

Leadership in Responsible Gaming

- Responsible Gaming strategy
- Responsible Gaming programme



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The current economic and regulatory environment, and the social role companies are called upon to play, are driving a **root and branch review of the Responsible Gaming strategies** adopted until now by the industry. The focus on the consumer, on the product and on stakeholder relations requires a **significant shift from the concept of *Compliance* to that of *Commitment***.

By Commitment we mean **taking a proactive stance, involving the entire company's structure**, that aims to identify the elements and actions in a new gaming model designed to prevent the problematic tendencies that are potentially inherent in the supply model by promoting entertainment and amusement and ensuring player safety.

For some years now, Sisal has followed a Responsible Gaming policy that draws on the latest research and tools to identify and prevent problem issues. The de-

velopment of Artificial Intelligence technology and tools, in conjunction with socio-behavioural research, has made it possible to develop a strategic plan that has significantly increased awareness among players, so reducing risk. Moreover, the adoption of an omnichannel model has made it possible to put consumers front and centre, and to build an information network around them that encourages healthy and responsible behaviour.

Responsible Gaming strategy

The responsible player is an aware and informed player.

Our sustainability strategy is based on the promotion of a gaming culture that puts the emphasis on fun and avoids excess. In line with the corporate Purpose, Responsible Gaming is the prerequisite for creating a healthy and principled gaming culture. **We champion a business model capable of creating economic value in a balanced and sustainable way.** Caring about, respecting and protecting consumers are therefore the values that guide our commitment.

Our **Responsible Gaming Programme** protects players, especially those in more vulnerable categories. We do this through **information** campaigns, **prevention** of problem gambling behaviours and **support** for people with gambling-related issues. This programme is **integrated into all our business areas and channels, with the aim of pro-**

moting a sustainable model based on the participation of all the company's functions, on training for points of sale, and on information and the involvement of players.

"Responsible Together" sums up our **approach**, which sees all our stakeholders engaged in the promotion of a safe and aware gaming model for everyone.

Sisal's ultimate goal is to align all foreign subsidiaries with the Responsible Gaming model, in line with the main international standards in the industry.



- **We invest in scientific research**, developing an analysis model that drives continuous improvement in player behaviour.
- **We develop effective player protection tools**, leveraging technological innovation, artificial intelligence and transparent communication that steers players towards healthy, responsible practices.
- **We continuously inform** our employees, retailers and customers, guiding them towards more aware and safer behaviors.
- **We create a performance measurement system** linked to Responsible Gaming.
- **We implement an international strategy** that ensures the application of high standards of Responsible Gaming across the entire Group and in full compliance with current legislations.
- **We identify and support problem players** by implementing tailor-made mitigation measures.



Responsible Gaming certifications

We have been certifying our Responsible Gaming programme, since 2011, in line with the highest standards of EL (European Lotteries) and WLA (World Lottery Association).

In 2020, the latest renewal was achieved, following the independent assessment conducted by PwC, aimed at verifying the compliance of the initiatives developed by Sisal with the provisions of the European Responsible Gaming Standard issued by EL and WLA.

These standards identify and group into eleven sections the relevant issues on which operators in the gaming sector must engage in order to promote responsible gaming. The most significant ones include participation in research initiatives aimed at understanding issues connected to problem gaming, the development of specific training programmes on Responsible Gaming issues aimed at employees and the network, the creation of games according to risk reduction logics, the development of commercial communication in line with the principles defined by the reference regulations, the involvement of all stakeholders in initiatives aimed at spreading knowledge on responsible gaming issues.

Following a process of alignment with Sisal's Responsible Gaming strategy, the foreign subsidiaries are launching activities to achieve adequate levels of compliance with international standards. In particular, Sisal Sans in Turkey obtained level 2 of the WLA regarding the Responsible Gaming framework in December 2022 while Sisal Loterie Maroc in Morocco continues to contribute through its business areas to certification according to the EL standard of SGLN (Société de Gestion of the Loterie Nationale).

All our activities draw on **social research** into the characteristics and gaming behaviour of our customer base. This also involved the **reformulation of the questionnaire "What kind of player are you?"**, drawing on the in-depth experience of the EngageMind Hub (Università Cattolica, Milan). This has led to the development of new study areas and the introduction of a number of socio-behavioural and psychological variables that we have used for customer profiling to a high level of precision and detail.

more than
25,000
 clients involved
 in research activities

In 2022, we involved over 25,000 of our customers, in two phases, in a project to build a **richly detailed database**. This database enabled us to better understand the characteristics of Sisal players and identify a series of actions and potential mitigations targeting at-risk behaviours. The new 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.

In 2023, the main areas we intend to strengthen are:

Continuous learning

- Enrich and complement the method of **segmenting players** based on gaming behaviours.
- **Identify risk indicators** for prompt, targeted action.
- **Integrate the model with specific mitigation areas** in line with the characteristics of our product portfolio and the sales network.
- **Continuous monitoring of the evolution of the portfolio of games** to analyse the risk level on an ongoing basis, ensuring maximum player protection.

Education and training

- **Increase participation** in the training programme.
- **Introduce courses for professional categories**, with the participation of experts on problem gambling.
- **Introduce new tools to train retailers** and opportunities for interactive engagement on Responsible Gaming issues with the support of experts.
- **Ensure the diffusion of the training programme on Responsible Gaming across all retailers** and develop a focus on the **prohibition of underage** gambling.

Customer protection

- **Develop new player protection tools**: review of deposit limits, play breaks and time limits.
- **Introduce new information and player protection tools**, increasingly supported by Artificial Intelligence to ensure a balanced and aware gaming experience.

Responsible Gaming programme

Proactive leadership	<p>The Responsible Gaming Coordination Committee which comprises experts in different areas ranging from information technology and communication to clinical aspects, helps define Responsible Gaming guidelines. This Committee also provides supervision and oversight of research work to guarantee high quality standards.</p>	<p>Ongoing advisorship for the development of an innovative strategic programme</p>
Research and studies	<p>Sisal, in partnership with the psychology department and the EngageMind Hub at Università Cattolica of Milan, monitors behavioural elements that reveal early signs of problem situations.</p> <p>The focus of research was on the entire customer base through nine listening sessions during 2022. This has provided insights that are useful for anticipating dysfunctional behaviour and so for informing consumers in real time about any problem situations. Specifically, a new PGSI²⁵ analysis model has been developed to identify a different classification of problem players. Based on this analysis, through the integrated study of gaming behaviour and the analysis of psychological motivations, work has begun to develop a cluster automation model that identifies players at risk based on gaming behaviour. Once again in partnership with Università Cattolica in Milan, we are performing textual analysis to identify signals in customer-company relations that indicate potential problems.</p>	<p>Over 25,000 customers involved in 2022</p>
Training and awareness raising	<p>There has been a special focus on training point-of-sale staff, whose level of awareness of Responsible Gaming issues is measured continuously through a mystery inspector survey.</p> <p>Sisal's Responsible Gaming communication, differentiated by objectives and tools, addresses a broad audience of stakeholders: customers, employees, business partners, institutions (Parliament, local authorities, associations), media and academia.</p>	<p>Over 90% of the network passes Responsible Gaming controls by mystery inspectors</p>

²⁵ Problem Gambling Severity Index.

Governance	<p>Research results and the current and potential risks identified drive the creation of operational and cross-functional working groups, through which Responsible Gaming becomes an integral part of the business.</p> <p>The working groups operate in the framework of their own areas of responsibility with regard to channels (Online, Retail, International), products (Lottery, Betting, AWP, Game Design) and IT Innovation. The working groups also define pilot solutions for the development of new player protection tools. In the Online channel, for example, new prevention solutions with time limits have been implemented, accompanied by the introduction of play breaks and an innovative procedure for managing at-risk customers based on precise indicators that make it possible to determine and prevent potentially problematic behaviour. In the AWP area, a player protection project has been launched to introduce 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.</p>	<p>12 working groups active in Italy and 3 in the International area</p>
Game design	<p>We 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 Responsible Gaming principles and criteria.</p>	<p>New products from Lottery, Gaming machine and new lines of business reviewed</p>
Innovative technologies	<p>We invested in the development of Artificial Intelligence tools, capitalising on past experience and investing in collaborations with Università Cattolica in Milan and information technology experts, with the aim of detecting new customer groups and of delivering predictive identification of at-risk gaming behaviour.</p>	<p>Algorithm 2.0 development for continuous performance improvement and predictive identification of at-risk behaviour</p>
Performance measurement	<p>Scorecard defined for the periodic measurement of results to enable progress monitoring on Responsible Gaming targets.</p>	<p>Monthly updating of main KPIs</p>

Education in balanced gaming and awareness

Player awareness

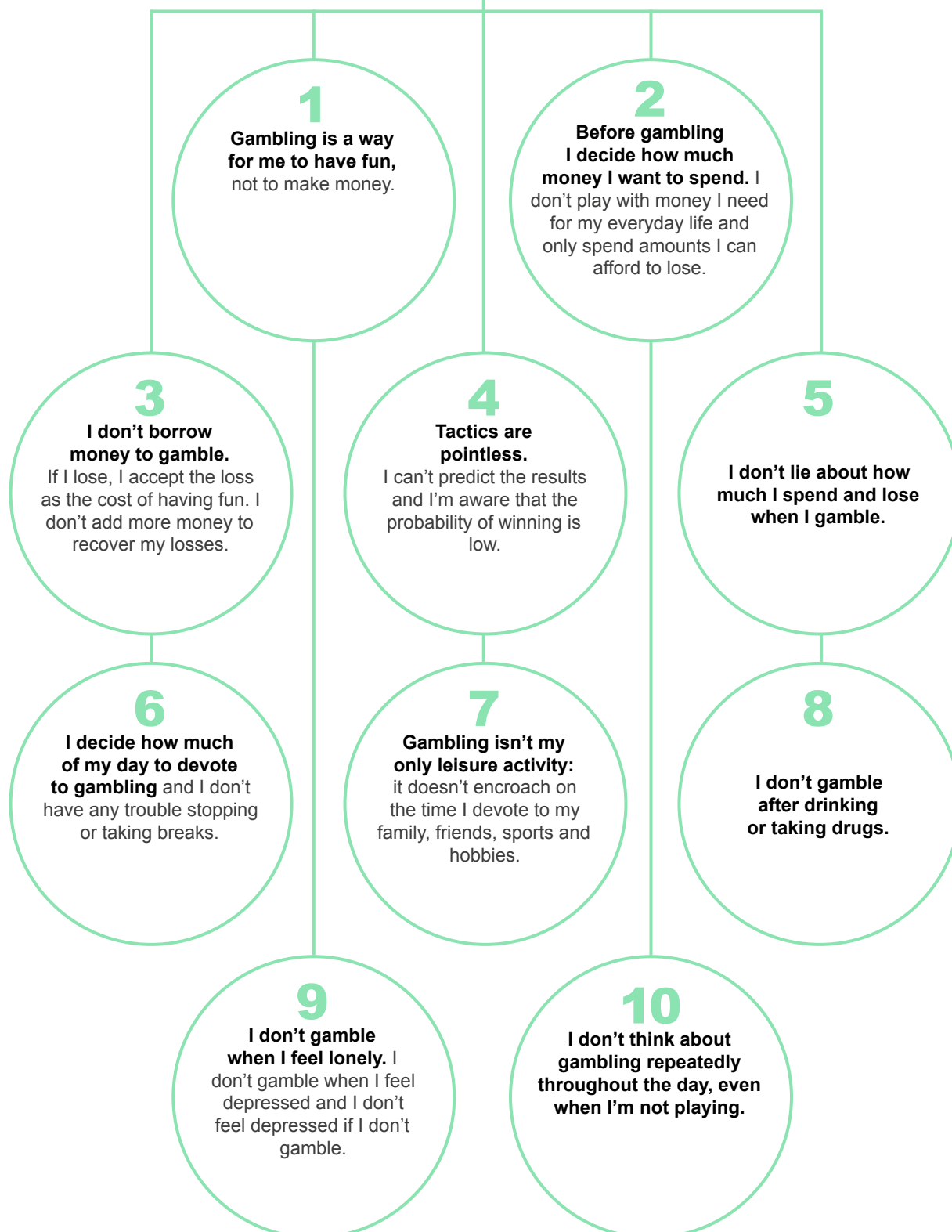
Our primary responsibility is to **spread a culture of balanced gaming free of excess**. It is important for us at Sisal to plan and provide information and education in the use of our products, and to constantly

promote safe and balanced gaming behaviour across all the channels in which gaming is on offer.

Player awareness raising initiatives are organised at various levels to ensure that our message is communicated everywhere in the country, reaching the general public, all our customers, and potential players in both the brick-and-mortar retail network and digital channels.

Ten Rules for the Responsible Player

In promoting awareness of and responsible gaming behaviour, we recommend following these rules:



Our point-of-sale network plays a vital role in providing information and promoting safe and balanced gaming behaviour, acting as an important point of reference for players across the country.

Points of sale are provided with kits containing all our Responsible Gaming tools, with information about gaming materials, customer displays (the player-facing terminal screens) and store dressing materials. The gaming materials present in retail points 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. Finally, a **Safety Button** has been developed and installed at gaming terminals to make it easier to contact support services for at-risk customers.

Appearing in a prominent position on all forms of communication are the **ban on underage gaming, the notice about the risks and information about the probability of winning.**

Online channels

We support the online gaming experience through Sisal's portals and digital applications, as well as through advanced technologies that guarantee safe, age-restricted gaming procedures designed to promote a responsible and balanced gaming style.

One aspect of our digital security work involves the implementation of technology and tools to prevent children from gaining access to online gaming products. We have internal controls in place on the process of registering for a gaming account and perform a set of real time checks on personal details, including date of birth and tax code, using the centralised systems provided by ADM²⁶.

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.

The gaming experience on our platforms is assured by:

- The **self-assessment test, "What kind of player are you?"** (developed with support from experts), designed for real-time verification of the player's approach to gaming and to collect users' suggestions.
- The **"Ten rules for the Responsible Player"** and **"Useful tips for Responsible Gaming"**, designed to foster an awareness 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.**
- 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.

Training

Point-of-sale training

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

Since 2008, courses can be taken at any time using an **e-learning platform** available 24/7.

In 2022, we introduced a **new obligatory training course for the entire retail network**, involving over 22,000 points of sale

²⁶ Customs and Monopolies Agency (Agenzia delle Dogane e dei Monopoli – ADM).

across Italy. Audio-video lessons, illustrations and exercises provide retailers with an easy way to learn content that can be put immediately into practice, achieving full coverage and training of the sales network. Specific awareness-raising activities targeted the **prohibition of underage gambling** and the protection of the most **vulnerable** clusters.

Human resource training

Raising the awareness of people and training them is a key aspect of the Responsible Gaming Programme. All Sisal employees receive ongoing training in Responsible Gaming and gaming risks. Clinical experts and psychologists specialised in the prevention and treatment of pathological gaming are involved in the production of training materials.



Training activities are based **on the online training platform OpenCafè**, to which all the necessary course materials are uploaded in order to keep Sisal employees constantly up to date about the areas of action covered by the Responsible Gaming Programme and about the importance of supporting a balanced gaming model that discourages excess and is geared to protecting the more vulnerable consumer categories. The training sessions end with a **questionnaire to check the understanding of**



the participants. The area dedicated to internal communication channels has also been upgraded to raise awareness of the central role of the Responsible Gaming programme and strengthen compliance with its principles and values.

Player protection

Studies and research

We have always conducted and supported research and studies to analyse and monitor perceptions and sensibilities on Responsible Gaming issues.

The results of these surveys are essential to **provide adequate answers to the phenomenon of problem gambling and to understand in depth how players' behavioural models change.** An important part of this process is the mystery inspector survey, which monitors observance of the highest Responsible Gaming standards at brick-and-mortar retail points in the Sisal network.

In 2022, we consolidated an integrated project to monitor problem players, with the aim of:

- **continuous tracking of online and offline gambling behaviour** in order to profile our players in terms of risk levels;
- **developing player protection measures** in line with our players' risk profiles.

Monitoring involves a **questionnaire given to the entire customer base** in line with the PGSI's strict international guidelines and supplemented by a set of socio-demographic questions. The questionnaire is designed to profile our players in terms of risk level, attitude to and experience of gaming and any coexistence of pathologies.

Artificial Intelligence

Sisal is upgrading its player protection measures with technologies that analyse data from various platforms and process them in real time using **advanced and constantly updated artificial intelligence systems**. The database resulting from this processing is used to improve the effectiveness and responsiveness of **gaming behaviour monitoring** and to take **action to support players**.

Aware 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 **development 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 winnings, frequency of prize draws, etc.) and features (accessi-

bility of gaming venues/shops, opening hours, etc.) based on parameters devised and tested by a panel of world experts.

Support for problem players

We are committed to offering our consumers a specialist service to **give expert advice to players who may have developed a gaming-related disorder**.

Support for problem players involves two different services:

- **The totally free online treatment service provided by FeDerSerD** (Italian Federation of Addiction Department and Service Operators) and funded by Sisal is available on the website www.gioca-responsabile.it. With the support of experienced therapists, courses of treatment are available based on individual needs. Sisal and FeDerSerD are partners in providing support for people who have developed psychological, relational and legal problems connected with compulsive gambling.
- **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. Freephone number 800.558.822 from fixed 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 kind of player are you?" test.