

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.

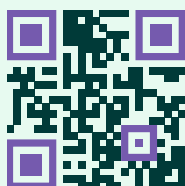
Flutter's Positive Impact Plan (PIP)

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.

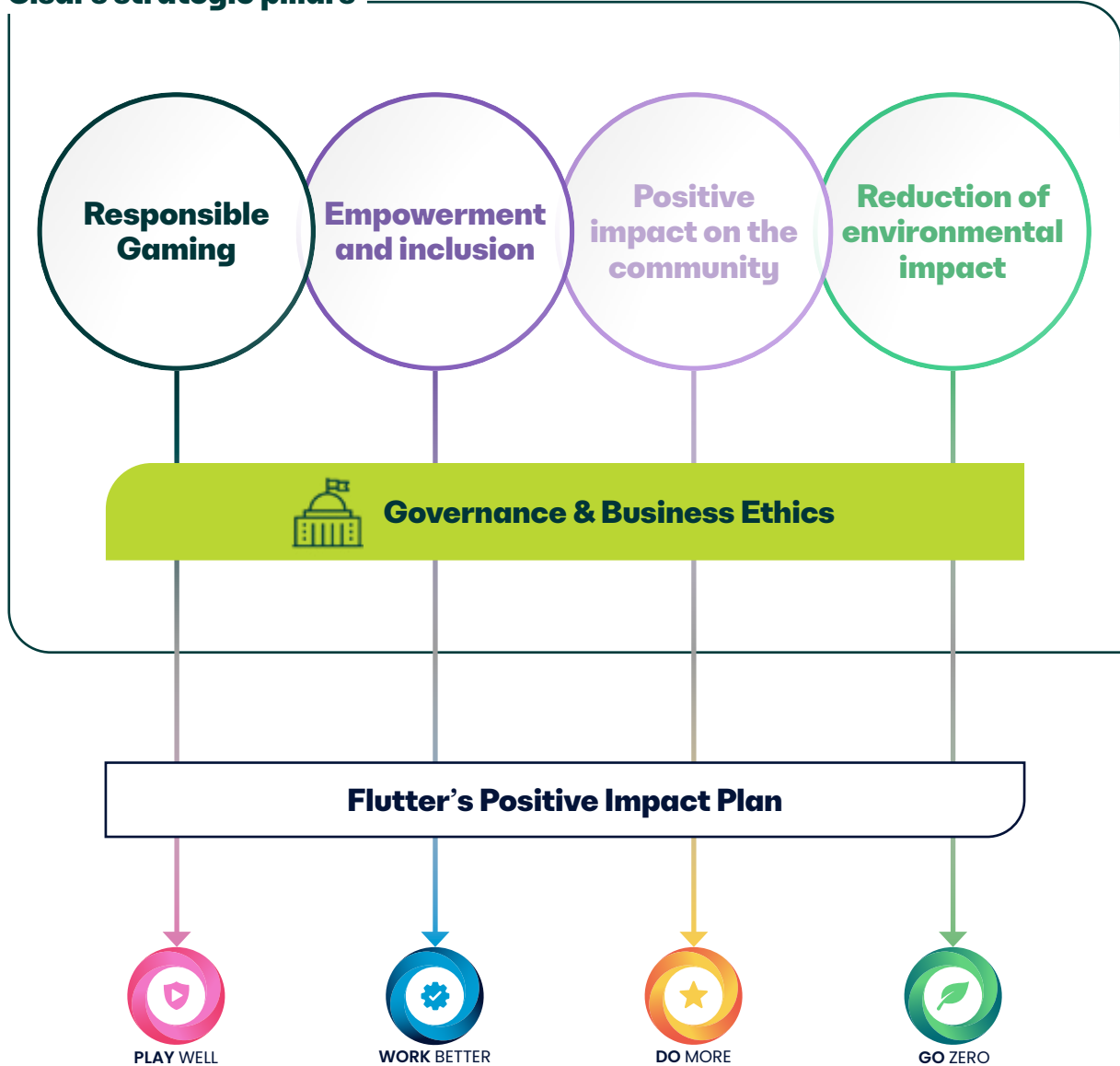


Listen to the interview with
Sue Albion, Group Director of Sustainability and Regulatory Affairs,
Flutter
Flutter's Positive Impact Plan

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

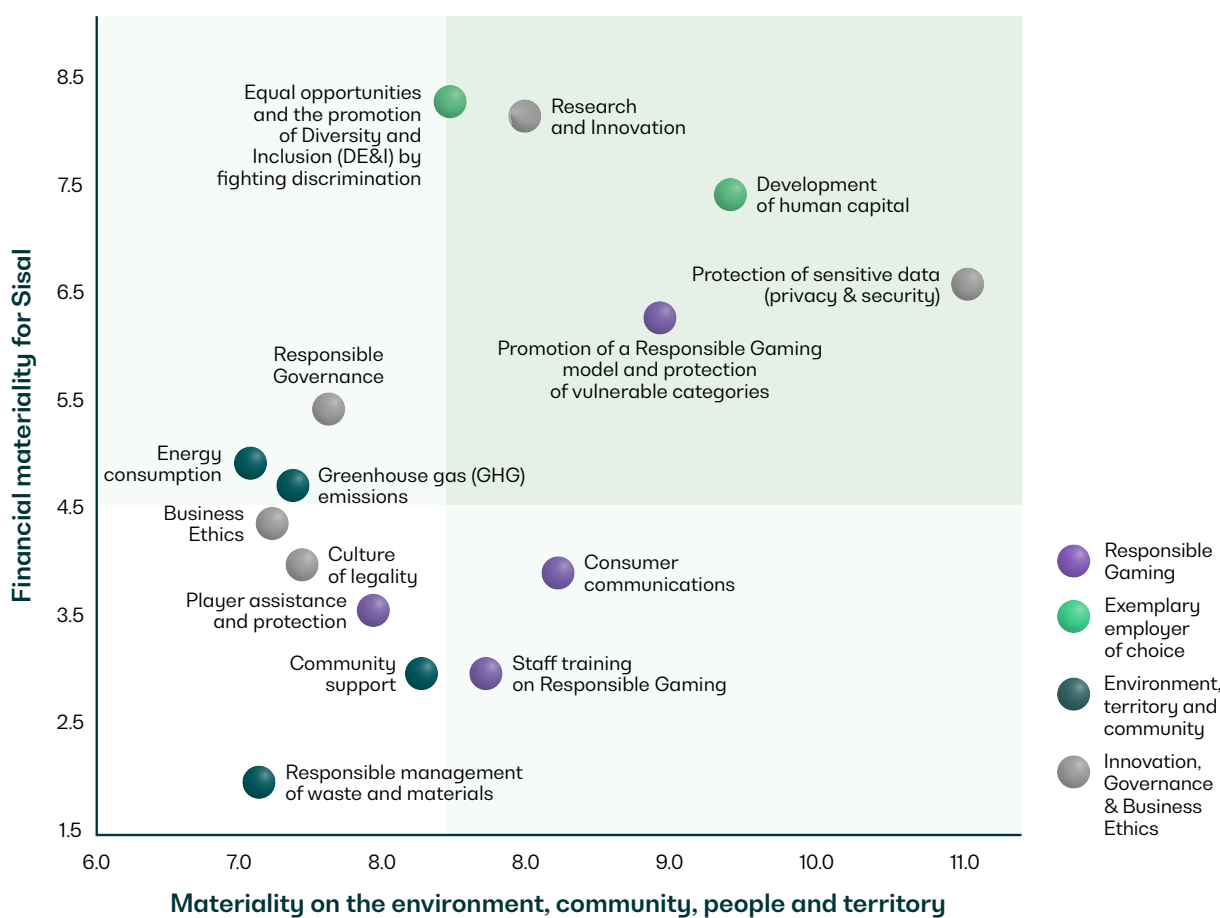
Trade associations	Shareholders	Business community	Customers
Financial Community	Local community and non-profits	Employees	Regulatory authorities and institutions
Suppliers	Media	Distribution network	Universities and research

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
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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.