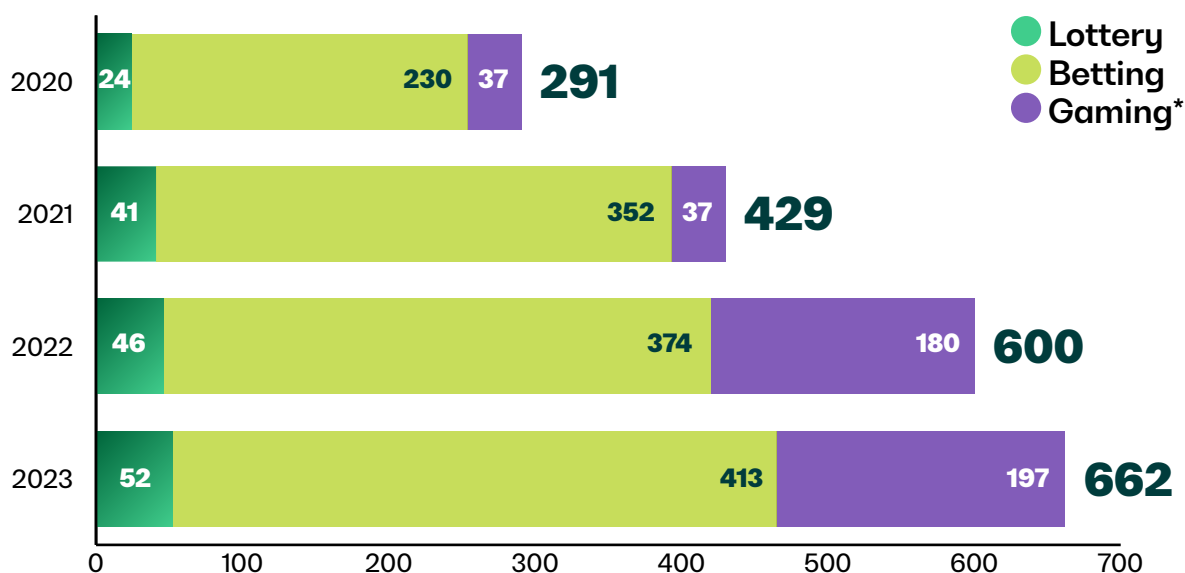
According to estimates from H2 Gambling Capital, revised during 2023, the Moroccan gambling market generated GGR of €662m in 2022, with steady growth over the period considered.

Most GGR in this market is generated by the retail channel, mainly through betting. In recent years, the Moroccan market has opened up to online gaming, but it is still an underdeveloped channel.

Historically, the retail market in Morocco is prevalently betting. In fact, this sector accounts for more than 60% of all gambling activities in the country, with Moroccan players preferring horse race betting; however, sports betting is growing steadily and represents approximately 17.6% of the market.

Lotteries have reported very interesting growth in the last two years, with an estimated value in 2023 of €197m.

GGR Morocco by product (€bn)



* The term Gaming includes both AWP (Amusement With Prize machines) and Online gaming.

Main financial results

The results reported by Sisal Group are mainly attributable to:

- The **performance of the Online Italy segment**, which confirms the steady growth that began the previous year, driven primarily by the Betting segment. These results were due to GGR (Gross Gaming Revenues) growth compared to the previous year, driven by a strong increase in the average number of active players that enabled the group to further increase its position of leadership in the industry on the Italian market.
- The **performance of the Retail Italy segment**, which stabilised during the previous year, following the lifting of restrictions to contain the Covid-19 pandemic.
- **Development in the international segment**, which recorded an increase, driven by strong growth in both online and retail segments of the Turkish market, despite the adverse effect of the Euro/Turkish Lira exchange rate trend.

Tax policy

The Group adopts an approach to taxation based on **compliance with the rules established by the individual tax jurisdictions in which it operates**.

Tax management is split between the **Parent Company's tax function and the CFOs of foreign subsidiaries**. For certain particularly complex and/or significant tax issues, tax consultants from leading firms/networks are engaged with the coordination of the tax function. The **Leadership Team** (first) and the **Board of Directors** (subsequently) are periodically updated on activities to monitor, manage and mitigate the tax risks identified in the framework of Sisal's operations.

Group companies do not carry out transactions solely for tax purposes but always for reasons of business development. A **rigorous analysis of the potential tax effects** is conducted on each transaction and, if tax regulations are not clear or may be interpreted in different ways, a risk assessment is performed with the support of tax consultants to obtain the highest degree of certainty in relation to the tax positions adopted.

In 2021, the Group also launched a process to define and implement a **system to measure, manage and control tax risk** based on rules, principles and processes, in line with Sisal's commitment to strict compliance with tax regulations. In this regard, work to implement and/or define special procedures to mitigate tax risk will continue in 2023.

Through a special office in the Compliance function, the Group cooperates with the tax authorities, providing the information requested in the event of audits.



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to sustainability**

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Responsible Gaming



For us, promoting Responsible Gaming is the very essence of doing business, and it involves a strategy that looks at the gaming industry in the long term

We have developed a Responsible Gaming model based on advanced research and tools to identify and prevent negative phenomena. Thanks to the development of Artificial Intelligence technologies and tools interacting with in-depth socio-behavioural analysis and investments in ongoing training programmes for our points of sale and the

retail network, we have defined a programme to increase players' awareness and at the same time reduce their potential risks. And thanks to our omnichannel model, we've been able to put players front and centre and build an information and support network around them to promote and guarantee healthy, safe and responsible behaviours.

Main steps forward in 2023

Development and patenting of the A.D.A. algorithm

for identifying problem players
(page 93)

1,453 hours of training

provided to employees on Responsible Gaming
(page 96)

30,000 players involved

in our research activities
(page 91)

Promotion of the first

Research Doctorate in Responsible Gaming

in collaboration
with Università Cattolica in Milano
(page 92)

Creation of the






FAIR Foundation

to promote the development of a culture and tools for preventing problem gambling by putting Responsible Gaming at the centre of change in the industry
(page 8)




Certification of Sisal's approach to Responsible Gaming in Italy

by the Italian Patents and Trademarks Office
(page 94)

Our objectives

  	Target value	Year	Progress in 2023	
Players using Play Well tool* (Italy)	94%	2024	94%	
Specialist retailers who have received training (Italy)	100%	2024	100%	

* Play Well tool: tools to support and protect players, for the prevention of problem players.

 Target achieved
  Progress in line with target
  New Target



Sisal also contributes to the “**Play Well**” pillar of **Flutter’s Positive Impact Plan**, which expresses the Group’s commitment to “putting customers at the centre of everything and giving them a positive entertainment experience”.
 The Group aims to **extend use of the Play Well tools to 75% of players by 2030**.

Sisal’s contribution

94%
of players use Play Well tools in Italy

100%
of retailers have had
Responsible Gaming training

Play Well: Goal

75%
of players must use Play Well tools
by 2030

The Responsible Gaming strategy

The current economic and social context calls for a radical review of the strategies adopted by the industry to date and the promotion of a culture of gaming that puts the emphasis on entertainment and avoids excess.

It therefore becomes vitally important to **adopt a proactive stance** that involves the entire organisation and aims to identify elements and actions serving a Responsible Gaming model capable of preventing the deviations potentially latent in the offering, thus guaranteeing players' safety and encouraging healthy and conscious gaming behaviour.

This makes it possible, on one hand, to ensure continued spending by current and potential consumers with a view to medium-long term sustainability, and on the other to **have a direct impact on the reputation of the industry and the individual companies**, by restoring the concept of fun to gaming.

Responsible Gaming is therefore at the core of Sisal's sustainability strategy. To guarantee effective integration of our initiatives in the wider context of the gaming ecosystem, we apply international best practices within the Group and work closely with Flutter Entertainment to integrate our Responsible Gaming Programme with the **Play Well pillar of the Positive Impact Plan (PIP)**.

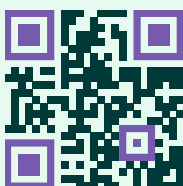
This synergy enables us to maximise the impact of our actions and promote a responsible gaming culture on a wider scale.

In line with its corporate Purpose, Sisal intends to offer the best gaming experience and generate value for the company and its people, with the goal of achieving the status of international leader in Responsible Gaming.

For this reason, we have set the goal of having **94% of players using a Play Well tool by 2024**, to uphold our commitment inspired by the highest international standards and the following guiding principles: care, respect, listening, and consumer protection.

Our goal is to bring about real change within the industry and generate economic and social value for the company, for the value chain we are part of, and for the community.

15
active
working
groups



Listen to the interview with
Stefano De Vita, Responsible Gaming & Global Research Director
Responsible Gaming in Sisal

For Sisal to pursue this goal, we have created a **dedicated function** for defining our Responsible Gaming strategy and the development, implementation, monitoring and continual updating of the **Responsible Gaming Programme**.

The governance of our Responsible Gaming commitment is under the direct control of the CEO, who has the last word on approval of the Responsible Gaming annual strategic plan and on supervision of its implementation.

Based on research results and the current and potential risks identified, we have also set up **12 operational and cross-functional working groups in Italy and 3 in foreign countries**, to ensure that Responsible Gaming is an integral part of the business. These working groups work within their areas of responsibility and also elaborate

pilot solutions for the development of new player protection tools.

Monitoring of performance indicators and key actions is discussed on a quarterly basis with the Leadership Team in the Sustainability Committee, as well as in periodical meetings with the working groups.

To guarantee effective continuous governance for the development of an innovative strategic path, we also decided to set up a **Responsible Gaming Coordination Committee**, made up of external experts from various areas (from IT to communication and clinical), to help define Sisal's evolving guidelines on Responsible Gaming. This Committee also provides supervision and oversight of research work to guarantee high quality standards.

Responsible Gaming Certifications

We have been certifying our Responsible Gaming programme since 2011, in line with the highest standards set by European Lotteries (EL) and the World Lottery Association (WLA). The standards identify the key issues for operators to promote responsible gaming and groups them into eleven sections.

In 2023, the certifications were renewed for the fifth time in a row at the top level (level 4). Specifically, we conform to EL standards with maximum scores in seven sections: responsible gaming governance, points of sale, game design, player education, stakeholder engagement, research and amusement devices.

Following a process of alignment at international level, the foreign subsidiaries are launching activities to achieve adequate levels of compliance with international standards by sharing Sisal's Responsible Gaming guidelines. Specifically, in December 2022, Sisal Sans in Türkiye obtained WLA level 2, while Sisal Loterie Maroc contributes to the certification of SGLN (Société de Gestion de la Loterie Nationale) according to the EL standard.

Sisal's Responsible Gaming Programme

Our **Responsible Gaming programme**, in line with our Purpose and at the core of the business strategy, protects players, especially those in more vulnerable categories, through information campaigns, prevention of problem gaming phenomena, and support for people with critical gaming-related issues.

which is integrated with all the business areas and channels, based on the engagement of all the relevant stakeholders – from employees to retailers, from gamers to research organisations – and aligned with the main international standards in the industry.

“Responsible Together” sums up our approach,



Investments in scientific research

In partnerships with universities to understand gaming behaviours and develop a predictive model for problem phenomena.

We monitor and analyse perceptions and sensibility regarding Responsible Gaming through studies and research to understand in depth how players' behavioural models change and to offer effective answers to the phenomenon of problem gaming.

All our gaming-related activities draw on social research into the characteristics and behaviour of our customers.

In 2022, we consolidated an integrated project for monitoring problem players, with the aim of continuously tracking online and offline gaming behaviour in order to be able to profile our players in terms of risk levels, attitude to and experience of gaming, as well as any pathological conditions. All this thanks to a questionnaire addressing the entire customer base and in line with the rigorous international recommendations of the Problem Gambling Severity Index (PGSI)²⁵, supplemented by a set of socio-demographic questions.

Over
30,000
customers
involved in surveys
in 2023

Over
1,000
players
under 25 chose
to spontaneously
answer
questions on gaming

This involved over 30,000 of our customers in two separate moments and built a richly structured database that helps us better understand the characteristics of Sisal players and identify a series of protection measures in line with their risk levels.

This dataset feeds our working groups, which form the framework of the Responsible Gaming programme with the direct involvement of individual business functions and the Artificial Intelligence algorithm learning process, driving evolutionary development and continuous performance improvement. Thanks to the research carried out, it was possible to develop, in collaboration with Università Cattolica in Milan, a new PGSI analysis model that aims to define a different and more profound classification of problem players in three clusters on the basis of gaming behaviours and psychological motivations, and the identification of risk indicators enabling prompt and personalised intervention. We have also included specific mitigation areas in the model, in line with the characteristics of our product portfolio and the sales network²⁶.

²⁵ The Problem Gambling Severity Index (PGSI) is a standardised tool used to assess the severity of problem and pathological gambling, widely recognised as the international benchmark in the field of responsible gambling. It provides reliable and objective measuring of gambling-related behaviours and enables operators and regulators to identify players who might need support or intervention. Its importance lies in its scientific validity and capacity to provide data of use in designing and implementing effective programmes for preventing and treating problem gambling.

²⁶ Please refer to the in-depth analysis for more details (page 97).

The results of the new research model have been scientifically validated with the publication of the paper “Drawing Problem Players” Profile in Italy: A Comprehensive Categorization from a Behavioral, Psychological, and Socio-demographic Perspective”²⁷.

Dialogue with players is also driven by a feedback process that strengthens their sense of trust. 83% of the players who took part in the survey, in fact, chose to receive the results of the analysis of gaming behaviours and the associated risks. The results were criticised in only one case, which demonstrates the gradual development of awareness of the risks associated with a given gaming behaviour.

83%
of participants
in surveys
chose to receive
our analysis
results

Promotion of the first research doctorate in Responsible Gaming

In collaboration with Università Cattolica in Milan, we launched the first research doctorate in Responsible Gaming. Wholly funded by Sisal and with the approval of Università Cattolica’s Ethics Committee, the first research doctorate in Responsible Gaming was formalised in 2023. With a minimum of three publications in three years, it is designed to promote comparative behavioural analysis between Italy and the other countries regarding gaming models, the responsible gaming activities implemented and their efficacy. This is an important step towards overcoming the stereotyped view of the sector and being able to address government and public opinion with the same authoritativeness as other sectors deemed less critical. The doctorate involves research work at the university and laboratory activities at Sisal.

Development of player protection tools

Through technological innovation and artificial intelligence, and also thanks to transparent communication.

Risk assessment in game development

Since 2010, we have been monitoring the risk factor of our games using GAM-GaRD, which provides an accurate assessment of the social risk associated with each new game before it is marketed

Created by Canadian company GamRes, it can be used to examine game dynamics applied to the de-

velopment of effective strategies and tools at the service of responsible gaming and underlying communication strategies. Developed by an international team of psychologists and researchers, it analyses a game’s structural characteristics (duration, maximum payout, frequency of prize draws, etc.) and features (accessibility of gaming venues/shops, opening hours, etc.) based on parameters devised and tested by a panel of world experts.

We also reviewed Sisal’s Game Design procedure and introduced, right from the project study and design phase, a risk classification associated with gaming products that takes account of the principles and criteria of our Responsible Gaming programme.

27 Source: Micro & Macro Marketing (ISSN 1121-4228).

Online channels

We continuously improve the online gaming experience on our portals and digital applications, as well as through advanced technologies that guarantee safe, age-restricted gaming procedures designed to promote aware and balanced gaming behaviour.

Our commitment to digital security is based on implementing technologies and tools capable of preventing underage people from accessing the online gaming offering, also through internal controls (starting with the registration process for opening a gaming account).

We also avail ourselves of the central systems of the Agenzia delle Dogane e dei Monopoli (Customs and Monopolies Agency) to verify players' personal details, including date of birth and tax code, in real time.

Any applicant who is not an adult Italian citizen with a valid tax code is denied entry. To complete the registration process and enable us to verify the data entered, the applicant is asked to submit a copy of an identity document of the person who filled out the form within 30 days. Failure to meet this deadline entails automatic suspension of the account.

We also assure a safe and balanced gaming experience on our digital channels thanks to²⁸:

- The “What sort of player are you?” self-assessment test, redefined in 2022 in collaboration with Università Cattolica's EngageMind Hub to develop new research areas and include socio-behavioural and psychological variables for precise and highly detailed customer profiling; consumers can thus be informed in real time of any problem situations.
- The “Ten rules for the Responsible Player” and “Useful tips for Responsible Gaming”, designed to foster an aware and informed approach to gaming.
- Tools for monitoring an account's credit and debit transactions over the last three months, available in the “My Account” section of the player's personal area.

- Temporary/permanent self-limitation and self-exclusion tools for players. For example, we have significantly reduced gaming account deposit limits, which lowers the level of risk players are exposed to, and introduced play breaks.
- Tools to tackle fraudulent use of personal data and credit cards and prevent potential money laundering operations, guaranteeing a very high level of security for our websites.
- Prevention tools such as the innovative management procedure for at-risk customers in the online channel, based on precise indicators that make it possible to identify and prevent potentially problematic behaviour.

A.D.A: Artificial Intelligence for Responsible Gaming

Following our studies, collaboration with IT experts and the technologies available for gathering and analysing data from different gaming platforms, we invested in the development of Artificial Intelligence tools to define new player clusters and be able to guarantee predictive identification of at risk gaming behaviours.



²⁸ Tools implemented for Italy and extended to Morocco and Türkiye in 2024.

Sisal has patented its Responsible Gaming method in Italy

In February 2024, we obtained the Italian patent on our Responsible Gaming method for automatic recognition and mitigation of gaming-related at-risk behaviours. Issued by the Italian Patents and Trademarks Office, it **recognises the uniqueness of our approach and its capacity to offer a concrete solution for preventing problem gambling.**

The patented system will make integrated use of the **dataset** containing the gaming transactions of a subject in a given period, **behavioural analysis**, the **Artificial Intelligence algorithm** and any activation of **mitigation action** specifically identified with expert support.

This method was also presented as a **case study at the UN event in Cannes** by the consulting firm ServicePlan, which handled media communication.

In particular, the **A.D.A. (Anti Dependence Algorithm)** is an Artificial Intelligence system resulting from Sisal's strong focus on technological innovation and behavioural research. Based on our socio-behavioural model defined in collaboration with Università Cattolica and fed by real data from the gambling experiences of over 600,000 customers every month, this algorithm can analyse players' behaviours and flag any signs of problems, thus predicting at-risk behaviours and profiles with seven times more accuracy than the previous version.

This tool is a clear example of how investment in digital innovation intersects the commitment to responsible business, as well as being our solution to provide a truly safe gaming experience.

Retail channel

High standards of protection for our players are also guaranteed in the retail channel, thanks to the vital role played by our points of sale in providing information and awareness raising about safe and conscious gaming behaviour.

Our stores have information material about the ban on underage gaming, the rules and probabilities of winning, the risks caused by gambling and the sup-

port centres available, as well as details on how to take the **"What sort of player are you?"**, test for players to assess their risk profile.

A **"Safety Button"**, has also been developed and installed on gaming terminals to make it easier to contact support services for at-risk customers.

Our retailers take special training courses on Responsible Gaming so that personnel are aware of the risks connected with gambling and have the knowledge and tools to provide problem players with support.

Training, correct display of info materials and sufficient knowledge and use of player protection tools are also mandatory requisites for obtaining **Responsible Gaming Certification** (see relevant box above). A point of departure in a process of continuous improvement geared to guaranteeing respect for players and their protection by creating new best practices for Responsible Gaming.

In the AWP area, the pilot player protection project launched in 2022 has been extended, with the aim of introducing time and spending limits for Slot Machines and Video Lottery Terminals in a sample of our points of sale. This application is one of the most advanced prevention models applied to AWP machines in Italy.

“Safe Gaming” certification of our stores

The goal of guaranteeing maximum customer protection is an integral part of our corporate identity. It's why we were the first gaming operator to implement a **Store Certification** project to make our stores recognisable to consumers and the public in general as centres of legality and excellence in Responsible Gaming management.

In 2022, we initiated a complex process of adopting Responsible Gaming standards and best practices that involves not only the proper display of signage but also appropriate training of managers, including knowledge of Player Protection tools. Under this project, an accredited external certification organisation annually verifies compliance with the relevant technical requisites and correct implementation of the internal control system.²⁹

As of April 2023, 527 of the direct and specialised points of sale in our network were certified.

Education in balanced and aware gaming

From Sisal employees to retailers and customers, training to promote responsible gaming culture and behaviour.

Player education

Our primary responsibility is to spread a gaming culture that puts the emphasis on entertainment and avoids excess. That is why we plan and provide information and education opportunities on the use of our products, promoting aware and balanced gaming behaviour across all gaming channels.

Player awareness raising is carried out at various levels and coordinated across all contact channels to ensure that the message reaches all our customers and potential players through the physical distribution network covering the entire territory and our digital channels. Our point-of-sale network therefore plays a vital role in providing information and raising awareness, acting as an important point of reference for players across the country.

Retailers are provided with kits containing all our Responsible Gaming tools and information, available on gaming materials, customer displays (the player-facing terminal screens) and store dressing materials. These materials contain not only the features and rules of play, but also useful information to learn more about the product, including links to our digital channels.

Also appearing in a prominent position on all forms of communication are the **ban on underage gaming**, the notice about the **risks caused by problem gambling** and information about the **probability of winning**.

In 2023, the Responsible Gaming section of Sisal's websites and online gaming apps was totally renewed (both texts and graphics) to give even more effective support to all players and inform them about Sisal's protection tools.

²⁹ For more information, see the Certification Rules in the Industry Certification - Industry Docs section. Certificates issued by ITALCERT on the basis of Sisal's Technical Specification for Responsible Gaming certification of Sisal points of sale.

We developed new content, described the Player Protection services and functions, and invited users already logged on to take action through direct access. The new section also has information differentiated by product, for a responsible gaming experience that avoids excess.

Point-of-sale training

Our network represents us in local communities, which is why we plan training programmes on gaming-related issues, with a special focus on regulatory aspects and customer protection.

Since 2008, all our Italian points of sale can access the online courses at any time using an e-learning platform available 24/7. In 2023, we introduced two more new obligatory training courses for the entire retail network, involving over 26,850 retailers across Italy. 100% of the specialist points of sale in Italy completed their training online. Audio-video lessons, illustrations and exercises provided retailers with access to content that can be put immediately into practice. Specific awareness-raising activities targeted the prohibition of underage gambling and the protection of the most vulnerable clusters.

We are also constantly monitoring the level of awareness of Responsible Gaming issues in our points of sale by means of a Mystery Inspector survey.

Employee awareness raising

Awareness raising and training of colleagues on Responsible Gaming and related risks are central to our strategy.

Sisal employees do obligatory training on the Responsible Gaming Programme and the importance of sustaining a balanced gaming model that avoids excess and is geared to protecting the more vulnerable categories. Training sessions end with a questionnaire to check that participants have assimilated the material. Colleagues are also given updates on the areas of intervention and new initiatives introduced via the internal communication channels, thus generating increasing awareness of the central role of the programme and developing deep commitment to its principles and values.

All Sisal employees are also trained and constantly supported by means of meetings with clinical experts and psychologists specialising in the prevention and treatment of pathological gaming.

26,850
points of sale
trained
on Responsible
Gaming

1,129
employees trained
in 2023

1,453
hours of training provided
in 2023

During our Sustainability Month (organised between October and November 2023), Sisal employees were able to participate in two Luiss Business School seminars focusing on Responsible Gaming. These events were precious opportunities to gain in-depth knowledge of the dynamics at work in the design, management and communication of a responsible product.

The responsible product concept was highlighted as an element of fundamental importance in a sustainable enterprise. Such a product not only generates a positive economic impact, but also makes a significant contribution to environmental and social sustainability, while fostering stakeholders' trust in the business, the company and its brand. It was pointed out that to ensure products are responsible, it is important to go beyond mere compliance and commit to concrete action by actively involving the entire company.

This entails a full sustainability-oriented review of the production process from design and production to marketing, distribution and customer relationship management.

Through its concrete commitment and holistic approach to responsible products, Sisal aims to make a tangible contribution to the promotion of a more sustainable and responsible gaming industry

Player support

A focus on consumers that goes beyond gaming practices and involves providing assistance even when gaming is no longer fun.

Our responsibility towards players ranges from the game design phase through to mitigation of any potential negative impacts, providing expert support for players who may have developed a gaming-related disorder. This works through two main channels:

- **The totally free online treatment service provided by FeDerSerD** (Italian Federation of Addiction Departments and Service Operators) is wholly funded by Sisal. With the support of experienced therapists, courses of treatment are available based on individual needs.
 - **the website** www.gioca-responsabile.it
- **The Italian national freephone number for gambling-related issues (TVNGA) at the Istituto Superiore di Sanità**, a team of professionals provide anonymous advice and guidance for people who have developed problems caused by compulsive gambling, as well as for their families.
 - **800.558.822, from landline and mobile phones, Monday to Friday, 10am to 4pm**

All our informative communications on Responsible Gaming reference the help centres and give details for those wishing to check their risk profile using the “What sort of player are you?” test.

Performance measurement system

Based on research and our experience in the sector.

We have defined a scorecard for the periodic measurement of results to enable progress monitoring on Responsible Gaming targets. The main KPIs are updated through a monthly performance assessment and evaluated by the Leadership Team to gauge the effectiveness of the Programme and implement any necessary corrective actions.

Adapting the strategy for foreign subsidiaries

We engage teams in our foreign subsidiaries to actively promote the strategy in their different contexts.

As part of Sisal's internationalisation process, we are committed to promoting our approach to Responsible Gaming in all the countries where we operate. This means not only introducing, where applicable, practices and tools developed for the Italian market, but also promoting a shared culture of gaming as a form of entertainment that avoids excess.

Every country has its own gaming rules and customs, so it's necessary to get everyone in our local teams to promote our Responsible Gaming strategy and to propose and develop initiatives compatible with local legislation and circumstances.

The following are examples of how the Responsible Gaming Programme was developed in our foreign subsidiaries in 2023.

- **Implementation of responsible gaming policies:** Sisal's foreign subsidiaries adopted policies geared to promoting responsible gaming behaviour among their customers. This included adopting daily and/or weekly deposit limits, self-exclusion and control tools for identifying and helping players with problem behaviours.
- **Personnel training:** Sisal's foreign subsidiaries invested in personnel training to guarantee better understanding and management of responsible gaming. Such training concentrated on raising awareness about the signs of problem gambling and also tips and best practices for effectively managing complex situations through empathy.
- **Collaboration with local organisations:** contacts were made with local organisations, such as problem gambling consulting centres and academic research bodies, with a view to developing partnerships and implementing prevention and support programmes.
- **Monitoring and evaluation of results:** Sisal's foreign subsidiaries implemented monitoring and evaluation systems for measuring the effectiveness of responsible gaming initiatives. This involved gaming data analysis, customer satisfaction surveys and feedback from personnel to identify areas for improvement and best practices.

These examples illustrate Sisal Group's commitment to the continuous development and improvement of its Responsible Gaming Programme in 2023, with the aim of guaranteeing a safe and responsible gaming experience for all customers.

In-depth: Problem gaming

Problem gaming is characterised by players having difficulty setting limits (on spending, time, the gambling impulse itself) despite the fact this has negative consequences not only for themselves but also for their families.

If not recognised and managed, problem gambling can turn into **pathological gambling**, a clinical disorder characterised by a real addiction that can compromise the physical and psychological health and even the social life of the person affected.

Problem gaming behaviours

The main behaviours associated with problem gaming include:

- The need to bet increasing amounts of money or to play again immediately after losing under the illusion of winning the money back.
- Gambling because bored, stressed or feeling guilty or depressed.
- Gambling on more than one table or with a variety of games in pursuit of potential winnings.
- Repeated failed attempts to stop gambling, sometimes accompanied by high irritability.
- Denial of being a player or taking measures to conceal bets.
- Presuming that others can be relied on to remedy a financial situation compromised by gambling (resulting in requests for money).
- Endangering or loss of important relationships or educational or career opportunities due to gambling.

Problem player categories in the Sisal modell

In a survey conducted in collaboration with Università Cattolica in Milan³⁰, published in 2023, we defined three different categories of problem players on the basis of their unique characteristics in terms of demographic, behavioural, psychological and physiological details.

1. **“The Relax Seekers”**: players who see gaming as a way to unwind and relax, a distraction from worries that negatively affect their mood.
2. **“The Disappointed Gain-Oriented”**: players driven primarily by the desire to win and who tend to worsen their emotional state after gaming, despite having a strong perception of the seriousness of problem gaming.
3. **“The Adrenaline-Filled”**: players driven primarily by the search for excitement and strong emotions, who display impulsive behaviour and do not seem to recognise any risk either before or after playing.

30 Sesini, G., Castiglioni, C., De Vita, S., Cesti, B., Graffigna, G., *Drawing Problem Gamblers' Profile in Italy: A Comprehensive Categorization from a Behavioral, Psychological, and Socio-demographic Perspective*, <<MICRO & MACRO MARKETING>>, 2023; (Early access): 1-23. [doi:10.1431/108162] <https://hdl.handle.net/10807/255515>.



Exemplary employer of choice



We are committed to unleashing people's full potential by making Sisal a place in which to grow and prosper

People are the beating heart driving growth and the generation of long-term value in the company. Our objective is to create a working environment that is exemplary and can be tangibly measured, by leveraging active listening and a collaborative approach to co-creation together with the various Sisal teams.

At the centre of this vision is the importance of radically integrating Diversity, Equity and Inclusion (DEI) into our values and our culture, promoting this at every level, both in Italy and the various

countries where we operate, and taking account of the various local realities.

We are perfectly aware that the effect of our policies on our people goes well beyond the confines of the company to positively influence our collaborators' families and communities.

This awareness urges us to work tirelessly for their professional development and wellbeing, with a focus on the objective recognition of individual talents and ensuring a healthy work-life balance.

Main steps forward in 2023

-3,4% Gender Pay Gap
(-2,8 p.p. vs 2022)

2025 target achieved one year early
(page 110)

Sisal's first participation in
Milano Pride

with a company delegation
(page 109)

Retaining talent

-3 p.p. voluntary turnover

(page 112)

Drafting of guidelines

Expected Behaviours

for correct intercultural communication
(page 108)

Over €2m

paid out to our people in welfare bonuses
and wellbeing initiatives



(page 119)

Fondazione Libellula Award

Inspiring Company 2023




to Sisal for its commitment
on gender violence
(page 112)

Our objectives

 3 GOOD HEALTH AND WELL BEING	 4 QUALITY EDUCATION	 5 GENDER EQUALITY	 8 DECENT WORK AND ECONOMIC GROWTH	Target value	Year	Progress in 2023	
Gender Pay Gap - Average				-5%	2025	-3.4%	
				0%	2030		
Women in top leadership roles				40%	2026	36%	
Average annual training hours per employee				16	2025	17.1	
Participants involved in the Discover Your Talent programme*				25%	2025	25%	
Participants involved in the Boost Your Leadership talent programme**				20%	2025	24%	

* The target refers to the cumulative total for 2022-2025 and under 32s with at least one year of service. Discover Your Talent is a programme for under 32s that helps identify young people’s potential and develop their skills.

** The target refers to the cumulative total for 2022-2025. Boost Your Leadership is a programme that facilitates the development of middle managers’ managerial skills.

 Target achieved
  Progress in line with target
  New Target



WORK BETTER

Sisal also contributes to the “**Work Better**” pillar of Flutter’s **Positive Impact Plan**, which represents the Group’s commitment to “building a fair and inclusive working environment that recognises the value of diversity”.

The Group’s goal is to have **40% of women in leadership roles by 2026**.

Work Better: Goal

40%

women in leadership roles in 2026

Sisal’s contribution

36%

women in top leadership roles in 2023

18%

increase in 2023

People strategy: people are the protagonists

We believe that a sense of belonging can only be developed by promoting an **inclusive and respectful working environment** where diversity is seen as a value integrated in all aspects of the company. We implement processes and systems based on data and listening in order to hire, reward, engage and retain the best talent. Sisal aspires, in fact, to be a natural magnet for talent (“Exemplary Employer of Choice”).

In the same way, we put people and their autonomy in terms of training front and centre, so that they develop **skills that ensure their employability** over

time and feel that they really own and control their career paths. In Sisal’s internationalisation process **digital transformation**, is becoming increasingly central as a tool for improving the organisational and relational model and enabling everyone to connect and collaborate in effective and exciting ways.

We are always listening to colleagues and encourage “bottom-up” co-creation and ideation initiatives. We actively engage people to understand their needs and put their ideas to good use.

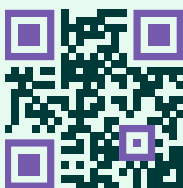
Digital transformation as a catalyst for Sisal’s People Strategy

Digital transformation is a powerful catalyst for improving a company’s processes to achieve greater effectiveness, productivity and competitiveness on the market.

Sisal invests in innovation in all fields (for further details, see the section on Innovation) both as a strategic business lever and as an ally in improving work organisation and fostering a state-of-the-art environment that facilitates and optimises people’s work, above all in an increasingly international and complex context like Sisal’s.

From learning platforms and ever faster data access to technological solutions that foster connection, collaboration and positive user experience, all this is provided for people who work at Sisal, at all levels, so that they can move more effectively and with greater satisfaction through the complexities of contemporary work.

Morocco contributes through its business areas to the certification of SGLN (Société de Gestion de la Loterie Nationale) according to the EL standard.



Listen to the interview with
Sian Carson, Chief People Officer
Sisal’s People Strategy

- Our teams represent the diversity of the communities in which we live and work
- Inclusion is constantly put into practice and experienced in the company
- Our listening culture and sense of belonging enable people to give their best and express their opinions and ideas



- We foster people's employability by investing in skills development
- Our people have the tools and support for managing their own growth paths
- Our learning and innovation culture enables people to grow and continually achieve their goals

- We focus on organisational efficiency to foster and invest in growth
- We communicate, collaborate and create connections between the various countries where we operate
- Our culture strengthens the ability of our leaders and our people to navigate complexity and drive transformation

Diversity, Equity and Inclusion (DEI)

An inclusive working environment is one that enables everyone to express their personality and potential and generate shared, circular wellbeing.

In recent years, Sisal has chosen a path of cultural change towards inclusion and respect for diversity as the main pillars of the Group culture and our projects, with a focus on the different areas covered by DEI: **Gender, Disability (Accessibility), LGBTQIA+, Generations and Multiculturalism**. This path was implemented with a co-creation approach, by listening to colleagues' needs and forming a horizontal working group, the Inclusion Team. Our commitment to promoting increasingly DEI-friendly behaviour and activities is a constant and in line **with our vision and goals for 2030**. Joining Flutter Group has strengthened these commitments, which are also priorities under its Positive Impact Plan.

DEI: our first steps

Sisal took its first steps towards DEI before the pandemic, by integrating specific initiatives into its strategies to support and include people's needs in terms of generational diversity, changes in life associated with parenting and mental health. Starting to work systemically on DEI was the next step, taken in 2021 with an open dialogue between HR, the Leadership Team and our people.

Sisal's Inclusion Team, set up in 2021 and sponsored by the Leadership Team, is made up of 35 colleagues who decided to actively contribute to change and embark on a journey that has made them ambassadors for the company's new behavioural model.

In 2022, the team worked on identifying and formalising the **Inclusion Guidelines** for living and working in an increasingly fair, collaborative and inclusive environment. These guidelines explain how we should all act and behave in order to understand, respect and value everyone's identity, promote inclusion and integration for everyone, and encourage change.

We have made important progress in the last two years and focused on our leadership's commitment to defining and achieving specific goals and on initiatives to extend learning, employer branding, communication, education and awareness.

Our Inclusive Culture

Fostering a culture of respect and inclusion means enabling people to improve and learn new tools to support them in this context, as well as learning how to relate more effectively to people in the workplace and beyond. This is why, here too, training and awareness raising around diversity and inclusion are of prime importance at Sisal.

Since 2021, we have organised various initiatives in the following areas:

- Policies and Procedurese
- Training and Awareness Raising
- DEI Active Actions

Policies and Procedures

- **HR Procedure:**
we have worked on various HR processes to integrate inclusion and equity approaches and behaviours. For example, gender equality in the recruitment process at all organisational levels: women always account for 50% of the shortlist of candidates for the same position with the same skills.
- **Whistleblowing Policy:**
we have developed a dedicated policy for handling whistleblowing cases using an automated platform that enables internal reports to be submitted and managed securely, with tracking of all the phases in the process and ensuring the security and privacy of the whistleblower's identity.
 - **Speak Up:**
we ensure that everyone can securely and anonymously report any behaviour not in line with our values and expectations using the dedicated whistleblowing portal³¹.
- **Smart Working Policy:**
listening to the needs of our people, we have increased the number of remote working days available for new parents until their baby is 18 months old. Extension to adoptive parents and people supporting relatives with disabilities.
- **Human Rights and Anti-discrimination Policy:**
we have published this policy, which has further defined the goals, commitments and methods through which Sisal plans to promote the principles of diversity, inclusion and equal treatment and opportunities, as well as to guarantee the right to enjoy working conditions respectful of people and their dignity.

We will continue to share and formalise the behaviours expected of both our own people and the partners we work with, also in other inclusion contexts, by introducing, for example, a holistic DEI policy and a specific Anti-Harassment & Bullying policy.

³¹ For details, see section page 160.

Training and Awareness Raising

- **Inclusion Team Trainings:**
our Inclusion Team took part in training events on DEI topics and worked with the HR team to develop active promotion initiatives inside and outside the company. The members of the team act as our ambassadors at external events organised by our partner associations, where they can deepen their knowledge and share our experience. **A day was dedicated to inclusive language.** What impact does language have on our interactions with other people? How aware are we of the stereotypes inherent in the things we say? The objective was to translate this awareness into daily actions and have an impact on the lives of other people, and also to spread a culture of inclusive language at all levels of the organisation.
- **Including for Growing:**
in 2021, in collaboration with Wise Growth, we organised a **four-stage course** (totalling 20 videos) to **learn about the value of diversity**, with practical examples of behaviours to avoid and those to adopt to help make the workplace fairer and more inclusive for everyone. Topics included:
 - Generations in the company
 - Men and women at work
 - Inclusion difficulties
 - Towards a culture of respect

This course is currently an integral part of onboarding for all new hires and has been completed by 100% of Sisal's collaborators in Italy.
- **DEI Talks - awareness programme:**
in 2023 we started developing a **programme called DEI Talks**, a series of webinars and panel discussions (assisted by experts) on DEI topics, starting from reasons why, historical constructs and a better understanding of what we can do as individuals and as an organisation

to work actively in the co-construction of an inclusive and respectful environment. We have organised more than nine webinars to date, with an attendance of 300 to 400 participants per webinar. In 2024, we will continue this programme and offer the entire Group new webinars, especially in the Gender Equity and Accessibility areas.









- **“The culture of respect” videofiction:**
in 2023 we produced a series of videos, where each episode presents **scenes of day-to-day life** in the company and **explores respectful behaviours in the workplace**, to demonstrate how even a single word can make the difference. With this series, which we will continue in 2024, we started our journey towards a Culture of Respect across the entire Group.
- **DEI Magazine & Intranet:**
the DEI Magazine and a section of the intranet dedicated to topics such as visible and invisible disabilities, violence against women, multiculturalism, LGBTQIA+ and generational differences were made available to all colleagues.
- **DEI Managerial Trainings:**
in addition to the courses and webinars aimed at the entire workforce, we provide **training on inclusive leadership, disability management, multiculturalism and generational complexi-**

ties specifically for managers (change agents within their teams and the first people required to lead by example).

- **“Sisal Talk” entitled Dialogue and Discussion:**
we closed 2023 with a “Sisal Talk”, our event format designed to create synergy and establish dialogue on sustainability and innovation. This encounter discussed how new technologies can and must be vehicles of inclusion and sustainability. Produced in collaboration with DiverCity Mag, it involved experts, researchers and businesspeople interested in DEI and was attended by 90 online users and 60 guests in person.

DEI Active Actions

- **Multiculturalism:**
with **37 different nationalities** represented in our offices and Digital Hubs, dialogue and the ability to work with people from the different countries where we operate is a vital business development lever. This insight inspired **Expected Behaviour**, the good communication guidelines drawn up by the Inclusion Team, a vademecum of good practices and habits to avoid in order to ensure a respectful and collaborative relational approach that promotes and welcomes diversity and local peculiarities

Country	HC
 Italy	2,182
 Albania	697
 Türkiye	250
 Morocco	76
 Total (WD)	3,205
 SJM*	64
 Tunisia*	16
 Total	3,285

* Sisal Jeux Maroc and Tunisia headcount not yet in Workday, reported separately. Tunisia (5 Loft; 11 Tech) hired by HH.

in an increasingly multicultural and international context like Sisal's. All our people were also invited by an internal communication to align **the calendars with the festivities** in their own countries, as a sign of respect for and union with colleagues in all our offices. Each country also pursues further initiatives on the basis of local needs, such as ways to make it easier to celebrate Ramadan in Muslim countries

- **LGBTQIA+:**

in 2023, Sisal **took part for the first time in the Milano Pride parade with an official company delegation** led by the Inclusion Team. Being present in public was a concrete manifestation of support not only for colleagues but also, more generally, for full inclusion in society of people who are gay, lesbian, bi+, transgender and non-binary, asexual, intersex, queer and any other identity. And in June 2023, the traditional month of the Pride event, a series of meetings were organised on the importance of diversity as value-added and on the history of the movement, from the Stonewall riots to the present day, with the aim of encouraging change.

In 2024, we will continue along the path set by our high impact initiatives to date, introducing new ones to make the company even more inclusive and further extend the commitment across the whole Group. We will be focusing on the following in particular:

- **Gender:**

we will continue to pursue our women empowerment initiatives and related events (including the DEI Talks), some in partnership with Flutter Group, in line with the formats already developed and cross-country engagement. There will be a strong focus on involving the male contingent in allyship programmes to bring about a significant change in mindset, crucial for achiev-

ing real gender equality. Regarding parenthood in particular, we will continue to support sustainable **Parenthood**, (in synergy with our Wellbeing pillar). The multidisciplinary training provided in 2023 in collaboration with MeFirst will be carried forward and open to both men and women to further raise awareness.

- **Accessibility:**

we will widen the efforts launched in 2022/2023 with action to sharpen awareness of visible and invisible disabilities, as well as to study, together with our managers, what we must do as an organisation to create an increasingly caring and inclusive environment. We will carry out a group assessment of our level of maturity in this area and draw up a comprehensive long-term action plan. We will strengthen our commitment by defining, communicating and formalising the behaviours expected at all levels of the organisation. A communication campaign will be launched to establish and maintain dialogue with our people, making it easier for them to share their needs and receive a proactive response. We will become increasingly committed to recruiting people with disabilities by strengthening our inclusive selection process and by preparing suitable placement and management of people with disabilities.

- **Advocacy & Inclusive Leadership:**

our commitment here also wants to be a sounding board both inside and outside Sisal. Our leaders will take part in training programmes and transformation projects on inclusive leadership, with specific objectives that will be scaled across the entire organisation. They will be the **ambassadors** to promote the principles, values and behaviours characterising Sisal culture, also during external events designed to build and consolidate inter-company collaborations serving our shared learning process.

Our DEI focal points

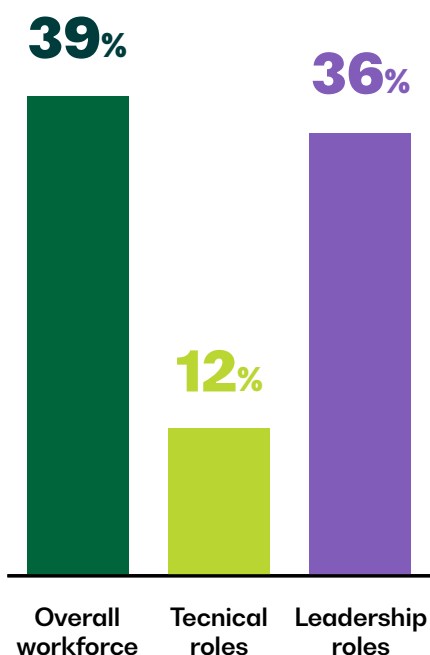
Gender equality

Management of people and the underlying HR processes is regulated by internal behaviours and procedures that provide for **equal access and resources between men and women for all positions, including middle and top management posts.**

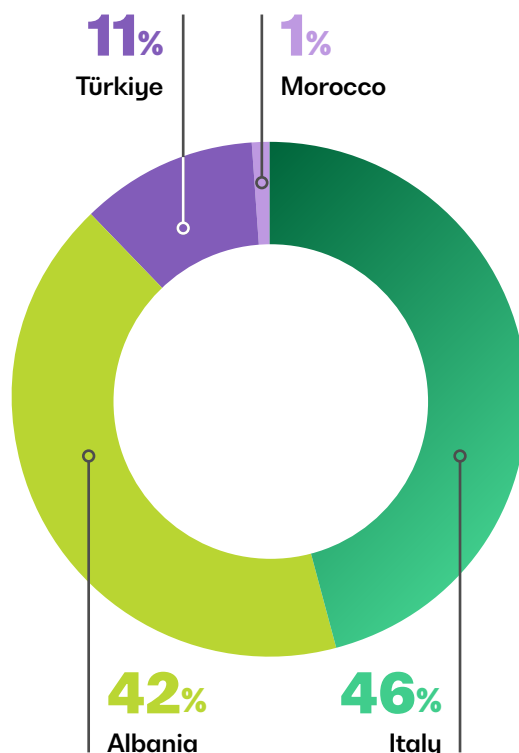
Among the measures taken to guarantee gender equality at the various levels of the organisation, a vital role is played by women’s empowerment and employer branding initiatives to attract more female talent.

To achieve our goal of **Zero Gender Pay Gap by 2030**, we constantly monitor this indicator and are gradually closing pay gaps between men and women in jobs of equal complexity and merit. We also monitor promotion trends to ensure that women have equal access to and a reasonable share of managerial roles. In 2023, we recorded an improvement in the Group’s average gender pay gap (down 2.8% on 2022), with reductions of 2.4% in Italy, 3.2% in Albania (down 4% on 2021) and 3.8% in Türkiye. The 2.5% increase in Morocco, on the other hand, was due to significant changes in the composition of the workforce following the entry of a new legal entity.

Women in 2023



% women in tech roles



Sisal Gender Pay Gap - Roadmap

2021	2022	2023	Target 2025	Target 2030
-10.9%	-6.2%	-3.4%	-5%	0

Gender Pay Gap by Country

	Italy		Albania		Morocco		Türkiye	
	2022	2023	2022	2023	2022	2023	2022	2023
Average	-7.7%	-5.3%	-12%	-8.8%	39%	41.5%	7,5%	3.7%
Median	-3.0%	-0.8%	-6%	-8%	125%	36.4%	0%	1.4%

Gender equality certifications

In 2022, Sisal obtained gender equality certification from Winning Women Institute, whose mission is to advocate the principle of gender equity in the workplace and prevent all forms of gender inequality. WWI issued the certification following structured and objective analysis.

In 2022, Sisal also obtained the UNI/Pdr 125:2022 gender equality certification, which was renewed in December 2023 with an overall score of 84%. Recognised by Certifica Sistemi, an Accredia-accredited third-party organisation, the certification testifies to the efficacy of Sisal's policies and organisational measures in terms of: work-life balance, co-parenting and sharing of parenting responsibilities between women and men, appreciation of women's wellbeing, excellence in mentoring programmes; specific partnerships with associations and universities, webinars and training geared to seniority and role, participation in programmes like Target Gender Equality Accelerator (United Nations Global Compact); continuity in gender pay gap reduction.

Women Empowerment Programme

As part of our DEI awareness and promotion drive, we are continuing our programme for women aimed at providing tools for dealing with cognitive bias and the obstacles surrounding them, thereby favouring their personal and professional growth. Since its launch in May 2022, the programme has involved over 200 women in numerous online and offline workshops in which they acquired tools and approaches for:

- discussing the mechanisms of women's exclusion/self-exclusion from the labour market;
- recognising and eliminating gender stereotypes;
- studying managerial leadership styles based on gender differences;
- promoting personal branding and networking.

Between 2022 and 2023, we took part in the Flutter Female Mentoring Programme for women managers to support and encourage female colleagues to develop skills and career paths using a structure based on relationships of trust between mentor and mentee.

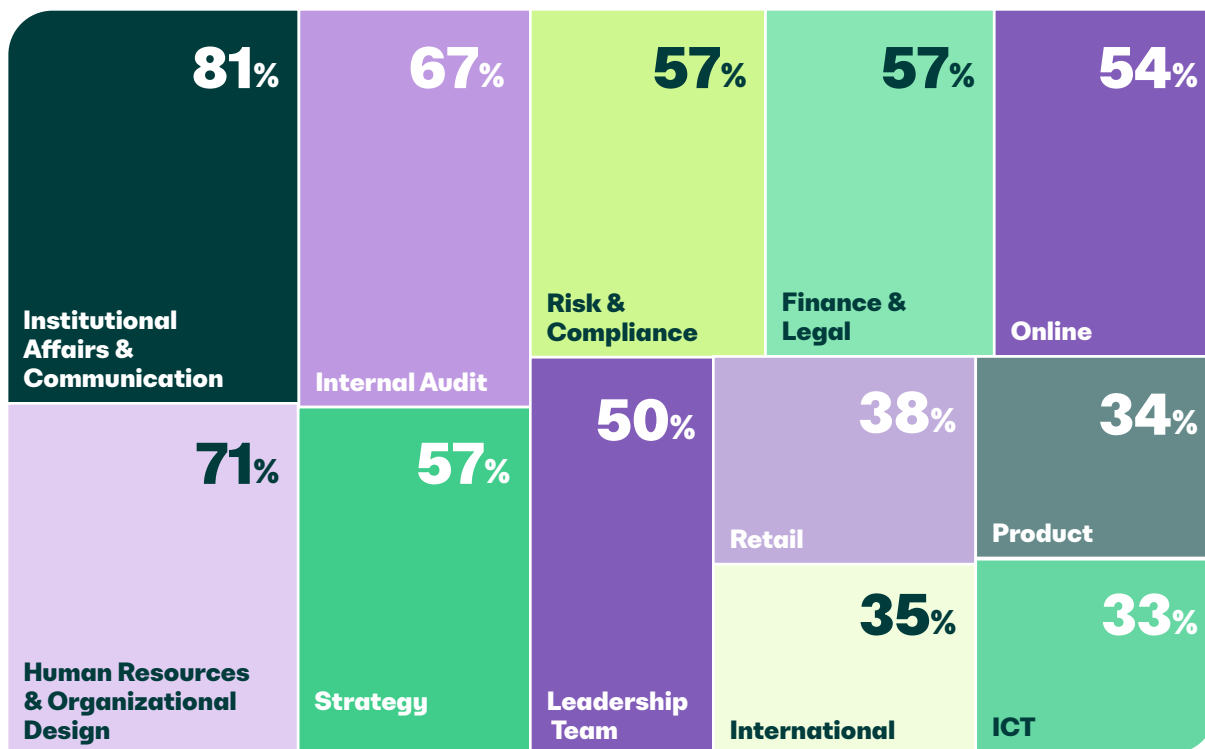
Women in top leadership roles - Roadmap

2021	2022	2023	Target 2026
Not monitored	33%	36%	40%

Our female colleagues at Sisal

The chart below showing the distribution of Sisal employees across the various departments is a further demonstration that at Sisal there are no career paths or business areas closed to women.

% of women by department



Combating violence against women

Launched in 2022, Sisal’s **“Against Women Violence” project** has the dual purpose of establishing dialogue to generate awareness among our colleagues – by providing tools, networks and services to combat violence against women – and to support them in at-risk situations, also by sponsoring associations engaged on this issue. These include WeWorld Onlus, an Italian organisation that has been working for over 50 years to guarantee women’s rights in Italy and another 27 countries around the world, and Fondazione Libellula, a social enterprise founded by Zeta Service to foster culture that combats violence against women and gender discrimination and, above all, to inspire positive change and generate a domino effect on awareness.

Fondazione Libellula recognised Sisal’s responsible stance on these issues with its **Inspiring Company Award 2023**, reserved for companies that have been outstanding in the impact of their initiatives to prevent gender violence and promote inclusion. This accolade further strengthens the commitment to developing an action plan to foster reciprocal respect, fight all forms of discrimination and violence and promote diversity.

The “Against Women Violence” project is supported by our Affinity Team, a group set up in November 2023 by 29 volunteers who formed an “Ambassador Community”. The Affinity Team plays an active role in the promotion of a conscious and inclusive working environment by defining, designing and organising specific activities for the benefit of people working at Sisal, to boost our prevention efforts and overcome gender stereotypes. The group is defining a concrete action plan to implement in 2024, also with support from specialists in this area, the intention being to become an ERG against discrimination and for gender.

Our partnerships and collaborations in Italy

Target Gender Equality (TGE), United Nations Global Compact

We took part in the second UN Global Compact accelerator on gender equality. The TGE programme provides companies with a nine-month course in the skills needed to set and achieve ambitious corporate goals for gender equality and so increase the impact on the SDG5 of the UN's 2030 Agenda. The two main focuses in the 2023 course, which involved 34 Italian companies, were the boosting of female leadership in the workplace and the narrowing of the gender pay gap to guarantee policies that ensure equal pay for any given job irrespective of gender.

STEM by Women

We joined STEM by Women to help promote studies and careers for women in STEM disciplines. The association engages in awareness raising, research, training and development of STEM expertise in order to recognise the value of women's role in hi-tech professions essential for progress in society, cultural transformation, innovation and technological development. As a member of this Association, Sisal contributed along with other businesses to the definition of a new Master's course at the Politecnico in Turin, entitled "HumanAlze: human and social sciences for Artificial Intelligence".

Ingenio al Femminile Awards

In 2023, we acted as ambassador at the "Tesi di Laurea - Ingenio al Femminile" Awards, an initiative promoted by the National Council of Engineers and supported by nearly 30 companies and 14 universities. This awards scheme focuses on the role of women in the technical world and acclaims the best engineering degree theses on sustainable development. As well as encouraging and applauding these talents, the accolade is designed to favour their access to technical and digital professions. We shared our experience of corporate role models at this event and also sat on the committee that judged the degree theses, giving us access to the graduates' CVs with a view to potential employment in our company.

Disability and accessibility

An inclusive corporate culture makes accessibility and the engagement of people with disabilities a central priority, guaranteeing them equal access, opportunities and representation at all levels. Backed up by Flutter's work, Sisal intends to step up its efforts by adopting a systemic approach based on:

- **Measurement and compliance:** set reference parameters and conformity standards for monitoring and guaranteeing the achievement of our ambitions regarding accessibility.
- **Experience & Accessibility:** improve our working environment to guarantee an inclusive and accessible experience for people with disabilities.

- **Representation and reputation:** accelerate progress towards greater representation throughout the organisation.
- **Education and awareness:** provide everyone with access to disability training and awareness raising programmes, thus promoting a genuinely inclusive and accessible workplace culture.

Our efforts will continue in 2024 with the development of courses to facilitate the integration of colleagues with disabilities in the hiring and onboarding phase. There will also be cross-group awareness raising initiatives, both inside and outside the company.

Training, growth and talent development

Investing in fair and transparent training and growth courses means creating value for the company with a decisive contribution from every talent involved.

Professional training and growth

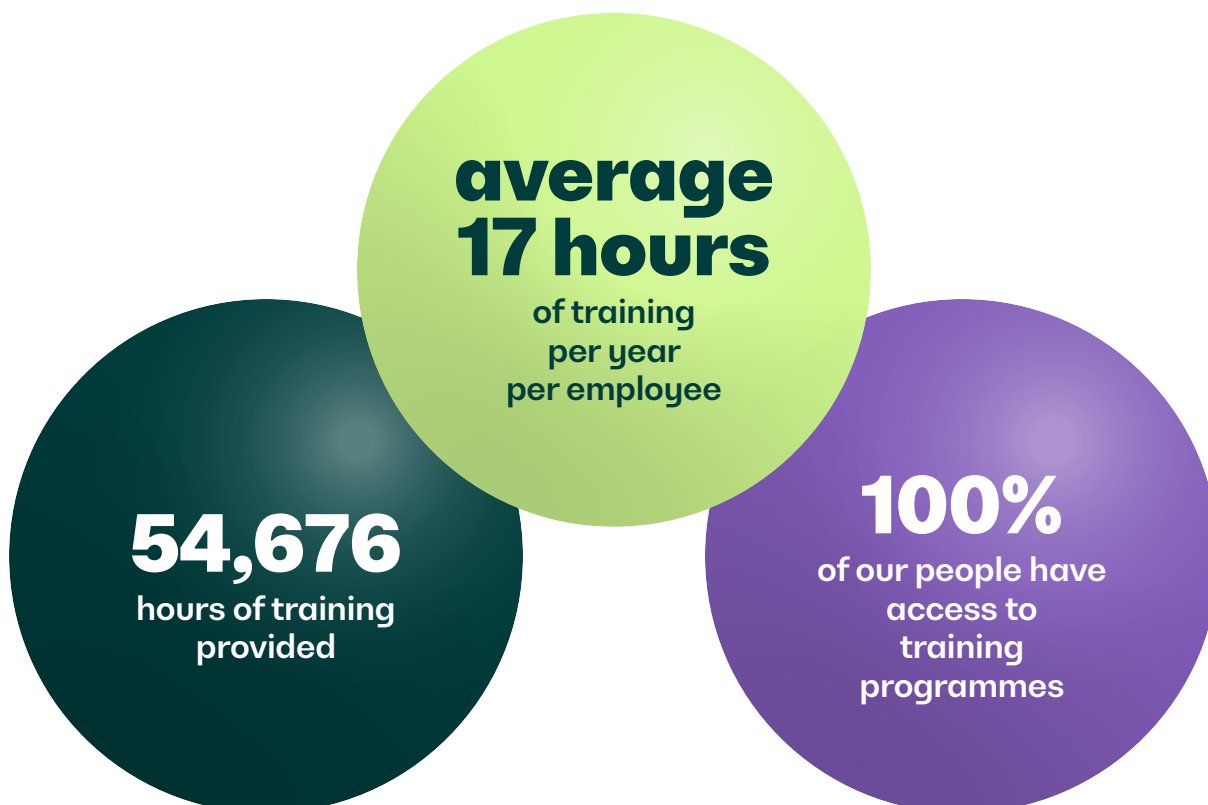
Sisal offers everyone the chance to invest in their growth by completing innovative training courses with a focus on people's employability and self-development and on a broad-based learning culture.

The success of an organisation is closely connected to the growth and value of its people. With this in mind, we strive to create a dynamic and stimulating learning environment designed to respond to the challenges and opportunities of the modern world (guiding the needs of today and with an eye on those of the future). With a variety of online training platforms, we offer numerous international level training opportunities accessible to anyone.

We promote flexible training paths (both independ-

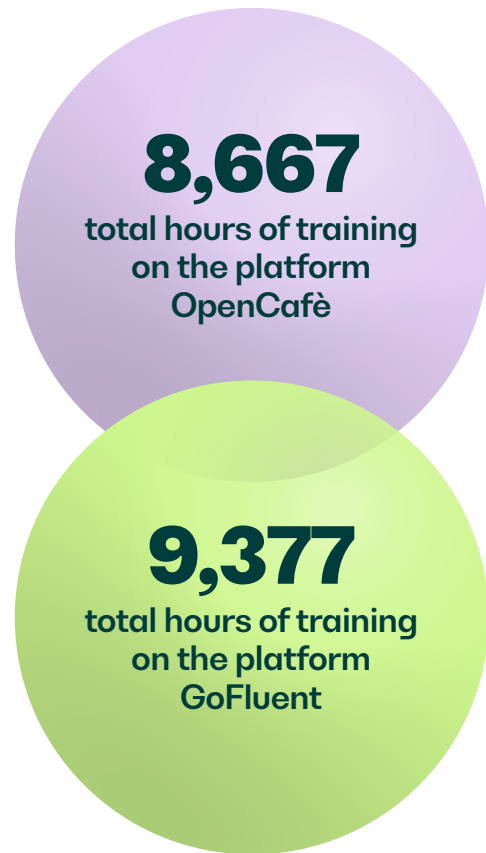
ent and collaborative) and dialogue and collaboration between employees and their managers. Through our FlexiLearning guidelines, we encourage a responsible and continuous approach to personal development and make recommendations on the minimum time to dedicate to individual learning and the most effective methods to use.

Launched in 2023, this initiative aims to satisfy our people's feedback and needs regarding the management of training, in line with our principles and People Strategy.



Training programmes and initiatives

- **FlexiLearning:** this initiative enables people to devote time to professional growth. In agreement with their manager and team, they can set aside at least 4 hours a month for training on their own initiatives.
- **OpenCafé:** Sisal's employee training platform, designed to develop digital, technical and soft skills. It has both mandatory training courses and programmes designed for individual professional development. There is also an international version for colleagues at our foreign sites.
- **GoFluent:** the platform that offers courses in 12 different languages (Italian, English, Chinese, French, German, Spanish, Portuguese, Russian, Dutch, Arabic, Japanese and Korean). It can be used both on the web and via a smartphone app and also offers everyone the possibility of inviting an external guest for free. Every semester, a gamification system is implemented that offers individual workshops in one of the available languages as a prize.
- **Managerial training:** courses, events and meetings to support managers in their training curve and provide more room for interaction with their peers. The aim is to produce people managers by boosting their leadership skills and sharpening their awareness of their role, as well as by offering them advice on key behaviours for dealing with the challenges and complexities of today and tomorrow.
- **Talent Programmes:** these aim to anticipate and accelerate people's growth in synergy with organisational and business needs. Training courses are made to measure and geared to professional growth³².
- **Trainee Bootcamp:** this is a programme to accompany interns at the outset of their career paths. Meetings focus on topics of use in identifying the skills key to their learning and development paths.
- **LevelUp School:** designed for the 18 to 30 age bracket, this programme helps people improve key skills to their professional development. It provides tools for navigating the complexity of the business, enabling participants to integrate and adapt to continually emerging challenges at work.
- **DEI & Wellbeing:** DEI training designed to ensure that values like equity, inclusion and respect for diversity are central to Sisal's business culture. Wellbeing training promotes and supports people's mental, physical, emotional and social wellbeing.



In 2024, OpenCafé Web will be replaced by **Learn**, Sisal's new digital space for learning. Unique, accessible and inclusive, it will enable our people to better manage their time and introduce innovative and updated content into their development paths. The objective is to continue building unique experiences to facilitate sustainable learning paths accessible to all the Group's people by constantly upgrading the Learn platform's functions and adding new training content.

³² More information is available in the next section under Talent Management.

Talent development

An equitable working environment is based on transparency and fairness in every decision, from procedures to performance assessment. This means clearness and transparency in decision-making processes and assessment criteria needed to guide people towards their own goals and the company's strategic objectives.

True to these principles, at Sisal we make every effort to act with equity and transparency in the

allocation of responsibilities, pay and development paths. We recognise merit and career opportunities on the basis of an individual's performance, potential for growth and aspirations, with a constant focus on industry best practices and market benchmarking. This approach is designed to foster a climate of mutual trust and respect in the company and also to attract and retain talent, thus contributing to the success and long-term sustainability of our business.

Global Performance Management

The performance assessment system is one of the main instruments for guaranteeing **professional growth guided by objective annual data** and facilitating the decision-making process regarding careers, development and salary review. The new Performance Management system was launched in 2021 not only to develop our people but also to **promote a culture of continuous improvement and feedback**.

It's a transparent process that enables monitoring of annual performance in terms of results achieved (business and individual) and the skills deployed by individuals with respect to Sisal's Skills Model. This is applied in our foreign countries too in order to **guarantee the same approach for all our people**.

Global Performance Management is the process underlying Sisal's incentives system, to which the entire corporate population has access (bonuses and MBOs depending on professional qualifications) and which is also tied to sustainability objectives.

People not entitled to MBOs can take part in the **Global Recognition Program**, which rewards non-MBO employees who stand out over the year for their excellence (in terms of both objectives achieved and capabilities manifested) with a series of initiatives including: participation with top management in exclusive events celebrating successes and enabling the year's top performers to get to know one another; vouchers to use on a dedicated platform offering experiences and services based on personal tastes and interests; the self-explanatory Birthday Day Off; participation in team building, canvassing or Group international events to live the company experience to the full, widen personal networks and also enjoy a celebratory occasion.

Talent Management

At Sisal, we **recognise talent and create the conditions to nurture it**. Our talent management is an ongoing and inclusive process designed to reward people who show high performance and potential and want to invest in their development, in synergy with the organisation's requirements, and to ensure they have the necessary training and possibilities to develop new skills. Three **Talent Management programmes have been launched**, to date, each addressing a different category in the corporate population. In 2024, we intend to consolidate our approach to talent and integrate it with Flutter Group's, focusing on tools to identify talent objectively and on succession plans. We will also evolve our talent development programmes to be able to satisfy all growth needs.

This will enable us to:

- exploit internal talent opportunities and unlock the full potential of our people;
- identify our talents and create shared knowledge of our leadership pipeline;
- develop growth plans for our talent;
- discover our succession strengths, shortcomings and risks and identify necessary actions;
- increase the diversity of our talent pipeline and build collective and individual growth plans, especially in the experiential learning area.

Discover your Talent

This programme enables under 32s with 1 or 2 years seniority to discover their potential.

It is based on an online assessment of potential, soft skill training platforms, and coaching sessions for aptitude and professional guidance.

Discover your Talent enabled us to develop the potential of 33% of Sisal's under 32s:

- 77 people involved in 2022
- 106 people involved in 2023

Boost Your Leadership

This is the managerial skills development programme.

It has an Assessment Centre that prepares a skills report, combined with a group training course on managerial capabilities. The programme gives participants the opportunity to collaborate with colleagues in different business functions.

Boost Your Leadership enabled us to develop the managerial skills of 25% of Sisal's middle managers:

- 52 people involved in 2022
- 65 people involved in 2023

Great Talents Grow Together

This programme for Senior Managers and Head of Directors is designed to develop leadership for the future.

It provides assessment of career development and inspiration regarding the company's future challenges. Participants are also involved in specific group training events and activities.

Great Talents Grow Together enabled us to involve 51% of Sisal's Senior Managers, Department Heads and Directors:

- 22 people involved in 2022
- 20 people involved in 2023

Career Management

Career management at Sisal is designed to **cultivate talent and offer adequate growth prospects**, facilitating personal and professional development paths. The model adopted aims to:

- identify and retain people of value for Sisal in terms of their high performance and of the loss for the organisation if it fails to engage with them;
- differentiate career and development paths;
- identify and retain people who could become successors to key roles in the organisation.

The factors enabling this equitable, **transparent and structured growth path** are related to both the individual and their role and involve **specific and properly communicated criteria** for nurturing people's growth at Sisal.

The framework used is **Job Banding**, which makes it possible to classify organisational roles in "bands" or categories of jobs on the basis of the **role's responsibilities and complexity, impact on the organisation, skills required, seniority level** and other relevant factors. This system helps manage various organisational aspects more effectively, from pay package structuring to career paths and personnel development, and to coherently compare different positions. It involves the following phases:

- 1. Role responsibility (Banding System):** weighing of positions using the Banding System is followed by identification of positions whose grading³³ is increased at organisational level and for which the band promotion assessments for individuals may be taken into consideration.
- 2. Professional Solidity (Performance System):** career promotion is only considered when performance in the last one/two years is at least higher than "well"³⁴.
- 3. Skills (Readiness Evaluation):** in the case of managerial roles, after ascertaining Banding and Performance prerequisites, the person is involved in an evaluation of Managerial Readiness designed to certify them using a transparent and shared evaluation method; identify strengths and areas for managerial improvement; develop managerial potential using plans personalised and implemented on the basis of emerging/expressed needs.

In 2024, Sisal will align its Job Banding system with the Willis Tower Watson framework. As a result, the career framework will also be updated and two career paths will be identified: Technical/Mastery (critical capacities) and Managerial. The introduction of this model will enable Sisal to achieve uniform management of the career paths offered to people and also gradually extend its criteria to all countries in the course of the year through the use of analysis (assessment) tools and learning paths in line with those of Flutter Group.

³³ Grading: level of classification of roles or positions within the organisation on the basis of criteria defined for Job Banding.

³⁴ Well: Performance that meets expectations. Deployment of ability judged effective in managing activities and results expected in the exercise of know-how. This level of performance enables an employee to demonstrate their reliability in the management of the activities assigned to them.

Full personal wellbeing

We foster the physical and mental wellbeing of people who work at Sisal and this has a positive impact on our working environment and on the wider social context.

We believe that wellbeing is much more than simply a disease and stress-free workplace. In fostering people's full wellbeing, we intend to **embrace every aspect of their professional and personal lives**, as we recognise the interconnection between **physical health, emotional wellbeing, professional satisfaction and sense of belonging**.

Working on these aspects brings a threefold benefit. For the **people** involved, it means being free to realise their full potential, both individually and in relation to others. For the **company**, investing in wellbeing translates into an improvement in overall performance and the capacity to attract and retain the best qualified and most motivated talents.

For the people, a healthy working environment helps generate a measurable social impact by improving the quality of life and promoting a culture of social responsibility that goes well beyond the confines of the company.

SisalCare, corporate wellbeing in Sisal

In view of the macroeconomic situation and new requests from our people, we have decided to adopt a corporate wellbeing strategy designed to go beyond a traditional welfare model by applying a holistic approach that aims to create an organisational culture focused on wellbeing in every sense. We are therefore working to define a strategic perimeter embracing policy, initiatives, tools and benefits in synergy.

Over
€2 m
paid out to
our people
in welfare bonuses
and wellbeing
initiatives

Physical and psychological wellbeing area (lifestyles)

Physical wellbeing

Sisal has sport in its DNA and intends to advocate a healthy and active lifestyle that will prevent the main diseases. This is why it offers all its people a **network of sports centres** (providing over 500 different activities) and **wellbeing centres for leisure and relaxation** at discounted rates across Italy. The new Milan headquarters also has its own gym (Sisal Gym) and a wellness room where specialised osteopaths and physiotherapists provide on-demand proximity services.

In September 2023, a week was dedicated to nutrition topics, with webinars and the possibility to consult a nutritionist online and follow a balanced diet in line with the products offered in the various sites.

In 2024, we intend to consolidate our offering with the introduction of new specialist proximity ser-

WePlay

Sisal organised a sports tournament for all its Italy-based employees from April to June 2023. The preliminary football, padel, beach volley and tennis rounds, involving around 350 colleagues in 83 teams, were held in Milan and Rome from 17 April to 26 May, while the finals were played in Riccione from 9 to 11 June.

Tirana Marathon

30 employees at the Albanian Digital Hub took part in the 7th Tirana Marathon, the city's biggest sporting event, with over 5,000 participants (not only from Albania). The event was dedicated to promoting a healthy and sustainable lifestyle and a culture of wellbeing, not only among the runners but also the general public.

VICES at the sites with most people, production of webinars on conscious eating and promotion of healthy food, as well as replicating the most successful initiatives, such as the company sports tournament.

Mental wellbeing

Sisal believes that mental wellbeing favours greater personal satisfaction, a reduction of stress and anxiety, improvements in interpersonal relations and engagement in the company and work.

This is why Sisal has been **collaborating with Mindwork** Italy for three years now to provide online one-to-one consulting with a psychologist (5 meetings a year). There is also a quarterly webinar on psychological health (with experts) and the possibility of sharing experiences.

In 2023, the company provided 234 consultations with a psychologist and two special webinars worth a total of €30,000. Some of the people who used the consultations decided to continue with them on their own account, confirming the efficacy of the service.

Our foreign offices are also moving in this direction and offering their people psychological support, webinars and collective and social initiatives to raise awareness.

Health and prevention area

Health insurance

In Italy, Sisal offers all its people **supplementary health insurance** on top of their contractual coverage. Depending on the managerial band, this coverage is extended to family and offers a **prevention package**, including tests (no need for a doctor's prescription) in order to monitor general state of health and prevent pathologies in the onset phase.

Medical examinations and health specialists

In our headquarters, it's possible to have a **sports medical examination (non-competitive sport)**, and an electrocardiogram test (with report). It's also possible to book **examinations with other health specialists**, (e.g. osteopaths, physiotherapists, nutritionists) who provide personalised plans for various wellbeing needs.

For 2024, we are looking at the possibility of offering further prevention services for breast cancer and diabetes via dedicated webinars and also neighbourhood services near our offices (direct or under agreements).

Relational wellbeing area

Parents and Caregivers

Sisal has always been sensitive to problems linked to parenthood and in the last 8/9 years has been organising specific support.

Since the first pilot project (smart working) in 2015, initiatives have become increasingly organic and now form a consolidated line of activity "**Sustainable parenthood at work**" in which new initiatives continue to enrich the experience of parenthood at Sisal.

Support is provided in three macro-areas:

- **Parental leave:** we study solutions that improve on contractual terms and better meet the needs our people tell us about. We've increased parental leave for new fathers to 20 days and contributed towards supporting the overall remuneration of new mothers during maternity leave.
- **Economic support:** we have introduced special payments to help cover the expenses involved in raising children. In early childhood, for example, new mothers returning to work receive contributions for nursery school expenses and subsequently throughout children's education, refunding school book costs and organising university scholarships.
We also launched Sisal Summer Camp, an initiative providing two types of support. Colleagues with children from 3 to 15 are offered a €400 credit towards refunding summer camp expenses, while for those with children from 15 to 18, we offer³⁵ 110 two-week campus programmes near London, entirely funded by the company³⁶.
- **Training and support:** we think that parenthood is a challenge, also in terms of reconciling family life and work, and must be supported with practical tools and by sharing experiences. This is why we organise training in parenting skills and opportunities for colleagues to exchange views. Feedback was very positive: being able to speak openly about both the positive moments and the difficulties has certainly helped many colleagues manage their at times complex personal situations.

In 2023, we also embarked on a **collaboration with MEFIRST** the first Mom Empowerment and Self Coaching method dedicated to parents' wellbeing. Six virtual meetings were organised, involving an average of 100 colleagues per webinar.

³⁵ The 10 programmes were allocated on the basis of the ISEE (Equivalent economic situation indicator) ranking (from the lowest to the highest).

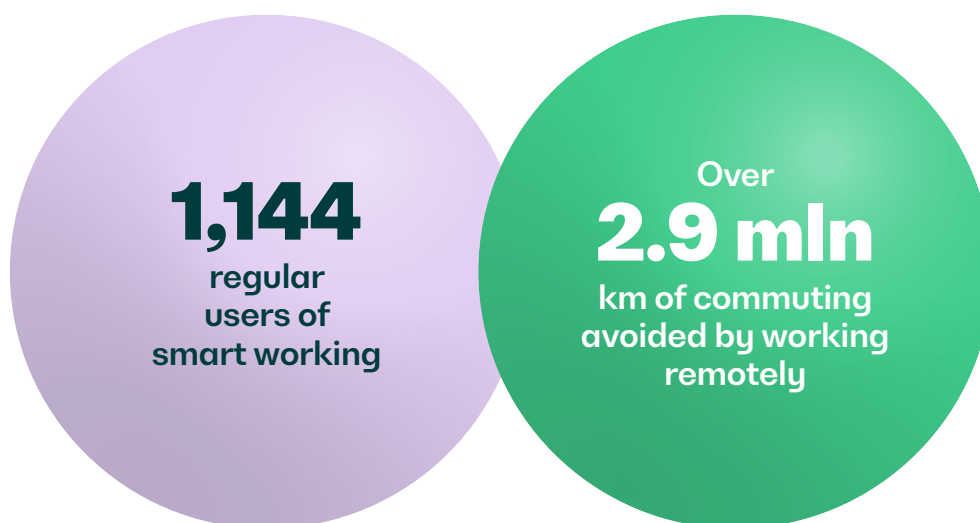
³⁶ Campus programme worth around €4,000.



In 2024, we will continue to enrich our offering with new services in response to any further needs arising from constant dialogue with our people and to trends seen outside the company. We will also consolidate our objectives, expected behaviours and offering in this context in a single policy document available across the entire organisation.

Smart Working

Sisal introduced remote working well before the healthcare emergency made it urgent. In 2015 in fact, we launched the first smart working pilot project with the overall aim of improving flexibility and reducing commuting times, thus fostering synergic management of work and life commitments. With the outbreak of the pandemic, the goal became to extend as far as possible the perimeter of people who work in this way, in line with business objectives and appealing to people's sense of responsibility.



Health and Safety

Sisal safeguards people's health and safety by investing in training, awareness raising and certified management systems.

People's Health and Safety are both the essential conditions for and primary goals of Sisal's business operations, in line with the company's mission and values and the Group's code of conduct and sustainability strategy.

As part of our wider commitment to respecting human rights, we work hard to develop and promote a robust **safety culture**, that guarantees a healthy and hazard-free working environment for everyone who works with and for the Group.

1. Company Policies and Practices

Constant commitment by everyone, integration of safety in processes and training, reporting and analysis of events, rigorous selection and management of contractors, continuous quality control, sharing of experiences and opinions with top international players are the founding elements of our safety culture. In line with its Health and Safety Policy, the Group strives to manage its activities in compliance with the provisions of current law and regulations, to optimise business processes, and to improve the efficiency of resources consumption, also by adopting the highest standards and sharing experiences. In carrying forward our Health and Safety commitment, we have implemented policies and practices that safeguard safety in our workplaces and guarantee the wellbeing of our employees. They include:

- Development and adoption of a **Workplace Health & Safety Management System conforming to standard UNI EN ISO 45001:2018**, that defines the procedures to implement for managing risks, complying with regulations and supporting continual improvement, also through routine checks and audits, thus contributing to an increasingly precise definition of processes and initiatives to engage personnel³⁷.
- Training programmes and periodical initiatives to raise employees' awareness of the risks specific to their jobs and the preventive measures to adopt.

62%
of people in the company
perimeter covered by
ISO 45001 certified
management systems
(91% in Italy)

- Regular inspections, identification and constant analysis of risks, and definition of action to mitigate hazards in the workplace through a **risk-based approach**.

2. Stakeholder engagement

We actively engage our employees and other parties interested in the Health and Safety management process by means of:

- regular talks with employee representatives to understand opinions and suggestions, identify issues and work together to solve them;
- awareness raising campaigns and initiatives to foster safe workplace behaviours and the reporting of any accidents or near accidents.

3. Outlook for the future

We're committed to continuous improvement of our practices and promotion of an increasingly safe and healthy working environment. Our priorities include:

- implementation of new technologies and/or methods for identifying and mitigating risks;
- upgrading of training programmes and awareness raising initiatives;
- collaboration with internal and external stakeholders to maintain our high Health and Safety standards.

³⁷ Certification perimeter: Sisal Italia S.p.A., Sisal S.p.A.



**Positive impact
on the community**



We maintain an open dialogue with our communities and aim to spread a culture of social solidarity in which everyone can become an agent of change

We collaborate with the third sector and support innovation and social integration to support sustainable and inclusive growth for the community. In designing our activities to support the community we carefully assess the impact on the territory, taking into consideration the needs and social problems

of the contexts in which we operate, to build shared value. Sisal aims to spread a **culture of solidarity** internally, in all the countries in which it operates, involving first and foremost the corporate population so that each person can be an agent of change, providing their time, skills and personal sensitivity.

Main steps forward in 2023

Hours of corporate voluntary work

+78%

(vs 2022)

(page 127)

Employees involved in the WeDo programme

+57%

(vs 2022)

(page 132)

€ 886,200

allocated to activities with an impact on the community
(+38% vs 2022)

(page 132)

10,298

lives improved in 2022- 2023

(page 127)

79 voluntary work projects

active in 2023

(page 132)

1,249 hours

devoted to voluntary work

(page 127)

Our objectives

  	Target value	Year	Progress in 2023	
Number of lives improved since 2022*	30,000	2024	10,298	
Hours of corporate voluntary work in the period 2022-2025	2,500	2025	1,949	
Sisal Group employees engaged in corporate voluntary work in the period 2022-2025*	1,000	2025	589	

* Aggregate data for 2022 and 2023.



Target achieved



Progress in line with target



New Target



Sisal also contributes to the “Do More” pillar of Flutter’s Positive Impact Plan which reflects the Group’s commitment to “giving back something to the community in which we live, work and play”.

The Group’s goal is to improve the lives of **10 million people by 2030**.

Sisal’s contribution

10,298

Lives improved (since 2022)

1,249

Hours of voluntary work (since 2023)

Do More: Goal

Improve the lives of

10 m

people by 2030

Sustain community growth and wellbeing

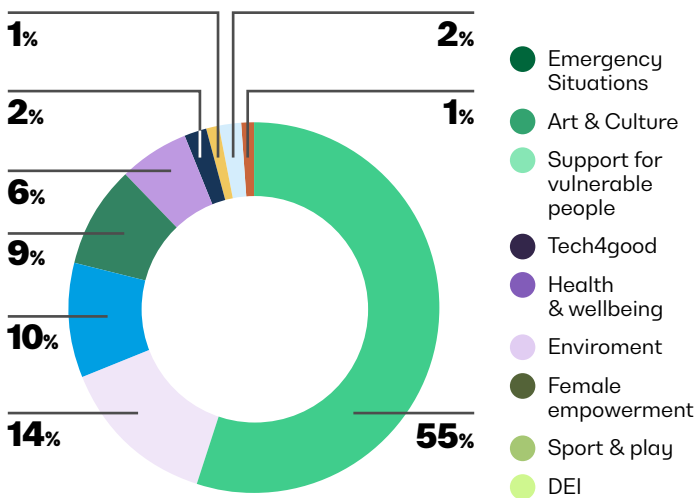
Our positive impact strategy addresses two main areas: **Social Innovation**, through long-term projects to sustain and valorise the startup ecosystem and relative enterprise and technology skills, and **Corporate Solidarity**, to develop powerful projects and relations in support of good causes and to help in emergency situations in partnership with associations and non-profit organisations³⁸.

This is not only a “giving back” system but also a way for Sisal to stay connected to the communities in which it operates and build relations with the outside world by investing in inclusive growth and collective wellbeing. The two areas of impact are perfectly aligned with the Do More pillar of Flutter’s Positive Impact Plan and so make an effective and synergic contribution to Group strategy.

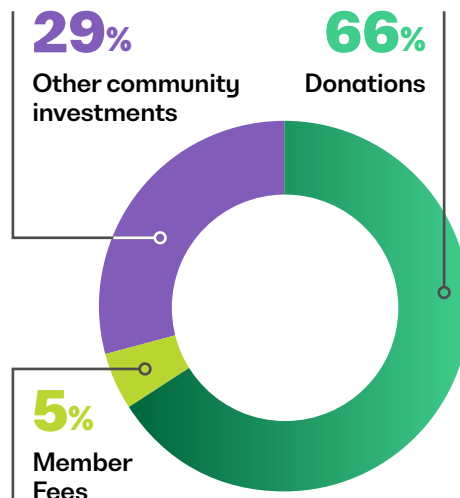
Do More - Generating shared value for communities

Sport & play	Health & wellbeing	Tech4good
<i>Corporate Solidarity</i>		<i>Social Innovation</i>
<ul style="list-style-type: none"> Solidarity marathon 	<ul style="list-style-type: none"> WeWorld, COOPI, Fondazione Libellula Donations Fundraising 	<ul style="list-style-type: none"> GoBeyond Collaborations with startups with a social and environmental impact (Gamindo, Develhope, ReLearn)
Colleague engagement		Emergency Relief
<ul style="list-style-type: none"> 4 work hours a month to devote to voluntary work 		Support to: <ul style="list-style-type: none"> Emilia Romagna Türkiye

Community investments by area



Community investments by type



38 Associations and organisations receiving donations undergo rigorous ethical and legal screening.

Social Innovation

Social Innovation is a strategic resource for Sisal, a source of social transformation and an engine of change. We make every effort to provide practical, constructive answers to economic and social problems and aim to **contribute to the development of society in innovative ways**.

GoBeyond Startup



In 2023, we decided to collaborate with ReLearn to monitor waste produced in our offices, reduce our environmental impact and foster sustainability culture among employees. Thanks to the Nando product, a plug-and-play sensor installed on standard waste bins, ReLearn collects accurate data to analyse waste production and sorting quality. These measurements enable the startup and the customer to produce more detailed sustainability reports and raise awareness in their communities. We then launched a pilot project with sensors installed in the sites with the most people: the Milan headquarters and the ground floor of the Rome office.



We worked with Gamindo during the Sustainability Month launched by Sisal in 2023. We then devised a Daily Quiz on sustainability to raise awareness and engage our people in an amusing game designed to generate value for communities: Sisal made a donation for every correct answer given by a colleague.

Over 430 colleagues in Italy, Albania, Türkiye and Morocco took part in the quiz and the over 5,000 correct answers contributed to a €15,000 donation to COOPI, an organisation that helps vulnerable communities recover from emergencies and work towards long-term development.



At the end of 2023, we identified a design synergy in the social innovation area with Develhope. In April 2024, we launched a partnership that will enable Sisal to positively impact the lives of over 1,000 people by sponsoring introductory training courses and awarding 20 scholarships to develop new tech skills (covering the full cost of the course) for students prevalently in southern Italy.

“Ingenio al femminile” degree thesis award



The “Ingenio al femminile” degree thesis awards are promoted by the National Council of Engineers to acclaim engineering theses by female graduates. We decided to act as the Awards’ ambassador to endorse the talent of the graduates involved and promote the entry of women in technical and digital areas. The theme of the third edition of the Awards was “Engineering for People”: engineering in support of the “5Ps” named by the United Nations as drivers of sustainable development: *People, Peace, Prosperity, Partnership, Planet*. 286 theses were submitted and examined by the scientific committee in order to choose three graduates to receive funding to continue their research work.

Positive Impact Plan - Tech4Good Award



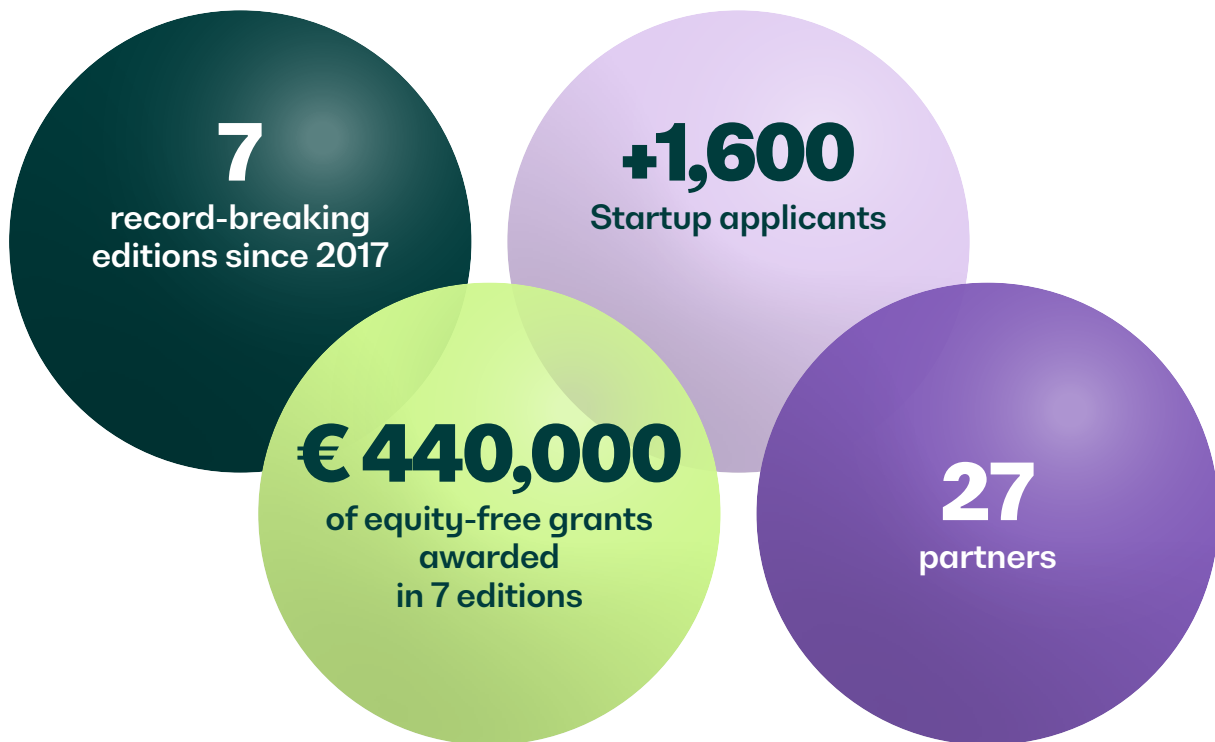
In July 2023, Flutter launched the first “Tech4Good Award” in collaboration with Alpha Hub, the platform connecting startups to the Flutter world. The aim of the award is to support startups that use technology to tackle major social challenges and for the good of the community. Sisal supported the programme by sharing the experience it’s gained in seven editions of its GoBeyond Call for ideas and offered six selected startups a workshop on the tools needed to assess and measure the impact of their technologies.

GoBeyond: the responsible innovation platform

GoBeyond èis the responsible innovation platform created by Sisal to support the ecosystem of start-ups and anyone who has a socially and environmentally useful business idea.

Originally a contest for start-ups launched in 2017, GoBeyond is now a **programme organised around three strategic pillars: Call for Ideas, Academy and Community.**

» Call for ideas » Academy » Community



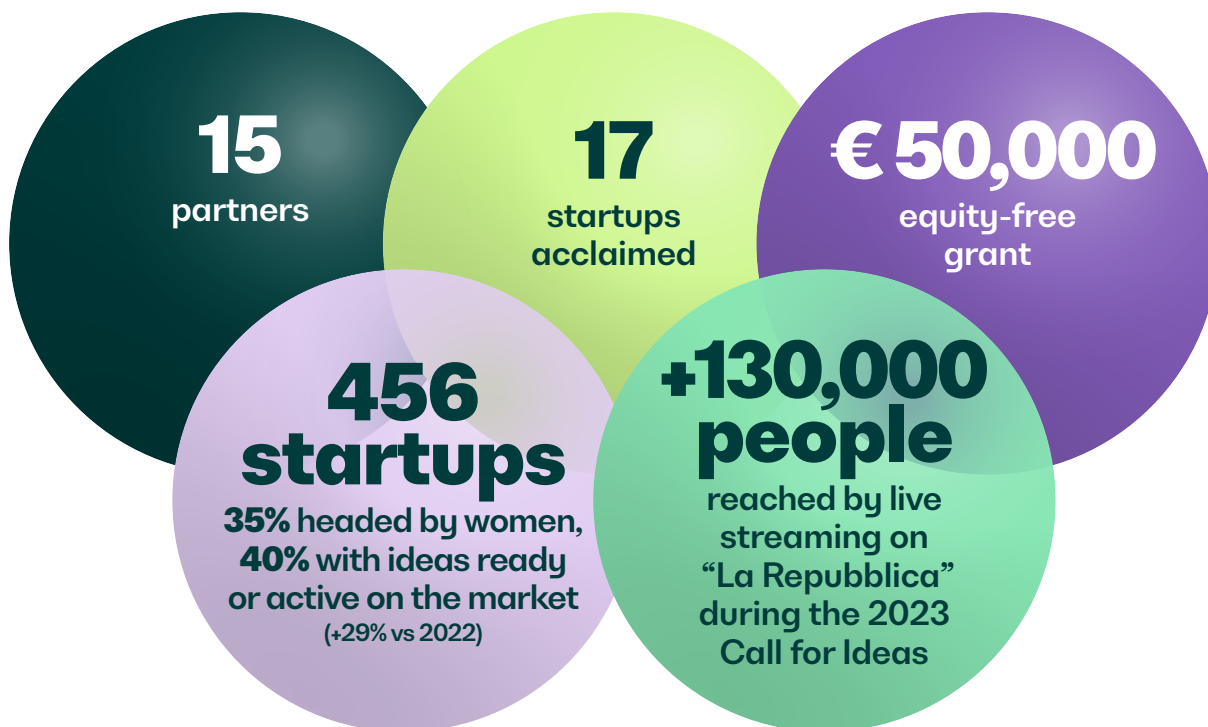
The seventh **Call for Ideas**, held in 2023, involved a record of **over 450 startups** (up 29% on 2022) that operate in high social impact sectors like healthcare, ICT, clean technology, food & beverage, fashion, education and lifestyle. Of these startups, **35% were headed by women**, which is well above the national average, and **40% were offering a product/service already active** or in any case ready to be brought to market.

17 startups were acclaimed in this **record-breaking edition**. The 2023 award was won by **MgShell**, a startup whose product is designed to revolutionise the therapeutic approach in ophthalmology: a biodegradable intraocular device that releases a

drug capable of replicating current clinical practice without recourse to surgery, increasing patient compliance and cutting healthcare costs. For the first time, there was also a special award for concept-only startups (enterprises not yet incorporated and without a tested product or service). Here, three startups won free access to the Startup Builder, Startup Geeks' online incubator.

The **GoBeyond Academy** carried forward its training work by providing **three free-of-charge workshops** for learning and applying skills required in the generation, development and implementation of a business idea with social/environmental impact **71 participants** (39% of whom took part

GoBeyond 2023 in numbers



in more than one workshop) were able to deepen their knowledge of design-thinking, business model canvas and public speaking methods to accelerate their projects. Lastly, through our **Community**, we inspire the GoBeyonders of the future and create content and events to give start-ups the visibility they need to network and grow. We organised **three events** to involve and connect partners, startappers and Sisal’s Innovation Community on

relevant topics such as generative Artificial Intelligence, failure as an engine of innovation and life-work balancing for a startupper. At GoBeyond’s **first community event** we worked with Regusto, an innovative startup finalist in the 2022 Call for Ideas, to recover surplus food and reduce the event’s environmental impact, with the following results: 4,000 equivalent meals, 2,000 kg of CO₂e avoided, 4,000 sqm water saved and 6,000 sqm of land saved.

GoBeyond Academy & Community 2023



Corporate Solidarity

Sisal is constantly investing in Corporate Solidarity projects and initiatives to **build valuable relations with the community** in which it operates and **promote inclusive growth and collective wellbeing**. We work for social and environmental causes or to provide support in emergencies through voluntary work projects, donations and fundraising initiatives, partnerships with associations and non-profit organisations. In 2023, Sisal allocated **€886,200 to projects and initiatives to support the community**.

WeDo: corporate solidarity programme

2023 saw a significant increase in the number of employees involved in the WeDo programme and in the hours devoted to voluntary work: a significant success for this Sisal project, an employee initiative that helps generate social impact on the territory.

WeDo is our corporate solidarity programme, an idea launched in 2018 to enable our people to dedicate working hours to voluntary work, channelling their desire to help others and feel socially useful. A project fully in line with an approach that has always marked us out, that of **building social responsibility into our corporate culture**, in the interests of real sustainability. Over the years, WeDo has become an increasingly complex programme structured to identify and satisfy the needs of the communities around us. This is thanks to the **creation of an extensive network of locally active non-profit organisations and the direct involvement of our people** to support projects by the many associations working for the good of the country, thus strengthening their sense of corporate allegiance and belonging to the community more in general. The **three pillars** of the WeDo programme are:

- **Corporate voluntary work**, both individual and group.
- **Support for local communities**.
- **Economic support** through donations and fundraising.

€ 886,200
invested
in community support

WeDo portal in numbers: Italy in 2023



The programme is based on our colleagues being able to use **up to 4 working hours a month** to do voluntary work using the **company platform WeDo**, a user-friendly mobile portal that connects them to associations that decide to join our network. The portal provides details of the initiatives supported by Sisal, group voluntary work being carried out by colleagues in other functions, donations and fundraising in progress, and updating on what's happening in the world of solidarity, including the flagging of associations or causes to support. There was a strong focus in 2023 on organising group activities to attract an increasing number of colleagues to the world of non-profit and voluntary work. Under WeDo, the Group's foreign operations too have promoted voluntary work and other solidarity/charity initiatives in their countries. This is a practical way to ensure that all the teams are an active part of their communities and to bring them together virtually to provide real help at local level.

Associations supported in 2023

Comunità Oklahoma

A non-profit working for minors going through periods of fragility or serious family problems by providing hospitality and educational courses leading to social reintegration.

Playmore! Ssd

A non-profit sports organisation that promotes activities for everyone, and especially people in fragile conditions, fostering healthy and constructive co-operation between participants through the promotion of sport, health and integration.

Susan G. Komen Italia

A voluntary work organisation in the front line of the battle against breast cancer, it supports research, prevention and the promotion of women's health protection.

Rise Against Hunger Italia

A non-profit fighting hunger through the distribution of food and other forms of humanitarian aid to populations in grave need.

Plastic Free Odv Onlus

A voluntary work organisation with a mission to inform and raise the awareness of as many people as possible on the hazards of plastics pollution. It organises clean-ups and other events in Italy, as well as activities in schools and local communities.

L'Arte nel Cuore Onlus

A non-profit supporting the integration of young people with disabilities by enabling them to express their artistic capabilities in courses that help them develop their potential.

Fondazione Cesvi Onlus

A non-profit operating worldwide to support the most vulnerable populations, it works for sustainable development through the promotion of human rights, health and wellbeing and the creation of conditions that enable people to realize their aspirations.

WeWorld Onlus

An NGO working for the environment and the fundamental rights of all human beings (especially women and children) by fighting poverty, violence and injustice and promoting sustainable development courses focusing on the environment.

WorldRise Onlus

A non-profit organisation that fights for effective conservation of Italy's seas by facilitating positive change that reconnects people to the sea, creates awareness of the importance of oceans and organises collective commitment to safeguarding them.

Coopi – Cooperazione Internazionale

A humanitarian organisation whose aim is to interrupt the cycle of poverty and help people stricken by wars, socio-economic crises or natural disasters to recover and achieve long-term development.

Voluntary work initiatives in 2023

Milano Relay Marathon

In partnership with:
PlayMore! e
Comunità Oklahoma

Over 70 colleagues took part in the 2023 Milano Relay Marathon, a non-competitive event to raise funds for non-profit associations participating in the event's Charity Programme.

Our colleagues were also individually active on the Rete Del Dono portal and raised over €1,700, which was added to the donation Sisal made to the event's two non-profit partners, PlayMore! and Comunità Oklahoma.



72
Sisal participants

18
teams

Over € 9,000
raised and donated

Race for the Cure Roma

In partnership with:
Susan G. Komen Italia

A group of Rome colleagues took part in Race for the Cure, a big event in the battle against breast cancer in Rome, at Circo Massimo, under the patronage of the President of the Republic.

The aim was to focus public opinion on the importance of prevention and raise funds to support research, prevention and aid projects.

Our colleagues' participation in the traditional and exciting 5 km race through the streets of central Rome was also made possible by Sisal's contribution to the association that organised the event, Komen Italia.



36
Sisal participants

5 km
distance

€ 1,000
donated

Food ration packaging

In partnership with:
Rise Against Hunger Italia

Over 100 colleagues worked in teams to prepare thousands of food rations consisting of five simple ingredients: rice, soy beans, dehydrated vegetables, vitamins and mineral salts.

Allocated to the Zimbabwe Literacy Programme, the rations were distributed to students in schools to help combat malnutrition and encourage attendance. This particular intervention supported 200 children for a whole academic year.



102
Sisal participants

42,000
food rations prepared

200 children
supported for a whole
academic year

€ 22,500
donated

Clean Up in Rome

In partnership with:
Plastic Free

Around 80 colleagues in our Rome office took part in a clean-up and waste collection initiative to help the redevelopment of an area in the city's Caffarella Park. Thanks to their efforts, over 600 kg of waste, mostly plastic and glass, was collected. All the waste collected was properly sorted and disposed of in collaboration with Ama, Rome's municipal environment corporation.



79
Sisal participants

600 kg
of waste collected

€ 9,200
donated

Tree planting in Tirana

Tirana National Park

A group of 16 colleagues from our Digital Hub in Albania worked together to plant 40 trees in Tirana National Park. This activity not only contributed to local reforestation but also helped raise colleagues' awareness of climate change issues and what we can do to tackle them.

16
Sisal participants

40 trees
planted

32 hours
to complete the activity

€ 1,500
donated

Sustainable technologies and green coding

Tumo Digital Center, Tirana

A number of colleagues in the Albanian hub shared their coding skills with young people in the Tumo Digital Centre in Tirana. A day was dedicated to sustainable use of digital tools to stimulate the curiosity of the new generations about STEM subjects and new digital professions and provide guidance on their studies and future careers.

4
Sisal participants

1 day
dedicated to STEM training for the new generations

Clean Up in Istanbul

Istanbul,
Sile beach

A group of colleagues at Sisal Şans took part in a clean-up event at Sile beach in Istanbul, organised by our partner Demiroren, along with employees from other companies in the Turkish group. 450 kg of waste was collected in this 2-hour voluntary work activity.

14
Sisal participants

450 kg
of waste collected

Sisal donations in 2023

Ukraine Cold Emergency

Supporting:
CESVI

Support for CESVI's Ukraine Cold Emergency project, which offers urgent aid to over 20,000 people in winter by ensuring access to Heating Points (warm, safe and decent shelters) during the coldest months in Bucha, Ukraine. Fixed and mobile shelters were set up near schools in collaboration with local government to guarantee warmth, food, toilets and shelter in the event of missile attacks.

Sisal's contribution guaranteed food and basic necessities for around 2,400 people for two months in three facilities.



about 2,400 people

received food and basic necessities for two months in three structures

Solidarity Quiz with Gamindo

Supporting
Coopi

During Sustainability Month, colleagues in all countries were involved in a solidarity quiz: for every correct answer, Sisal made a donation to Coopi – Cooperazione Internazionale to support a project for the psycho-social and economic re-integration of 33 single mother victims of the war in Democratic Republic of Congo. The aim was to improve the living conditions of adolescent mothers and their children born of rape with physical, psychological and material aid, helping these victims and their families overcome the harm suffered, lead a decent life and take part in the reconciliation and consolidation of peace in their communities



33 single mother victims of the war

in Democratic Republic of Congo have completed a process of psycho-social and economic re-integration

Helpline

Supporting
WeWorld

Sisal entered a partnership with WeWorld and activated a helpline for women in situations of adversity. Through this initial contact, a psychologist can take charge of calls for help and advise women according to their needs.



21

phone contacts

8 women

registered with the WeWorld support programme

Inclusion through acting

Supporting:
Associazione Arte nel Cuore

In 2023, Sisal continued to support Associazione Arte nel Cuore and their acting course for young people with and without disabilities. This aims to improve their quality of life through art – a universal language without barriers – and promote their inclusion in society and the labour market through artistic training.



200 young people
supported in their training course

“No Plastic More Fun”

Supporting:
WorldRise

Sisal Wincity’s Milan point of sale joined the collective project “No Plastic More Fun” led by Worldrise, having demonstrated its possession of the required sustainability quality standards. The point of sale joined a network of locations committed to not using single-use plastic in favour of more sustainable solutions, such as re-usable materials or compostable tableware. This decision consolidates our strategy in fact, since the point of sale has for some time preferred the use of glass, aluminium and compostable or recyclable materials.



Plastic Free
Sisal Wincity’s Milan point of sale

Support in emergency situations

Earthquake in Türkiye

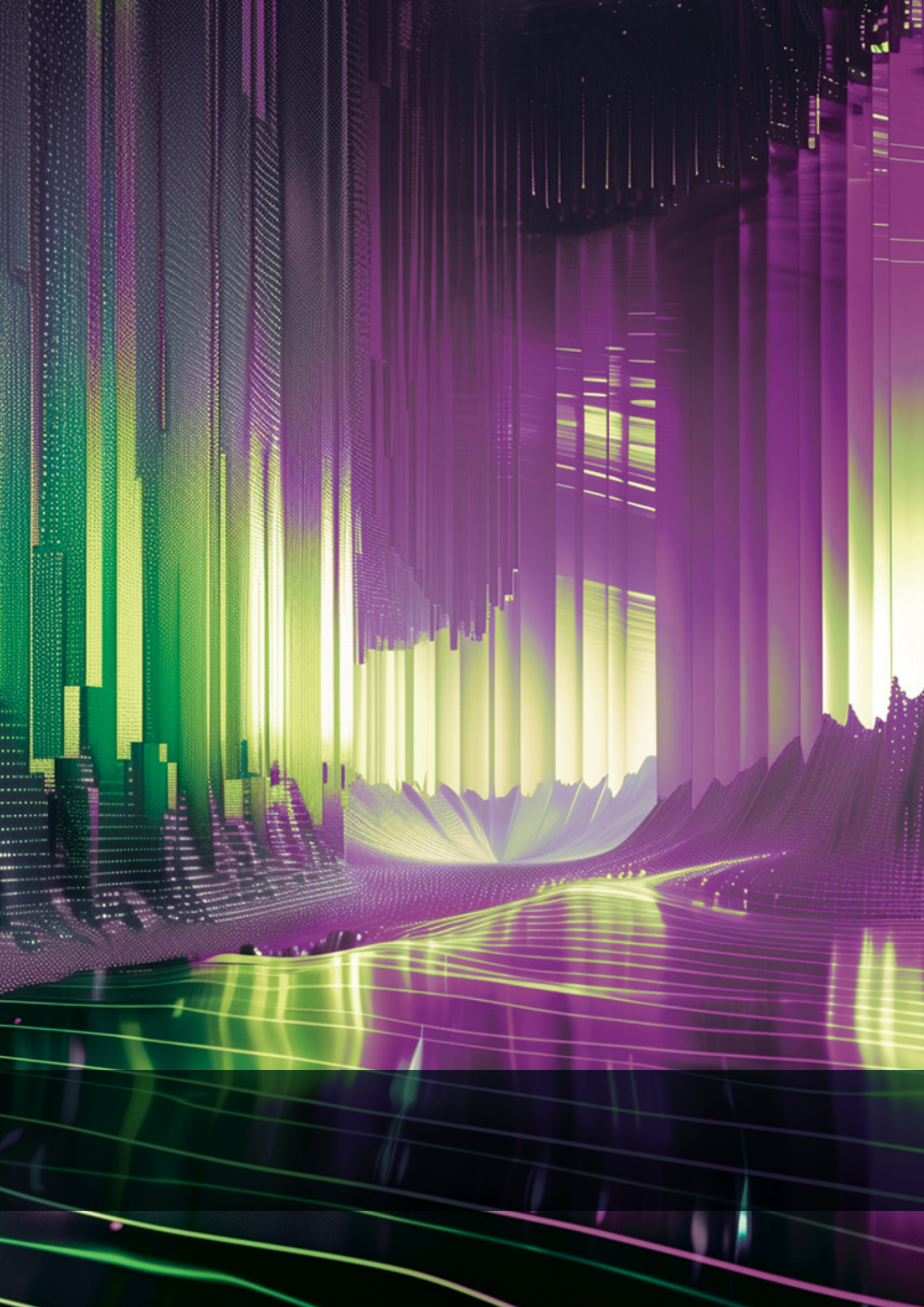
Sisal Sans (Türkiye) raised and donated €367,000 to meet accommodation requirements in south-east Türkiye after the earthquake. 90 container homes were built and delivered to AFAD (Disaster and Emergency Agency, Ministry of the Interior). A further €165,000 was provided to support retailers affected by the earthquake.

Flooding in Emilia-Romagna

Following approval of Legislative Decree 61, dated 1 June 2023 (“Flood Decree”), Sisal introduced a fourth additional weekly SuperEnalotto draw, the proceeds of which were donated entirely to managing the emergency. The funds were earmarked partly for the refurbishment of socially useful buildings and partly for associations operating in the area hit by the flooding.



Reduction of environmental impact



Sisal is carrying forward an action plan to safeguard the environment, reduce consumption of natural resources and create sustainable value

To stop or mitigate the effects of our operations on the climate and ecosystems, at Sisal we are committed to driving change in our industry, taking action to **reduce our environmental impact, but also to inspire others to do the same**, be they partners or competitors. We have developed a **process to understand, map and measure our environmental impacts** along the entire value chain, in terms of emissions, energy consumption and raw material use from a circular economy perspective, and **set short- and long-term reduction targets**.

We are also investing in technologies that enable us to precisely monitor and publicly disclose our progress and in innovative solutions that favour the transition to a low carbon economy.

In 2023, Sisal's decarbonisation made a leap forward with the decision to align our target for reduction of GHG emissions with Flutter Group's Science Based Target.

We committed to achieve **Zero net CO₂ equivalent emissions by 2035**.

Main steps forward in 2023

-15% energy consumption

thanks to LED³⁹ lighting
(vs 2022)

2024 target achieved one year early
(page 141)

-13% energy consumption

across the entire Sisal Group
(vs 2022)

(page 148)

100% of electricity certified from renewable sources

(page 143)

-15% paper consumed

(vs 2022)

(page 152)

3,472 tonnes of CO₂ eq avoided

through purchases of Guarantee of Origin (GO) and Energy Attribute Certificates (EACs)

(page 143)








1,758 tonnes of digital emissions

neutralised by certified CO₂ storage projects

(page 150)

39 100% of offices and direct points of sale in Italy.

Our goals

   	Target value	Year	Progress in 2023	
Reduction of GHG emissions (scope 1, 2 - market-based - and 3)*	-50%	2030	18%***	
GHG emissions (scope 1, 2 - market-based - and 3)*	0	2035	32.684 tonnes CO ₂ e	
Reduction of energy consumption through LED lighting (100% of the offices and direct points of sale in Italy)	-5%	2024	-15%	

* Including offsetting. Baseline 2022.

** Baseline 2022.

*** In 2023, Sisal upgraded its reporting of Scope 3 emissions, the company fleet increased by 2% leading to an increase in Scope 1 emissions, the number of partner outlets increased by 3%, and the number of employees increased by 8%. Lastly, the expansion of Sisal's presence in foreign markets involved the purchase of assets that impacted Scope 3 emissions.

The target for reduction of GHG emissions was redefined to align with Flutter's Net Zero objectives.



Target achieved



Progress in line with target



New Target



Sisal also contributes to the “Go Zero” pillar of Flutter’s Positive Impact Plan, which represents the Group’s commitment to climate action and mitigating environmental impact by zeroing net carbon emissions.

Go Zero: Goal

NET ZERO
by 2035

Sisal’s contribution

100%
Energy from renewable sources

-13%
energy consumption in 2023

Strategy to combat climate change

On a daily basis, Sisal consolidates its commitment to reducing climate-altering emissions, reducing or mitigating climate change risks and fostering the transition to a low carbon emissions economy, above all through research and the implementation of innovative solutions, and also with the active involvement of suppliers and partners. Action against climate change plays a key role for the future of the planet and society, and this is why our environmental impacts management is based on the **criteria of prevention, protection, information and participation**.

We have always seen all of the following as integral parts of our **strategy for combating climate change: environmental governance led by the Sustainability Committee, climate risk management** integrated into Enterprise Risk Management, development of an adequate offering to support the transition to an eco-sustainable economy, monitoring of **metrics and objectives** to measure and manage environmental performance, risks and opportunities, as well as sharing of knowledge and *climate change* and ESG training.

In 2023, we further upgraded our **analysis and measurement** methods for our environmental performance reporting and aim to **widen and consolidate the inventory of GHG emissions** from our activities.

On the basis of analysis conducted to date, we redefined our **direct and indirect GHG emissions reduction**

In line with Flutter and given the importance of environmental data and information, we will continue to improve the quality of our reporting by implementing the **Salesforce Net Zero Cloud**, a tool that will enable us to simplify management of environmental data and the monitoring and auditing of reduction activities.



targets in line with **Flutter's Positive Impact Plan**, on which we will work jointly with our suppliers and customers to reduce emissions along the entire value chain. We also updated the baseline for assessing the achievement of goals to 2022⁴⁰.

We are pursuing our commitment in **synergy** with Flutter, which presented an **emissions reduction target approved by the Science Based Target initiative (SBTi) in April 2024**.

⁴⁰ LThe strategy for combating climate change takes into account the recommendations of the Task force on *Climate-related Financial Disclosure* (TCFD) in order to identify risks and opportunities linked to climate change.

Main areas of intervention for energy efficiency and reducing Sisal's GHG emissions

Areas of intervention			
Macro areas	Indicators	Initiatives / Actions	Benefits / Performance
Retail & Building	<ul style="list-style-type: none"> Energy consumption Direct and indirect GHG emissions (Scope 1 e 2) 	Replacement of obsolete air-conditioning systems with more efficient heating and conditioning systems	<ul style="list-style-type: none"> Electricity savings⁽¹⁾ CO₂e emissions avoided thanks to reduced losses of refrigerant gas or to losses of greener refrigerant gas, or with lower GWP⁽²⁾
	<ul style="list-style-type: none"> Energy consumption Indirect GHG emissions (Scope 2) 	100% of the electricity used by Sisal's sites and directly managed stores is from renewable sources (covered by Guarantee of Origin Certificates in Italy and Energy Attribute Certificates for foreign subsidiaries)	<ul style="list-style-type: none"> 3,472 tons of CO₂e avoided in 2023
		Continuation of the relamping programme to replace incandescent lighting with LED lighting (begun some years ago)	<ul style="list-style-type: none"> Total energy savings of over 600,000 kWh by 2025, over 150 tonnes of CO₂e avoided
		Installation by 2025 of a solar power plant (photovoltaic) for self-production of electricity from renewable sources at the Florence, Via Livorno, point of sale	<ul style="list-style-type: none"> Over 20,000 kWh of electricity from the grid saved Around 8 tons of CO₂e avoided by 2026 (estimate)
		Implementation of BMS (Building Management System) for centralised monitoring of energy consumption in offices and/or points of sale	<ul style="list-style-type: none"> Detailed measuring of energy consumption in real time Partition of the system (general, CDZ and lighting), also to monitor the more energy-intensive devices and promptly identify any losses along the network

(1) These energy savings only refer to the project to replace obsolete air conditioning systems, net of any potential increases in electricity consumption correlated to other actions/activities/systems.

(2) *Global Warming Potential*, a characterising factor that describes impact in terms of radiative forcing of a unit based on the mass of a given greenhouse gas compared to that of carbon dioxide in a given period of time.

Areas of intervention			
Macro areas	Indicators	Initiatives / Actions	Benefits / Performance
Retail & Building		Externalization of data processing centres for the Rome Sacco e Vanzetti office	<ul style="list-style-type: none"> Energy saving
		Regulation of the indoor lighting system with 0-100% dimming	<ul style="list-style-type: none"> Energy saving
	<ul style="list-style-type: none"> Energy consumption Indirect GHG emissions (Scope 3) 	Sisal uses Green Data Center to guarantee reliability for all its business IT needs and deliver high energy efficiency results	<ul style="list-style-type: none"> In Italy, the Green Data Centres use electricity that's 100% from renewable sources, totalling around 380 tonnes of avoided CO₂e emissions in 2023. Globally, over 62% of the electricity used by Green Data Centres is from renewable sources
		Green Clause for indirectly managed points of sale: partners will have to commit to stipulating renewable source electricity supply contracts	<ul style="list-style-type: none"> Energy saving Reduction of Scope 3 emissions Awareness raising among partners
		Green tariff offer of energy from renewable sources: we offer partners the option to stipulate advantageous green tariff contracts	<ul style="list-style-type: none"> Energy saving Reduction of Scope 3 emissions Awareness raising among partners
		Pilot project launched to implement environmental requisites in tender processes	<ul style="list-style-type: none"> Selection of suppliers with strong commitment in terms of reduction of CO₂e emissions (e.g. target Net Zero) Reduction of Scope 3 emissions Third-party awareness raising

Areas of intervention			
Macro areas	Indicators	Initiatives / Actions	Benefits / Performance
Internal processes	<ul style="list-style-type: none"> Energy consumption Direct GHG emissions (Scope 1) 	The transition of the company fleet to hybrid and electric models, with no IC engines, continues	<ul style="list-style-type: none"> Reduction of direct CO₂e emissions by around 5-10% by 2025 (for the same number of vehicles).
	<ul style="list-style-type: none"> Digital emissions 	Measuring the carbon footprint of the Sisal.it platform's digital emissions in 2022. Measurements will continue in 2023	<ul style="list-style-type: none"> 1,758 tonnes of CO₂e offset in 2023 by certified CO₂e storage projects
		Project initiated to improve and optimise the energy efficiency of the Sisal.it platform	<ul style="list-style-type: none"> Reduction of digital emissions Awareness-raising efforts towards customers
Environmental Reporting	<ul style="list-style-type: none"> GHG Carbon Inventory 	In 2023, Sisal strengthened its Carbon Inventory reporting methods and perimeter and also aligned with Flutter's Positive Impact Plan and Science Based Target	<ul style="list-style-type: none"> Updating of the baseline (2022) against which to assess achievement of objectives Updating of Net Zero reduction targets Reporting on another Scope 3 category

We also set up **seven cross-function work groups** to map, co-ordinate, promote and implement all the initiatives and projects that aim to improve energy efficiency, reduce equivalent CO₂ emissions, and reduce the use of raw materials.

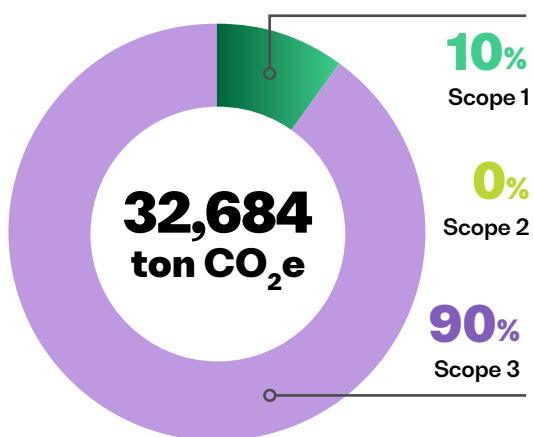
Cross-functional working groups			
Dematerialisation	Sustainable Technologies	Sustainable Store	Green Mobility
Sustainable Procurement	Thermal Paper	Digital Sustainability	

Emissions and energy consumption

GHG emissions

Sisal calculates greenhouse gas emissions based on the **GHG Protocol Corporate Standard**, with geography- and activity-specific emissions factors applied.

In 2023, we further strengthened and fine-tuned our Scope 3 emissions reporting, introducing further sector-relevant categories in the calculations.

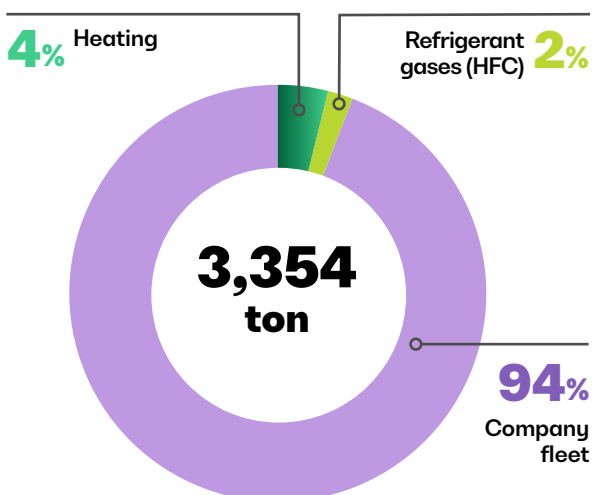


Total GHG emissions amount to 32,684 t of CO₂e (+18% vs 2022), and are mainly Scope 1 direct emissions (around 10%) and Scope 3 indirect emissions (90%). Indirect Scope 2 emissions associated with the consumption of electricity from non-renewable sources stand at 0%, as 100% of the electricity purchased is covered by Guarantee of Origin (GO) Certificates in Italy and Energy Attribute Certificates (EACs)⁴¹ for the foreign subsidiaries.

The increase in emissions in 2023 was mainly due to the following factors:

- upgrading Scope 3 emissions reporting;
- 2% increase in the company vehicle fleet;
- 3% increase in the number of partner points of sale;
- 8% increase in the number of employees compared to 2022;
- acquisition of assets involved in Sisal’s expansion on foreign markets, the impact of which contributed to Scope 3 emissions

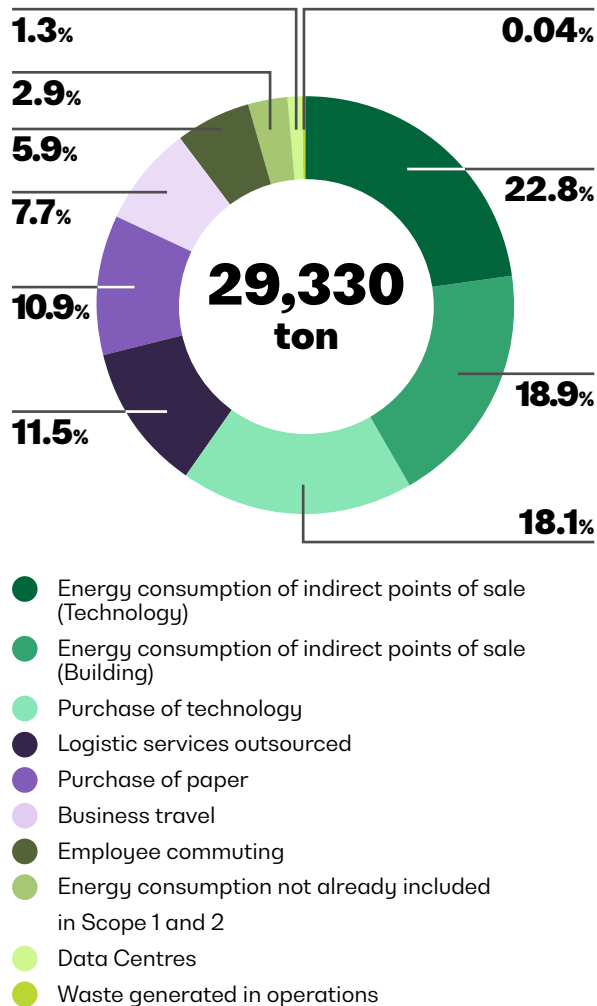
Scope 1 emissions by source



Scope 1 GHG emissions amount to 3,354 t of CO₂e (up 1% on 2022), and were mainly associated with fuel consumption by the company fleet (94%) and natural gas consumption for heating (4%), which was down 24% on 2022 thanks to the replacement of the boiler with a heat pump powered 100% by electricity in the Rome office in Viale Sacco e Vanzetti. Consumption of refrigerant gas, on the other hand, accounted for 2%.

⁴¹ Energy Attribute Certificates are purchased in advance and then balanced against actual consumption. If the difference between consumption covered by EACs and actual consumption is less than 1% (<1%), the non-covered portion will be carried forward to the year following the reporting year.

Scope 3 emission by source



In 2023, we further extended our reporting of **indirect emissions (Scope 3) to the following nine categories:**

- **Purchased goods and services:** purchase of paper and energy consumption for IT infrastructure (data centres) provided by external suppliers.
- **Capital goods:** purchases of technology (e.g. cabinets, terminals, monitors, etc.).
- **Fuel- and energy-related activities:** consumption not already included in Scope 1 and 2, related to the transport and distribution of energy.
- **Waste generated in operations:** production of special waste, including RAEE, and urban waste.
- **Business travel:** made in non-company vehicles (rail and air).
- **Employee commuting:** home-work travel of our people.
- **Upstream leased asset:** energy consumption in indirect point of sale buildings⁴².
- **Logistic services outsourced:** to third-party suppliers.
- **Downstream leased assets:** energy consumption by technology installed in indirect points of sale⁴².

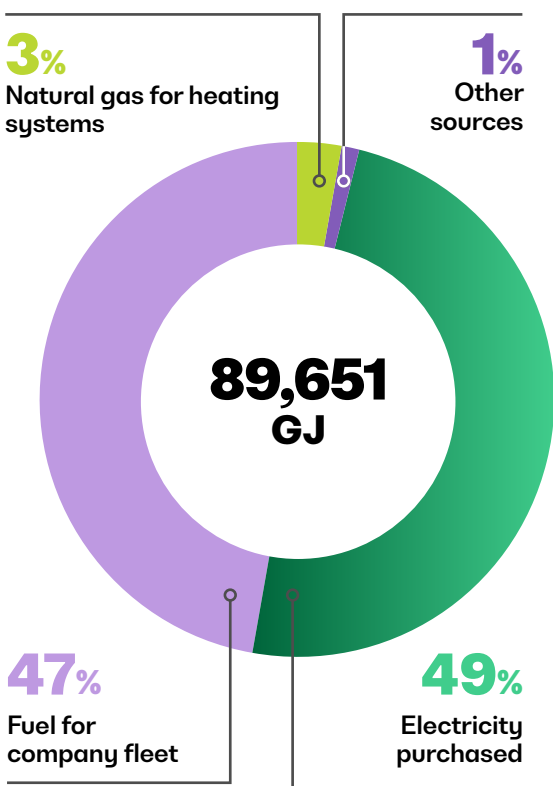
⁴² **Estimation model for specialist points of sale:** electricity consumption was calculated by adding the consumption of the building to that of the machines in use (gaming terminals). Since 35% of specialist points of sale surveyed said they use electricity from renewable sources, GHG emissions were calculated by applying a correction factor equal to said percentage, thus obtaining a total value of 5,531 tons of CO₂eq. **Estimation model for General points of sale:** electricity consumption was calculated by considering only the consumption of the machines in use (gaming terminals). Since 39% of generalist points of sale surveyed said they use electricity from renewable sources, GHG emissions were calculated by applying a correction factor equal to said percentage, thus obtaining a total value of 3,157 tons of CO₂eq. Sisal has not so far requested documentary proof of statements by the points of sale (e.g. Guarantee of Origin Certificates or contracts proving that electricity supply is 100% from renewable sources), so the figures are to be considered as estimates on the basis of respondents' statements.

Energy consumption

Our direct energy consumption is mainly associated **with building management** (lighting, power for IT resources, heating and cooling for offices and directly managed points of sale) and **fuel consumption by the vehicles in the corporate fleet**.

In 2023, we carried forward projects launched in 2022 and planned new initiatives to reduce our energy consumption by improving the efficiency of buildings that host our operations and the technological systems used in our points of sale and to reduce the emission impacts of fuel consumption by IC vehicles.

Energy consumption by source



Energy consumption: 89,651 GJ (-8% vs 2022), of which:

- consumption of purchased electricity: 44,121 GJ, or 12.26 GWh (-13% vs 2022), of which 100% from renewable sources;
- fuel for the corporate fleet: 42,689 GJ (+3.6% vs 2022);
- natural gas consumption: 2,826 GJ, or 79,972 m³ (-24% vs 2022), used for heating;
- other sources: 412 GJ, -68% vs 2022.

Self-production initiatives

2023 saw the completion of the installation of **two photovoltaic plants** for self-production of electricity in the Rome and Peschiera Borromeo sites, covering around 10% and 45% respectively of the buildings' energy requirement. A project to install a photovoltaic plant in the Florence point of sale is in the feasibility study phase and could be completed and started up in 2025.

Green transition of company fleet

Sisal's fleet in Italy has about 400 vehicles, used mostly for mixed routes (urban and extra-urban). Reducing the environmental impact of employees' mobility is a priority given that the company fleet accounts for 94% of direct emissions (Scope 1).

Thanks to the agreement entered in 2022 to renew the fleet with hybrid models and electric vehicles to replace IC engines, which will be completed by the end of 2025, the fleet currently has 124 hybrid vehicles (31%) and 20 electric vehicles (5%).

The acceleration of our fleet's green transition will also affect the charging infrastructure. In 2022, Sisal entered a **partnership with one of the main operators on the market** and is proceeding with the implementation of further charging stations at our main offices and near the homes of people who have chosen electric vehicles, thus narrowing the autonomy gap that still exists between electric and IC, impacting mainly sales representatives with the need to travel thousands of kilometres every year.

100%
of Italian
fleet vehicles
to be hybrid
or full electric
by 2025

Renewable energy for the indirect point of sale network

In order to raise our partners' awareness of the energy transition and reduce Scope 3 emission impacts⁴³ relating to electricity consumption in indirect points of sale, we organised the following two initiatives reserved for partners in 2023:



Green Energy offer

Reserved for partners in the MySisal network⁴⁴ in Italy. In November 2023, we entered a partnership with one of the main energy providers in Italy to offer our retailers the possibility to stipulate contracts for the supply of electricity from renewable sources at advantageous rates in both points of sale and homes.

39 points
of sale
took up the offer
and stipulated
green energy contracts

⁴³ Upstream leased assets and Downstream leased assets categories.

⁴⁴ MySisal is a partner support project with a rich portfolio of services tailor made for retailers, including training courses, communication materials, discounts, experiences, employee insurance and much else besides.

In 2024, to effectively contribute to Italy's decarbonisation, Sisal further widened its offer to include an installation service for photovoltaic plants for self-production of energy in partners' homes.



“Green” clause and the commitment made in our new Code of Ethics

In Q4 2023, we wrote a “green” clause into our contracts with partners. In line with Sisal's new Code of Ethics, which sees “protecting the environment” as a primary value, we encourage sales network managers to adopt solutions and behaviours to reduce energy consumption in points of sale, meaning partners will now have to commit to stipulating a renewable source electricity supply contract if they haven't already done so.

Abatement of digital emissions

Driven by our firm intention to combine sustainability and digital innovation, in 2023 we conducted a study to measure the Digital Carbon Footprint⁴⁵ of our www.sisal.it gaming platform.

The results of the study provided details on the emissions performance of the website's main pages and this was the first step in the carbon neutrality process for Sisal's digital solutions, enabling us to:




- identify the sources of most impact and appropriate measures to reduce them by improving the efficiency and optimising the platform;
- neutralise these emissions, pending implementation of the reduction measures identified, by supporting the Valle Cà Pisani project in the Po Delta.

Using natural aquaculture, the project maximises CO₂ capture in the algal substrate: emissions are transported to the seabed, where they are deposited, permanently storing the captured CO₂.

**1,758 tonnes
of CO₂e**
captured by supporting the
Valle Cà Pisani project

⁴⁵ Relativa ai dati di utilizzo del 2022.

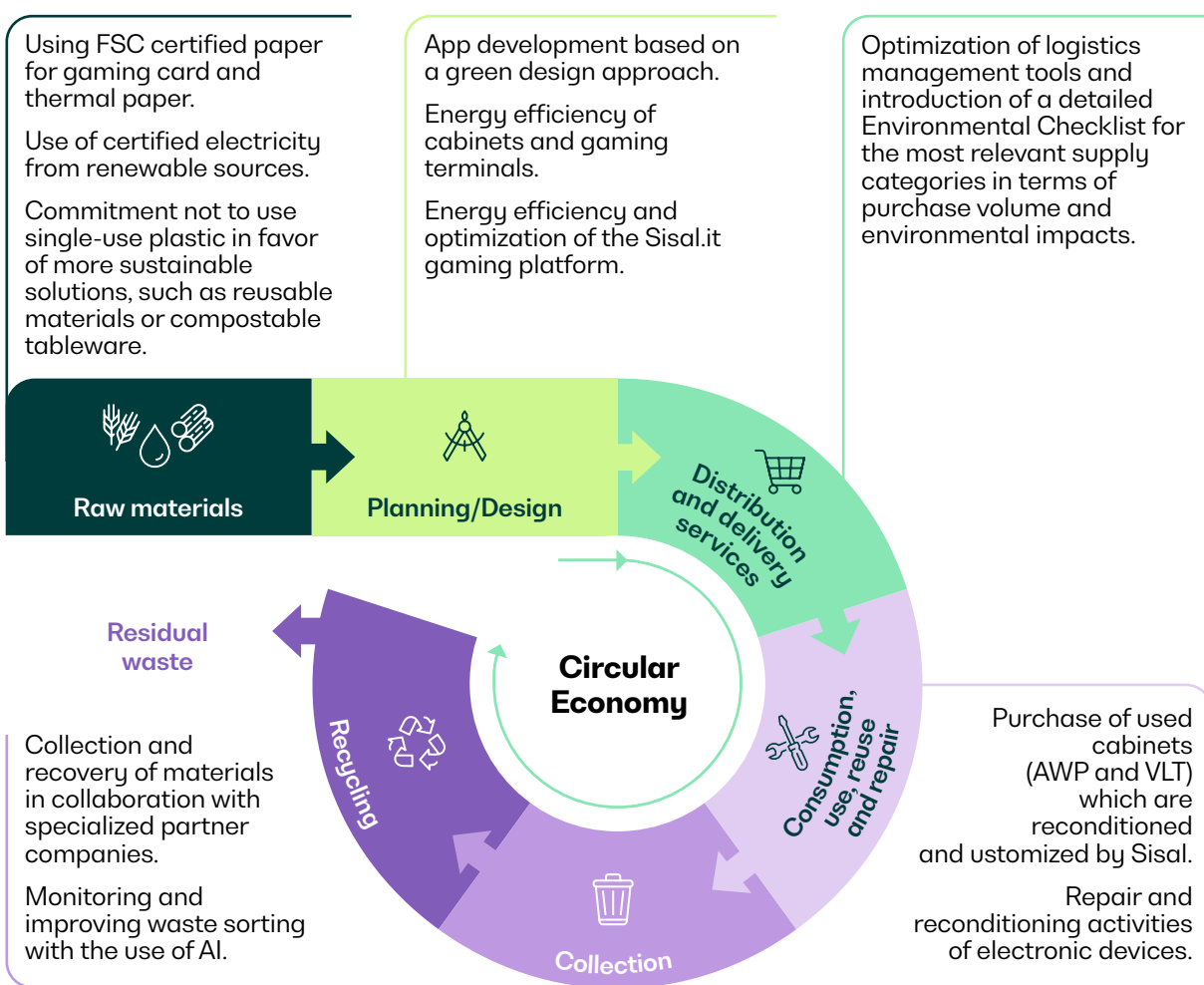
Further initiatives to reduce emission impact

	<p>Zero-impact event with Up2You</p> <p>The Canvass Retail 2023 was held on 19 and 20 July, with 235 people taking part. In line with the company's sustainability goals, the event was 100% carbon neutral: all the CO₂ emissions produced by the event, equivalent to 13.24 tons, were offset by supporting the Valle Cà Pisani Blue Carbon project to safeguard and develop coastal ecosystems.</p>	<p>First 100% carbon neutral Sisal event</p>
	<p>Sisal's first forest, with Treedom</p> <p>On the occasion of National Tree Day 2023, during Sisal's Sustainability Month, we created the first Sisal forest, comprising 1,000 trees planted in various parts of Italy in collaboration with Treedom. Trees play a vital environmental role because they absorb CO₂, which improves the quality of the air and fosters the conservation of biodiversity.</p>	<p>1,000 trees planted for National Tree Day 2023</p>
	<p>A digital orchard with Biorfarm</p> <p>In 2023, we adopted a Biorfarm orchard with the aim of supporting small Italian farms, promoting short and sustainable supply chains, and contributing to CO₂ capture by adopting trees. Even small actions can help create value responsibly and reflect our sustainability choices.</p>	<p>100 trees grown in Sisal's orchard 6 tonnes of CO₂ absorbed every year</p>

Responsible consumption of raw materials and circular economy

With the rising costs and limited availability of natural resources, it's becoming vital to adopt sustainable and responsible practices throughout the product life cycle. This includes their procurement, development, production, distribution, use and disposal.

A **circular economy model** is fundamental goal that every organisation, in any industry, should aim for. **Sisal's sustainability initiatives** in the field of circular economy can be grouped in the following interconnected areas:



Paper consumption

We have an ongoing commitment to reduce the impact of **paper** consumption, which is one of the materials used most, mainly in points of sale, to provide Sisal's services.

We therefore seek to conserve natural resources, by preferring **digital solutions** and by using **renewable and recyclable materials**, including FSC certified paper from responsibly managed forests. We also promote responsible behaviour among our employees as a way to reduce paper consumption in our offices.

Biodiversity

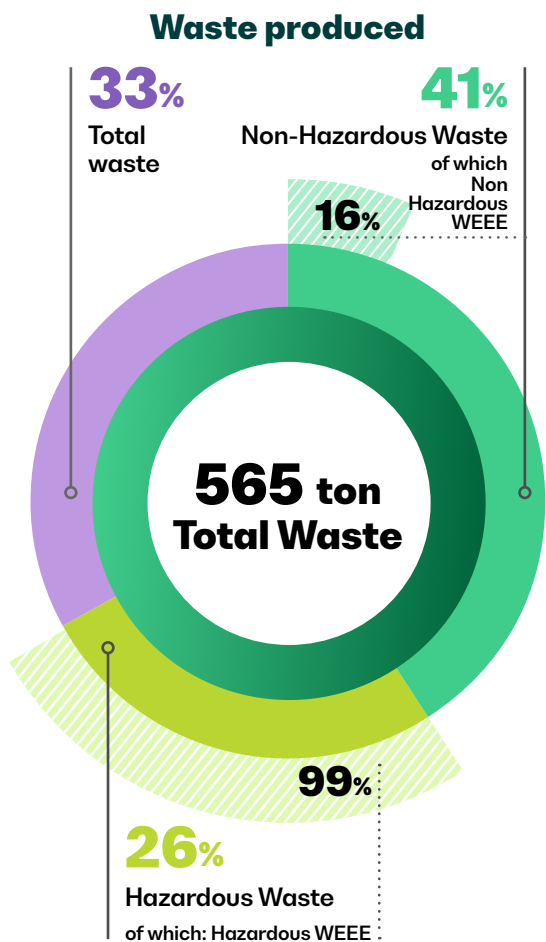
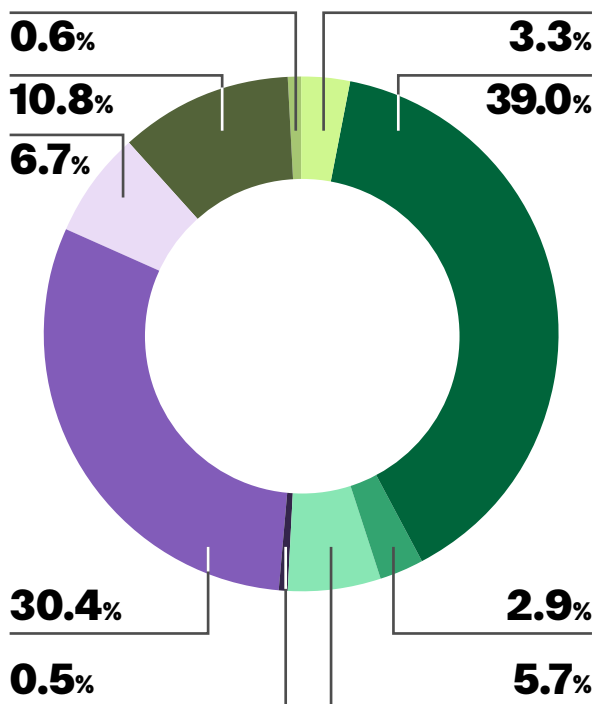
As well as acting on our commitment to tackle climate change, we seek to actively contribute to the protection of biodiversity as a way to limit the impact of our services. Therefore, considering the importance of paper in Sisal's activities, we are committed to forest protection by purchasing FSC-certified paper. FSC® is an international non-governmental, independent, non-profit organisation set up in 1993 to promote responsible management of forests and plantations. FSC certification is a fundamental tool for protecting forest ecosystems threatened by intensive exploitation.

Waste management

Correct waste management not only reduces impacts on the environment and public health but also promotes the development of a circular economy model. This approach sees waste materials as valuable resources to recover and reuse, extending their useful life.



Materials recovery in Italy (about 51% of WEEE)



- Iron and steel metal
- TV equipment and monitors
- PC Desktop
- Display, mixed components and cables
- Bulky waste
- Mixed material packaging
- Paper and cardboard packaging
- Packaging (wood, glass, hazardous and non-hazardous)
- Miscellaneous (organic/non organic waste)

Sisal adopts the waste hierarchy in its waste management⁴⁶, in fact, privileging prevention, reduction, re-use and recycling in its operations. As the services offered are mainly digital, the most important aspect relates to **waste** deriving from the **end of life of electrical and electronic equipment** (WEEE), which includes both the IT resources of Sisal employees, as well as the terminals and gaming equipment in points of sale. Sisal also has various **repair and reconditioning workshops** for electronic equipment (displays, computers, printers, keyboards and other electronic devices). Its activities include software configuration, hardware repairs and use of specific spare parts, soldering, function testing, device cleaning, retrofits/cannibalisation and engagement with manufacturers for warranty management. In 2024, Sisal commenced in-house spare parts repairs for the VLT division too. Data for such activities will therefore be available in the 2025 reporting.

Unrecoverable electronic equipment is managed through specialist consortiums. Tools and devices that are still technologically valid but don't have all the necessary requisites are sometimes donated to associations, schools, parishes and local communities.



WEEE (Waste Electrical and Electronic Equipment)*		
around 33,400 electrical and electronic devices were repaired or reconditioned for re-use	about 93% of damaged electronic devices were repaired and reconditioned	up to 87% of materials were recovered thanks to collaboration with partners on correct waste management

* 2023 data

ReLearn pilot project

In 2023, we decided to work with **ReLearn**, an innovative startup founded in 2021 to use Artificial Intelligence to monitor and manage waste, for the purpose of reducing our environmental impact and promoting **sustainability culture** among employees in intelligent and innovative ways. Using *Nando*, a plug-and-play sensor installed on standard waste bins, ReLearn collects accurate data to analyse waste production and sorting quality. These measurements enable the startup and the customer to produce more accurate sustainability reports and raise people's awareness. We then launched a pilot project with sensors installed in the two sites with the most people – the Milan headquarters and the ground floor of the Rome office – to monitor **urban waste** sorting. Two months after installation, the *people score* (a metric describing recycling quality and community behaviour) was up 22%, reaching 49%. After five months, the score had risen to **60%**.

+50%
increase in
recycling
quality

46 Introduced by the European Union's waste framework directive (Directive 2008/98/CE), the waste hierarchy aims to minimise the negative impacts of production and waste management and improve the efficiency of resources.

No Plastic More Fun

In 2023, in collaboration con **Worldrise**, we carried forward our sustainability and environmental protection commitment by joining the “No Plastic More Fun” with Sisal’s Wincity point of sale in Milan. Sisal’s Wincity point of sale in Piazza Diaz thus joined a network of locations committed to **not using single-use plastic** in favour of **more sustainable solutions**, such as re-usable materials or compostable tableware. This decision consolidates our strategy in fact, since the point of sale has for some time preferred the use of glass, aluminium and compostable or recyclable materials. Being eco-friendly means understanding that respect and care for the environment can help save the planet and turn it into a better place for the present and the future.

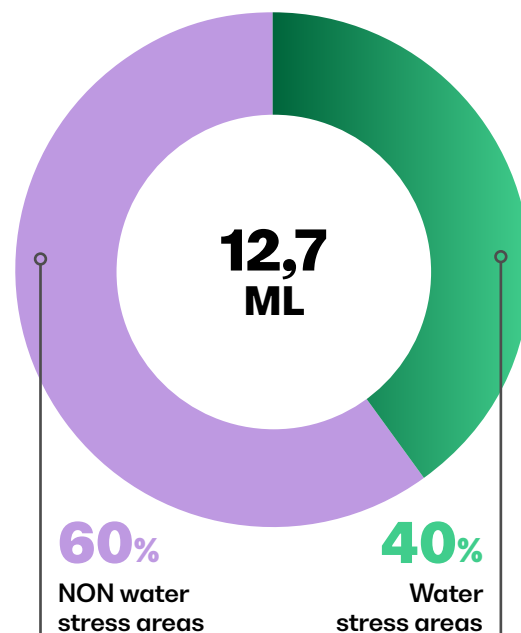
Water consumption

Faced with growing pressure on **water resources** due to climate change, Sisal understands the importance of defending the availability of water and managing it sustainably, especially in areas subject to *water stress*⁴⁷. Although our water consumption is not significant in terms of our business activities, we recognise the importance of a responsible approach to this vital resource.

Management systems

Adoption and certification of management systems in compliance with ISO 14001 and 50001 are key to achieving strategic objectives and one of the main drivers for engaging with personnel and improving processes. With its risk-based approach, Sisal regularly analyses potential critical issues and identifies appropriate mitigation action to maintain an acceptable level of residual risk.

Water consumption



Certifications

Environmental management system (UNI EN ISO 14001)

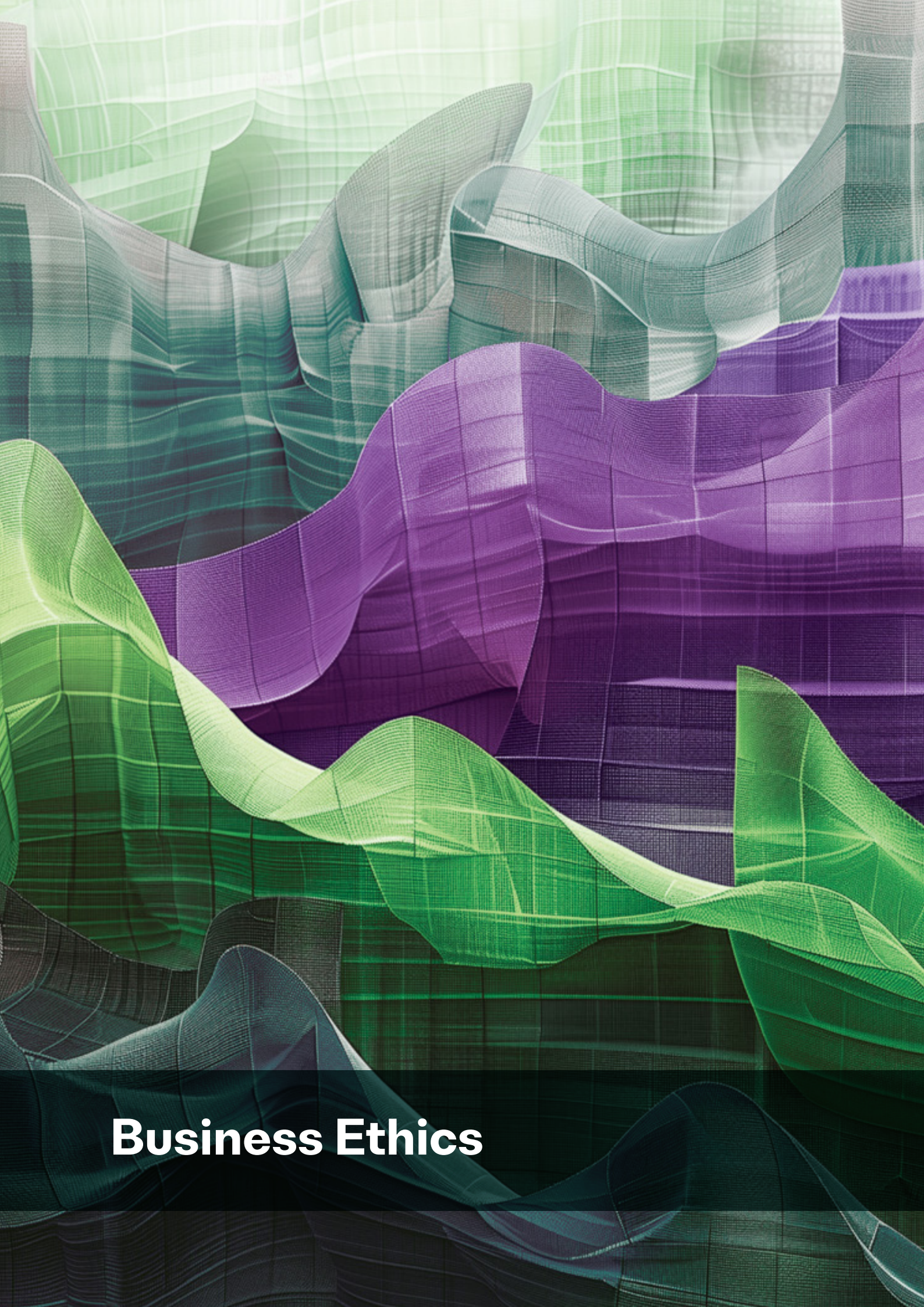
Perimeter: Sisal Italia S.p.A., Sisal S.p.A.
 Our Environmental Management System is focused on integrated risk management and a system-wide approach. With our projects and initiatives, we aim to promote an environmental protection culture and greater awareness of the challenges facing us for the benefit of customers, everyone working in our sites and all other stakeholders. ISO 14001 certification is another tool that strengthens our commitment to protecting natural resources and preventing pollution.

Energy management system (UNI CEI EN ISO 50001)

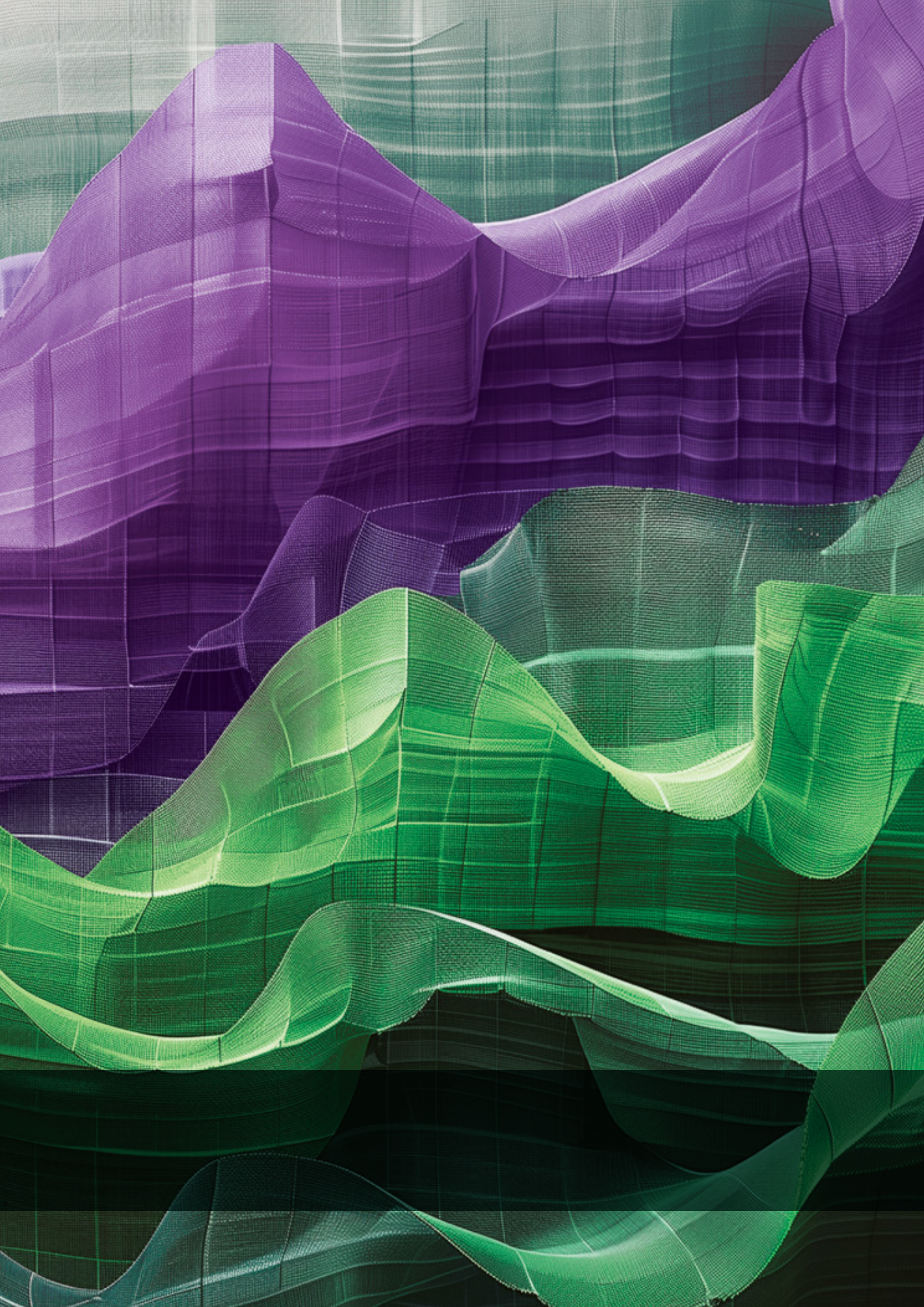
Perimeter: Sisal Italia S.p.A., Sisal S.p.A.
 The implementation of an Energy Management System requires efficient management of energy resources and in-depth knowledge of our systems and processes. This enables us to follow a path of energy optimisation and cost cutting with the aim of achieving our greenhouse gas emissions reduction targets

NB: there are four ISO 14001 and ISO 50001 certified sites, with 1,334 employees working in them.

⁴⁷ Calculated with the Water Risk Filter tool.



Business Ethics



We believe in an ethical approach to business, in a set of behaviours and values that determine an individual's conduct within and towards the community

The creation of value in the medium- and long-term and the achievement of strategic objectives will not happen without adopting, promoting and guaranteeing an ethical approach to business, which at Sisal is based on three pillars: **Business Integrity, Data Ethics, Security**. It is a commitment that translates

into the fight against bribery and money laundering, the protection of privacy and corporate assets, and cybersecurity, with a growing focus also on respect for human rights and non-discrimination. We are committed to this approach along the entire chain and in all the countries where we operate.

Our ethical framework

First company in the gaming sector in Italy to obtain the

ISO 37001:2016 certification

of the Anti-Bribery Management System
(page 160)

Activation of

Speak Up! platform

for receiving and managing whistleblowing reports, available in all the Group's languages
(page 162)

Implemented and certified an

Information Privacy Management System (ISO 27701: 2019)





(page 164)

Sisal now has a

Chief Information Security Officer (CISO)


for infrastructure and IT systems security
(page 165)


Our objectives

 	Target value	Year	Progress in 2023	
% hours of ICT system availability to support the gaming platforms*	100%	Every year	100%	
% employees attending training activities on business ethics, data privacy and security**	≥95%	Every year	97%	

* Calculated as the average availability of the various businesses and services

** All employees are required to complete courses on business ethics and data privacy within a set period after their date of hire.

 Target achieved

 Progress in line with target

 New Target

Our impact

Business Integrity

The ways Sisal and its employees act, in compliance with the law and regulations and inspired by the principles of legality, loyalty, fairness, transparency and responsibility.

(page 160)

Data Ethics

The adoption of fair and honest practices for collecting and processing personal data (in terms of methods, types and purposes) and insistence on maximum transparency towards our customers.

(page 163)

Security

Respect for the confidentiality, integrity and availability of IT infrastructure and systems

(page 165)

Business Integrity

The ways Sisal and its employees act, in compliance with the law and regulations and inspired by the principles of legality, loyalty, fairness, transparency and responsibility.

Combating Bribery

Sisal Group is committed to preventing and combating the commission of offences in the conduct of its business, in full compliance with the provisions of law, regulations, and all requirements under international standards and guidelines. In this context, **bribery is an intolerable obstacle**. We therefore have a responsibility to actively contribute to combating it with a **system of rules, models, controls and training and communication measures** constantly developed and promoted at all levels of the organisation.

All Sisal people are duty bound to comply with anti-bribery legislation. In particular, all the relevant documents are easily accessed via the website and intranet portal and all employees are also constantly involved in **training and communication initiatives**, especially those engaged in sensitive, at-risk activities.

Sisal is also the first company in the gaming industry in Italy to have obtained **ISO 37001:2016 certification (Anti-Bribery Management System)**, which is designed to mitigate risk relating to bribery (active or passive, attempted or committed, public or private).

Sisal employs **specific instruments** that have been upgraded (such as due diligence) to satisfy legal requirements (such as the Anti-Bribery Conformity function). All this testifies to and strengthens the **internal control system**, ensuring it is in a position to manage and limit the risk of “mismanagement”, which not only causes economic harm, but also and more importantly, reputational damage.

Models and tools

- Adoption and diffusion of the Code of Ethics and Conduct, which expresses the principles of conduct to which all Sisal personnel and all stakeholders should adhere.
- Adoption and diffusion of the Bribery Prevention Policy, which defines Sisal’s commitment to achieving anti-bribery objectives.
- Adoption of Model 231, which defines the set of rules and internal organisation procedures to prevent the commission of offences, including bribery.
- Strengthening of the internal control system with specific measures to prevent, combat and identify acts of external and internal corruption.
- Adoption of a Supervisory Board to ensure the suitability and implementation of the Organization, Management and Control Model.
- Creation of protected whistleblowing channels to use for any suspected corrupt act, whether attempted, certain or alleged, and adoption of rules that protect and guarantee the protection of whistleblowers.
- Creation of the Corruption Prevention Conformity Function, with the task of supervising and ensuring the implementation and operation of the anti-bribery management system.
- Training, information and communication of the measures implemented by Sisal and reporting tools.
- Provision of disciplinary measures targeting violations of the control system for preventing and combating bribery.

Conflict of interest management

Sisal has policies and procedures in place to **guarantee the communication, identification, management and monitoring of conflicts of interest**, whether potential or actual. Conflict of interest means any situation in which the expectations, interests or advantages of an individual employee are in conflict with the expectations, interests or advantages of Sisal, so affecting the individual's capacity to make decisions and carry out their tasks impartially and effectively. Sisal has therefore introduced an **Anti-Bribery Conformity Function (FCPC)**, which also monitors, records and manages conflicts of interest, as well as reporting any critical conflicts of interest identified to the CEO. Sisal also provides all subjects with whom it has relations of any kind⁴⁸, instructions for reporting any situation that could, even only potentially, generate a conflict of interest, mitigate an identified conflict and/or point out any shortcomings in the controls or management measures implemented.

Ethical and transparent commercial practices

Sisal is firmly committed to complying with all current legislation on competition and **promoting ethical and transparent commercial practices**. We strongly condemn any anti-competitive form of behaviour, including illegal agreements, abuses of a dominant position or any other practices that could jeopardise free competition in the market. We are well aware of the importance of healthy competition to foster innovation and ensure the quality of our products and services. To this end, we adopt strict internal policies and are committed to providing continuous training for our employees to **ensure full compliance with antitrust laws and protect fair competition**.

Respect for human rights and non-discrimination

Sisal has adopted a **Human Rights & Anti-Discrimination Policy** in line with major international agreements such as the Universal Declaration of Human Rights, the International Labour Organization's declaration on fundamental principles and rights at work and the principles of the UN Global Compact. Sisal's policy applies to all its employees, regardless of country and contract. We advocate the principles of diversity, equity and inclusion and the right to working conditions that respect the individual and their dignity, guaranteeing

- basic human rights, a minimum and fair salary, sustainable working hours and conditions, full access to workplaces and tools, exclusion of forced or underage labour (by checking age before hiring);
- the physical and psychological integrity and individuality of all persons;
- exclusion of all forms of behaviour entailing harassment or discrimination regarding gender, age, disability, nationality, sexual orientation, ethnic background, religion, political opinions and any other forms of individual diversity;
- freedom of expression, the right to participate in organisations that defend and advocate the interests of the individual, and the right to representation by trade unions or other bodies elected in compliance with current law and practice in the various countries where we operate.

To this end, we have special listening channels in place, from whistleblowing and grievance mechanisms to **periodical surveys** (DE&I, NPE, Culture), but we are aware that the absence of whistleblowing reports does not mean there are no potential problems and we therefore work proactively to anticipate specific needs and risk situations.

⁴⁸ This includes all members of the Board of Directors, the Board of Statutory Auditors and the Supervisory Board, employees of all levels and qualifications, on open-ended or fixed-term contracts, interns, temporary workers or similar, and third parties in general that have negotiating relationships with the company.

Whistleblowing

The management and all **Sisal employees are encouraged and required to report** any behaviours, including omissions, that are or might infringe laws and regulations or the values and principles set out in Sisal's Code of Ethics and Conduct, Model 231 and company policies and procedures, including behaviours associated with **internal fraud, mistreatment of employees** (e.g. discrimination, mobbing, harassment, retaliation), **occupational health and safety irregularities, bribery, conflict of interest, falsification of documents, misuse of company assets** (e.g. illicit use of company assets or information) or **breaches of privacy, IT security**, fiscal integrity of the organisation, etc. **All Sisal personnel receive specific training and regular updates** on what can be reported and through which channels. Employees and external subjects can also use **Speak Up!**, a whistleblowing platform available in all the languages spoken in the Group and managed by a third party organisation to ensure independence⁴⁹. The whistleblowing channels are **always open and are managed by independent bodies** such as the **Supervisory Board** (formed by two external and one internal members of the Internal Audit department) and the **Whistleblowing Committee** responsible for receiving and processing reports (formed by the Internal Audit & Assurance Director and the Chief Risk & Compliance Officer). **Sisal accepts anonymous reports** and, whatever whistleblowing channel is used, **guarantees that the identities of the reporting and reported parties are protected and confidential** by processing their data in accordance with the law and taking all necessary measures. At the same time, Sisal forbids and punishes acts of retaliation or discrimination against the whistleblower for any reasons directly or indirectly connected with the whistleblowing. In 2022, Sisal received 37 reports, some of which related to alleged violations of the corporate code of ethics and internal procedures and policies, most of which were closed as unfounded.

Combating money laundering and the funding of terrorism

Ensuring effective and timely monitoring of the adequacy of its systems for preventing and combating illegal gaming, money laundering and funding of terrorism is a priority at Sisal. The **Group policy** defines the structure and organisation of the Group Anti-Money Laundering Function, as well as the general rules to which all Italian and foreign companies must adhere. The Policy is then articulated in **individual procedures and operating instructions** specific to the various separate entities, also with regard to national characteristics and requisites. In line with the **risk-based approach** and to fulfil the relevant legal obligations, Sisal carries out **monitoring using automated systems developed in-house on the basis of industry-specific know-how and databases provided by external providers**. Such systems make it possible, among other things, to carry out thorough **reputational screening** of players and retail network operating companies in order to verify **the existence of the legal reputational requisites**, both prior to contract stipulation and regularly thereafter. **Transaction monitoring, customer profiling** and documentation retention activities are carried out **using systems developed in-house and customised for the peculiar needs of the gaming world**. In particular, this enables us to monitor gaming operations for the purpose of identifying movements to flag and, where necessary, initiating the process of reporting the suspect transaction to the authorities. **Training is obligatory for all employees** (including new hires) **and collaborators** (including point-of-sale staff) to raise their awareness of the risks related to money laundering and the funding of terrorism. To step up the dissemination of knowledge in this area, **in 2023 a new training course for points-of-sale staff was developed and delivered**. The course centres on the main legal requisites relevant to the Company's core business operations and provides practical advice and examples of behaviours to adopt or avoid, especially in the context of verifying customers and reporting any suspect transactions.

49 The platform is available at the following link: <https://sisal.integrityline.com/frontpage>. Reports can also be sent by post to the address: "Servizio Segnalazioni" Via Ugo Bassi, 6 - 20159 Milano.

Data Ethics

The adoption of fair and honest practices for collecting and processing personal data (in terms of methods, types and purposes) and insistence on maximum transparency towards our customers.

Sisal has adopted a series of **Data Ethics** principles to guarantee a decision-making process inspired by the highest values of business ethics.

- **Accountability:** Sisal has adopted a governance model to define and monitor control activities, and to strengthen the ethics, conformity and sustainability of services, which are always developed in compliance with requirements, using a “privacy by design and default” approach to guarantee personal data protection.
- **Ethics & Fairness:** Sisal adopts fair and equitable practices, with the objective of minimising discrimination and treatment that is penalising or biased.
- **Privacy:** Sisal processes customers’ personal data in accordance with privacy principles and legislation and guarantees data minimisation, retention for limited periods, use for specific and transparent purposes and accessibility at any time.
- **Quality & Accuracy:** Sisal aims at a high level of data quality in terms of accuracy, precision and updating and adopts all the necessary measures to enable prompt rectification or deletion.
- **Transparency:** Sisal guarantees a high level of transparency clarity regarding the procedures, types and purposes of personal data collection and processing on channels, products and services provided to customers.
- **Responsible Data Sharing:** Sisal guarantees the adoption of technical and organisational measures needed to ensure legal compliance and also protect personal data processed by third parties acting in the name and on behalf of Sisal.

Data ethics control

In line with its declared Data Ethics principles, Sisal has adopted specific controls based on three main lines of action

1. Eminence & Strategy

- **Awareness and training:** special activities are organised at least annually to heighten the awareness of employees and third parties around data protection issues, implement a diffuse compliance model and guarantee correct management of business processes in terms of Privacy and Data Ethics.
- **Control framework:** continuous monitoring is carried out by means of second level controls on the aforementioned general principles (legality, transparency, correctness, minimisation and limitation of data retention, data controller accountability).
- **Transparency:** information notices and public documents are regularly prepared to illustrate Sisal’s commitment and mission regarding Privacy and Data Ethics and management of data subjects’ requests to exercise their rights.
- **Cookie management and compliance:** a process has been implemented for monitoring compliance with current law on cookies by Sisal’s websites and mobile app.

2. Privacy & Accountability

- **Governance model:**

Sisal has adopted an internal governance model to guarantee protection of personal data specific to business activities and identified the roles and responsibilities of subjects involved in ensuring that personal data are processed in compliance with applicable laws (first and foremost, EU Regulation 2016/679 (GDPR)), thereby improving the company's commitment and awareness in this area. A Data Protection Officer (DPO) has been appointed to provide consulting to the Data Controller and ensure that internal processes are aligned with current legislation. In 2023, Sisal also implemented and certified an **Information Privacy Management System according to ISO 27701: 2019** to support our commitment to continuous improvement.

- **Policy and procedures**

To guarantee compliance with the relevant provisions of Privacy & Data Ethics law, policy and procedure documents have been drawn up and are regularly updated.

- **Processing Register**

A process has been implemented to manage, monitor and update the processing register in order to guarantee tracking of Sisal's activities involving the personal data processed.

- **Exercising of data subjects' rights**

A process has been defined for receiving and promptly responding to data subjects' requests to exercise their rights.

- **Privacy by design and by default**

A checklist has been adopted to assess privacy protection "by design" and "by default" in the case of new initiatives, services or products.

- **Data Protection Impact Analysis**

A risk analysis and impact assessment methodology has been adopted for types of processing that entail a high level of risk for data subjects' rights and freedoms, in line with the methods adopted by the company and with adequate security and prevention measures.

3. Responsible Data Sharing

- **Third-party contract management**

To manage third parties involved in processing personal data, privacy clauses are drafted and negotiated in contracts and specific data protection agreements, and guarantees provided by the third party are verified.

- **Monitoring of third parties**

Periodical audits are carried out on selected stakeholders that process personal data for Sisal, thus guaranteeing their observance of privacy and security requirements and therefore the correct processing of personal data along the entire chain.

- **Training**

Regular training is organised for third parties, tailored according to the processes they manage on behalf of Sisal, so ensuring they know about the company processes and procedures to follow and the applicable legal requirements.

Security

Respect for the confidentiality, integrity and availability of IT infrastructure and systems.

Sisal sees **protection of its information assets and management of ICT and security risks** (including cyber risks) **as objectives of prime importance** to be pursued on a continuous improvement basis. **Cybersecurity** is an enabling factor in the pursuit of business objectives. This is why we have defined a specific **strategy** based on the following principles:

- guaranteeing **central security governance** designed to preserve the confidentiality, integrity and availability of the company's information assets;
- promoting the development and ongoing evolution of **security technology solutions** to ensure Sisal has a sustainable advantage in the long-term and in line with its objectives and values;
- favouring the construction of an adequate **organisational model for managing information security** and promoting development of the skills needed to keep effective protection systems in place;
- guaranteeing **compliance with applicable laws, regulations and standards** on information security, as well as with specific contractual agreements with various stakeholders;
- promoting **innovation in the field of security** to guarantee constant alignment with new technological developments and use of new generation methods, processes and solutions;
- guaranteeing **data security, resilience and protection** related to services offered to consumers, thereby increasing their reliability;
- spread a **culture of information security and sensitivity to cyber risks** in Sisal in order to raise the level of awareness about the behaviours involved and guidelines to follow to forestall threats;
- promoting adoption of a **risk-based approach** to implementing security measures by means of a framework built into the company's overall risk management model.

Security governance

Our cybersecurity strategy requires us to keep abreast of state-of-the-art security in our sector and aligned with changing risk scenarios. This is why we have a **Chief Information Security Officer (CISO)**, who provides strategic vision and ensures ongoing improvement of processes to mitigate the cybersecurity risks we face. The CISO and their organisation work in synergy with Management, with the Business and Markets Areas, HR, Internal Auditing and Risk Management functions, and with the Compliance area. The main areas involved are:

- **Strengthening the organisational structure of the Security function:** in line with the organisation's growth and the expansion of the business into international markets, Sisal has scaled up the Security function and introduced new professional roles to upgrade the management of our security capability.
- **Security certifications:** Sisal implemented and maintains an Information Security Management System that incorporates the guidelines set out in the main industry standards and regulations, i.e. ISO27001 and WLA-SCS⁵⁰. The compliance of our management systems is verified by periodical audits and checks by independent third parties.
- **Security Framework:** to define security requisites, adapt them for specific processes and verify their

50 Certification issued by the World Lottery Association in compliance with specific gaming sector and international lottery standards. The perimeter includes Sisal Lottery Italia S.p.A, Sisal Loterie Maroc and Sisal Sans.

effectiveness, Sisal has developed and maintains a framework of policy, procedures and guidelines that it keeps constantly updated. It has first, second and third level controls and indicators for continuous monitoring.

- **IT & Cyber Risk management:** Sisal has defined an ICT and Cyber Risk management model that involves assessment and monitoring of the organisation's exposure to such risks and identification and implementation of risk mitigation measures.

Cybersecurity culture

Ensuring that people across the entire organisation are adequately informed on cyber risks and ways to reduce them is of vital importance in the pursuit of the company's business objectives:

- **Security Awareness:** Sisal regularly organises awareness sessions on various communication channels and tests their efficacy by simulating attack scenarios to verify the organisation's capacity to react effectively.
- **Security Training:** training activities are tailored to the various users' roles and provided at all levels of the organisation.

Security enforcement

Technological developments, digitisation of services, adoption of cloud services and the evolution of cyber-attack scenarios are some of the phenomena that Sisal sees as drivers to strengthen its security posture. In 2023, initiatives were completed in the following areas:

- **Prevention:** we have invested in the upgrading of our cyber security capability by implementing new generation technological solutions. Priorities here were the access control system and identity management procedures, as well as protection measures for the devices employed by users to carry out their tasks. Data protection measures were also improved with encryption and anonymisation techniques, and vulnerability management technologies were strengthened, pursuing a risk-based approach. In addition, security testing activities are carried out on an ongoing basis, both as a routine part of software development cycles and on an impromptu basis on critical systems, and periodic internal and external audits are conducted at least annually. Lastly, Cyber Threat Intelligence practices were further improved to prevent, as far as possible, cyberattacks or events capable of negatively affecting the Sisal brand.
- **Detection & Response:** we have invested in security technologies to boost effectiveness in the security event and incident identification and response phases, strengthening both proactive and reactive protection measures. There was a special focus on gaming services and monitoring and alarm functions signalling anomalous events or behaviours were extended to enhance the capacity to promptly identify cyberattack or fraud attempts. Certain security technology functions already in place were extended to expand the monitoring perimeter and upgrade our critical event detection capability.
- **Resilience:** we have carried out periodic test activities to ensure that the operational continuity management system can effectively handle the main unavailability scenarios, also through penetration tests conducted with support from third parties.

Integrated management system

Sisal adopts an **Integrated Management System** to ensure continuous improvement of processes and services and the creation of value for employees, customers and stakeholders. This is the reason for ongoing engagement in the **certification process in the areas of Responsible Gaming, Quality, Customer Contact Centre Quality, Corruption Prevention, Information Security and Privacy, Occupational Health and Safety, Environment, Energy.**

For the purposes of promoting **customer centricity**, we also obtained the **ISO 182959001: 2017 part 1** Certification, assuring and continuously monitoring the contact center service provided to our employees and customers. We believe that customer satisfaction can be pursued through ongoing efforts to improve the quality of our processes and services. This involves an approach focused on risk-based thinking to identify possible **risk factors** and any opportunities for improvement, and a transparent and responsible dialogue with all stakeholders.

That's why activities are **periodically carried out to assess the risk profile** of the company's activities and processes and **monitor them using key performance and risk indicators (KPIs and KRIs)**, as well as internal audits to verify compliance with the requirements of the relevant ISO standards, from which action and improvement plans can emerge.

In addition, the independent certification body conducts annual audits to verify compliance and fitness to maintain the certificates obtained by the Company.

The findings of the activities carried out are brought to the attention of the Leadership Team during management reviews.

For Sisal, this is a commitment and a responsibility for the entire organisation: it's why we constantly sensitise all staff, at all levels and grades, to comply with the principles contained in the various Policies on the subject⁵¹.

⁵¹ For further details on Sisal's certifications and Policies, see the dedicated page at: <https://www.sisal.com/eng/governance/certifications>

Responsible supply chain management

We are committed to promoting our sustainability strategy along the entire chain.

Sustainability challenges are shared by everyone in the Sisal community, from suppliers to points of sale, so that medium-long term sustainability can be pursued.

The development of a **responsible and sustainable supply chain** is part of a broader corporate vision that values and actively protects social and environmental responsibility, fully integrating them into its strategy.



Our suppliers

Our continued growth is made possible by building a **network of strategic partnerships with 1,743 suppliers**⁵², carefully selected because they have the best specialist skills available on the market and are aligned with our values and objectives: **legality, business ethics, loyalty, fairness, transparency and meritocracy**.

The international development strategy has resulted in the **promotion of responsible purchasing** procedures, developed at Group level, also among purchasing teams in foreign countries, which are constantly supported by the **central Procurement function**, in order to supervise and support the acquisition of products and services.

A new Code of Conduct for third parties

Sisal has adopted a **Code of Conduct for third parties**, published on its website⁵³, which consolidates the principle that all public and private business initiatives must recognise, share and concretely apply the moral values and ethical principles that are the true foundation of any civil society.

Respect for human and employment rights, protection of the environment, prevention of corruption, security of information and privacy, and the promotion of responsible gaming, as well as legality, business ethics, loyalty, fairness, transparency and meritocracy, are the principles that guide the company's policies and procedures involving workers, suppliers, customers and third parties.

⁵² The number of suppliers includes those in the Italian perimeter and its foreign subsidiaries

⁵³ The code is available to the public at this [link](#).

In addition, the **International Procurement function** oversees all **negotiating activities** with foreign branch supply chains. These activities include scouting for new suppliers, preparation of tender documentation, assessment of offers, and selection and contracting of suppliers), and uploading contracts to the procurement platform.

Assessment and qualification process

Under our **Quality Management System**, we apply a stringent **assessment** and **qualification** process to suppliers that requires them to comply with current legislation in the gaming industry and with our stakeholders' expectations.

All our suppliers are required by contract to **comply** with the rules and principles set out in the **Code of Conduct for Sisal Third Parties**, including the obligation to operate in line with our ethical standards regarding employees' rights, environmental protection and workplace health and safety.

We have introduced **anti-bribery management** systems according to standard UNI ISO 37001:2016. Our procurement processes also take account of the characteristics that services, facilities and tools must have in order to ensure full accessibility, usability or adoption by everyone, in line with our commitment to the inclusion of people with disabilities⁵⁴.

In 2023, Sisal also began performing due diligence in relation to reputational and financial risks through the Moody's platform. This process is applied to all companies involved in negotiations for the supply of goods and services. Suppliers are assessed on the basis of their **compliance** with the provisions of contracts and orders, as well as by **monitoring** variance between the **service levels agreed** and those actually delivered and other factors such as delivery times, quality, costs and other contract specifications.

These controls are used for global supplier analysis and a twice-yearly updating of the **Vendor Rating Index (VRI)**, which records suppliers' overall performance and flags areas for improvement.

Sustainable Procurement

In 2023, Sisal began its reorganisation of the Vendor Management & Rating System for qualifying and monitoring its suppliers, making provision for the application of ESG criteria in both the supplier qualification and tender phases.

In detail, we have made plans to implement an ESGG⁵⁵ *Minimum Checklist* in the qualification phase of all suppliers with a significant impact on the business, and the implementation of a detailed *Environmental Checklist* in tender procedures, in order to identify suppliers with a strong commitment to environmental issues (e.g. suppliers that have set ambitious CO₂ equivalent emission reduction targets such as a Science Based Target⁵⁶). The new system will be fully operational by the end of 2024.

In collaboration with the Procurement function, Sisal also launched a pilot project to implement a checklist of ESG requirements in the supplier selection process for some tenders in which purchases of goods or services had a significant impact in terms of indirect GHG emissions (e.g. logistics services, data centre, purchase of thermal paper).

⁵⁴ For more details, see our human rights and non-discrimination policy.

⁵⁵ ESG – Environmental, Social & Governance.

⁵⁶ Science Based Targets aim to reduce CO₂ and other climate-altering gas emissions in line with the Science Based Target initiative (SBTi), a partnership promoted by the UN Global Compact (UNGC), the World Resource Institute (WRI), the CDP (Carbon Disclosure Project) and the WWF, for which more than 2,000 companies worldwide have signed up.

The background features a series of vertical bars in shades of purple and blue, some of which are blurred, creating a sense of depth and movement. A dark horizontal band runs across the middle of the image, providing a clear space for the text.

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Note on methodology

The Sustainability Report is the most important tool used by Sisal to inform all stakeholders about its many social, environmental and economic responsibility activities.

The 2023 Sustainability Report was prepared in accordance with the GRI Sustainability Reporting Standards guidelines (hereafter "GRI Standards") published by the Global Reporting Initiative (GRI) in 2016 and updated in 2021, using the "in accordance with" option, and is issued annually.

Reporting perimeter and process

All data, initiatives and projects refer to the period from 1 January 2023 to 31 December 2023, unless specified differently, and to Sisal S.p.A. and its Italian and foreign subsidiaries. The only exception is some social indicators which refer solely to the Italian perimeter, as specified in the respective notes.

The function responsible for the preparation of this document is Sustainability & ESG Reporting, within the Corporate Communication & Sustainability Department.

Reporting and materiality principles

Balance, comparability, precision, timeliness, clarity and reliability.

In 2023, the company determined the "impact materiality", in accordance with the GRI Standards 2021, and voluntarily determined the "financial materiality" ahead of the application of the "double materiality" required by the Corporate Sustainability Reporting Directive (CSRD). The method used and the activities performed are detailed in the relative annex at the end of the following note on methodology.

The content of the Sustainability Report was

therefore defined on the basis of the double materiality assessment (financial and impact). In addition, the Sustainability Report also takes into consideration other reporting principles set out in the GRI Standards guidelines and in particular: stakeholder inclusiveness, sustainability context and completeness.

The Sustainability Report describes the approach to stakeholder engagement and discusses the results of the activities organised during the year. The content focuses on material topics, providing a complete picture of the sustainability framework in which Sisal operates.

The Sustainability Report tackles both good and bad performance, ensuring that a balanced picture is given of content, expressed in language that is as clear and comprehensible as possible. In order to ensure that the content is reliable, precise and timely, data collection and document processing were performed using the internal information system and involved the various competent corporate function managers, each in their own role and within their own sphere of competence.

The contents of the Sustainability Report are supplemented during the year with additional information published in the Sustainability section of the official website: www.sisal.com.

KPMG S.p.A. performed a limited assurance engagement on the Sustainability Report. The audit assurance report describing in detail the principles applied, activities performed and relative conclusions is provided as an Annex. The information related to "financial materiality" is not subject to limited assurance by KPMG.

Finally, this document was approved by the Board of Directors of Sisal S.p.A. on 24 May 2024.

Note on methodology – materiality assessment

The materiality assessment carried out in early 2023 takes account of both impact materiality (inside-out perspective) and financial materiality (outside-in perspective), in line with the new requirements of the GRI Standards (2021) and the European Sustainability Reporting Standards (ESRS).

The determination of financial materiality was carried out voluntarily and in advance of the application of the “double materiality” required by the Corporate Sustainability Reporting Directive (CSRD). The information related to “financial materiality” is not subject to limited assurance by KPMG S.p.A. The process implemented was developed as described below:

1. Context analysis to identify the list of potentially material topics.
2. Materiality assessment on the topics by top management and a representative panel of stakeholders based on surveys and focus groups.
3. Assessment of positive and negative impacts associated with the topics through surveys and focus groups. The results were used to define the impact materiality.
4. Assessment of positive and negative financial impacts associated with the topics through one-to-one interviews with several members of the management team. The results were used to define the financial materiality.
5. Creation of the double materiality matrix from the aggregated results of the previous steps.

Context analysis

The context analysis made it possible to identify and analyse the main ESG (Environment, Social, Governance) area megatrends that characterise the broader sustainability context at national and international level, taking account of the aspects and events that have the actual or potential capacity to generate a significant impact on Sisal's sector of reference, and therefore have an influence on the operations and performance of the Group.

The main Gaming & Gambling industry studies, Standard Setters and the most important regulatory sources were analysed. Also taken into consideration were documents produced by the main competitors and industry peers, including the Flutter Group, and a sentiment analysis was conducted to examine media perception of the Group's sustainability efforts and performance, in order to gain a better understanding of the main sustainability megatrends affecting the industry. In addition to these external sources, Sisal's internal sources were also considered, such as Group documents currently in force, including policies, procedures and undertakings.

The outcomes of these studies made it possible to identify the **15 topics of priority interest for the Gaming & Gambling industry**, reclassified as follows:

Responsible Gaming	Promotion of a Responsible Gaming model and protection of vulnerable categories	Promotion of a business model that creates value in a sustainable and responsible manner, ensuring player protection through preventive initiatives to fight gambling addiction. Concrete action in the form of information campaigns, training, prevention of problem gambling behaviours and combating critical gambling-related issues. Strict and concrete application of compliance with the minimum age to play on physical and online platforms, overcoming the limits imposed by current platforms.
	Player assistance and protection	Implementation of practices that provide a series of assistance and protection tools for problem players including a freephone number, self-assessment systems and rehabilitation programmes.
	Staff training on Responsible Gaming	Training and preparation for all point-of-sale staff, to recognise problem behaviour in players and to be in a position to provide support if needed, informing the player and asking them to leave the site if necessary.
	Consumer communications	Clear and transparent information communication to consumers so that they can gamble legally, informing them about the risks of gambling and not promoting games as an alternative to work or as a way to escape from a bad financial situation, not promising winnings, and not targeting particular user groups (ethnicity, age...).

Exemplary employer of choice	Equal Opportunities and the Promotion of Diversity and Inclusion (DEI) by fighting discrimination	Promotion of gender equality, inclusion and diversity policies by valuing diversity in the company, by fighting discrimination throughout the organisation, and by using this as a way to increase wellbeing.
	Development of human capital	Management, training and personal development activities to avoid risks linked to the scarcity of qualified labour, implementing talent acquisition programmes, career development plans and structured training initiatives.
Environment, territory and community	Greenhouse gas (GHG) emissions	Commitment to measuring, managing and reducing the impact of greenhouse gas emissions into the atmosphere (Scope 1, 2 and 3).
	Responsible management of waste and materials	Responsible sourcing of materials for offices and points of sale – with particular reference to paper consumption – and efficient management of the waste generated and its recycling and disposal.
	Energy consumption	Commitment to reducing the energy footprint of Group sites and points of sale in local areas, promoting more efficient consumption and the use of energy from renewable sources.
	Community support	Ability to generate positive external impacts that support local communities and areas – such as economic investments, voluntary work, donations and sponsorships.
Innovation Governance and Business Ethics	Research and Innovation	Promotion of innovation – particularly in the digital and IT area – by recognising the value of talent and the new generations, entrepreneurship and university research.
	Protection of sensitive data (privacy & security)	Protection of players' privacy and personal data through careful management of the company's data assets according to the highest security standards, with a special focus on cybersecurity.
	Culture of legality	Introduction of adequate risk assessment systems, appropriate policies and rules, and creation of a strong commitment at internal governance level to fight corruption, fraud, bribery, money laundering and unjust enrichment
	Responsible Governance	Creation of a governance system – by the highest governing bodies, but applicable throughout the organisation – that takes due account of social, economic and environmental issues, encouraging a leadership style that is inclusive towards all stakeholders and functional to the Group's responsible development.
	Business Ethics	Maximum focus on the ethical and moral aspects that permeate the company's vision, in all day-to-day facets of the business, focusing in particular on the professional ethics of the entire corporate population, on taxation and transparent accounting issues, and on combating anti-competitive practices.

Stakeholder engagement

Survey

Three different surveys were conducted to assess the strategic relevance for the Group of the sustainability issues previously identified and Sisal's impacts (positive and negative, current and potential) associated with each issue – assessing the severity or benefit of the impacts. Top Management was also asked to assess the probability of the occurrence of each impact.

- **Employee survey** – shared with the entire corporate population, receiving 201 responses.
- **Stakeholder survey** – available in both Italian and English and shared with a group of selected stakeholders outside the organisation, receiving 36 responses.
- **Top Management survey.**

Multistakeholder Focus Group

It was also decided to conduct a Multistakeholder Focus Group, with the following purposes:

- affirm and consolidate the relationship between the Group and its stakeholders, sharing and guiding the actions implemented by Sisal with regard to the main aspects of sustainability;
- inform them of the main aspects of sustainability reporting, making them aware of the Group Sustainability Report and the issues it covers, so that they understand the rationale behind the feedback process they are involved in;
- explore in depth the opinions, expectations and assessments of stakeholders in relation to the strategic relevance of potentially material topics for the Group, to the level of impacts connected to such topics, and to the oversight activated for each of them.

There were 18 people in the focus group from various stakeholder categories, including: trade associations, the local community, non-profit organisations, regulators, institutions, suppliers, academia, affiliated outlets and Sisal agencies.

One-to-one interviews with Management

Finally, one-to-one interviews were conducted with several members of management in order to identify the potential positive and/or negative impacts (financially relevant risks and opportunities) con-

nected to sustainability topics defined as material.

The existence of financial triggers, defined as follows, was then verified based on the Group ERM Framework:

- Sisal's ability to continue to use or access financial, natural, intellectual, human, social and relational resources;
- Sisal's dependence on its network of relations with financial institutions and providers of financial capital, suppliers of materials and services, customers, local communities and other internal and external stakeholders.

These triggers were then assessed in terms of:

- Risks – contribution to decreasing future cash inflows or to increasing future cash outflows and/or decreasing capital not recognised on the balance sheet.
- Opportunities – contribution to increasing future cash inflows or to decreasing future cash outflows and/or increasing capital not recognised on the balance sheet.

Materiality findings

Double materiality matrix

By combining the evaluations based on the two previous studies, and particularly the scores obtained for each topic by calculating the average of the risks and opportunities involved, the double materiality summary matrix was produced, which takes both aspects into consideration. This matrix represents financial materiality for Sisal along the y-axis (vertical) and environmental, community, people and territorial materiality on the x-axis (horizontal).

The grey area in the chart represents the materiality threshold of the analysis performed, identified as the median of the assessments received, equal to 8.08 for "impact materiality" and 4.75 for "financial materiality". A rating scale from 1 (low) to 4 (high) – as well as the option not to express a judgement – was used to assess the significance of the impacts (severity or benefit of the impact; likelihood of the impact). In line with the EFRAG guidelines, material topics were considered to be those that exceed the threshold for at least one of the aspects considered. The matrix is published on page 59 of this document.

Impact and financial materiality: detailed list

		Impact materiality	Severity/ benefit level	
Responsible Gaming	Promotion of a responsible gaming model and protection of vulnerable categories	Opportunities	Reduction in gambling-related issues through targeted point-of-sale staff training to prevent problems of addiction among customers	
		Opportunities	Reduction in gambling-related problems as a result of information and protection policies	
		Risks	Increase in problem customers, also as a result of a portfolio of products/ services weighted towards types of games that could lead to the development of problems, or insufficiently effective player protection measures (e.g. the introduction of limits) in bricks and mortar stores	
		Risks	Increase in problem customers, also as a result of a portfolio of products/ services weighted towards types of games that are more likely to lead to the development of problems, or insufficiently effective player protection measures (e.g. the introduction of limits) in the online portal	
		Risks	Infringement of regulations applicable to the business in which the company operates (e.g. limitation of legal gambling and/or distances and times, based on the provisions of central and/or local regulations)	
		Risks	Access to online gaming platforms and bricks and mortar points of sale only when 18 and over, ensuring compliance with all regulations to protect minors	
		Risks	Gambling sales to minors by the network, resulting in a negative impact on minors, who are more susceptible than adults, and on the Group's credibility/attractiveness	
		Risks	Failure to protect minors, caused by a lack of training for staff assigned to age control	
	Player assistance and protection	Opportunities	Identification and concrete help for players with gambling-related problems based on a careful assessment by point-of-sale staff	
			Identification and concrete help for players with gambling-related problems using algorithms and information systems designed to recognise cases of extreme gambling both off and online	
			Activation of protection and assistance policies (freephone number, self-assessment systems, rehabilitation and psychological assistance programmes, financial training) for players who have experienced serious problems due to pathological gambling	
		Risks	Failure to protect the most vulnerable players, with a worsening of their psychological and financial conditions	
	Staff training on responsible gaming	Opportunities	Protection of players and the integrity of the organisation through a high level of staff focus on gambling-related topics about which they have received training	
			Reduction in problems at local points of sale as a result of staff attentiveness	
		Risks	Lack of attention by staff to gambling-related problems, due to insufficient training by the company	
			Incorrect management of customer relations, resulting in dissatisfaction and the possibility of problems arising in connection with users most at risk	
	Consumer communications	Opportunities	Promotion of both off and online gambling as a way to have fun and not as an economic solution, through careful communication that doesn't focus on economic aspects	
			Protect minorities and the people most affected by pathological gambling problems, avoiding communications that target this group of people	
		Risks	Increase in problem cases as a result of misleading communication and/ or advertising in the countries where promotion is permitted	
			Players in financial difficult as a result of communications that promote gambling as an alternative to work and a way to escape from financial problems	

		Financial materiality	Severity/ benefit level
Promotion of a responsible gaming model and protection of vulnerable categories	Opportunities	Increase in customers due to recognition in Italy as a leader in responsible gaming and prevention for potential problem players	
	Risks	Reputational and legal problems caused by the increase in problem customers due to a portfolio of products and services weighted towards types of games that lead to the development of problems, or to ineffective player protection measures (online gaming)	
		Reputational and legal problems caused by the increase in problem customers due to a portfolio of products and services weighted towards types of games that lead to the development of problems, or to ineffective player protection measures (bricks and mortar points of sale)	
		Negative feedback (legal and credibility) due to the failure in the organisation's bricks and mortar points of sale (branded) to implement safety protocols and controls on age and entry to the point of sale by minors	
		Negative feedback (legal and credibility) due to the failure of local retailers (unbranded) to apply adequate controls on players	
	Consequences linked to socially negative events (e.g. sales to minors by the network, fraud, etc.) with an impact on the credibility/attractiveness of the company's current and potential customers		
Player assistance and protection	Opportunities	Distinctive positioning vs competitors thanks to player support policies that go far beyond those required by the regulator, resulting in Sisal's market leadership	
	Risks	Bad publicity resulting in loss of market share for Sisal due to a failure to help and support players with a pathological addiction	
Staff training on responsible gaming	Opportunities	Greater customer satisfaction as a result of the service levels offered by point-of-sale employees	
	Risks	Loss of customers because staff (primarily in bricks and mortar points of sale) do not receive adequate training in the management of problematic behaviours	
Consumer communications	Risks	Marketing activities aimed at weak or more sensitive targets, which may result in legal consequences for Sisal	
		Negative media feedback for the organisation as a result of campaigns that are not aligned with Sisal's pathological gambling limitation objectives	

		Impact materiality	Severity/ benefit level	
Environment, territory and community	Greenhouse gas (GHG) emissions	Opportunities	Reduction of emissions as a result of activities in own scope of business (replacement of energy sources, reduced consumption of energy and materials)	
		Opportunities	Positive contribution to the fight against climate change through the implementation of a Group-wide Climate Strategy	
		Opportunities	Support for GHG emissions reduction across the entire supply chain, e.g. through more environmentally conscious purchasing policies and initiatives to engage with the sales network	
	Risks	Failure to contribute to the fight against climate change as a result of non-alignment with national and international emissions and climate change standards		
	Responsible management of waste and materials	Opportunities	Waste recovery and recycling for the subsequent production of new materials and/or energy generation	
		Opportunities	Waste recovery and recycling to reduce costs for the community linked to disposal and particularly the inefficient use of materials	
		Risks	Significant impacts on the environment and local community due to non-virtuous waste management in terms of volume produced and failure to process for recovery (material or energy)	
	Risks	Over-consumption and over-production of paper for office use, particularly in local points of sale		
	Energy consumption	Opportunities	Reduction of environmental impact as a result of energy efficiency initiatives and greater employee awareness (particularly in independent points of sale)	
		Risks	Possible contribution to the national and international energy crisis caused by high consumption levels and the failure to implement efficiency improvement measures in points of sale	
	Community support	Opportunities	Opportunities	Creation of positive socio-economic impact on local areas as a result of specific activities in partnership with local players
			Opportunities	Network initiatives with local organisations to protect players and reduce gaming-related issues in local areas
Risks		Risks	Emergence of malcontent in local communities due to activities by Sisal Group in the area	
		Risks	Failure to create value in local areas and failure to collaborate with local organisations tackling addiction issues	
		Increase in gambling-related issues on local areas		

		Financial materiality	Severity/ benefit level
Greenhouse gas (GHG) emissions	Opportunities	Access to sources of financing and economic resources for organisations that draw up climate change Adaptation and Mitigation Plans	
	Risks	Weather and natural events, also due to climate change, on such a scale as to cause damage or compromise the operations of the company and/or those of customers and suppliers (i.e. physical risks such as hurricanes, floods, earthquakes, etc.)	
	Risks	Non-alignment with national and international emissions standards, resulting in fines for Sisal and negative publicity	
Responsible management of waste and materials	Opportunities	Access to sources of financing and economic resources through virtuous management of a strategic raw material for the organisation, i.e. paper	
	Risks	Penalties arising from non-compliance with waste management regulations	
	Risks	Failure to improve paper consumption efficiency, with consequences outside Sisal but also on its business	
Energy consumption	Opportunities	Cost savings on electricity and gas bills associated with improved energy efficiency in buildings and local points of sale	
	Risks	Failure to optimise energy consumption, leading to higher energy costs for Sisal	
	Risks	Failure to align with energy consumption reduction targets, with consequent economic (fines) and reputational damage	
Community support	Opportunities	Reduction in issues with local communities as a result of close co-operation and local initiatives	
	Risks	Economic damage due to malcontent with Sisal's business arising from failure to collaborate with local organisations or insufficient communication with citizens (pressure by local communities on local legislators)	
	Risks	Failure to pay taxes on the part of the Company and/or on behalf of its employees, resulting in liabilities for the Company and an increase in penalties to pay	

		Impact materiality	Severity/ benefit level
Exemplary employer of choice	Equal Opportunities and the Promotion of Diversity and Inclusion (DEI) by fighting discrimination	Opportunities Contribution to the development of a more inclusive model for society through the spreading of knowledge and awareness of issues involving diversity, equity and respect for individuality	
		Opportunities Increasing employees' wellbeing in both offices and points of sale across the country thanks to a more inclusive environment	
		Opportunities Support for the development of a more inclusive environment among suppliers through procurement policies incorporating DEI criteria	
	Risks Discrimination and unfair treatment of people in the Group because of their gender, religion, age, sexual orientation, geographical origin or other individual characteristics		
	Development of capital	Opportunities Development of the Group's human capital and training of new hires in the skills required for their jobs and professional growth	
		Risks Failure to satisfy employees' expectations and personal and professional development needs	
Risks Failure to implement training programmes, leading to the stalling of skills development for both point of sale and office employees			

		Financial materiality	Severity/ benefit level
Equal Opportunities and the Promotion of Diversity and Inclusion (DEI) by fighting discrimination	Opportunities	Improved economic performance due to the heightened appeal of the brand in HR selection processes as a result of its focus on diversity (medium/long term)	
		Improved economic performance due to heightened appeal to women managers thanks to Sisal's policies in favour of women's career advancement	
	Risks	Negative consequences of verified discrimination events in offices or points of sale	
		Inadequate implementation of Diversity, Equity & Inclusion measures leading to a fall in performance levels, erosion of employee incentive/motivation, lack of customer satisfaction and loyalty, lack of appeal to new talents and stakeholders	
Development of capital	Opportunities	Improved economic performance due to the presence of high-profile, well-trained staff capable of positioning Sisal as an avant-garde operator ahead of its competitors	
		Better guarantees of business continuity thanks to full staffing, ensured by correct employee management, capacity to attract new employees, and good human resource management year round	
	Risks	Lowering of business performance levels due to insufficient training of employees for the tasks assigned to them	
		Personnel insufficiently engaged or aligned with the company's objectives due to lack of communication on corporate values and mission	
		Shortage of human resources in certain business areas or difficulties attracting new talents in specific areas, due to problems aligning recruiting capability with the company's needs (in terms of demand pipelines)	
		Uncontrolled increase in turnover due to inadequate HR policies leading to the risk of increased demand for unplanned resources	
		Loss of resources strategic for the company or definition of inadequate succession plans due to difficulties in retaining talent	
		Weakening of talent attraction and retention due to inadequate remuneration and incentives policies for key personnel	
Lowering of work performance quality and ineffectiveness of business processes due to inadequate sizing of business structures leading to excessively high actual work loads for individual business areas/divisions			

		Impact materiality	Severity/ benefit level
Innovation, governance and business ethics	Research and Innovation	Opportunities	Development of technologies to reduce the consequences of problem gambling through ongoing investment in research and development
		Opportunities	Investments in skills and technologies that create positive external impact for the company and the economy as a whole
		Opportunities	Investments in skills and technologies that increase the number of people with ICT/STEM skills, including through collaboration with universities and research centres
		Risks	Lack of in-house innovation and consequent risk of not contributing to the country's technological development, also in terms of training
	Protection of sensitive data (privacy & security)	Opportunities	Adoption of maximum cybersecurity levels to guarantee absence of data loss or theft and operational continuity for users
		Risks	Illicit use of personal data, false notification to the Privacy Watchdog, failure to adopt measures to protect personal data, failure to comply with provisions of the Privacy Watchdog and applicable law
			Possible loss of data following a cyber attack resulting from partial coverage of security requirements in the development process
			Possible interception due to use of non-secure protocols on the company network or possible visibility of confidential data due to lack of encryption
			Possible accidental erasure of data through direct access to production databases by Business users
	Unavailability/shutdown/malfunctioning of IT systems (hardware and software) causing interruption of operations (e.g. systems that enable internal and technical users for access, display and use of information, gaming software such as the lottery platform, etc.)		
	Culture of legality	Opportunities	Guarantee of integrity and contribution to legality in the gaming market by limiting illegal gambling risks
		Risks	Lack of transparency in the organisation's operating and decision-making processes, leading to diffidence on the part of markets, investors and customers
			Infringement of a country's anti-corruption regulations, which may constitute a breach of the law, non-fulfilment of contractual obligations arising from current relationships, and a disciplinary offence
	Responsible governance	Opportunities	Contribution to progress towards a global sustainable development model through voluntary adoption of best governance practices guaranteeing greater transparency and control over sustainability strategy across the entire organisation
		Risks	Inadequate response by Sisal to external stakeholders' expectations regarding corporate sustainability
			Inappropriate structuring or lack of diversity on boards of directors and committees (e.g. % of independent directors, presence/absence of women, distribution of skills, etc.)
Business Ethics	Opportunities	Spreading of a business ethics culture capable of promoting correct and equitable behaviour both within and outside the company perimeter	
	Risks	Infringement by internal employees and collaborators of self-regulatory provisions in internal rules and procedures (policies, internal rules, etc.) or internal rules and procedures not adequate to the Company's business activities	
		Infringement of competition rules with further risk of fines from national antitrust authorities	
		Infringement of rules under legislative decree 231/2001	
		Failure to define, or to correctly define, adequate whistleblowing policies, use of tools inadequate for the purpose of whistleblowing or insufficiently prompt report processing	

		Financial materiality	Severity/ benefit level
Research and Innovation	Opportunities	More customers for the Group thanks to an increasingly innovative and avant-garde product offering	
	Risks	Failure to invest in research and innovation, leading to loss of market share to competitors	
Protection of sensitive data (privacy & security)	Opportunities	Reduction/zeroing of data loss resulting in better guarantees for customers and enhanced Sisal brand appeal	
	Risks	Legal consequences of the illicit use of personal data, false notification to the Privacy Watchdog, failure to adopt measures to protect personal data, failure to comply with provisions of the Privacy Watchdog and applicable law	
		Negative repercussions of possible cyber attacks resulting from partial coverage of security requirements in the development process	
		Interception of confidential information due to use of non-secure protocols on the company network or possible visibility of confidential data due to lack of encryption	
		Accidental erasure of data through direct access to production databases by users, with legal and economic consequences for Sisal	
	Loss of customers due to unavailability, shutdown or malfunctioning of IT systems causing interruption of business operations		
Culture of legality	Risks	Legal and reputational consequences of verified cases of corruption	
		Fines and penalties due to incorrect tax policies not in line with national legislation	
Responsible governance	Opportunities	Market leader positioning, with benefits on financial markets, as a result of innovative leadership willing to work to improve its business and anticipate global trends	
	Risks	Disadvantages for the Group due to inappropriate structuring or lack of diversity on boards of directors and committees (e.g. % of independent directors, presence/absence of women, distribution of skills, etc.)	
		Negative returns due to failure to obtain or renew certifications (e.g. ISO 27001, WLA-SCS, ISO 9001, etc.)	
Business Ethics	Opportunities	Reduction in legal and reputational issues arising from non-observance of ethical and moral principles by the organisation and its employees	
	Risks	Legal and economic repercussions for Sisal following an infringement by internal employees or collaborators of self-regulatory provisions in internal rules and procedures (policies, internal rules, etc.)	
		Legal consequences of infringements of the provisions of Legislative Decree 231/2001	
		Occurrence of non-ethical conduct by employees, collaborators or executives due to failure to define and apply, or to correctly define and apply, whistleblowing policies, as well as any insufficiently prompt report processing	
		Sanctions by national antitrust authorities following infringement of competition legislation	
	Infringement of a country's anti-corruption regulations, which may constitute a breach of the law, non-fulfilment of contractual obligations arising from current relationships, and a disciplinary offence		

Performance tables 2021-2023

Social impacts

GRI 2-7 Employees

Employees by gender and type of contract										
Parameter	Unit	2021			2022			2023		
		P	T	Total	P	T	Total	P	T	Total
Men	no.	98	1,467	1,565	111	1,717	1,828	77	1,891	1,968
Women	no.	70	921	991	64	1,064	1,128	42	1,195	1,237
Total	no.	168	2,388	2,556	175	2,781	2,956	119	3,086	3,205

Employees by country and type of contract										
Parameter	Unit	2021			2022			2023		
		P	T	Total	P	T	Total	P	T	Total
Italy	no.	162	1,777	1,939	173	1,898	2,071	118	2,064	2,182
Spain	no.	5	6	11	2	10	12	0	0	0
Morocco	no.	0	71	71	0	72	72	0	76	76
Albania	no.	0	415	415	0	612	612	0	697	697
Türkiye	no.	1	119	120	0	189	189	1	249	250
Total	no.	168	2,388	2,556	175	2,781	2,956	119	3,086	3,205

P = Permanent contract
T = Temporary contract

Employees by gender and type of contract										
Parameter	Unit	2021			2022			2023		
		FT	PT	Total	FT	PT	Total	FT	PT	Total
Men	no.	1,517	48	1,565	1,780	48	1,828	1,922	46	1,968
Women	no.	814	177	991	982	146	1,128	1,101	136	1,237
Total	no.	2,331	225	2,556	2,762	194	2,956	3,023	182	3,205

Employees by country and type of contract

Parameter	Unit	2021			2022			2023		
		FT	PT	Total	FT	PT	Total	FT	PT	Total
Italy	no,	/	/	/	1,877	194	2,071	2,000	182	2,182
Spain	no,	/	/	/	12	0	12	0	0	0
Morocco	no,	/	/	/	72	0	72	76	0	76
Albania	no,	/	/	/	612	0	612	697	0	697
Türkiye	no,	/	/	/	189	0	189	250	0	250
Total	no,	/	/	/	2,762	194	2,956	3,023	182	3,205

FT= Full-time

PT= Part-time

GRI 2-8 Workers who are not employees**Non-employee workers by gender**

Parameter	Unit	2021		2022		2023	
		Men	Women	Men	Women	Men	Women
Agency workers	no.	/	/	7	3	14	5
Interns	no.	/	/	21	31	10	9
Total	no.	/	/	28	34	24	14

Non-employee workers by country

Parameter	Unit	2021			2022			2023		
		Agency workers	Interns	Total	Agency workers	Interns	Total	Agency workers	Interns	Total
Italy	no.	25	26	51	10	52	62	19	16	35
Spain	no.	0	0	0	0	0	0	0	0	0
Morocco	no.	0	0	0	0	0	0	0	0	0
Albania	no.	0	0	0	0	0	0	0	0	0
Türkiye	no.	0	0	0	1	0	1	0	3	3
Total	no.	25	26	51	11	52	63	19	19	38

GRI 401-1 New hires and employee turnover

New employee hires by country and age group													
Parameter	Unit	2021				2022				2023			
		<30	30-50	>50	Tot.	<30	30-50	>50	Tot.	<30	30-50	>50	Tot.
Italy	no.	111	170	10	291	171	279	38	488	142	214	12	368
Spain	no.	4	7	0	11	3	0	1	4	0	0	0	0
Morocco	no.	6	14	0	20	4	13	0	17	12	8	0	20
Albania	no.	203	176	1	380	186	198	0	384	159	159	0	318
Türkiye	no.	14	23	0	37	45	57	1	103	43	50	1	94
Total	no.	338	390	11	739	409	547	40	996	356	431	13	800

Hiring rate by country and age group													
Parameter	Unit	2021				2022				2023			
		<30	30-50	>50	Tot.	<30	30-50	>50	Tot.	<30	30-50	>50	Tot.
Italy	%	45	12	3	15	66	19	11	24	51	14	3	17
Spain	%	80	117	0	100	75	0	100	33	/	/	/	/
Morocco	%	43	25	0	28	29	23	0	24	60	15	0	26
Albania	%	86	99	100	92	66	60	0	63	56	38	0	46
Türkiye	%	100	22	0	31	88	43	20	54	60	29	13	38
Total	%	66	23	4	29	67	27	11	34	55	20	3	25

New employee hires by country and gender											
Parameter	Unit	2021			2022			2023			
		Men	Women	Tot.	Men	Women	Tot.	Men	Women	Total	
Italy	no.	170	121	291	170	318	488	223	145	368	
Spain	no.	6	5	11	2	2	4	0	0	0	
Morocco	no.	15	15	30	4	13	17	16	4	20	
Albania	no.	233	147	380	161	223	384	180	138	318	
Türkiye	no.	26	11	37	35	68	103	59	35	94	
Total	no.	450	299	749	372	624	996	478	322	800	

Hiring rate by country and gender

Parameter	Unit	2021			2022			2023		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Italy	%	15	16	15	25	21	24	17	17	17
Spain	%	100	100	100	29	40	33	/	/	/
Morocco	%	25	125	42	20	50	24	27	25	26
Albania	%	90	94	92	63	63	63	45	46	46
Türkiye	%	33	28	31	50	67	54	35	44	38

Turnover by country and age group

Parameter	Unit	2021				2022				2023			
		<30	30-50	>50	Tot.	<30	30-50	>50	Tot.	<30	30-50	>50	Tot.
Italy	no.	55	164	21	240	98	217	41	356	59	165	33	257
Spain	no.	0	0	0	0	2	1	0	3	4	7	1	12*
Morocco	no.	0	8	0	8	4	12	0	16	4	11	1	16
Albania	no.	43	29	0	72	102	85	0	187	108	125	0	233
Türkiye	no.	10	21	1	32	6	27	0	33	10	22	1	33
Total	no.	108	222	22	352	212	342	41	595	185	330	36	551

* Closure of the business in Spain in 2023, the turnover data therefore refers to the exit of all employees in the country.

Turnover rate by country and age group

Parameter	Unit	2021				2022				2023			
		<30	30-50	>50	Tot.	<30	30-50	>50	Tot.	<30	30-50	>50	Tot.
Italy	%	22	12	7	12	38	15	12	17	21	11	9	12
Spain	%	0	0	0	0	50	14	0	25	/	/	/	/
Morocco	%	0	15	0	11	29	21	0	22	20	20	100	21
Albania	%	18	16	0	17	36	26	0	31	38	30	0	33
Türkiye	%	71	20	33	27	12	20	0	17	14	13	13	13
Total	%	21	13	7	14	35	17	12	20	28	15	10	17

Turnover by country and gender

Parameter	Unit	2021			2022			2023		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Italy	no.	140	100	240	215	141	356	146	111	257
Spain	no.	0	0	0	2	1	3	7	5	12*
Morocco	no.	6	2	8	14	2	16	14	2	16
Albania	no.	47	25	72	128	59	187	136	97	233
Türkiye	no.	18	14	32	16	17	33	25	8	33
Total	no.	211	141	352	375	220	595	328	223	551

* Closure of the business in Spain in 2023, the turnover data therefore refers to the exit of all employees in the country.

Turnover rate by country and gender

Parameter	Unit	2021			2022			2023		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Italy	%	12	13	12	17	17	17	11	13	12
Spain	%	0	0	0	29	20	25	/	/	/
Morocco	%	10	17	11	22	25	22	23	13	21
Albania	%	18	16	17	36	23	31	34	32	33
Türkiye	%	23	35	27	12	33	17	15	10	13

GRI 401-3 Parental leave**Employees entitled to parental leave, by gender**

Parameter	Unit	2021			2022			2023		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Italy	no,	/	/	/	/	/	/	1,339	843	2,182
Morocco	no,	/	/	/	/	/	/	60	16	76
Albania	no,	/	/	/	/	/	/	398	299	697
Türkiye	no,	/	/	/	/	/	/	171	79	250
Total	no,	/	/	/	/	/	/	1,968	1,237	3,205

Employees who took parental leave, by gender

Parameter	Unit	2021			2022			2023		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Italy	no,	8	42	50	11	59	70	9	73	82
Morocco	no,	/	/	/	/	/	/	3	1	4
Albania	no,	/	/	/	/	/	/	1	13	14
Türkiye	no,	/	/	/	/	/	/	4	1	5
Total	no,	/	/	/	/	/	/	17	88	105

Employees who returned to work in the reporting period after parental leave ended, by gender

Parameter	Unit	2021			2022			2023		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Italy	no,	/	/	/	/	/	/	9	28	37
Morocco	no,	/	/	/	/	/	/	3	1	4
Albania	no,	/	/	/	/	/	/	0	11	11
Türkiye	no,	/	/	/	/	/	/	4	0	4
Total	no,	/	/	/	/	/	/	16	40	56

GRI 403-9 Work-related injuries**Work-related injuries (by country)**

Parameter	Unit	2021	2022	2023
Italy				
Total hours worked	Hours	2,833,478	3,389,560	3,454,200
Injury rate	%	2,1	1,2	2,9
Total injuries reported	no.	6	4	10
High-consequence work-related injuries (excluding fatalities)	no.	0	0	0
Fatalities	no.	0	0	0

Work-related injuries (by country)				
Parameter	Unit	2021	2022	2023
Morocco				
Total hours worked	Hours	/	118,080	175,909
Injury rate	%	/	0	0
Total injuries reported	no.	/	0	0
High-consequence work-related injuries (excluding fatalities)	no.	/	0	0
Fatalities	no.	/	0	0
Albania				
Total hours worked	Hours	/	1,003,680	1,309,977
Injury rate	%	/	0	0,8
Total injuries reported	no.	/	0	1
High-consequence work-related injuries (excluding fatalities)	no.	/	0	0
Fatalities	no.	/	0	0
Türkiye				
Total hours worked	Hours	/	376,488	514,632
Injury rate	%	/	0	0
Total injuries reported	no.	/	0	0
High-consequence work-related injuries (excluding fatalities)	no.	/	0	0
Fatalities	no.	/	0	0
Total				
Total hours worked	Hours	/	4,887,808	5,454,718
Injury rate	%	/	0,8	2
Total injuries reported	no.	/	4	11
High-consequence work-related injuries (excluding fatalities)	n.	/	0	0
Fatalities	n.	/	0	0

GRI 404-1 Average hours of training per year per employee

Average hours of non-mandatory training per employee, by gender				
Parameter	Unit	2021	2022	2023
Italy				
Men	no.	15.6	13.7	13
Women	no.	16.3	17	20.1
Morocco				
Men	no.	/	/	1.4
Women	no.	/	/	2.1
Albania				
Men	no.	/	/	7
Women	no.	/	/	8.6
Türkiye				
Men	no.	/	/	18.9
Women	no.	/	/	23.3

Average hours of non-mandatory training per employee, by professional category				
Parameter	Unit	2021	2022	2023
Italy				
Apprentices	no.	33.7	0	0
Blue collars	no.	2.6	11.8	0.4
White collars	no.	15.7	13.4	16.3
Line managers	no.	24.3	30.6	33.7
Managers	no.	10.6	20.3	29.5

Total hours of non-mandatory training per employee, by gender (NON-GRI)				
Parameter	Unit	2021	2022	2023
Italy				
Men	no.	18,148	17,314	17,445
Women	no.	12,633	13,702	16,951
Total	no.	30,781	31,016	34,396
Morocco				
Men	no.	/	/	83
Women	no.	/	/	33
Total	no.	/	/	116
Albania				
Men	no.	/	/	2,768
Women	no.	/	/	2,572
Total	no.	/	/	5,340
Türkiye				
Men	no.	/	/	3,231
Women	no.	/	/	1,837
Total	no.	/	/	5,068

Total hours of non-mandatory training per employee, by professional category (NON-GRI)

Parameter	Unit	2021	2022	2023
Italy				
Apprentices	no.	641	1	0
Blue collars	no.	250	1,224	140
White collars	no.	25,293	23,247	25,164
Line managers	no.	4,109	5,507	7,251
Managers	no.	488	1,037	1,504
Total	no.	30,781	31,016	34,058

Total hours of training (mandatory and non-mandatory) by country (NON-GRI)

Parameter	Unit	2021	2022	2023
Italy	no,	/	46,897	41,938
Morocco	no,	/	405	227
Albania	no,	/	247	6,578
Türkiye	no,	/	839	5,932
Total	no,	/	48,397	54,676

Average hours of training (mandatory and non-mandatory) per employee. by country (NON-GRI)

Parameter	Unit	2021	2022	2023
Italy	no.	/	22.6	19.2
Morocco	no.	/	5.6	3
Albania	no.	/	0.4	9.4
Türkiye	no.	/	4.4	23.7
Total	no.	15.2	16.4	17.1

Training provided by field (NON-GRI)

Parameter	Unit	Employees involved	
		2022*	2023*
Health and Safety (worker safety)	no,	412	332
Business ethics, integrity and anticorruption (Legislative Decree 231/2001 Organisational Models)	no,	1,395	914
Anti-Money Laundering	no,	480	763
Gioco Responsabile	no,	493	358
Data privacy	no,	442	419**
Security	no,	444	1,775**
DEI e Antidiscriminazione (not mandatory)	no,	/	478

* The data refers only to online training provided in Italy, with the exception of some in-person training activities on business ethics, integrity and anti-corruption (Legislative Decree no. 231/2001 Organisational Models).

** The figure includes Sisal Group employees in foreign countries.

GRI 405-1 Diversity of governance bodies and employees

Diversity of governance bodies – Board of Directors													
Parameter	Unit	2021				2022				2023			
		<30	30-50	>50	Tot.	<30	30-50	>50	Tot.	<30	30-50	>50	Tot.
Men	no.	0	2	4	6	0	1	4	5	0	1	4	5
Women	no.	0	0	0	0	0	0	0	0	0	0	0	0

Employees by gender and age group													
Parameter	Unit	2021				2022				2023			
		<30	30-50	>50	Tot.	<30	30-50	>50	Tot.	<30	30-50	>50	Tot.
Men	no.	/	/	/	/	361	1,255	212	1,828	386	1,355	227	1,968
Women	no.	/	/	/	/	249	737	142	1,128	265	827	145	1,237
Total	no.	/	/	/	/	610	1,992	354	2,956	651	2,182	372	3,205

Employees by country and gender											
Parameter	Unit	2021			2022			2023			
		Men	Women	Total	Men	Women	Total	Men	Women	Total	
Italy	no.	1,162	777	1,939	1,265	806	2,071	1,339	843	2,182	
Spain	no.	6	5	11	7	5	12	/	/	/	
Morocco	no.	59	12	71	64	8	72	60	16	76	
Albania	no.	258	157	415	355	257	612	398	299	697	
Türkiye	no.	80	40	120	137	52	189	171	79	250	
Total	no.	1,565	991	2,556	1,828	1,128	2,956	1,968	1,237	3,205	

Employees by country and age group													
Parameter	Unit	2021				2022				2023			
		<30	30-50	>50	Tot.	<30	30-50	>50	Tot.	<30	30-50	>50	Tot.
Italy	no.	246	1,389	304	1,939	259	1,467	345	2,071	276	1,544	362	2,182
Spain	no.	5	6	0	11	4	7	1	12	/	/	/	/
Morocco	no.	14	55	2	71	14	56	2	72	20	55	1	76
Albania	no.	237	177	1	415	282	329	1	612	283	413	1	697
Türkiye	no.	14	103	3	120	51	133	5	189	72	170	8	250
Total	no.	516	1,730	310	2,556	610	1,992	354	2,956	651	2,182	372	3,205

Employees by professional category and gender										
Parameter	Unit	2021			2022			2023		
		Men	Women	Total	Men	Women	Total	Men	Women	Total
Italy										
Apprentices	no.	10	9	19	0	0	0	0	0	0
Blue collars	no.	87	10	97	95	9	104	255	118	373
White collars	no.	916	692	1,608	1,020	716	1,736	910	633	1,543
Line managers	no.	116	53	169	113	67	180	141	74	215
Managers	no.	33	13	46	37	14	51	33	18	51
Total	no.	1,162	777	1,939	1,265	806	2,071	1,339	843	2,182
Spain										
Apprentices	no.	/	/	/	0	0	0	/	/	/
Blue collars	no.	/	/	/	0	0	0	/	/	/
White collars	no.	/	/	/	6	5	11	/	/	/
Line managers	no.	/	/	/	0	0	0	/	/	/
Managers	no.	/	/	/	1	0	1	/	/	/
Total	no.	/	/	/	7	5	12	/	/	/
Morocco										
Apprentices	no.	/	/	/	0	0	0	0	0	0
Blue collars	no.	/	/	/	0	0	0	2	1	3
White collars	no.	/	/	/	57	5	62	53	12	65
Line managers	no.	/	/	/	3	3	6	2	3	5
Managers	no.	/	/	/	4	0	4	3	0	3
Total	no.	/	/	/	64	8	72	60	16	76
Albania										
Apprentices	no.	/	/	/	0	0	0	0	0	0
Blue collars	no.	/	/	/	0	0	0	149	105	254
White collars	no.	/	/	/	343	253	596	240	189	429
Line managers	no.	/	/	/	11	4	15	8	5	13
Managers	no.	/	/	/	1	0	1	1	0	1
Total	no.	/	/	/	355	257	612	398	299	697
Türkiye										
Apprentices	no.	/	/	/	0	0	0	0	0	0
Blue collars	no.	/	/	/	0	0	0	1	2	3
White collars	no.	/	/	/	107	31	138	140	50	190
Line managers	no.	/	/	/	24	15	39	22	16	38
Managers	no.	/	/	/	6	6	12	8	11	19
Total	no.	/	/	/	137	52	189	171	79	250

Employees by professional category and age group													
Parameter	Unit	2021				2022				2023			
		<30	30-50	>50	Tot.	<30	30-50	>50	Tot.	<30	30-50	>50	Tot.
Italy													
Apprentices	no.	11	8	0	19	0	0	0	0	0	0	0	0
Blue collars	no.	8	71	18	97	2	75	27	104	44	232	97	373
White collars	no.	227	1,140	241	1,608	256	1,208	272	1,736	231	1,089	223	1,543
Line managers	no.	0	142	27	169	1	154	25	180	1	189	25	215
Managers	no.	0	28	18	46	0	30	21	51	0	34	17	51
Total	no.	246	1,389	304	1,939	259	1,467	345	2,071	276	1,544	362	2,182
Spain													
Apprentices	no.	/	/	/	/	0	0	0	0	/	/	/	/
Blue collars	no.	/	/	/	/	0	0	0	0	/	/	/	/
White collars	no.	/	/	/	/	4	6	1	11	/	/	/	/
Line managers	no.	/	/	/	/	0	0	0	0	/	/	/	/
Managers	no.	/	/	/	/	0	1	0	1	/	/	/	/
Total	no.	/	/	/	/	4	7	1	12	/	/	/	/
Morocco													
Apprentices	no.	/	/	/	/	0	0	0	0	0	0	0	0
Blue collars	no.	/	/	/	/	0	0	0	0	0	3	0	3
White collars	no.	/	/	/	/	14	46	2	62	19	45	1	65
Line managers	no.	/	/	/	/	0	6	0	6	1	4	0	5
Managers	no.	/	/	/	/	0	4	0	4	0	3	0	3
Total	no.	/	/	/	/	14	56	2	72	20	55	1	76
Albania													
Apprentices	no.	/	/	/	/	0	0	0	0	0	0	0	0
Blue collars	no.	/	/	/	/	0	0	0	0	97	157	0	254
White collars	no.	/	/	/	/	282	314	0	596	186	243	0	429
Line managers	no.	/	/	/	/	0	15	0	15	0	13	0	13
Managers	no.	/	/	/	/	0	0	1	1	0	0	1	1
Total	no.	/	/	/	/	282	329	1	612	283	413	1	697
Türkiye													
Apprentices	no.	/	/	/	/	0	0	0	0	0	0	0	0
Blue collars	no.	/	/	/	/	0	0	0	0	2	1	0	3
White collars	no.	/	/	/	/	50	88	0	138	69	120	1	190
Line managers	no.	/	/	/	/	1	37	1	39	1	35	2	38
Managers	no.	/	/	/	/	0	8	4	12	0	14	5	19
Total	no.	/	/	/	/	51	133	5	189	72	170	8	250

Employees with disabilities by professional category

Parameter	Unit	2021	2022	2023
Apprentices	no.	0	0	0
Blue collars	no.	1	1	3
White collars	no.	43	49	56
Line managers	no.	0	0	1
Managers	no.	0	0	0
Total	no.	44	50	60

GRI 405-2 Ratio of basic salary and remuneration of women to men**Ratio of basic salary of women to men for each category of employee**

Category	Unit	2020	2021	2022	2023
Italy					
Blue collars	%	-9.1	-3.6	-12.1	-8.3
White collars	%	-6.7	-6.4	-5.2	-4.7
Line managers	%	-6.9	-4.7	-3.1	-1.5
Senior managers	%	4	2.8	-11.9	-10.3
Morocco					
Blue collars	%	/	/	/	-1
White collars	%	/	/	/	20
Line managers	%	/	/	/	130
Senior managers	%	/	/	/	-100
Albania					
Blue collars	%	/	/	/	-8
White collars	%	/	/	/	-9
Line managers	%	/	/	/	-6
Senior managers	%	/	/	/	100
Türkiye					
Blue collars	%	/	/	/	-23
White collars	%	/	/	/	-24
Line managers	%	/	/	/	13
Senior managers	%	/	/	/	-34

Environmental impacts

If actual data is not available, environmental data is estimated.

GRI 302 Energy

Energy Consumption within the organisation (GRI 302-1)	Unit	2021	2022	2023
Non-renewable energy consumption	GJ	7,488	4,993	2,841
Natural gas	GJ	4,452	3,718	2,826
Diesel oil for energy and/or heat production	GJ	-	22	15
Energy for heating purchased under outsourcing agreements	GJ	3,036	1,253	0
Diesel oil	GJ	3,036	1,112	-
Natural gas	GJ	-	141	-
Electricity	GJ	42,630	50,949	44,121
Electricity from conventional sources	GJ	1,481	-	-
Electricity from renewable sources	GJ	41,149	50,949	44,121
Fuel for corporate fleet	GJ	32,647	41,186	42,689
Petrol consumption	GJ	3,502	4,661	6,107
Diesel consumption	GJ	29,145	36,525	36,582
Total	GJ	82,765	97,128	89,651

GRI 305 Emissions

CO ₂ e emissions (GRI 305-1/2/3)	Unit	2021	2022	2023
Direct emissions (Scope 1)	t	2,669	3,329	3,354
Indirect emissions (scope 2 - market-based)	t	398	90	0
Indirect emissions (scope 2 - location-based)	t	3,206	3,638	3,097
Other indirect emissions (Scope 3)	t	26,180	24,849*	29,330
Total Scope 1, 2 market-based, 3	t	29,247	28,268*	32,684
Total Scope 1, 2 location-based, 3	t	32,055	31,816*	35,781

* The data was modified following a fine-tuning of the calculation methodology of Sisal's contracted travel agency, regarding data related to Business Travel (Scope 3).

GRI 306 Waste

Waste generated (GRI 306-3)	Unit	2021	2022	2023
Non-hazardous	t	360	574	233
of which non-hazardous WEEE	t	56	86	36
Hazardous	t	103	96	149
of which hazardous WEEE	t	102	95	148
Total waste generated (hazardous and non-hazardous)	t	462	670	382
Urban Waste	Unit	2021	2022	2023
Total	t	-	-	183
Total Urban Waste	t	-	-	183
Waste diverted from disposal (GRI 306-4)	Unit	2021	2022	2023
Total	t	-	-	372
Total waste sent for recycling*	t	-	-	372
Waste directed to disposal (GRI 306-5)	Unit	2021	2022	2023
Total	t	-	-	10
Total waste directed to disposal*	t	-	-	10

* Only special waste (hazardous and non-hazardous) was included in the total amount of waste sent for recovery or disposal operations, while urban waste managed by municipal companies was excluded.

GRI 301 Materials

Materials used (GRI 301-1)	Unit	2021	2022	2023
Renewable materials used	t	3,350	4,134	3,527
Regular printer paper	t	44	35	31
Regular thermal paper	t	1,338	1,753	1,831
Paper for advertising in direct and indirect PoS	t	28	40	29
Paper for game products	t	1,940	2,307	1,637
Non-renewable materials used	t	0	0	0

GRI 303 Water

Water withdrawal (GRI 303-3)*	Unit	2021	2022	2023
Total	Megalitres	14.6	13.1	12.7
Water from third parties	Megalitres	14.6	13.1	12.7
Consumption from areas subject to water stress	Megalitres	/	3.4	5.1
Consumption from areas not subject to water stress	Megalitres	/	9.7	7.6
Water consumption (GRI 303-5)**	Unit	2021	2022	2023
Total	Megalitres	14.6	13.1	12.7

* Many locations or points of sale, such as those in apartment buildings, are not equipped with their own meters for monitoring water consumption. The amount reported for Italy is therefore the result of an estimate based on the only data confirmed by objective evidence (bills), regarding the head office in Rome, Via Sacco e Vanzetti, adjusted to reflect the total number of employees in Italy.

** Because only offices are involved, there is no discrepancy between water withdrawals and consumption, as there are no significant leaks or losses.

Business ethics and economic impacts

GRI 2-16 Communication of critical concerns

Reports received by field	Unit	2021	2022	2023
Conflict of interest	no.	/	0	1
Corruption	no.	/	0	0
Privacy/ Data Security	no.	/	0	2
Discrimination	no.	/	1	0
Harassment	no.	/	1	0
Violations of Internal Procedures	no.	/	2	2
HSE	no.	/	0	1
Human resource selection, management and development	no.	/	0	0
Relations with suppliers	no.	/	0	0
Code of Ethics / Code of Conduct	no.	/	0	9
Other (player complaints with no relevance pursuant to 231/01)*	no.	/	43	22
Total	no.	/	47	37

* Most of the reports received were from players complaining about online and retail game malfunctions (forwarded to the competent functions for management through the appropriate corporate channels).

GRI content Index

Statement of use	Sisal S.p.a. reports in accordance with GRI Standards for the period from 1 January 2023 to 31 December 2023.
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Sector Standard(s)	No sector-specific GRI standard.

Standard Disclosure	Page reference	Comments/Omissions
GENERAL DISCLOSURE - GRI 2		
2-1 Organizational details	Our organisation (page 64)	
2-2 Entities included in the organization's sustainability reporting	Our organisation (page 64) Note on methodology (page 170)	
2-3 Reporting period, frequency and contact point	Note on methodology (page 170)	
2-4 Restatements of information	Note on methodology (page 170)	
2-5 External assurance	Limited assurance engagement on the sustainability report (page 210)	
2-6 Activities, value chain and other business relationships	Company profile and entertainment offering (page 16) Responsible supply chain management (page 166)	
2-7 Employees	Exemplary employer of choice (page 77) Performance tables 2021-2023 – Social Impacts (page 146)	
2-8 Workers who are not employees	Performance tables 2021-2023 – Social Impacts (page 146)	
2-9 Governance structure and composition	The governance system (page 65)	<i>There are no members of the board of directors from under-represented social groups, as this is not required by Italian law or the company's articles of association. The Company Register may be consulted to identify Board Members who are Board Directors or Statutory Auditors in other Italian companies.</i> OMISSION Information not available (the "Competencies relevant to the impacts of the organization" are not defined for the members of the board of directors).
2-10 Nomination and selection of the highest governance body		<i>As an unlisted company, the appointment of the members of the Board of Directors is the responsibility of the shareholder (Flutter) who submits a specific list at the time of renewal</i>
2-11 Chair of the highest governance body	The governance system (page 65)	<i>The Chairman of the Board of Directors is not also a senior executive.</i>

Standard Disclosure	Page reference	Comments/Omissions
2-12 Role of the highest governance body in overseeing the management of impacts		<i>The Board of Directors receives regular communications and reports on sustainability issues, as well as formally approving the Strategy, ESG policies, materiality assessment and Sustainability Report.</i>
2-13 Delegation of responsibility for managing impacts	The governance system (page 65)	<i>Sisal, in the framework of a broader project to reorganise its control and governance system, has approved the establishment of internal Management Committees, including the Sustainability Committee, which formally defines and oversees the Sustainability Strategy and periodically reports to the Board of Directors on the activities implemented and progress against the objectives set.</i>
2-14 Role of the highest governance body in sustainability reporting	Note on methodology (page 170)	
2-15 Conflicts of interest	Conflict of interest management (page 159)	<i>There is also a dedicated section within the (recently updated) Code of Ethics and Anti-Corruption Policy.</i>
2-16 Communication of critical concerns	Whistleblowing (page 160) Performance tables 2021-2023 – Business ethics and economic impacts (page 197)	
2-17 Collective knowledge of the highest governance body		<i>The CEO reports monthly to the Board of Directors on Business Performance including ESG KPIs, Responsible Gaming aspects and Key strategic Initiatives.</i>
2-18 Evaluation of the performance of the highest governance body		<i>As an unlisted company and in the absence of a formal request from the shareholder (Flutter), no self-assessment activity has been carried out to date.</i>
2-19 Remuneration policies		<i>As an unlisted company and a wholly-owned subsidiary of Flutter, we have no legislative obligations in this respect, and therefore no specific Remuneration Policy has been drawn up or disclosure published on the remuneration of key governance bodies.</i>
2-20 Process to determine remuneration		<i>As an unlisted company and a wholly-owned subsidiary of Flutter, we have no legislative obligations in this respect, and therefore no specific Remuneration Policy has been drawn up or disclosure published on the remuneration of key governance bodies.</i>
2-21 Annual total compensation ratio		<i>As an unlisted company and a wholly-owned subsidiary of Flutter, we have no legislative obligations in this respect, and therefore no specific Remuneration Policy has been drawn up or disclosure published on the remuneration of key governance bodies.</i>

Standard Disclosure	Page reference	Comments/Omissions
2-22 Statement on sustainable development strategy	Letter to stakeholders (page 2) Our sustainability strategy (page 52)	
2-23 Policy commitments	Risk Management (page 67) Whistleblowing Policy (Our Inclusion Culture, page 104) Health and Safety Policy (Health and Safety, page 121) Bribery Prevention Policy (Combating Bribery, page 158) Human Rights & Anti-Discrimination Policy (Respect for human rights and non-discrimination, page 159) Anti-Money Laundering Policy (Combating money laundering and the funding of terrorism, page 160) Data ethics control (page 161) Integrated management system (page 165)	
2-24 Embedding policy commitments	Risk Management (page 67) Whistleblowing Policy (Our Inclusion Culture, page 104) Health and Safety Policy (Health and Safety, page 121) Bribery Prevention Policy (Combating Bribery, page 158) Human Rights & Anti-Discrimination Policy (Respect for human rights and non-discrimination, page 159) Anti-Money Laundering Policy (Combating money laundering and the funding of terrorism, page 160) Data ethics control (page 161) Integrated management system (page 165)	
2-25 Processes to remediate negative impacts	Risk Management (page 67) Development of player protection tools (page 90) Business integrity (page 158) Security (page 163)	<i>Sisal has developed numerous tools to prevent possible negative impacts that can be controlled in relation to its products for gaming, player protection, support for problem players, reporting and management of other critical issues related to negative impacts due to business practices.</i>
2-26 Mechanisms for seeking advice and raising concerns	Whistleblowing (page 160)	
2-27 Compliance with laws and regulations		<i>No significant cases of non-compliance with laws and regulations during the reporting period.</i>

Standard Disclosure	Page reference	Comments/Omissions
2-28 Membership associations		<p>The main trade associations with which the Group has relations are:</p> <ul style="list-style-type: none"> • European Lotteries (EL) and World Lottery Association (WLA); • Sistema Gioco Italia (SGI). <p>The main associations of which the Group is a member, engaged in fields linked to sustainability and the promotion of historical and cultural heritage, are:</p> <ul style="list-style-type: none"> • United Nations Global Compact; • Valore D, Parks Liberi e Uguali, Donna Professione STEM; • Cotec, Civita, Museimpresa.
2-29 Approach to stakeholder engagement	Materiality assessment (page 58) Note on methodology – materiality assessment (page 171)	
2-30 Collective bargaining agreements		100% of employees in Italy are covered by a national collective agreement. There are no collective agreements currently in force in other countries.
MATERIAL TOPICS - GRI 3		
3-1 Process to determine material topics	Materiality assessment (page 58) Note on methodology – materiality assessment (page 171)	
3-2 List of material topics	Materiality assessment (page 58)	
Promotion of a Responsible Gaming model and protection of vulnerable categories		
3-3 Management of material topics	The Responsible Gaming strategy (page 86)	
Customer health and safety - GRI 416		
416-1 Assessment of the health and safety impacts of product and service categories	Development of player protection tools (page 90)	
Other non-GRI criteria		
Responsible gaming certifications obtained by the Company	Sisal's Responsible Gaming Programme (page 88)	
Point-of-sale monitoring activities	Company profile and entertainment offering (page 16) Development of player protection tools (page 90)	
Number of new games on which a risk assessment has been performed out of total new games produced by the Company	Development of player protection tools (page 90)	All Sisal games are evaluated using GAM-GaRD.

Standard Disclosure	Page reference	Comments/Omissions
Number of new games that have obtained Game Gard certification out of total new games produced by the Company	Development of player protection tools (page 90)	<i>All Sisal games are evaluated using GAM-GaRD.</i>
Type of services offered to contain gaming-related pathologies	Development of player protection tools (page 90)	
Player assistance and protection		
3-3 Management of material topics	Player support (page 95)	
Other non-GRI criteria		
Number and type of institutions/organisations the Company works with to provide assistance/management for gaming-related pathologies	Player support (page 95)	
Type of services offered to contain gaming-related pathologies	Player support (page 95)	
Method of access for players to the services offered by the institutions/organisations the Company works with to provide assistance/management for gaming-related pathologies	Player support (page 95)	
Staff training on Responsible Gaming		
3-3 Management of material topics	Education in balanced and aware gaming (page 93)	
Other non-GRI criteria		
Method of informing PoS staff about the assistance/management services offered by the Company for gaming-related pathologies	Player support (page 95) Education in balanced and aware gaming (page 93)	
Type of information on Responsible Gaming issued by the Company	Education in balanced and aware gaming (page 93)	
Number and type of information/training activities addressing points of sale	Education in balanced and aware gaming (page 93)	
Consumer communications		
3-3 Management of material topics	Player education (page 93)	
Customer health and safety - GRI 417		
417-1 Requirements for product and service information and labeling	Player education (page 93) Online channels (page 91) Retail channel (page 92)	

Standard Disclosure	Page reference	Comments/Omissions
417-2 Incidents of non-compliance concerning product and service information and labeling		<i>No incidents reported in 2023.</i>
417-3 Incidents of non-compliance concerning marketing communications		<i>No incidents reported in 2023.</i>
Other non-GRI criteria		
Codes of conduct/ standards adopted by the Company to regulate gaming communication/ advertising	Sisal's Responsible Gaming Programme (page 88)	
Type of information material distributed in points of sale	Retail channel (page 92)	
Type of information on on-line gaming platforms	Online channels (page 91)	
Methods of distributing information about Responsible Gaming	Online channels (page 91) Retail channel (page 92)	
Type of initiatives organised over the year to spread knowledge about gaming problems	Investments in scientific research (page 89)	
Methods of publication and frequency of communications about the Company's Responsible Gaming programme	Player education (page 93) Online channels (page 91) Retail channel (page 92)	
Equal Opportunities and the Promotion of Diversity and Inclusion (DEI) by fighting discrimination		
3-3 Management of material topics	Diversity, Equity and Inclusion (DEI) (page 104)	
Diversity and equal opportunity - GRI 405		
405-1 Diversity of governance bodies and employees	Performance tables 2021-2023 – Social Impacts (page 182)	
405-2 Ratio of basic salary and remuneration of women to men	Performance tables 2021-2023 – Social Impacts (page 182)	OMISSION Incomplete information (disclosure available only for basic salary and not for remuneration). We estimate that we will be able to provide full disclosure by 2027.
Non-discrimination - GRI 406		
406-1 Incidents of discrimination and corrective actions taken	Respect for human rights and non-discrimination (page 159) Performance tables 2021-2023 – Business ethics and economic impacts (page 197)	<i>No incidents of discrimination reported in 2023.</i>

Standard Disclosure	Page reference	Comments/Omissions
Development of human capital		
3-3 Management of material topics	Training, growth and talent development (page 114)	
Employment - GRI 401		
401-1 New employee hires and employee turnover	Performance tables 2021-2023 – Social Impacts (page 182)	
401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	SisalCare, corporate wellbeing in Sisal (page 117)	
401-3 Parental leave	Performance tables 2021-2023 – Social Impacts (page 182)	OMISSION Incomplete information (Non-homogeneous scope due to the exclusion of foreign legal entities). We estimate that we will be able to provide full disclosure by 2027.
Training and education - GRI 404		
404-1 Average hours of training per year per employee	Performance tables 2021-2023 – Social Impacts (page 182)	
404-2 Programs for upgrading employee skills and transition assistance programs	Talent development (page 114)	
404-3 Percentage of employees receiving regular performance and career development reviews	Professional training and growth (page 112)	
Greenhouse gas (GHG) emissions		
3-3 Management of material topics	Strategy to combat climate change (page 140)	
Emissions - GRI 305		
305-1 Direct (Scope 1) GHG emissions	GHG emissions (page 144) Performance tables 2021-2023 – Environmental Impacts (page 195)	<i>Source of emissions factors: Greenhouse Gas Protocol UK Defra</i>
305-2 Energy indirect (Scope 2) GHG emissions	GHG emissions (page 144) Performance tables 2021-2023 – Environmental Impacts (page 195)	<i>Source of emissions factors: AIB - SUPPLIER MIX 2021, ISPRA 2021, TERNA-CONFRONTI INTERNAZIONALI 2019</i>
305-3 Other indirect (Scope 3) GHG emissions	GHG emissions (page 144) Performance tables 2021-2023 – Environmental Impacts (page 195)	<i>Source of emissions factors: EPA - EMISSION FACTORS, Quantis Scope 3 Evaluator UK Defra, UK Gov BEI - Defra 2019</i>
305-5 Reduction of GHG emissions	GHG emissions (page 144)	
305-6 Emissions of ozone-depleting substances (ODS)		<i>Type of emissions not present.</i>

Standard Disclosure	Page reference	Comments/Omissions
305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		<i>Type of emissions not present.</i>
Responsible management of waste and materials		
3-3 Management of material topics	Responsible consumption of raw materials and circular economy (page 150)	
Materials - GRI 301		
301-1 Materials used by weight or volume	Responsible consumption of raw materials and circular economy (page 150) Performance tables 2021-2023 – Environmental Impacts (page 195)	
301-2 Recycled input materials used	Responsible consumption of raw materials and circular economy (page 150)	
Waste - GRI 306		
306-1 Waste generation and significant waste-related impacts	Responsible consumption of raw materials and circular economy (page 150)	
306-2 Management of significant waste-related impacts	Responsible consumption of raw materials and circular economy (page 150)	
306-3 Waste generated	Performance tables 2021-2023 – Environmental Impacts (page 195)	
306-4 Waste diverted from disposal	Performance tables 2021-2023 – Environmental Impacts (page 195)	
306-5 Waste directed to disposal	Performance tables 2021-2023 – Environmental Impacts (page 195)	
Energy consumption		
3-3 Management of material topics	Energy consumption (page 146)	
Energy - GRI 302		
302-1 Energy consumption within the organization	Energy consumption (page 146) Performance tables 2021-2023 – Environmental Impacts (page 195)	
302-2 Energy consumption outside of the organization	Energy consumption (page 146)	
302-4 Reduction of energy consumption	Energy consumption (page 146)	
Community support		
3-3 Management of material topics	Sustain community growth and wellbeing (page 126)	
Indirect economic impacts - GRI 203		
203-2 Significant indirect economic impacts	Sustain community growth and wellbeing (page 126)	

Standard Disclosure	Page reference	Comments/Omissions
Research and Innovation		
3-3 Management of material topics	Innovation (page 36)	
Other non-GRI criteria		
Innovation activities developed	Innovation projects (page 44)	
Activities to promote innovation and digital development in the country	Social Innovation (page 127)	
Protection of sensitive data (privacy & security)		
3-3 Management of material topics	Data ethics (page 161)	
Customer privacy - GRI 418		
418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Education in balanced and aware gaming (page 93)	<i>Thanks to the continuous improvement of security systems and fraud prevention and detection mechanisms implemented (such as those dedicated to monitoring and analyzing any anomalous accesses to online gaming accounts), in 2023, it was possible to promptly detect and manage two data breach events that resulted in a leakage of customer data. Where required by current regulations, notification was therefore made to the competent authorities.</i>
Culture of legality		
3-3 Management of material topics	Business integrity (page 158)	
Anti-corruption - GRI 205		
205-1 Operations assessed for risks related to corruption	Combating Bribery (page 158)	
205-2 Communication and training about anti-corruption policies and procedures	Combating Bribery (page 158)	
205-3 Confirmed incidents of corruption and actions taken	Performance tables 2021-2023 – Business ethics and economic impacts (page 197)	<i>No incidents of corruption found.</i>
Tax - GRI 207		
207-1 Approach to tax	Tax policy (page 79)	
207-2 Tax governance, control, and risk management	Tax policy (page 79)	
207-3 Stakeholder engagement and management of concerns related to tax	Tax policy (page 79)	

Standard Disclosure	Page reference	Comments/Omissions
Responsible Governance		
3-3 Management of material topics	The governance system (page 65)	
Business Ethics		
3-3 Management of material topics	Business integrity (page 158)	
Anti-competitive behavior - GRI 206		
206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Ethical and transparent commercial practices (page 159)	<i>Sisal was not involved in legal action relating to unfair competition, antitrust regulations or monopoly practices.</i>
Supplier environmental assessment - GRI 308		
308-1 New suppliers that were screened using environmental criteria	Responsible supply chain management (page 166)	
Supplier social assessment - GRI 414		
414-1 New suppliers that were screened using social criteria	Responsible supply chain management (page 166)	
OTHER GRI INDICATORS		
Water and effluents - GRI 303		
303-3 Water withdrawal	Responsible consumption of raw materials and circular economy (page 150) Performance tables 2021-2023 – Environmental Impacts (page 195)	OMISSION Classification of water withdrawals by freshwater/other water: Information not available. We estimate that we will be able to provide full disclosure on this by 2027.
303-5 Water consumption	Responsible consumption of raw materials and circular economy (page 150) Performance tables 2021-2023 – Environmental Impacts (page 195)	OMISSION Classification of water withdrawals by freshwater/other water: Information not available. We estimate that we will be able to provide full disclosure on this by 2027.
Labor/management relations - GRI 402		
402-1 Minimum notice periods regarding operational changes		<i>Sisal respects the contractually agreed notice periods in Italy and abroad. In addition, in the event of structural reorganisations, the Company draws up employee support plans.</i>
Occupational health and safety - GRI 403		
403-1 Occupational health and safety management system	Health and Safety (page 121)	
403-2 Hazard identification, risk assessment, and incident investigation	Risk Management (page 67) Health and Safety (page 121)	

Standard Disclosure	Page reference	Comments/Omissions
403-3 Occupational health services	SisalCare, corporate wellbeing in Sisal (page 117) Health and Safety (page 121)	
403-4 Worker participation, consultation, and communication on occupational health and safety	Health and Safety (page 121)	
403-5 Worker training on occupational health and safety	Health and Safety (page 121) Performance tables 2021-2023 – Social Impacts (page 182)	
403-6 Promotion of worker health	SisalCare, corporate wellbeing in Sisal (page 117) Health and Safety (page 121)	
403-8 Workers covered by an occupational health and safety management system	Health and Safety (page 121)	
403-9 Work-related injuries	Performance tables 2021-2023 – Social Impacts (page 182)	
Public policy - GRI 415		
415-1 Political contributions		<i>We always avoid political involvement on behalf of Sisal and do not make direct or indirect contributions in any form to parties, movements, committees and political and trade union organisations, their representatives and candidates.</i>

SASB content Index

Casinos & Gaming Standard

Topic	Code	Metric	GRI Reference	Page Reference
Energy Management	SV-CA-130a.1	<ol style="list-style-type: none"> Total energy consumed Percentage grid electricity Percentage renewable 	GRI 302-1	Performance tables 2021-2023 – Environmental Impacts (page 197)
Responsible Gaming	SV-CA-260a.1	Percentage of gaming facilities that implement the Responsible Gambling Standards and Criteria for Venues	NON-GRI	Responsible Gaming (page 82)
	SV-CA-260a.2	Percentage of online gaming operations that implement the Responsible Gambling Council (RGC) Standards and Criteria for iGaming	NON-GRI	Responsible Gaming (page 82)
Smoke-free Casinos	SV-CA-320a.1	Percentage of gaming floor where smoking is allowed	NON-GRI	7,192 mq (25%)
	SV-CA-320a.2	Percentage of gaming staff who work in areas where smoking is allowed	NON-GRI	n.a.*
	SV-CA-510a.1	Description of anti-money laundering policies and practices	GRI 205	Combating Bribery (page 160)
Internal Controls on Money Laundering	SV-CA-510a.2	Total amount of monetary losses as a result of legal proceedings associated with money laundering	GRI 205	Performance tables 2021-2023 – Business ethics and economic impacts (page 197)

* The requirement is not applicable. In fact, the personnel only work in the non-smoking areas and move, upon request/need, to the smoking areas, where they only stay for the time necessary to manage the request. This time, which varies according to the specific need, is therefore not quantifiable.

Activity metrics	Code	Disclosure
Number of tables	SV-CA-000.A	n.a.*
Number of slots	SV-CA-000.B	2,108
Number of active online gaming customers	SV-CA-000.C	2,677,739
Total area of gaming floor	SV-CA-000.D	28,766

* There are no gaming tables in Sisal points of sale.

Independent auditor's report



Sisal Group

2023 Sustainability Report

(with independent related auditors' report thereon)

KPMG S.p.A.

14 June 2024



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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report on the sustainability report

*To the board of directors of
 Sisal S.p.A.*

We have been engaged to perform a limited assurance engagement on the 2023 sustainability report (the "sustainability report") of the Sisal Group (the "group").

Directors' responsibility for the sustainability report

The directors of Sisal S.p.A. (the "parent") are responsible for the preparation of a sustainability report in accordance with the "Global Reporting Initiative Sustainability Reporting Standards" issued by GRI - Global Reporting Initiative (the "GRI Standards").

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.

They are also responsible for defining the group's objectives regarding its sustainability performance and the identification of the stakeholders and the significant aspects to report.

Auditors' independence and quality management

We are independent in compliance with the independence and all other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (the IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our company applies International Standard on Quality Management 1 (ISQM Italia 1) and, accordingly, is required to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

KPMG S.p.A. è una società per azioni di diritto italiano e fa parte del network KPMG di entità indipendenti affiliate a KPMG International Limited, società di diritto inglese.

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Sisal Group
Independent auditors' report
 31 December 2023

Auditors' responsibility

Our responsibility is to express a conclusion, based on the procedures performed, about the compliance of the sustainability report with the requirements of the GRI Standards. We carried out our work in accordance with the criteria established by "International Standard on Assurance Engagements 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised"), issued by the International Auditing and Assurance Standards Board (IAASB) applicable to limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the sustainability report is free from material misstatement.

A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE 3000 revised, and consequently does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures we performed on the sustainability report are based on our professional judgement and include inquiries, primarily of the parent's personnel responsible for the preparation of the information presented in the sustainability report, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

Specifically, we performed the following procedures:

- 1 analysing the reporting of material aspects process, specifically how the reference environment is analysed and understood, how the actual and potential impacts are identified, assessed and prioritised and how the process outcome is validated internally;
- 2 understanding the processes underlying the generation, recording and management of the significant qualitative and quantitative information disclosed in the sustainability report.

Specifically, we held interviews and discussions with the management personnel of the parent and of the subsidiaries Sisal Italia S.p.A. and Sisal Gaming S.r.l.. We also performed limited procedures on documentation to gather information on the processes and procedures used to gather, combine, process and transmit non-financial data and information to the office that prepares the sustainability report.

Furthermore, with respect to significant information, considering the group's business and characteristics:

- at parent and subsidiaries level:
 - a) we held interviews and obtained supporting documentation to check the qualitative information presented in the sustainability report;
 - b) we carried out analytical and limited procedures to check, on a sample basis, the correct aggregation of data in the quantitative information;
- we visited Sisal Italia S.p.A. (Rome office) and Sisal Gaming S.r.l. (Wincity store at Piazza Armando Diaz 7, Milan), which we have selected on the basis of their business, contribution to the key performance indicators at consolidated level and location, to meet their management and obtain documentary evidence, on a sample basis, supporting the correct application of the procedures and methods used to calculate the indicators.



Sisal Group
Independent auditors' report
31 December 2023

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the 2023 sustainability report of the Sisal Group has not been prepared, in all material respects, in accordance with the requirements of the GRI Standards.

Other matters

Other auditors performed a limited assurance engagement on the group's 2021 and 2022 sustainability reports and expressed an unqualified conclusion thereon on 17 June 2022 and 29 May 2023, respectively.

Milano, 14 June 2024

KPMG S.p.A.

(signed on the original)

Alain Rigamonti
Director of Audit

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**Go to 2023
Sustainability
Report website**

