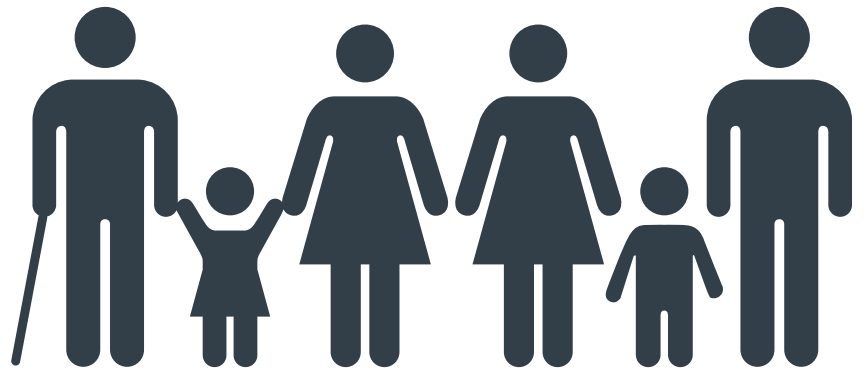
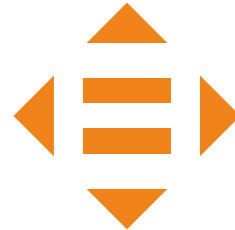
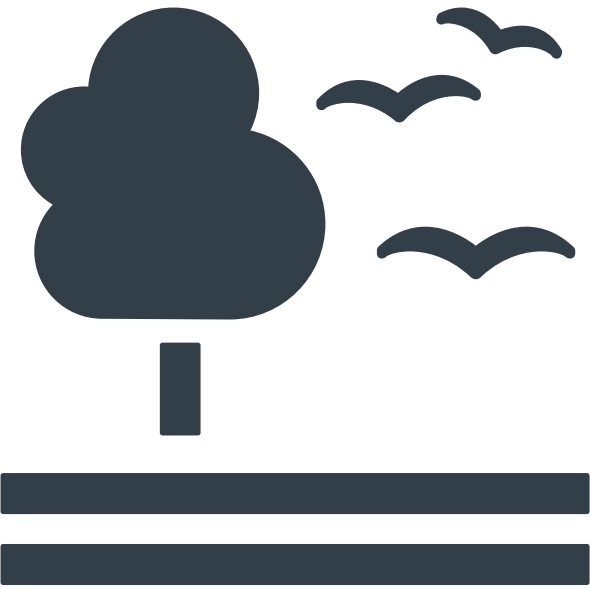


*SNAITECH*



**SUSTAINABILITY  
REPORT 2023  
SNAITECH GROUP**

***SNAITECH***

**SUSTAINABILITY  
REPORT 2023  
SNAITECH GROUP**

# TABLE OF CONTENTS

<b>LETTER TO STAKEHOLDERS</b>	<b>5</b>
<b>READING GUIDE</b>	<b>7</b>
<b>HIGHLIGHTS</b>	<b>10</b>
<b>THE SNAITECH GROUP</b>	<b>13</b>
Identity and strategy	14
The Group's positioning and economic performance	20
Corporate Governance	28
Internal control and risk management system	35
Snaitech's ESG journey and commitment to Sustainable Development	41
Materiality analysis	46
<b>01. THE REGULATED MARKET</b>	<b>55</b>
<b>The regulatory framework, business integrity and the promotion of responsible gambling</b>	
1.1 The regulatory framework and the main innovations	56
1.2 Ethics, transparency and integrity	64
1.3 Consumer protection	72
<b>02. INNOVATION</b>	<b>83</b>
<b>Research, development and customer experience</b>	
2.1 The synergy between retail and online: the offer of games and services	84
2.2 Snaipay services	96
2.3 Multimedia services	98

<b>03. SUSTAINABILITY</b>	<b>101</b>
<b>Responsible management of natural resources for sustainable growth and shared value creation</b>	
3.1 Management of environmental impacts	104
3.2 Energy efficiency and emissions reduction	110
3.3 Water and waste management	116
3.4 Consumption of materials	122
3.5 Commitment to the community: responsible business management	123
<b>04. PEOPLE</b>	<b>131</b>
<b>The strength of the Snaitech Group</b>	
4.1 Human capital: our People and their contribution	133
4.2 Diversity, equal opportunities and inclusion	143
4.3 Health and safety	152
4.4 Staff development, well-being and skills development	155
4.5 Snaitech's relationship with its suppliers	161
<b>Methodological note</b>	<b>163</b>
<b>Content Index</b>	<b>167</b>



A portrait of Fabio Schiavolin, a middle-aged man with a beard and mustache, smiling. He is wearing a dark suit jacket over a light-colored shirt. The background is a textured wall, and the entire image has a warm, orange-toned overlay. The text "FABIO SCHIAVOLIN" is positioned to the right of his head.

FABIO SCHIAVOLIN

//

**WE HAVE COME A LONG WAY  
BUT OUR CHALLENGE REMAINS  
TO KEEP OUT-PERFORMING  
OURSELVES AND IMPROVE  
OUR RESULTS IN THE FUTURE**

//

# LETTER TO STAKEHOLDERS

Meeting the needs of present generations without compromising the possibilities for future generations has always been the fundamental principle of sustainable development. While the commitment of governments and international institutions is crucial in pursuing this goal, there is another side to the coin. As Kathleen Rogers, President of Earth Day Network, reminded us, real change must come 'from below', by putting into practice everyday actions that safeguard the environment over time. Today, more people than ever before can read and write, have access to the Internet, and can inform themselves in just a few clicks on a mobile phone or computer. The wealth of knowledge available to mankind is immense. No one can be said to be unaware. It is us who have to make a difference and give deeper meaning to the term sustainability, which finds its roots in the notions: sustain, defend, care, preserve.

This is why the Sustainability Report 2023 is not merely the fulfilment of a formal obligation or a periodic requirement to get out of the way in a perfunctory manner. On the contrary, it is an opportunity to reflect on the logic according to which an organisation creates, collects and distributes value, taking into account not only profit but also care for the environment and the relationship with stakeholders. We have come a long way but our challenge remains to keep out-performing ourselves and improve our results in the future by increasingly integrating social and environmental responsibility into every area of our activity.

Reducing emissions is the only way for us to safeguard our future and the fate of future generations. This is why we have decided to adopt strict guidelines, investing in process sustainability and committing ourselves to monitoring Scope 3 emissions, i.e. emissions generated by the entire value chain. Scope 3 is a fundamental lever for sparking a truly virtuous circle in the relationship with stakeholders, fostering the dissemination of serious and transparent behaviour, in accordance with the principles of the UN Global Compact of which we have been a member since 2021.



So, it is about environmentalism made of concrete actions. This is the same approach we have adopted in the development of our racecourses: multi-purpose meeting places, but also veritable training centres of sustainability. In 2023, we continued with the project to enhance the Snai San Siro Racecourse, which we are transforming into a true meeting point for all equestrian sports — from gallop racing to eventing and harness racing — as well as a hot spot for the city of Milan. Hosting the 2023 European Show Jumping Championships was an extraordinary reward for us, the culmination of the ambitious three-year project that began with the Milano Jumping Cup, which was well-received by observers, technicians and managers of the International Federation. In line with our ongoing commitment to equestrian sports, we have renewed our television offering. Whilst 2022 was marked by the launch of EQUtv, the television station dedicated to the world of horses broadcast on digital terrestrial, tivùsat and Sky, 2023 saw its consolidation with a new, appealing, popular and transversal programming, and the production of original content such as the documentary “Io sono Varenne, il figlio del vento”, a work of which we are truly proud.

In 2023, we continued to support the projects of several non-profit associations and organisations through Fondazione Snaitech. Our entire team has been involved in this journey, participating with great enthusiasm in corporate volunteering initiatives dedicated to environmental protection and support for the more vulnerable sections of society. More generally, we mobilised 133 volunteers and supported more than 70 third sector organisations on projects impacting more than 11,000 people. The focus on our people has naturally developed through an advanced welfare platform centred on their well-being. We increased staff training hours by 89% and focused on strengthening digital skills. We are also satisfied with the results achieved in terms of gender balance, with women making up 45% of the company. In the same way, we have recorded 38% of new hires under 30 years of age. In an increasingly dynamic and competitive market, attracting and retaining future talent becomes a crucial aspect of a corporate strategy. For this reason, we have introduced a series of tools for identifying trends and engaging with young people entering the world of work, such as the ‘Coding Challenge’: an innovative recruitment method for talented young people invited to compete in a sort of computer language competition, or the ‘Speed Date STEM’, another initiative through which we have opened the doors of our company to the skills of the future.

In 2023, the social and environmental impact of the Snaitech Group went hand in hand with the economic results that confirm the solidity of our company and the fundamental role it plays in Playtech. We achieved our set targets in terms of Ebitda and confirmed our market strength and brand credibility in 2023. Snaitech continued its excellent performance in the betting sector with growth in both retail and online. We are also transforming all points of sale into social venues of aggregation and entertainment, certain that omnichannelity is a lever of fundamental importance. In order to make the most of these synergies, we have reinforced our investments in innovation and new technologies, aware that we are crossing the frontier of Artificial Intelligence and that whoever exploits it best will gain an important competitive advantage, especially if they succeed in creating truly customised experiences for the consumer. These are just some of the strategic objectives that guided Snaitech’s actions in 2023. Of course, I invite you to read the 2023 Sustainability Report to learn about our actions in greater detail. I would like to close with one last thought. I firmly believe that creating a business model that is attentive to the environment and social well-being means giving value to our way of doing business and generating credibility, which is an intangible asset that represents the true reputational capital of a company and the guarantee of being able to create wealth in the long term. This is something we are building through the shared goals, commitment and enthusiasm of all those who are part of the Snaitech family; dedication and teamwork of which I am truly very proud.

**Fabio Schiavolin**  
CEO Snaitech Group



*SNAITECH*

# READING GUIDE

The 2023 Sustainability Report covers Snaitech's eighth year of non-financial reporting and reflects the group's **increasing focus on its internal and external ESG performance**. This document aims to give a clear and transparent report on Snaitech Group's culture of and commitment to Sustainability, according to the **GRI Universal Sustainability Reporting Standards**<sup>1</sup>, as well as to pave the way towards alignment with the main regulatory developments on the subject.

In continuity with its previous editions, this report is structured according to **four drivers, which, in addition to being fundamental components of Snaitech's identity and value universe, also reflect the peculiarities of the gaming sector** in which the Group maintains a leading position:

- **Regulated Market:** In the regulatory framework governing public gaming in Italy, agents play a fundamental role since they are called upon to assume precise responsibilities to guarantee the protection of legality. Snaitech fulfils this commitment in its identity dimension, not only by complying with the regulations in force, but also by pursuing an active policy of combating any form of illegality or irregularity and promoting responsible gaming.
- **Innovation:** Snaitech's leadership is based on its ability to innovate, anticipating or even launching new trends in a sector that is characterised by a strong vocation for innovation and a very high technological content. This ability also enables the Group to act in compliance with the requirements of continuously evolving regulations and is also applied in the area of betting customer safety.
- **Sustainability:** Snaitech conceives its business activities within the principles of sustainable development, embracing an idea of growth according to which the demands of economic efficiency and legitimate profit must be consistent with environmental protection and social development. As you will read in this report, the company is continuing to devote its efforts to developing a model of shared value creation, implementing practices and initiatives capable of strengthening its competitiveness while protecting the environmental and social conditions of the reference context.
- **People:** Snaitech People are the all-important strategic asset of the group's path of growth and continuous improvement. Attention to human capital is one of the pillars of Snaitech's social responsibility and is reflected in its continuous efforts to create a positive, inclusive and meritocratic working environment, within which everyone can express themselves freely, be valued for their abilities and develop their skills.

In line with all the above, this 2023 Sustainability Report opens with the chapter "*The Snaitech Group*", introducing and outlining the group's **value profile, organisational structure and operating areas**, as well as its **strategic path in the ESG sphere**.

The other chapters, constituting the main body of the document, report in detail the group's Economic, Social and Environmental performance, thus reflecting the sustainability drivers listed above. These chapters also explore in detail the priority sustainability topics ('material topics') identified by Snaitech through the presentation of the policies, actions and results achieved by the Group in the management of ESG aspects and their related impacts on the reference context.

The table below shows the central chapters of Snaitech's 2023 Sustainability Report, corresponding to the 4 drivers, with reference to the material topics, the Sustainable Development Goals (SDGs) to which the Group aims to contribute and, finally, the Principles of the UN Global Compact, to which the company adheres.

---

<sup>1</sup> GRI Universal Sustainability Reporting Standards (GRI 1, GRI 2 and GRI 3) version 2021, and GRI Topic Specific Standards 2016 and subsequent applicable versions.

THE 4 SUSTAINABILITY DRIVERS	CHAPTERS OF THE REPORT	MATERIAL TOPICS	SDGs / UN GLOBAL COMPACT PRINCIPLES
THE REGULATED MARKET	1. REGULATED MARKET The regulatory framework, business integrity and the promotion of responsible gaming	1. Compliance with laws and regulations and combating illegal activities 2. Promoting responsible gaming 3. Responsible shop management 4. Service quality and consumer relations 5. Data security and protecting consumer privacy	SDGs: 12, 16  UN Global Compact Principles: Human Rights, Anti-Corruption Policies
INNOVATION	2. INNOVATION Research, development and customer experience	6. Creation and distribution of economic value 7. Technological innovation, research and development 8. Responsible supply chain management	SDGs: 4, 8  UN Global Compact Principles: Environment
SUSTAINABILITY	3. SUSTAINABILITY Responsible management of natural resources for sustainable growth and shared value creation	9. Commitment to the local community 10. Responsible water management 11. Reducing energy consumption and emissions 12. Responsible waste management 13. Responsible management of natural resources and climate action	SDGs: 1, 3, 4, 5, 10, 11, 12, 13, 15  UN Global Compact Principles: Environment, Human Rights
PEOPLE	4. PEOPLE The strength of the Snaitech Group	14. Employee health and safety 15. Diversity, equal opportunities and inclusion 16. Staff development, well-being and skills development	SDGs: 3, 4, 5, 8, 10  UN Global Compact Principles: Human Rights, Labour

## ECONOMIC AND FINANCIAL PERFORMANCE (mln €)



947,4

REVENUES



551,5

CONSOLIDATED  
SHAREHOLDERS'  
EQUITY



256,3

EBITDA



1.239

ADDED VALUE  
PRODUCED AND  
DISTRIBUTED

## SALES NETWORK AND RIGHTS OF CONCESSION



2.047

PHYSICAL NETWORK  
OF GAMING/BETTING  
POINTS\*



1.608

SALES OUTLETS WITH  
DIRECT GAMING  
CONCESSION



746

SNAITECH  
SHOPS



862

SNAITECH  
CORNERS



5.000

SNAIPAY POINTS



35.384

AWP



10.010

VLT

\*The physical network consists of 2,047 betting outlets, of which 1,608 have direct gaming concessions from the Company and the remainder with specialised service provision to outlets holding their own concessions.

\*\*The number of employees, percentage of female employment, and hours of training provided are relative to the Italian and foreign scope.



## SOCIAL PERFORMANCE\*\*



1.036

NUMBER OF DIRECT  
EMPLOYEES



45%

FEMALE EMPLOYEE  
PERCENTAGE



31.012

TRAINING HOURS  
PROVIDED



59,1

PERSONNEL COSTS  
(in mln di €)



1.050,6

INCOME TAXES,  
CONCESSION TAXES  
AND FEES  
(in mln di €)



1,5

LOCAL TAXES  
AND DUTIES  
(in mln di €)



0,2

SUPPORT FOR  
SOCIAL, SPORTING  
AND CULTURAL  
INITIATIVES THROUGH  
THE FONDAZIONE  
SNAITECH (in mln di €)

# HIGHLIGHTS 2023





**EVERY DAY WE WORK  
TO ENSURE THAT OUR  
CUSTOMERS SEE US AS A SOLID  
AND RESPONSIBLE COMPANY,  
VIEWING OUR GAMBLING  
PRODUCTS AND SERVICES  
AS THE BEST POSSIBLE CHOICE  
ON THE MARKET  
IN TERMS OF FUN, SECURITY  
AND TECHNOLOGICAL  
INNOVATION.**

PRESENTATION  
OF THE SNAITECH GROUP  
CODE OF ETHICS



*SNAITECH*

# THE SNAITECH GROUP

# IDENTITY AND STRATEGY

## 33 YEARS OF THE SNAITECH GROUP

The history of the Snaitech Group dates back to 1990, a year that marks the beginning of a long journey that has seen a constant crescendo of projects, activities, initiatives, evolution of the offering and the acceptance network.

### 1990

- Foundation of Snai.

### 1997

- Snai acquires Società Trenno S.p.a. and the race-courses in Milan and Montecatini.

### 2004

- Snai obtains the concession for the networking of New Slots. First online betting on national horse racing, tote sports betting and also betting pools.

### 2005

- Snai launches a new business plan and assumes the role of licensed betting agent.
- Launch of live betting.
- Snai accepts first bets on non-sporting events.

### 2011

- Global Games Spa acquires a majority stake in SNAI S.p.a.
- New video lotteries appear in Snai point of sales.

### 2015

- Agreement signed for the merger of the Cogemat/Cogetech Group with the Snai Group, creating Snaitech Group.

### 2018

- Integration into the Playtech Group, a major international gaming player listed on the London Stock Exchange.

### 2022

- Snaitech completes the acquisition of Trinity Bet Holding, a company that owns, among others, the HAPPYBET brand.
- Launch of EQUtv: new TV station of the Ministry of Agriculture, Food and Forestry (MASAF), managed by Epiqa S.r.l.

# VISION, MISSION AND VALUES

As an operator historically active as a leader in the management of authorised gambling in Italy, Snaitech bases its identity and daily operations on the conviction that no entrepreneurial activity can develop and be undertaken in a correct and responsible manner if it is marked by the exclusive pursuit of immediate financial objectives.

The group's current structure is the result of extraordinary merger and shareholding operations that have enabled it to develop important synergies over time — thanks in particular to the complementary nature of its respective areas of expertise — and thus to improve its economic and financial performance.

Snaitech's technological offering — the result of a combination of continuous investment in research and unrivalled know-how in the development of new products and services — is a fundamental pillar of its success.

Thanks to the implementation of 'omnichannel' technology, the Group promotes gambling legally and responsibly on a daily basis, offering its customers a wide range of fun, innovative and safe gaming and entertainment experiences.

What has been reported so far reflects the **Group's vision and mission**, which define what Snaitech wants to be and what it wants to achieve, respectively, and the methods, tools and actions it seeks to put in place to realise this ambition.

## VISION

Our vision, in pursuit of ever-challenging business goals, is to establish ourselves with all our stakeholders as responsible and supportive leaders. We invest in technological innovation as an increasing source of security and positivity in interaction experiences. We work to make the responsibility of the company the responsibility of each member of our community.

## MISSION

Operating for years in the legal gambling sector, our mission is to provide the public with entertaining, high-performance and technologically advanced gaming and betting products and services, investing in the research and development of continuously improving and innovative consumer experiences. We aim to meet the highest standards of quality, reliability, safety and legality. In this sense, we believe that we can help players develop healthy and balanced gaming habits, discouraging the use of illegal, unauthorised and unsupervised gambling.

Identity and vision are embodied in the **shared ethical principles and values** that inspire daily every company decision and that refer directly to the broader concept of corporate social responsibility with which the Group identifies and in which it firmly believes. The Code of Ethics brings together these fundamental principles and primary values, which enable the Group not only to work in an ethical and sustainable manner, but also to create a positive and inclusive working environment, where everyone is guaranteed the freedom to express their full potential.

Moreover, the principles and values that characterise the corporate identity are firmly rooted in and facilitate cooperation with the regulator in combating illegal gambling and protecting consumers.

## THE PRINCIPLE SYSTEM

HONESTY AND LEGALITY	LOYALTY AND FAIRNESS	PERSONAL PROTECTION	HEALTH AND SAFETY
RESPONSIBILITY	DILIGENCE AND PROFESSIONALISM	TRANSPARENCY AND ACCESSIBILITY OF INFORMATION	ENVIRONMENT AND SUSTAINABILITY

# VALUES

## RESPONSIBILITY

For Snaitech, Responsibility means acting in compliance with the rules in force, adhering with conviction to the principles of legality and honesty, and being attentive to all stakeholders as well as to all the social and economic implications of its activities. *Embracing the value of responsibility therefore means pursuing objectives of sustainable growth and creating shared value.*

## INNOVATION

Snaitech places innovation at the heart of the creation of new opportunities to protect people and improve continuously both performance and services, to the benefit of employees, partners and consumers. *Recognising the value of innovation therefore means considering technology as a driver of growth and value creation, including in terms of social and environmental responsibility.*

## PARTICIPATION

For Snaitech, Participation emerges as a founding value of the drive to take a dedicated and proactive approach to work commitments, to accept challenges and to get involved in project activities. *Sharing the value of participation therefore means making a positive contribution and doing your best, in a forward-looking process of continuous improvement.*

# A SUSTAINABLE STRATEGY

The strategic objective of Snaitech Group is to consolidate increasingly **its leadership position in the sector**, by leveraging the following main drivers:

- focus on the development of the online segment, in which the Group has already achieved a leading position at national level, thanks to the introduction of new products, the evolution of the services offered and the virtuous cross-selling implemented with the SNAI-branded retail network;
- search for new synergy opportunities for expansion into foreign markets;
- renewal of rights and concessions currently managed, in anticipation of new tenders expected in Italy as early as 2024.

Snaitech has always considered technological innovation as an essential driver of growth and value creation, especially in a dynamic and innovative sector such as gaming, where digital evolution has become a determining factor for business success. Therefore, during 2023, the Group continued its growth in the online segment by optimising its processes in synergy with the retail world and proposing increasingly innovative products, services and platforms, intercepting recent trends and exploiting the latest opportunities provided by the constant development of new technologies. In the broader strategic design of the Playtech Group, Snaitech establishes itself as a hub of excellence in the management of the direct-to-consumer offer, through the consolidation and exportation of its distinguishing expertise and know-how.

After concluding in July 2022 the important process of integrating Trinity Bet Holding (a company belonging to the Playtech Group, owner of the 'HAPPYBET' brand, operating with approximately 110 points of sale in Austria and Germany – also referred to herein as HAPPYBET), in 2023, Snaitech strengthened its internationalisation by carrying out brand restructuring and enhancement activities, with a particular focus on the technological innovation of the products offered, the renewal of the concept of the points of sale and digital business. In connection with this, and in light of the renewal of sports betting licences in Germany until 2027 and the licence obtained for Virtual Slots, the rationalisation of the group's corporate structure included the merger of Trinity Bet Germany GMBH – a company with no employees and operating with only one point of sale – into PBS Germany Operation GMBH.

Lastly, the strategic objective of overseeing and managing relations with institutional stakeholders, with trade associations, as well as with the competent authorities with reference to the concessions owned by Snaitech, was expanded in 2023 with the creation of AGIC (Associazione Gioco e Intrattenimento in Concessione). The association – which includes Snaitech, International Game Technology (IGT), Lottomatica and Sisal Italia, which together account for approximately 70% of the Italian legal gambling market – is a member of the association of Italian industries Confindustria Nazionale and aims to guarantee a concrete and professional representation of the sector in order to build a solid and modern Italian gaming industry based on the promotion of actions and investments in legality, security and responsibility towards consumers and communities.

With a view to defining the strategy of consolidation of the industry leadership position pursued by the Group, it seems appropriate to point out that the agent is increasingly aware of the need to conduct its business while maintaining an adequate balance between results, meeting customers' entertainment expectations and full compliance with regulatory requirements. Following on from this awareness, there is also the work of Business Development, which is tasked with capturing market insights by acting as an 'enabler' of change and contributing to the implementation of internal projects, product development and fruitful collaboration with Snaitech's numerous stakeholders.

The growing importance of sustainability issues has led to environmental, social and governance factors playing a crucial role in growth strategies and investment decisions. The legal gambling

sector in Italy bases its social responsibility on the constant search for a balance between the interests of the various parties involved. In fact, the group's priority is to protect players at any stage of their customer experience with the aim of promoting and preserving the concept of healthy gaming according to the size and possibilities of the target audience. Whilst consumers seek enjoyment in gaming, regulators establish a robust regulatory framework based on principles such as promoting responsible gaming and ensuring the safety of operations, in a context of combating illegality to protect players and the community as a whole.

Snaitech is therefore proud to have placed sustainability at the forefront of its growth strategies, increasingly aware of the role it plays within the company and with the firm belief that a more sustainable company will have greater opportunities for development and leadership in the long term.

## A VOCATION FOR SUSTAINABILITY: FONDAZIONE SNAITECH ENTE FILANTROPICO ETS

As anticipated in the previous paragraph, by virtue of its key role in the Italian public gaming sector and the leading status it has assumed on ESG issues, Snaitech has always considered it essential to **integrate Corporate Social Responsibility within its business strategy, in order to build two-way relations with the realitis on the ground, improve the relationship of trust that binds local communities and the organisation, and promote lasting and sustainable development**. In fact, the group's primary objective in managing its business is to transfer — in shared projects and long-term partnerships — the values of its corporate culture and to strengthen the spirit of cohesion with a view to broadening the dynamics of solidarity and greater awareness not only by governance and within corporate processes but by engaging all its employees.

**By virtue of this, Snaitech promotes numerous educational, social, cultural and environmental initiatives, with a particular focus on the promotion of sport as a means of bringing people together, of social recognition and growth, as well as good clean fun.** The Group favours collaborations with well-established local associations, which enable it to strengthen ties with the local community, and which work to protect civil rights, with the aim of designing and implementing socially useful initiatives aimed at the most vulnerable communities.

Snaitech's commitment is embodied in a sustainable growth strategy that is also strengthened by its participation in two important networks dedicated to ESG: the **United Nations Global Compact**, which will be discussed in more detail below, and the **Sustainability Makers**, the association that brings together professionals and managers personally committed to spreading the culture of sustainability in companies and other organisations.

The road to 'social' is made possible thanks to the **Fondazione Snaitech - Ente Filantropico ETS** (formerly iZilove Foundation), an autonomous and non-profit organisation established in 2013 and entirely controlled by Snaitech, **which pursues exclusively purposes of solidarity in the fields of social care, charity, education, environmental protection, and the promotion of culture, art and scientific research**. Through the endowment fund provided by Snaitech, voluntary donations from group companies and voluntary contributions from employees, the company develops ongoing charitable and solidarity-based initiatives in collaboration with numerous non-profit organisations and associations.

Every year, the Fondazione Snaitech follows its path of Corporate Social Responsibility by activating new projects, identifying co-interested beneficiary organisations, defining a plan for the 'Design and implementation of socially useful initiatives', and allocating and reporting the resources need-

ed for implementation accordingly. **In 2023, the foundation continued to support CSR projects dedicated to solidarity-based initiatives in the areas of sport, education, environmental protection and children's charity.** In detail, below are some of the main collaborations with non-profit associations and organisations supported by the Fondazione Snaitech in 2023:

- Special Olympics Italy
- Fondazione costruiamo il futuro
- Fondazione Francesca Rava
- Plastic Free
- Rete Clima

The story of the initiatives carried out in 2023 can be found within the following chapters devoted to the four drivers constituting Snaitech's identity and value universe. Indeed, the group's objective is to accompany the representation of Snaitech's performance in its triple economic, social and environmental dimension with 'thematic in-depth studies' exploring the foundation's social and charitable initiatives in 2023; a direct expression of the group's attention to issues of responsibility, legality, the local community and in general to Snaitech's commitment to the ethical and value-based principles that delineate the concept of corporate social responsibility with which the Group identifies and in which it firmly believes.

To conclude, it is worth mentioning that, in 2023, collaborations were launched with 12 entities engaged in social projects, as well as internal solidarity initiatives through fundraising through payroll giving, for a total in donations of € 241,643.32.



# THE GROUP'S POSITIONING AND ECONOMIC PERFORMANCE

The trend in the gaming market during 2023 showed, on the one hand, the complete recovery of business in the physical channel, and on the other, the continued growth of games offered in the digital channel, particularly casino games and online slots, in continuity with the trends of 2022, which had seen the complete reopening of physical points of sale and the gradual lifting of the restrictions introduced to contain the pandemic. The sector exceeded expectations, demonstrating particular dynamism, with pronounced growth in the segment of virtual betting and experiences, which recorded an increase of around 20-25% compared to 2022. The performance of gaming machines was in line with 2022, while the online segment saw growth of about 6-7%. This positive momentum affected the entire sectoral landscape of the national public gaming market.

As a consequence of the above and on the basis of the data available to date (official ADM data, press reports, sector studies), it is estimated that at the end of 2023 the gaming market as a whole will have grown significantly compared to 2022, in terms of takings, expenditure — meaning takings net of winnings (hereinafter also Gross Gaming Revenues or GGR) — and also in terms of tax revenues.

The total GGR of Snaitech's target segments, i.e. amusement machines, bets sold in the retail channel and online gaming and betting, is estimated at EUR 14.2 billion, up by about 5.6% compared to 2022.

The positive trend shown by the gaming market is confirmed by the overall GGR value, which shows significant growth compared to the pre-pandemic period, both in the retail and online channels. The main market trends in terms of the change in net expenditure compared to 2022 are as follows: the GGR of retail betting and that of the online segment grew by 10% and 14% respectively, while that of amusement machines was broadly in line with the previous period.

**The Snaitech Group, with a total GGR of EUR 1.988 billion — an increase of 3.1% compared to 2022 — confirms itself as one of the leading operators in the Italian gaming market, both in the retail betting and amusement machine segments and in the online betting and games segments, with a market share estimated at approximately 14%.**

With regard to all sports bets, sold in the physical and digital channels, the Group holds a market share of 15.3%.

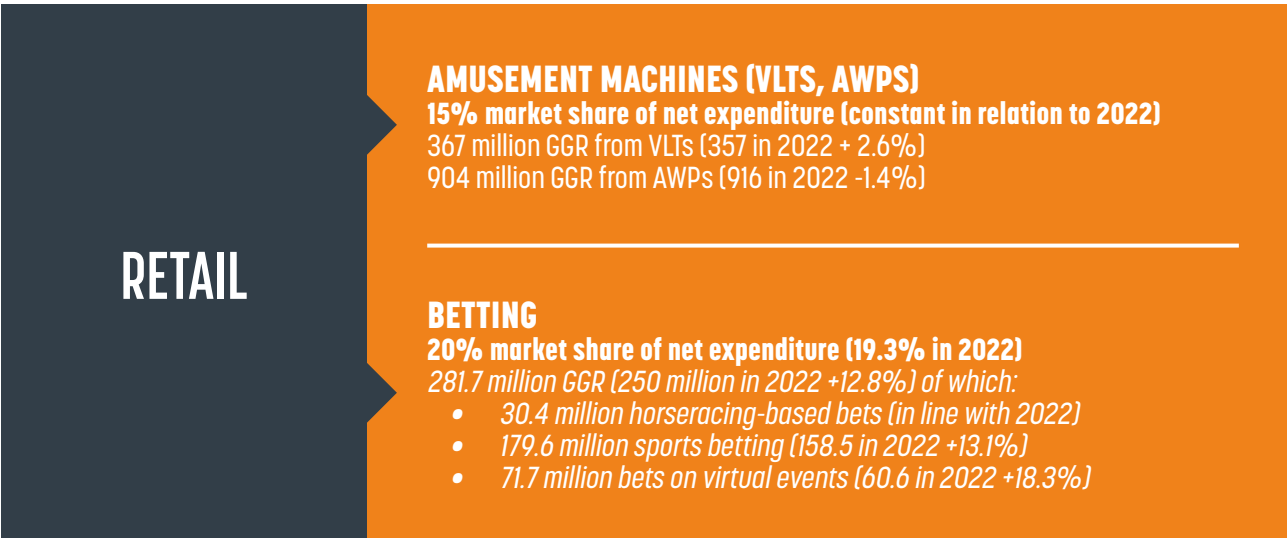
Snaitech is the second largest market player with a market share of around 15% of net expenditure and is one of the leading betting operators in the physical channel, with a market share of 20% of net expenditure.

The GGR of the retail segment showed a marked increase compared to 2022. In detail:

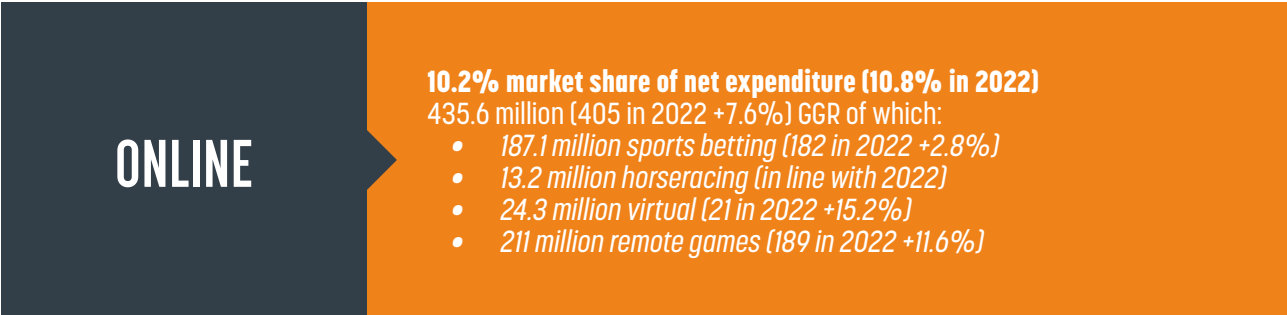
- the GGR of amusement machines, totalling € 1.271 billion, VLTs and AWP, in 2023 was € 367 million (+2.6% compared to 2022) and € 904 million (-1.4% compared to 2022), respectively;
- The GGR of retail betting stood at € 281.7 million, registering growth of 12.8% compared to 2022.

In addition, thanks to product development, acquisition strategies and the strengthening of cross-selling on the physical network, as well as the acceleration of digitalisation recorded in recent years, in 2023 the GGR of the online segment grew by 7.6% compared to 2022, from € 405 million to € 435.6 million, consolidating Snaitech's position in the online gaming segment with a market share of 10.2%.

## PERFORMANCE SNAITECH RETAIL SEGMENT 2023



## PERFORMANCE SNAITECH ONLINE SEGMENT 2023



The details in the table below show, in fact, how the increases of 18.52% and 22.85% in takings recorded in the retail segment for sports betting and virtual event betting, respectively, contributed to the positive result for the year, with regard to which we should also mention the excellent result of the online segment.

## SNAITECH GROUP TAKINGS BY TYPE OF GAME AND BY CHANNEL (IN MILLIONS OF EURO)

Game	Takings 2023	% Delta 23 vs. 22	Takings 2022	% Delta 22 vs. 21	Takings 2021
AWPs	2,596	-1.36%	2,632	78.32%	1,476
VLTs	2,342	2.49%	2,285	91.53%	1,193
<b>Gaming Machines</b>	<b>4,938</b>	<b>0.43%</b>	<b>4,917</b>	<b>84.22%</b>	<b>2,669</b>
Sports betting	975	18.52%	822	116.98%	379
Horse racing and national horse racing betting	153	6.96%	143	101.85%	71
Betting on virtual events	468	22.85%	381	115.42%	177
<b>Total Betting Retail</b>	<b>1,596</b>	<b>18.52%</b>	<b>1,347</b>	<b>114.83%</b>	<b>627</b>
Sports betting	1,389	7.14%	1,297	-0.18%	1,299
Horse racing and national horse racing betting	76	0.80%	75	-17.17%	91
Betting on virtual events	169	17.17%	144	12.60%	128
<b>Total online betting</b>	<b>1,634</b>	<b>7.78%</b>	<b>1,516</b>	<b>-0.12%</b>	<b>1,518</b>
<b>Remote games of skill</b>	<b>5,793</b>	<b>5.95%</b>	<b>5,468</b>	<b>20.92%</b>	<b>4,522</b>
<b>TOTAL SNAITECH GROUP</b>	<b>13,961</b>	<b>5.39%</b>	<b>13,248</b>	<b>41.90%</b>	<b>9,336</b>

# ECONOMIC PERFORMANCE AND THE VALUE GENERATED AND DISTRIBUTED

As can be deduced from the figures presented in the previous section, the results for the 2023 financial year reflect another positive year for the Snaitech Group\*, which consolidated its growth performance even after the effects related to the progressive reopening in the post-pandemic period had worn off.

The group's total revenues in the financial year 2023 show an increase of 5.2% compared to the previous year, from € 900.4 million in 2022 to € 947.4 million in 2023, mainly due to the excellent performance recorded in the physical channel by sports betting and betting on virtual events, as well as the results of online games.

EBITDA in the financial year 2023 increased by 4.9% from € 244.2 million in 2022 to € 256.3 million, due to the excellent results from betting in the retail channel and remote gaming. Net profit for the financial year 2023 amounted to € 124.8 million, a decrease of 8.4% compared to the € 136.3 million in 2022.

Net financial debt at 31 December 2023 showed a value of cash and cash equivalents and financial assets greater than that of financial payables, with a net negative balance of € 208.3 million, an improvement of € 88.9 million compared to the negative balance of € 119.3 million at 31 December 2022. The improvement in net financial debt is mainly due to the excellent results of current operations, partially offset by the outlays for the repayment of the intercompany loan and the payment of the dividend to the parent company Pluto Italia.

The overall net value added produced by the Snaitech Group's business in 2023 decreased by 1.2% compared to the previous year. It is distributed among key stakeholders on the basis of legislation (to central and local government), existing contractual relationships (to staff, business partners and capital providers) and strategic business decisions (to shareholders in the form of dividends and to local communities in the form of donations and sponsorships). The increase in the share of value added allocated to personnel, which rose to € 59.2 million (+2.3%) was mainly due to an increase in the workforce. Financial expenses decreased in line with the reduction in net debt, while operating taxes increased. Finally, the resources allocated to the communities in the reference territories increased by 2.7% compared to the previous year.

---

\*The data shown are for the Italy scope

## VALUE ADDED GENERATED (IN THOUSANDS OF EURO)

	2023	2022	2021
<b>GROSS VALUE GENERATED</b>	<b>1,957,101</b>	<b>1,906,151</b>	<b>1,179,134</b>
Revenues from sales and services	942,697	896,186	581,281
- Revenue Adjustments	0	0	0
Other revenues and income	4,669	4,176	3,929
<b>Total revenue</b>	<b>947,366</b>	<b>900,362</b>	<b>585,210</b>
Taxes on games	1,007,811	1,003,862	592,393*
Changes in inventories	0	0	0
Increases in fixed assets for internal work	1,924	1,927	1,808
<b>PRODUCTION COSTS</b>	<b>604,965</b>	<b>574,012</b>	<b>340,516</b>
Consumption of raw materials, consumables and goods	1,198	1,144	898
Costs for services	595,511	567,420	347,941
Lease and rental costs	1,243	1,012	770
Provisions for risks	141	-1,017	-2,773
Sundry operating expenses	6,872	5,453	-6,320
<b>GROSS CHARACTERISTIC VALUE ADDED</b>	<b>1,352,136</b>	<b>1,332,139</b>	<b>838,618</b>
Financial income and extraordinary items	3,085	292	229
Deferred (-) / prepaid (+) taxes	-42,598	-41,390	7,826
Financial expenses and extraordinary items	-17,294	0	-854
<b>GLOBAL GROSS VALUE ADDED</b>	<b>1,295,329</b>	<b>1,291,041</b>	<b>845,819</b>
Depreciation and amortisation	56,278	36,598	53,805
<b>GLOBAL NET VALUE ADDED</b>	<b>1,239,051</b>	<b>1,254,443</b>	<b>792,014</b>

\*Please note that the 2021 figure for gaming taxes has been reclassified by Euro 277,000.

## DISTRIBUTION OF VALUE ADDED (IN THOUSANDS OF EURO)

	2023	2022	2021
<b>STAFF REMUNERATION</b>	<b>59,181</b>	<b>57,843</b>	<b>55,105</b>
<b>REMUNERATION OF PUBLIC ADMINISTRATION</b>	<b>1,050,620</b>	<b>1,044,138</b>	<b>615,257</b>
Taxes	17,030	15,621	6,596
Taxes on games	1,007,811	1,003,862	592,393
Concession fees and administrative penalties	25,779	24,655	16,545
<b>REMUNERATION OF LOAN CAPITAL</b>	<b>2,671</b>	<b>14,482</b>	<b>18,080</b>
Short- and long-term capital charges	2,671	14,482	18,080
<b>RETURN ON RISK CAPITAL</b>	<b>61,800</b>	<b>20,000.00</b>	<b>0</b>
Distributed profits	61,800	20,000	0
<b>REMUNERATION OF THE COMPANY</b>	<b>63,014</b>	<b>116,261</b>	<b>102,071</b>
Undistributed profits	63,014	116,261	102,071
<b>TRANSFERS TO THE COMMUNITY</b>	<b>1,765</b>	<b>1,719</b>	<b>1,501</b>
Local taxes and duties	1,513	1,434	1,314
Donations and charity	252	285	187
<b>GLOBAL NET VALUE ADDED</b>	<b>1,239,051</b>	<b>1,254,443</b>	<b>792,014</b>

# THE CONTRIBUTION TO TAXATION

The Group has always been committed to **ensuring the timely fulfilment of tax obligations and payment of amounts due to the government, adopting a behaviour aimed at minimising tax risk and ensuring strict compliance with applicable regulations**. Accordingly, the tax principles to which the Group adheres can be summarised as follows:

- obligation vis-à-vis the government, local authorities and the community as a whole to pay the taxes due under the law;
- obligation to its shareholders and stakeholders not to pay more tax than is legally due, and in any case to ensure that it benefits from legitimate savings and tax incentives.

In this regard, the Budget, Tax Compliance and Passive Invoicing Division, together with its Management, is responsible for ensuring tax compliance and tax risk management. Specifically, the department:

- takes charge of all tax obligations (e.g. calculations of VAT, taxes, levies and gaming, etc.);
- periodically sends all tax declarations including judicial statements to ADM;
- prepares the necessary documentation for the tax returns of group companies and for preventive rulings;
- assists the tax authorities during planned audits.

In addition, the Group also relies on the support of dedicated suppliers, who take care of the revision of VAT and income declarations and their submission, also supporting the Group in the analysis of various tax elements and in the performance of certain minor activities such as the drafting and transmission of Intrastat data.

To ensure compliance with tax regulations and the maintenance of a solid control framework within the Group, Snaitech has implemented specific training activities for employees delegated to tax activities. These activities include updates through regular professional development newsletters and specialised training courses.

Regarding the control and management of tax risk, Snaitech is committed to managing and reducing the risk of violating tax laws or abusing the principles and purposes of tax law. As a general rule, where tax regulations give rise to doubts as to interpretation or difficulties in their application, the Group adopts a reasonable interpretation, availing itself of the support of external experts and consulting the competent tax authority. In fact, the Group is oriented towards developing close relations with the competent tax authorities, mainly with the revenue office (Agenzia delle Entrate) and the Customs and Monopolies Agency (ADM), operating in a transparent and proper manner in the transmission of gaming tax payments (mainly the Imposta Unica and PREU as well as concession fees and deposits) and the periodic statements required by the authority in application of the concession regimes.

Snaitech is also committed to applying correctly the tax regulations of the foreign countries in which it operates, an issue that is now commonplace in view of the integration of the legal entities of the HAPPYBET brand during the previous fiscal year. In this respect, the Group generally encourages its companies to engage in a cooperative manner with local authorities beyond the requirements of national tax regulations.

Cross-border intra-group transactions are treated for tax purposes according to the arm's length principle, as defined by the OECD.

The table below provides a summary of the tax levy in terms of income tax, which well represents Snaitech's contribution to the national economic system and reference context.

Names of resident entities	Main activities of the organisation	Revenues from sales to third parties	Revenues from intra-group transactions with other tax jurisdictions	Pre-tax profits/losses	Tangible assets other than cash and cash equivalents	Corporate income tax paid on a cash basis	Corporate income tax accrued on profits/losses
Snaitech S.p.A.	The Company is one of the leading operators in the Italian gaming market and operates through concessions issued by the Customs and Monopolies Agency	930,987,124	1,827,453	179,311,118	103,553,678	14,370,188	13,471,146
Epiqa S.r.l.	The company provides transfer, processing and broadcasting services for video and audio signals from Italian and foreign racetracks on behalf of the Ministry of Agricultural, Food and Forestry Policies (MiPAAF, formerly AS-SI-UNIRE)	13,318,275		-578,415	2,733,206		-227,383
Snai Rete Italia S.r.l.	The company is active in the collection of bets through gaming points throughout Italy	10,060,596		2,284,716	1,349,989	178,626	94,994
Snaitech Smart Technologies S.r.l.	Marketing, purchase, sale and maintenance of gaming terminals	695,594		301,862	209,847	4,766	82,215
Giobet S.r.l.	The company is active in the collection of bets through gaming points in Puglia	411,863		-255,781	435,379		5,941
<b>Total Italy</b>		<b>955,473,452</b>	<b>1,827,453</b>	<b>181,063,500</b>	<b>108,282,099</b>	<b>14,553,58</b>	<b>13,426,913</b>

GRI 207-4

The group's taxation information is audited annually as part of the audit of the annual financial statements. In addition, tax calculations are reviewed on a monthly basis by the consultants and the Tax Director.



# CORPORATE GOVERNANCE

## THE CORPORATE AND ORGANISATIONAL STRUCTURE

Snaitech S.p.A. is the head of a group of subsidiaries with more than 1,000 employees that operates in the legal gaming sector by supplementing and completing the services offered through the coordination of a retail network active throughout Italy and — and, as of 2022, also abroad — and the management of proprietary ICT platforms, television channels and proprietary racetracks.

As also described in the opening timeline, as of 2018, Snaitech S.p.A. is a wholly-owned subsidiary of Pluto (Italy) S.p.A., whose capital is indirectly wholly-owned by Playtech PLC, a company listed on the Main Market of the London Stock Exchange and one of the largest producers of gaming software and ancillary services for many of the world's leading operators in the regulated gaming sector.

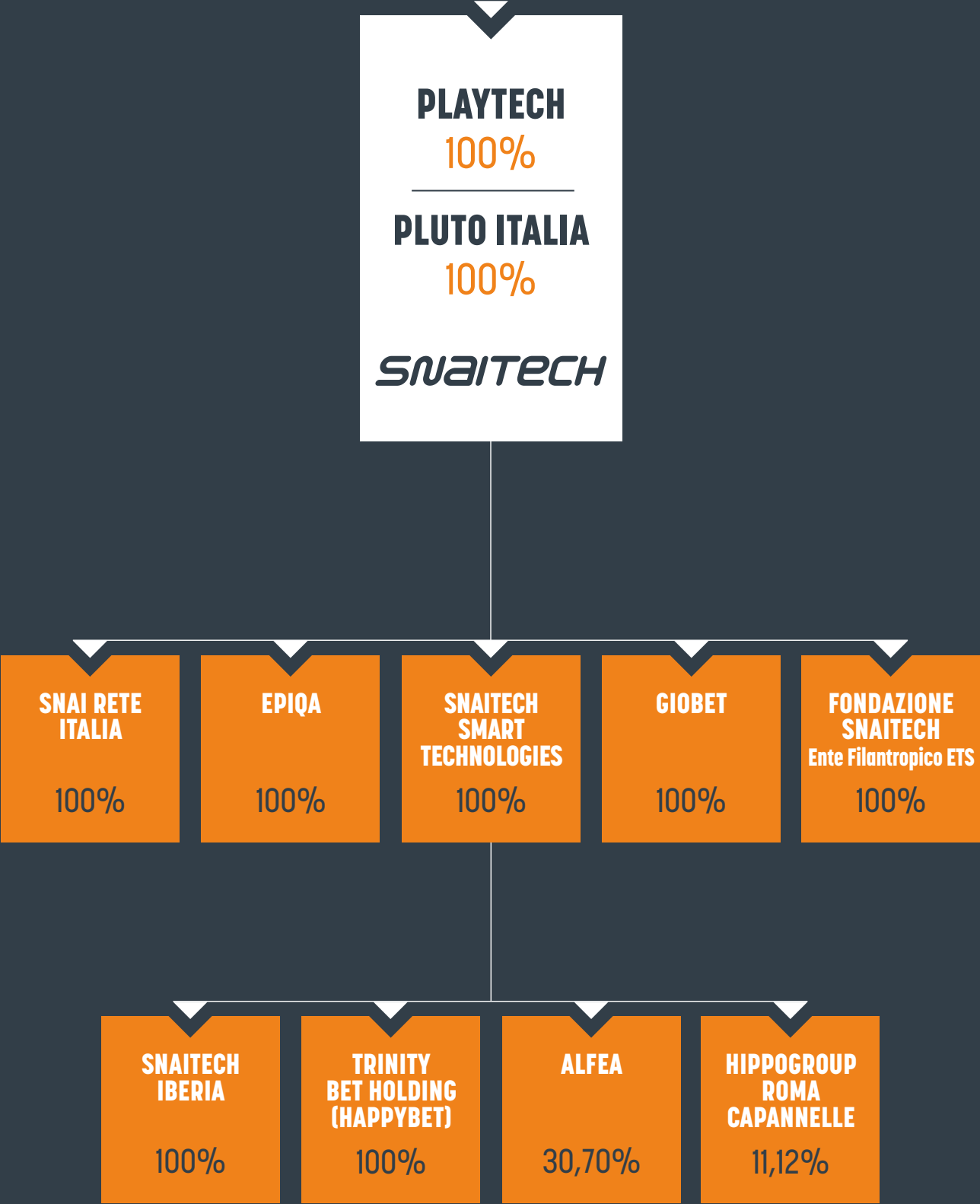
Belonging to a group with extensive experience across the entire value chain, in both online and retail business, and which can rely on state-of-the-art proprietary technologies as well as synergies with Playtech, has allowed Snaitech to benefit from numerous opportunities for progressive improvement, enabling it to set a long-term strategic vision based on the quality and variety of services offered.

The **internal organisational structure** of the parent company Snaitech S.p.A. is functional in nature, divided into transversal coordinating and support departments, with particular reference to the regulatory compliance of concessions and Business Units (BUs). These BUs contain people with the specific skills for the development and management of a constantly evolving range of products and services that meet the criteria set by the regulator.

# ORGANISATIONAL CHART (AS AT 31 DECEMBER 2023)



As at 31.12.2023, the Group's corporate structure was as follows:



# SUBSIDIARIES AND INVESTEE COMPANIES

Net of the integration of the Giove Group, shown below, the Group structure is consistent with that presented in the previous reporting period, and includes the following entities:

**Snai Rete Italia S.r.l.**, as an entity authorised by the agent Snaitech, carries out the activity of collecting games and bets, exercised as at 31 December 2023 at 20 betting shops located in Tuscany, Lazio, Emilia-Romagna, Sicily and Lombardy. In particular, these shops are used for the collection of takings from lawful gambling through sports betting, horse racing and virtual events and through the amusement machines known as 'AWPs' and 'VLTs'.

**Epiqa S.r.l.** (formerly Teleippica S.r.l.) provides the service of transfer, processing and transmission of video and audio signals from Italian and foreign racetracks on behalf of MASAF (Ministry of Agriculture, Food Sovereignty and Forestry). It produces four TV channels and three web TVs dedicated entirely to horse racing, plus three TV channels dedicated to virtual events, two to sports in general and one radio station.

**Snaitech Smart Technologies S.r.l.** deals with the study, design, creation, production and everything related to equipment, products, electronic and computer technologies, software and hardware.

**Giobet S.r.l.** operates a network of 18 physical points of sale - in the provinces of Lecce and Brindisi

**Fondazione Snaitech - Ente Filantropico ETS** (formerly iZilove Foundation) is an autonomous, non-profit organisation that pursues social solidarity aims in the fields of social care, charity, education and training, promotion of culture, art and scientific research.

**Snaitech Iberia S.A.** has the corporate purpose of organising, marketing and managing gaming.

**Trinity Bet Holding** holds licences for the collection of sports bets in Austria and Germany in retail and digital channels under the HAPPYBET brand. This brand has been active since 2017 and was acquired by Snaitech in July 2022.

**Alfea S.p.A.** manages the racecourse in Pisa.

**Hippogroup Roma Capannelle S.r.l.** manages the Ippodromo Roma Capannelle.

# PRESENCE IN THE TERRITORY

▼ SITES ▼ DIRECTLY MANAGED AGENCIES

## ITALY

### LOMBARDY

	EMPLOYEES
MILANO - PIAZZA DELLA REPUBBLICA, 32	142
MILANO - VIA LAMPUGNANO, 95	2
MILANO - VIA CAPRILLI, 30	58
PESCHIERA BORROMEO (MI) - VIA WALTER TOBAGI, 10/12	19
<b>AGENCIES</b>	<b>26</b>

### EMILIA ROMAGNA

	EMPLOYEES
IMOLA - VIA COGNE, 25	4
<b>AGENCIES</b>	<b>5</b>

### LAZIO

	EMPLOYEES
ROMA - VIA GOITO, 58/A	182

### TUSCANY

	EMPLOYEES
PORCARI (LU) - VIA L.BOCCHERINI, 57	123
PORCARI (LU) - VIA L.BOCCHERINI, 19	66
PORCARI (LU) - VIA L.BOCCHERINI, 39	161
MONTECATINI TERME (PT) - V.LE CADORNA, 30/B	8
<b>AGENCIES</b>	<b>49</b>

### PUGLIA

	EMPLOYEES
<b>AGENCIES</b>	<b>95</b>

### SICILY

	EMPLOYEES
<b>AGENCIES</b>	<b>13</b>

## MALTA

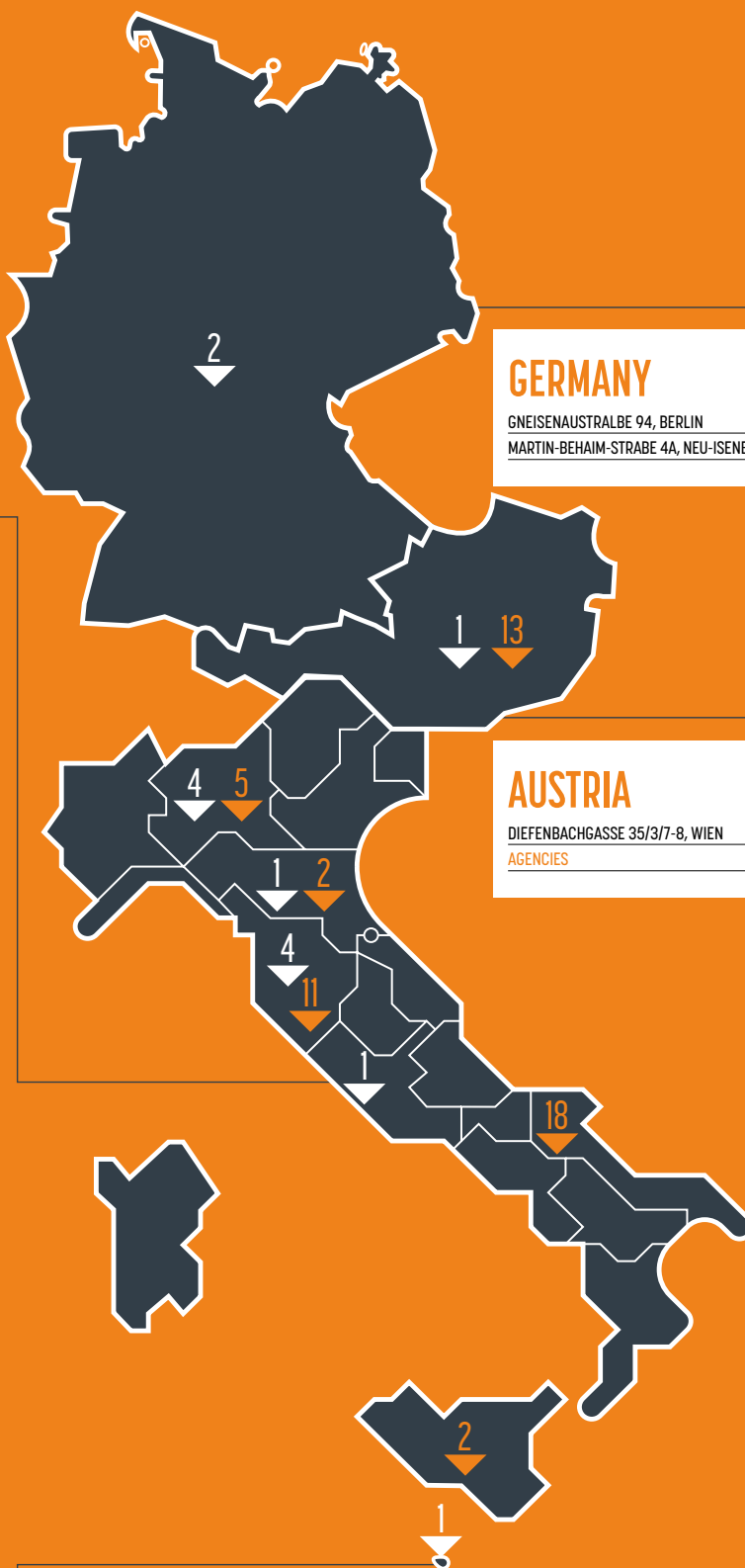
	EMPLOYEES
4, CENTER DOME, LEVEL 1; TRIQ II-BAZILIKA	8

## GERMANY

	EMPLOYEES
GNEISENAUSTRALBE 94, BERLIN	18
MARTIN-BEHAIM-STRABE 4A, NEU-ISENBURG	6

## AUSTRIA

	EMPLOYEES
DIEFENBACHGASSE 35/3/7-8, WIEN	15
<b>AGENCIES</b>	<b>36</b>



	WOMEN	MEN	TOTAL
<b>Sites</b>			
Snaitech Employees	312	390	702
Epiqa Employees	16	44	60
Snai Rete Italia Employees	3	0	3
Trinity Bet Operations Ltd. Employees	7	1	8
PBS Germany Operations GmbH Employees	7	17	24
HAPPYBET Austria GmbH Employees	8	5	13
Trinity Bet Austria GmbH Employees	1	1	2
<b>Agencies</b>			
BGE Consulting GmbH Employees	0	9	9
HAPPYBET Austria GmbH Employees	14	13	27
Giobet Employees	53	42	95
Snai Rete Italia Employees	51	42	93
<b>TOTAL EMPLOYEES</b>	<b>472</b>	<b>564</b>	<b>1.036</b>

GRI 2-1

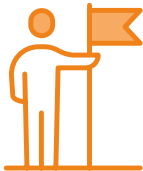
# GOVERNANCE MODEL

Snaitech adopts a traditional governance model, characterised by a Shareholders' Meeting, a Board of Directors and a Board of Statutory Auditors. The group's Corporate Governance structure is based on the central role of the Board of Directors — as the highest body entrusted with the management of the company in the interest of the shareholders — in providing strategic orientation, in guaranteeing the transparency of corporate decision-making processes and in defining an effective internal control and risk management system, including internal and external decision-making processes. The Parent Company Snaitech S.p.A. is currently managed by a Board of Directors composed of seven directors appointed by the Shareholders' Meeting of 21 March 2024 until the approval of the Financial Statements for the year ending 31 December 2026.

The Board of Directors is vested with the broadest powers of ordinary and extraordinary administration, with the exception of the powers that the law reserves exclusively for the shareholders' meeting. The Board of Directors has identified from among its members a Managing Director who has been granted the mandates and powers of ordinary administration necessary or useful for carrying out the company's business. The Board of Directors is also responsible for the group's internal control and risk management system, which will be discussed below.

At the end of 2023, the average age of members of the current Board of Directors is 53 years and 3 out of 7 members are women (43%).

## MEMBERS OF THE BOARD OF DIRECTORS AS OF 31.12.2023



**MORAN WEIZER**  
PRESIDENT  
Year of birth 1975

**FABIO SCHIAVOLIN**  
CHIEF EXECUTIVE OFFICER  
Year of birth 1969



**CHRISTOPHER  
MCGINNIS**  
DIRECTOR  
Year of birth 1978

**PAOLO  
SCARLATTI**  
DIRECTOR  
Year of birth 1962

**RAFFAELLA  
VISCARDI**  
DIRECTOR  
Year of birth 1975

**CHIARA  
PALMIERI**  
DIRECTOR  
Year of birth 1970

**MARA  
VANZETTA**  
DIRECTOR  
Year of birth 1967

The **Board of Directors** and the **Shareholders' Meeting** are flanked by the **Board of Statutory Auditors**, whose task is to verify:

- compliance with the Law and the Statute;
- compliance with the principles of good administration;
- the adequacy of the company's organisational structure, internal control system and administrative accounting system, also with regard to the system's reliability in correctly representing management events.

In line with the provisions of Leg. Decree 231 of 2001, the company has set up a Supervisory Board (SB), with the purpose of monitoring the application of the company's Organisation, Management and Control Model ('Model') and the Group Code of Ethics ('Code of Ethics') and compliance with the principles set out therein.

Snaitech's SB also has in place a whistleblowing system, which allows the reporting of episodes of violation of the Model and the Code of Ethics, through a dedicated digital channel that protects the privacy and confidentiality of the person making the report. As of 2023, all Group companies, including the newly-acquired Giobet\* and the Fondazione Snaitech, are equipped with a whistleblowing system and a related policy as well as an operational guide containing instructions on how to make a report and FAQs, ensuring that the system is open and accessible to persons even outside the company.

Also since 2023, the reporting procedures have also been incorporated into the Model 231, which contains a specific section on whistleblowing.

The SB has not received any reports of violations of the Model and the Code of Ethics.

Following the change in the scope, during the year, consistent updates were made to procedure concerning the management of information flows to the Supervisory Board and the procedures for reporting offences and irregularities under Article 48 of Leg. Decree 231/2007.

Snaitech's Shareholders' Meeting entrusted the statutory audit to BDO Italia S.p.A. until the approval of the financial statements for the year ending 31 December 2024. Further details can be found on the corporate website [www.snaitech.it](http://www.snaitech.it), under 'Governance'.

---

*\*For Giobet, the system has been implemented since January 2024.*

# INTERNAL CONTROL AND RISK MANAGEMENT SYSTEM

The Internal Control and Risk Management System represents the set of regulations, practices and organisational structures necessary to ensure the sound and consistent performance of company activities, through an accurate process to identify, assess, manage and monitor the main risks. Each individual within Snaitech is an integral part of this system and is responsible for contributing, within the context of their individual duties, to its proper functioning, promoting the safeguarding of the company's assets, the efficiency of operational processes, the reliability of financial information and compliance with regulations, the Statute and internal procedures. In continuity with previous reporting years and with its corporate culture, Snaitech pursues a continuous objective of strengthening and updating its system, also in consideration of expansion processes and strategic lines of development.

## RISK MANAGEMENT

Snaitech has set up a Risk Management office entrusted to the management of a Risk Manager. The **Enterprise Risk Management (ERM)** methodology is applied in a formalised manner throughout the group as follows:

- Identification and assessment of major risks;
- Definition and implementation of mitigation measures;
- Monitoring of risks and measures taken;
- Regular reporting and presentation of results.





The process, which is constantly being updated, foresees an initial phase of identification of potential risks that may have an impact on the company's activities and a subsequent quantification of these in terms of impact and probability through six-monthly meetings with the Risk Owners. Once the risks have been identified, this is followed by the definition of mitigation measures, i.e. the control activities necessary to mitigate the risks and bring them to within predefined thresholds. At the end of the activity, the data are summarised and reported to the Board of Directors, the Board of Statutory Auditors and on request to any national and international meetings.

The detection of risks and the identification of measures to contain them is conducted according to the position and specificity of the operations carried out by the various Snaitech Group companies, and has led over time to the **definition of a broad and varied Risk Register, which maps over one hundred risks** divided by tier on the basis of the probability of occurrence and the impacts — mainly reputational and economic-financial loss — that their inadequate management could have on the company.

Continuing from last year, Risk Management uses Archer, a comprehensive and dedicated risk mapping tool based on questionnaires and sizing algorithms that automate the risk assessment process. In addition, the tool maintains a history of previously performed assessments and allows each Risk Owner access to view these using a personal account. Access is restricted to viewing only, as any changes must first be shared with ERM in accordance with the principle of data non-modifiability.

Furthermore, the tool can also be used to produce direct reports, with both qualitative and quantitative evaluations necessary for the preparation of half-yearly reports for the leadership and quarterly reports for Playtech.

The continuation of developments over the years has disseminated a **corporate culture of risk that is increasingly ingrained and represents a managerial and strategic element of fundamental importance in the evolutionary trajectories of a complex group such as Snaitech**. The risks identified are not only communicated to the BoD every six months, but are also shared with frontline management, to ensure that the risks inherent in Snaitech's business are understood at all levels.

In general, the corporate risk culture is growing and aims to include increasingly indirect local retailers.

In 2023, following various alignments with its parent company Playtech, Snaitech updated its risk mapping to include the generic ESG and **Climate Change** risk, adding a greater level of detail to the environmental risk already present for the Group, and more specifically for the racecourses.

For the representative purposes of this Sustainability Report, the list of main risks mapped has been reduced to six macro-categories, briefly identifying the main applicable and adopted mitigation measures.

## 1. LICENSING AND REGULATORY RISKS

### DESCRIPTION

Snaitech's ability to continue operating in the gaming sector depends, to a large extent, on maintaining the licences it holds. A significant portion of revenues and results derives from business regulated through state licences, which by their nature have a limited duration and may be subject to revocation, thus negatively impacting the company's results. The constantly evolving central government regulations are accompanied by local regulations that often make it difficult to exercise the licensing rights to open points of sale acquired by Snaitech. Changes in laws or regulations may reduce agent margins, or reduce the number of licences and rights available, with adverse effects on the company's results.

### MITIGATION MEASURES

Through its Institutional & Regulatory Affairs Department, Snaitech works closely with ADM and the licensing and supervisory authorities to anticipate and promptly take up new guidelines from the legislator and supervisory authorities to protect legal gambling. The **Annual Development Plan** agreed with ADM each year focuses on the most important issues to be addressed. The regulatory aspect is a top priority for all management, as reflected in the results of the materiality matrix.

## 2. OPERATIONAL AND COMPLIANCE RISKS

### DESCRIPTION

The complexity and changeability of the regulatory framework of reference (EU, national and, from 2021, extended to the HAPPYBET context) and non-compliance with laws and regulations (e.g. on anti-money laundering, anti-corruption, privacy, responsible gaming) may have negative effects on the company's results in terms of operations, business activities, financial conditions and prospects. Operating through state licences, Snaitech may also be subject to significant penalties in the event of proven breaches of contract by customer shops (joint and several liability of the agent).

### MITIGATION MEASURES

The regulatory aspect is a top priority for all management. The **Legal Compliance team** oversees, approves and monitors every aspect of the company's business to ensure compliance with the relevant regulations and licensing obligations. These activities are summarised in half-yearly reports presented to the Supervisory Board, the Board of Statutory Auditors and the Internal Audit office. The company has an integrated risk assessment system and the audit plan is carried out to cover all company risk assessments. These activities are summarised in half-yearly reports presented to the Supervisory Board, the Board of Auditors and the Internal Audit office. The company has an integrated risk assessment system and the audit plan is carried out to cover all company risk assessments. The Privacy Office oversees, approves and monitors – also with the support of the DPO – the processes and projects that have an impact on the processing of personal data, and also reports to the Supervisory Board, the Board of Statutory Auditors and the Board of Directors every six months. In addition, through a PRIVACY/GDPR audit plan, prepared in relation to the risk levels of personal data processing associated with individual company Departments/Offices, it periodically verifies the level of compliance with the relevant legislation.

## 3. RISKS RELATED TO IT SECURITY AND ADEQUACY

### DESCRIPTION

The company operates in a highly technological environment, and any problems in safeguarding the integrity and security of that environment can incur unforeseen costs and legal damages that may negatively impact the company's reputation and jeopardise its ability to achieve its targets. Added to this is the significantly growing risk of cyber attacks and the evolution of the related penetration techniques. In addition, the considerable evolution of the technological environment in the gaming sector due to regulatory changes (e.g. in the online market) could lead to a loss of market share in the absence of appropriate and timely strategic choices.

### MITIGATION MEASURES

Through its **IT team**, Snaitech has a strong system of detection and protection against cyber criminals through adherence to strict security standards. It also engages external consultants with proven expertise to improve and test its defence equipment. Snaitech works to adapt constantly its technological infrastructure, platforms and internal processes for the purpose of real-time data exchange with supervisory authorities and public regulators, as required by the licences.

## 4. MARKET AND STRATEGIC RISKS

### DESCRIPTION

The betting and regulated gaming sector in Italy features high competitive pressure from other market players or new entrants. Increased operating costs and tax levies, which are mainly borne by customer shops, as well as changing gaming trends in the post-pandemic environment, could impact gaming revenues. These issues, if not managed effectively and in a timely manner, can impact the company's revenues and profitability.

### MITIGATION MEASURES

Continuous activity and investment in research and development allow Snaitech to maintain a leading position in a market where technological and digital innovation win new market shares. The day-to-day dialogue between Sales, BU Digital and Retail moves in this direction: innovative products and services enable Snaitech to build the loyalty of the sales network, to which it offers training and tax and legal consulting services, shop restyling projects and financial support in times of difficulty.

## 5. HEALTH AND SAFETY RISKS

### DESCRIPTION

Infectious diseases such as the recent COVID-19 pandemic can lead to the closure of offices, the sales network, forced lockdowns, the disruption of customer and supplier operations and a general climate of concern and uncertainty. Health crises could aggravate other pre-existing political, social and economic risks in the country. The impact of a pandemic could last for an extended period of time.

### MITIGATION MEASURES

Even as the pandemic emergency subsides, prudent application of **sanitary measures to prevent the spread of disease** reduces the danger of outbreaks in the workplace in shops through assistance in the implementation and use of safety precautions. End-consumers are subject to greater uncertainty but can also benefit from the option of using online entertainment services.

## 6. ENVIRONMENTAL RISKS

### DESCRIPTION

As a service company, the major risks arising from the improper management of Snaitech's most significant environmental impacts mainly concern the handling and disposal of technological waste. Failure to comply with environmental laws could lead to economic and reputational risks. Climate Change could affect Snaitech's business activities (such as the management of green spaces within the equestrian area). The risk could come from rising temperatures and the consequent need for increased irrigation of green areas and vegetated slopes in a context of reduced water availability and a broader scenario of drought. This would lead to the risk of interrupting activity at the racetracks.

### MITIGATION MEASURES

In recent years, the company has accelerated its pace towards the creation of a model of shared value creation, implementing practices and initiatives that strengthen its competitiveness and at the same time protect or improve the environmental conditions and social aspects of its environment. The legal gambling sector in Italy bases its social responsibility on the constant search for a balance between the interests of the different stakeholders. Through Control and Risk Assessment, which is an integral part of the Model 231, the company has identified sensitive activities at environmental risk, and has identified measures, processes and controls to reduce the impact of these threats on company operations. By virtue of the specific characteristics of racecourses, Snaitech has also dedicated special supplementary controls in addition to those of the group, in order to reinforce awareness and monitoring tools.

With reference to the specific events of 2023, following M&A transactions, the risk management system is currently undergoing a process of integration.

Archer is also used by the risk owners of BU International to map the relevant risks, similarly, the M&A transactions are integrated into the company's risk register according to competence among the different risk owners.

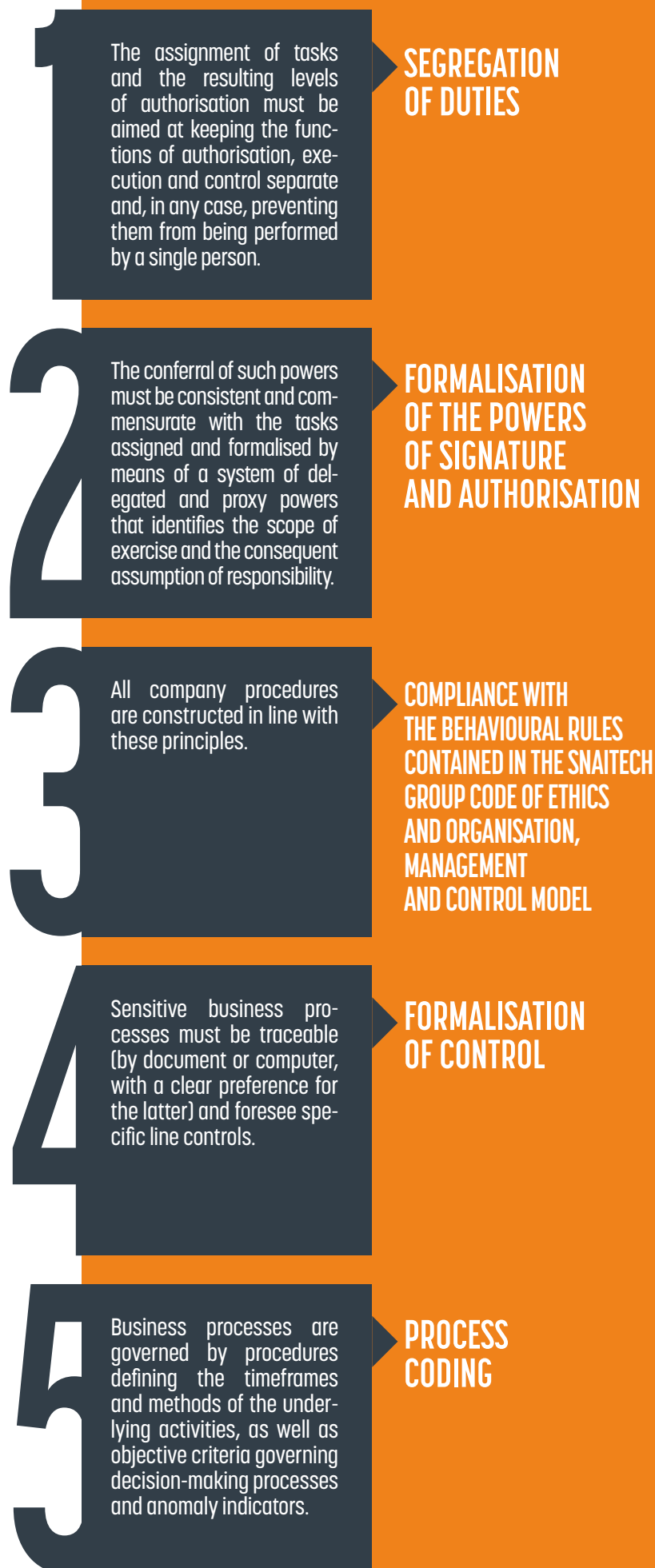
# INTERNAL AUDITS

The areas of risk listed above are subject to periodic risk assessments, carried out by the various corporate offices of reference, which, at least annually, share the results with the Internal Audit Office. These findings, combined with the results of previous audits and the indications from the Board and the offices placed at the second level of control, are used to structure an integrated analysis aimed at the construction and development of a **risk-based audit plan**. The objective of the Audit Plan is to verify on an ongoing basis the adequacy of the Internal Control and Risk Management System ('SCIGR'), assessing the reliability and trustworthiness of information and data, **verifying the compliance of company processes with policies, plans, laws and regulations, monitoring the correct application of company procedures and data security measures and, more generally, contributing to guaranteeing the protection of company assets** through the pursuit of company objectives in compliance with the reference regulatory context and the mapping of risks with two levels:

- 'regulatory' (carried out by the offices at the second level of control); and
- 'enterprise' (carried out by 'Risk Management').

The Internal Audit Office in effect assists the entire organisation in the pursuit of its objectives through a systematic and integrated approach.

The internal and external controls of the system outlined above are based on the following principles:



The audit plan developed by the Internal Audit Office envisages, among other things, the development of specific audit activities in the network of shops, both directly managed and under third-party management; of particular importance is the control of the correct application of **Anti-Money Laundering** provisions, such as Leg. Decree 231 of 2007, relating to customer due diligence and the storage of data and documentation. The results of these audits form the basis for action plans to remedy any behaviour that is out of line with company directives.

**In 2023, Snaitech delivered multiple training sessions to shop operators for whom internal audits had revealed critical issues or gaps in their knowledge of the applicable regulatory and management principles. These training activities were an integral part of the Action Plans put in place to address the shortcomings identified with the aim of creating greater awareness and sensitivity to all areas of risk.**

With reference to the activities carried out in 2023, here are some of the most significant actions:

- the aforementioned series of **retail audits**, which covered several shops during the year on the basis of a risk-based plan involving various indicators, which made it possible to quantify the degree of relevance and risk of all the shops, investigated both via desk activities and via audits carried out directly on site. For the retail sector, it is worth mentioning:
- the specific audits carried out in the area of privacy;
- the integration of retail risk assessment with risk indicators referring to potential anomalies in substance (i.e. repeated names);
- Audits concerning the methodologies for the allocation and disbursement of bonuses to points of sale.
- audits related to the **reporting of non-financial information**, which concern the application of non-financial procedures in the reporting of both Snaitech and the Playtech Group, particular attention is paid to HSE and personnel management and administration;
- the numerous activities in the area of **anti-bribery & corruption**, which involved a detailed analysis of the process of payment acquisition and purchasing cycle, assessing the operation and adequacy of the relevant processes in this area related to Administration, Finance and Control;
- ERM Audit, and thus the verification of the adequacy and effectiveness of the actions taken to mitigate the most significant enterprise risks;
- audits concerning **corporate criminal offences**, carried out also by virtue of the relationship that binds Snaitech to Playtech, aimed at comprehensively assessing Snaitech's procedural framework with respect to the UK Criminal Finance Act (with a mainly fiscal focus) in order to identify the points of contact with British regulations and build a multi-compliance audit system. It is worth emphasising the innovative scope and complexity of this exercise by Snaitech, which involved comparison and alignment with a regulation that is not directly applicable, serving to underline the group's ambitions and the will to implement increasingly effective safeguards.

That outlined above accurately reflects the breadth of the analysis and auditing activities carried out on a daily basis by the Internal Audit office, although for the sake of brevity, it does not go into the fine detail of the commitments undertaken during the year. The results of the audits are diligently shared with the various business divisions and managers subject to monitoring, in order to optimise business processes and mitigate associated risks. Based on this sharing, the central corporate offices launch possible initiatives to improve processes and integrate or mitigate risks, with a focus on regulatory compliance, the security of business continuity and ensuring safe, legal and responsible entertainment for users.

# SNAITECH'S ESG JOURNEY

## AND COMMITMENT TO SUSTAINABLE DEVELOPMENT

As anticipated in the section on the group's strategy, Snaitech has long understood the need to conduct its business while maintaining an appropriate balance between results, meeting customers' entertainment expectations, and full compliance with the regulator's requirements. In view of the importance of this aspect and given the significant developments in the regulatory environment, together with its strategic objective of consolidating its leadership position in the sector, the agent is committed to tracing a path of sustainability in line with national and international best practices.

The Group has made this commitment in its identity dimension, as reflected in the Code of Ethics and the **materiality analysis, which again this year identifies issues related to business ethics and consumer protection as the areas of greatest commitment and impact** on all internal and external stakeholders.

It seems appropriate to highlight that, among the most relevant commitments undertaken by Snaitech in terms of social responsibility, there is the promotion of **sport** in all its aspects: as a way of bringing people together, a time of union, of competition and of individual and collective growth.

Commitment to sport opens up social relationships and the acquisition of greater self-awareness that leads to the conquest of increasing independence, in sport and, simultaneously, in life. In addition to promoting individual well-being, sport has always been an important educational and social tool as well as a means of bringing people together and fostering inclusion. In the same way, the sports culture and the continuous updating of information through the most varied channels that Snaitech makes available, allow the consumer to play and bet based on knowledge acquired over time thanks to the group's information and entertainment services.



AWARE OF THE ECONOMIC, BUT MORE IMPORTANTLY THE SOCIAL AND ENVIRONMENTAL IMPLICATIONS OF OUR ACTIVITY, WE HAVE ALWAYS PAID GREAT ATTENTION TO HARMONISING OUR ECONOMIC OBJECTIVES WITH THE SOCIAL AND ENVIRONMENTAL OBJECTIVES OF OUR TARGET GEOGRAPHICAL AREAS IN ORDER TO ACHIEVE SUSTAINABLE GROWTH. THIS IS WHY WE ENTHUSIASTICALLY ADHERE TO THE UN'S CALL ENCOURAGING BUSINESSES AROUND THE WORLD TO ALIGN THEIR STRATEGIES WITH THE 10 UN PRINCIPLES AND IN LINE WITH THE SUSTAINABLE DEVELOPMENT GOALS (SDGS) OF THE 2030 AGENDA

FABIO SCHIAVOLIN, SNAITECH CEO,  
ON JOINING THE UN GLOBAL COMPACT  
IN 2021



## COMMITMENT TO SUSTAINABLE DEVELOPMENT AND THE UN 2030 AGENDA

In order to implement universal ESG principles and to support global goals towards a sustainable economy, Snaitech has been investing in its own awareness and responsible engagement for years.

It is with this spirit that, in 2021, Snaitech joined the **United Nations Global Compact**, the world's largest initiative for sustainable business, based on ten universal principles relating to human rights, labour, the environment and the fight against corruption, which have inspired Snaitech for years.

The UN Global Compact provides a universal language for social responsibility and a framework for companies of all sizes, complexity and location. Furthermore, the initiative supports companies in working responsibly and making strategic decisions to promote broader social goals. The ten principles are embodied in the group's Code of Ethics and relate directly to its way of being in the world, its mission, the style and substance of the institutional and informal relationships that the companies have with all their stakeholders, and the conditions of the complex sector in which it operates, which includes continuously evolving technological, social and economic environments.

The UN Global Compact was launched operationally in July 2000; since then, **more than 19,000 global players from 160 countries around the world** have joined, creating a new reality of global collaboration with the aim of promoting the creation of a more inclusive and sustainable global economy.



# THE TEN PRINCIPLES OF THE UN GLOBAL COMPACT TO WHICH SNAITECH ADHERES



Snaitech's commitment to the UN Global Compact in 2021 — and confirmed up to the present reporting year — is just one of the building blocks of the sustainability journey of the Group, which has already been committed to reporting on its sustainable and responsible performance for over a decade.

In fact, Snaitech's commitment predates even what is now traditionally considered the first decisive push towards this contextual evolution: the United Nations Summit held in New York in September 2015, with the signing of the 2030 Agenda by the 193 member countries.




As is well known, the **2030 Agenda for Sustainable Development is a plan of action for people, planet and prosperity, the cornerstone of which are the 17 Sustainable Development Goals** (or SDGs), incorporated in an action programme that identifies 169 targets. More specifically, the Sustainable Development Goals aim to address a wide range of economic and social issues: combating poverty, limiting inequalities, combating climate change and sustainable growth are just some of the goals that the governments of the signatory countries have committed to achieving by 2030.

For this reason, Snaitech has undertaken to identify the SDGs that most closely align with its strategy, i.e. those that the Group can most significantly contribute to achieving.



The identification and association of these SDGs with the group's strategic objectives further highlights the efforts made by Snaitech, through its business strategy and activities, to address sustainability challenges on behalf of the community it serves. Following the actions of previous reporting years, Snaitech was able to confirm for this report the set of targets to which it contributes or could contribute more significantly, as outlined below:

	<b>NO POVERTY</b>	<p><b>TARGET 1.2:</b> By 2030, reduce by at least half the proportion of men, women and children of all ages <b>living in poverty</b> in all its dimensions according to national definitions.</p>
	<b>GOOD HEALTH AND WELL-BEING</b>	<p><b>TARGET 3.8:</b> Achieve universal <b>health coverage</b>, including financial risk protection, access to quality essential health care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.</p>
	<b>QUALITY EDUCATION</b>	<p><b>TARGET 4.4:</b> By 2030, substantially increase the number of youth and adults who have the relevant skills, including <b>technical and vocational skills</b>, for employment, decent jobs and entrepreneurship.</p> <p><b>TARGET 4.5:</b> By 2030, eliminate <b>gender disparities in education</b> and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations.</p> <p><b>TARGET 4.7:</b> By 2030, ensure that all learners acquire knowledge and skills needed to promote sustainable development through, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development.</p>
	<b>GENDER EQUALITY</b>	<p><b>TARGET 5.1:</b> End all forms of discrimination against all women and girls everywhere.</p> <p><b>TARGET 5.2:</b> Eliminating all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation.</p> <p><b>TARGET 5.5:</b> <b>Ensure women's full and effective participation</b> and equal opportunities for leadership at all levels of decision-making in political, economic and public life.</p>
	<b>DECENT WORK AND ECONOMIC GROWTH</b>	<p><b>TARGET 8.1:</b> <b>Sustain per capita economic growth</b> in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries.</p>

<b>10</b> REDUCED INEQUALITIES 	<b>REDUCED INEQUALITIES</b>	<b>TARGET 10.2:</b> By 2030, empower and promote the <b>social, economic and political inclusion</b> of all, irrespective of age, sex, disability, race, ethnicity, origin, religion, economic or other status.
<b>11</b> SUSTAINABLE CITIES AND COMMUNITIES 	<b>SUSTAINABLE CITIES AND COMMUNITIES</b>	<b>TARGET 11.4:</b> Strengthen efforts to <b>protect and safeguard the world's cultural and natural heritage</b> .
<b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION 	<b>RESPONSIBLE CONSUMPTION AND PRODUCTION</b>	<b>TARGET 12.5:</b> By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse. <b>TARGET 12.6:</b> Encourage companies, especially large and transnational companies, to adopt <b>sustainable practices and to integrate sustainability information into their reporting cycle</b> . <b>TARGET 12.8:</b> By 2030, ensure that people everywhere have the relevant information and <b>awareness for sustainable development and lifestyles in harmony with nature</b> .
<b>13</b> CLIMATE ACTION 	<b>CLIMATE ACTION</b>	<b>TARGET 13.1:</b> Strengthen resilience and adaptive capacity to <b>climate-related hazards and natural disasters</b> in all countries.
<b>15</b> LIFE ON LAND 	<b>LIFE ON LAND</b>	<b>TARGET 15.1:</b> By 2020, <b>ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems</b> and their services, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements.
<b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS 	<b>PEACE, JUSTICE AND STRONG INSTITUTIONS</b>	<b>TARGET 16.4:</b> By 2030, <b>significantly reduce illicit financial</b> and arms flows, strengthen the recovery and return of stolen assets and <b>combat all forms of organised crime</b> . <b>TARGET 16.5:</b> <b>Substantially reduce corruption</b> and bribery in all their forms.

# MATERIALITY ANALYSIS

Snaitech pays particular attention to daily dialogue with its stakeholders, in order to oversee in the best way possible all issues that are fundamental to business development and the related context, in line with stakeholder expectations and the expected positive and negative impacts on the business of reference.

Indeed, the many facets of the sustainability path undertaken by Snaitech are based on an approach centred on transparency, integrity and ethics, with the aim of engaging stakeholders in the economic, social and environmental objectives pursued by the Group.

Constant attention to these issues, in fact, makes the Snaitech Group more attentive, sensitive and inclined to respond promptly to changes in stakeholders' needs, with particular reference to the external context and the behaviour of its customers. In the development of the company's activities and in relation to its various areas of expertise, the group's management maintains relations with numerous categories of stakeholders, on an ongoing and systematic basis, through both institutional and informal channels, always transparent and guided by good intentions; it is also through constant dialogue with its stakeholders that the Group steers its commitment and defines its strategic sustainability priorities. Snaitech has identified and selected its stakeholders on the basis of an awareness of its role in order to identify expectations and translate them into objectives to be achieved. It is precisely for this reason that Snaitech has also formalised in its Code of Ethics the requirement that the group's companies cultivate fair and transparent relations with all stakeholders without discrimination, in a climate of fair competition on the market and constructive cooperation in the institutional context, respecting the legitimate interests of all.

The wide range of stakeholders with whom Snaitech interacts is subordinate to the primary role of the State (in all its forms, such as the Customs and Monopolies Agency, the competent ministries, and central and local governments), which has the dual interest of protecting the customer and ensuring tax revenues, which are essential for balancing public accounts.

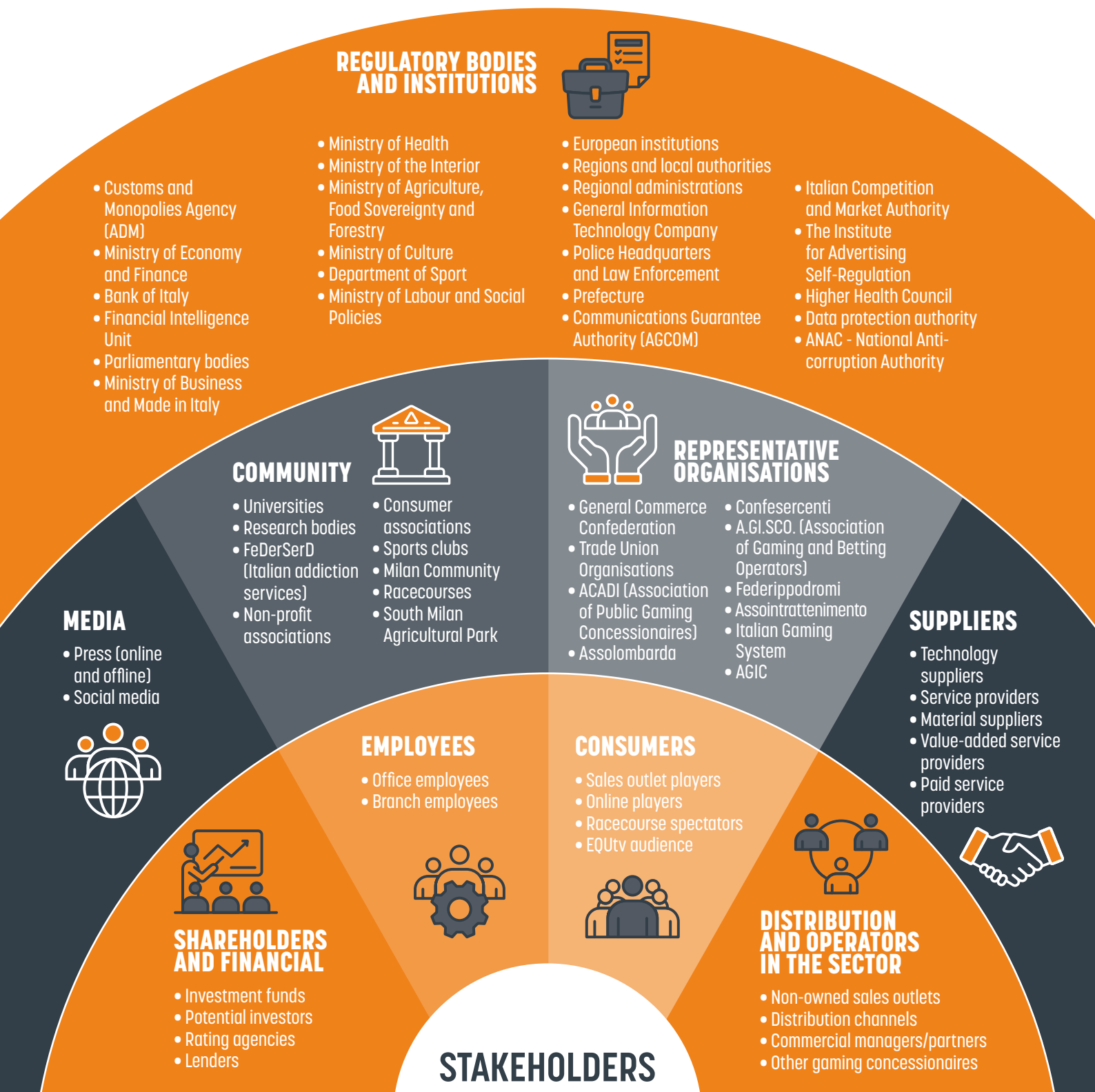
The management of relations with institutional stakeholders, with trade associations, as well as with the competent authorities with reference to the licences owned by Snaitech, is taken care of by the Institutional & Regulatory Affairs Department, by the constant monitoring of the correct performance of conventional activities and the implementation of corporate strategies. In this regard, to fully understand the complexity of the regulatory environment, see the section 'The Regulated Market'.

Dialogue with external stakeholders is also pursued by communication coordinated by the Business Development & Communications Department, which is also in charge of media relations, which is the channel of information to the general public, increasingly supported by social channels.

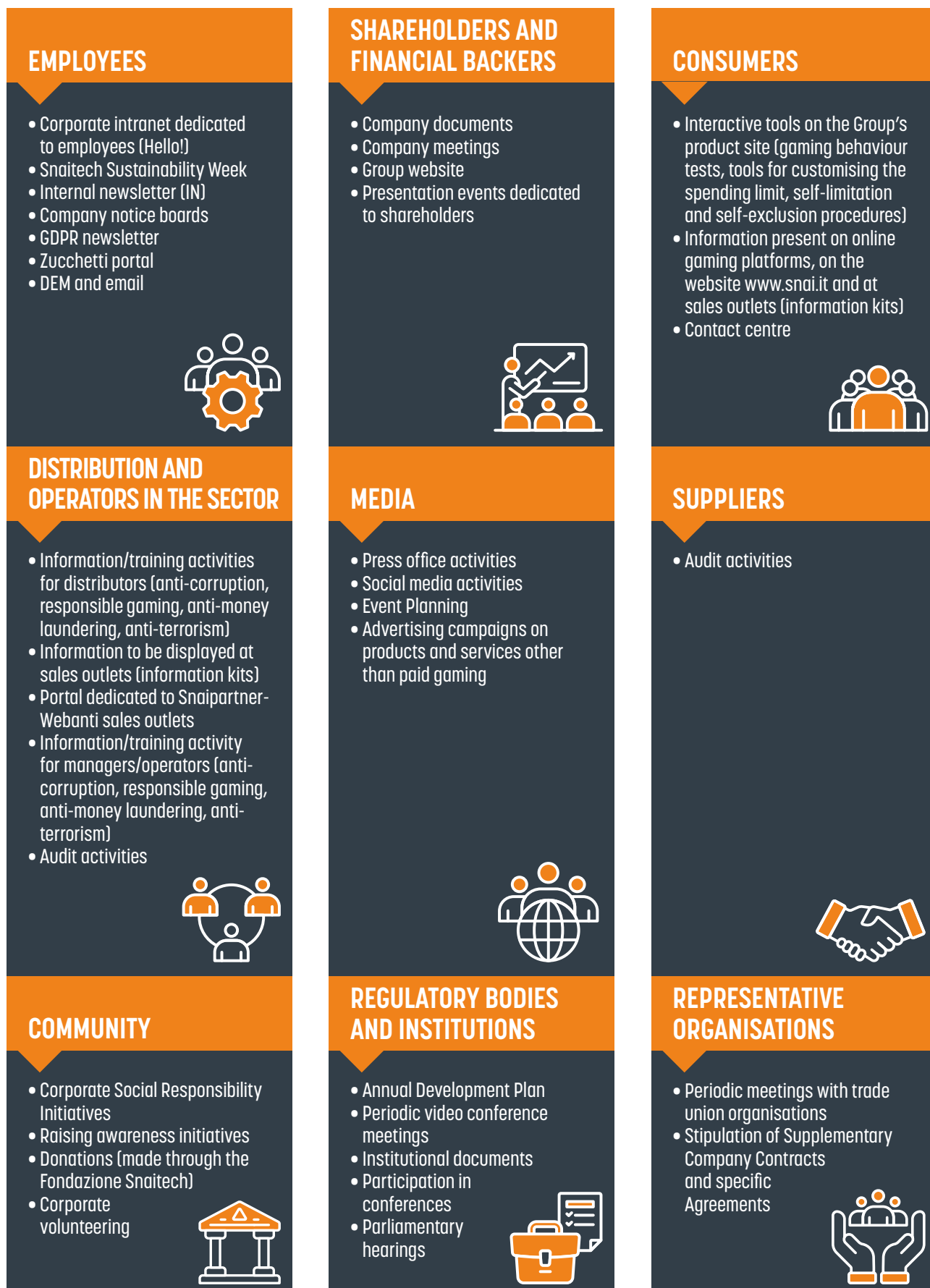
As far as dialogue with personnel is concerned, this is pursued by numerous interlocutors, including the Internal Communication office, which ensures the dissemination of all initiatives and activities carried out by the company, and Human Resources, which oversees training and development, administration, organisation and management, as well as trade union relations. In this context, as also stated in the Code of Ethics, the Snaitech Group operates in full compliance with the principles

of fairness and impartiality, avoiding any kind of discrimination and enhancing its human capital with targeted policies. In doing so, it acts with fairness and equity towards all the counterparts with whom it interfaces, without ever neglecting its active commitment to the environment and to people, while ensuring full confidentiality of its own sensitive information and that of individual data subjects.

## THE STAKEHOLDER MAP



As represented, the audience of stakeholders with which Snaitech interfaces is wide and varied. By virtue of this, the Group has deployed various methods in order to engage each stakeholder as effectively as possible and to best express the relevance of this transversal and continuous activity within the business.



In order to update the materiality analysis for 2023, in line with the evolution of the reference scenario and the best reporting practices according to the GRI Standards, Snaitech has updated the materiality process, with a new exercise involving its employees.

According to the GRI Sustainability Reporting Standards, materiality is the **principle that determines which topics represent the organisation's most significant impacts on the economy, environment and people**, including impacts on their human rights. This framework, introduced from the previous reporting year, helps organisations to include in their reports the topics representing their 'most significant impacts'. As a result, Snaitech's materiality analysis has been updated, both in 2022 and 2023, taking into consideration the shift from a focus on the perceived relevance of issues for stakeholders and for the organisation, to a focus on the actual and potential impacts, both positive and negative, of its activities.

The functional analysis for this report was conducted using a multi-step approach:

1. **Preliminary analysis and confirmation of significant impacts:** The process included an initial analysis of the group's activities and the various relationships within the complex context of sustainability. This included a review of the first list of impacts generated on the main stakeholders introduced in 2022, differentiated by positive/negative, current/potential, reversible/irreversible and identifying the value chain areas (business operations - partners and suppliers - customers) on which they insist. Among the various elements underlying this analysis, it is worth highlighting:
  - the *procedures and internal analyses* that the Snaitech Group has developed over the course of its experience on issues of sustainability, to ensure that its business operations are conducted in such a way as to minimise the risk of negative impacts on the environment and society, while at the same time promoting far-reaching and significant positive impacts on people and the economy in general;
  - outlook and reports on the main macro trends of development in the sector in which the Snaitech Group operates;
  - the SASB Standards applicable to the group – sector standard Casinos&Gaming;
  - a dedicated international benchmarking analysis.
2. **Definition of impact macro-environments, detailed impacts and related categorisations:** several risks and opportunities relevant to the Snaitech Group emerged from the previous phase, consistent with those identified in 2022, which were further verified by the specially assigned Working Group through continuous engagement involving interviews and in-depth analysis carried out throughout the Sustainability Report reporting process;
3. **Prioritisation of impacts and related material topics:** a process was developed to evaluate and prioritise the elements that emerged, based on the assessments described above. In this final stage of the materiality analysis, the impacts were grouped into thematic areas, thus contributing to the substantive review of material topics, their extended descriptions and reconciliation with the SDGs, as summarised in the table below.

MATERIAL TOPICS	SDGs	QUALITATIVE DESCRIPTION OF MATERIAL TOPICS
Compliance with regulations and combating illegal activities	12, 16	Act in compliance with the regulations in force in the area of reference, implementing safeguards to prevent illegal activities and corruption in all its forms.
Promote responsible gambling	12, 16	Gear business activities towards a value system centred on care for the consumer, in order to promote responsible use and informed access to gambling, combating all forms of dangerous gambling with particular attention to the protection of minors.
Responsible shop management	12, 16	Maintain solid systems of control, assistance, training and awareness-raising for the operators of gambling and betting shops and agencies in order to ensure informed and controlled consumer access to the service.
Service quality and consumer relations	12, 16	Guide business activities towards a value system focused on service quality, customer care and the promotion of constructive relationships with consumers by gearing services to the satisfaction of their expectations and the continuous improvement of business systems and processes.
Data security and protecting consumer privacy	12, 16	Set up IT security management systems capable of ensuring the protection of the company's information assets and guaranteeing the protection of consumer privacy, also through the delivery of dedicated training and information.
Creation and distribution of economic value	1, 8	Strategically enhance internal activities and the relationship with stakeholders in order to ensure the creation of economic and financial assets in the short, medium and long term.
Technological innovation, research and development	1, 4, 8	Enhancing technological assets and knowledge and skills with a view to digital transformation through targeted training and continuous investment.
Responsible supply chain management	8, 12	Guarantee the responsible and sustainable management of the supply chain, ensuring the adoption of selection criteria based on principles of morality and reliability, paying the utmost attention to quality, safety and respect for the environment in the procurement process.
Commitment to the local community	1, 8, 11	Assisting local communities by listening to and supporting their expectations, demands and needs with the consequent improvement of the relationship of trust that binds local communities and the group.
Responsible water management	13, 15	Ensure responsible water supply and management by rationalising consumption and managing water discharges rigorously to minimise related environmental impacts.
Reduce energy consumption and emissions	12, 13	Manage effectively the potential environmental impacts of the group's energy consumption, helping to reduce overall emissions into the atmosphere.

MATERIAL TOPICS	SDGs	QUALITATIVE DESCRIPTION OF MATERIAL TOPICS
Responsible waste management	12, 13	Ensure proper waste management aimed at protecting the environment, favouring the reuse and recycling of recoverable material, including through continuous training and updating for internal staff.
Responsible management of natural resources and climate action	12, 13, 15	Ensure the sustainable management of operations with the aim of minimising the environmental impact of activities, through the adoption of concrete solutions for the protection of the environment, such as the use of materials that favour circularity and waste recovery.
Employee health and safety	3, 8	Adopt policies and measures to protect the integrity and physical and psychological health of employees, through constant monitoring of current and potential risks in order to limit and prevent injuries and accidents in the workplace.
Diversity, equal opportunities and inclusion	3, 4, 5, 10	Foster and value diversity, equal opportunities and social inclusion in all its forms as factors of growth and universal values of sustainability.
Staff development, well-being and skills development	3, 4, 5, 8	Ensure the protection and development of human resources, promoting the creation of an inclusive work environment that is attentive to the well-being of employees.

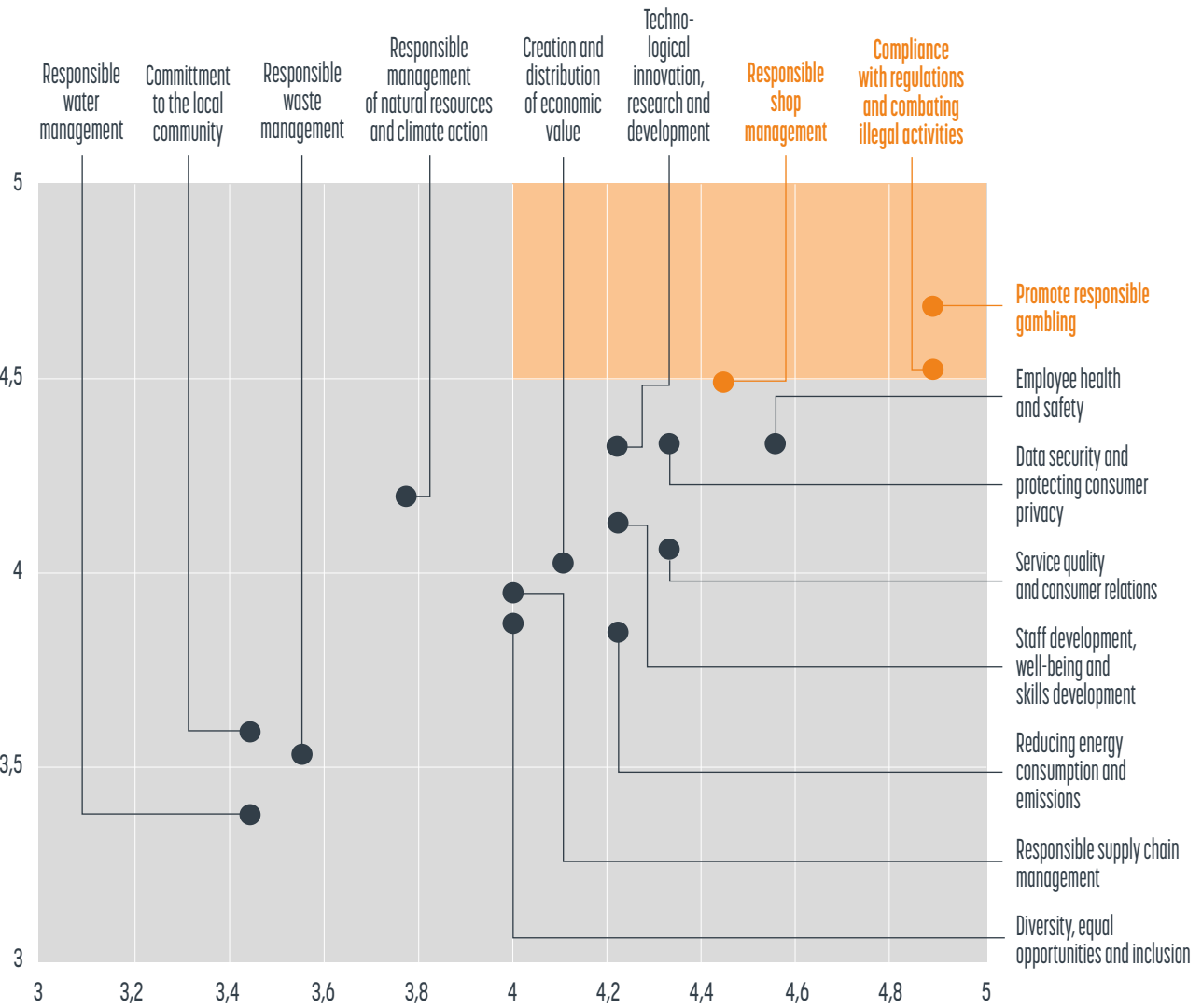


# SNAITECH MATERIALITY MATRIX

As anticipated, the third phase of the materiality analysis process involved stakeholder engagement, which for the reporting year focused on an extensive internal engagement process.

For the first time, a representative sample of group employees from the different Departments, Divisions and Subsidiaries involved in the Sustainability Report reporting process, were engaged in a People Survey. The results of the Snaitech People engagement integrated the prioritisation of the topics and are expressed in the materiality matrix as shown below, in which the x-axis represents the scale of priorities revealed by external stakeholders (suppliers and sales network), to which Snaitech employees have been added, while the y-axis represents the priorities assigned by internal stakeholders (Top Management), traditionally figures of direction and control over corporate strategy (managers, leadership, control bodies, etc.).

## MATERIALITY MATRIX



In continuity with 2022, the matrix analysis reveals three topics considered extremely significant for Snaitech (top right quadrant). In particular, the topic '**Promote responsible gaming**' is confirmed as the most significant, both internally and externally, as is the topic '**Compliance with regulations and combating illegal activities**', especially as a lever to achieve all the other objectives. The other topic on which internal and external stakeholders agree is '**Responsible shop management**', which is considered a strategic aspect especially since it is central to the core business.

There is also the topic of 'Employee health and safety', which also emerged in the context of the People Survey 2023 as a crucial aspect requiring significant commitment. Finally, special attention is also to be paid to issues pertaining to the area of 'Data security and protecting consumer privacy', which, although judged to be well-monitored, are considered central to the successful implementation of all the other topics, given that Snaitech people are the main actors in the sustainable development of the business.





1

*SNAITECH*

# THE REGULATED MARKET

THE REGULATORY FRAMEWORK,  
BUSINESS INTEGRITY  
AND THE PROMOTION  
OF RESPONSIBLE GAMING

## OUR COMMITMENT TO THE SDGS IN 2023

SDG	SDG TARGETS	SNAITECH ACTIONS
 <p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p><b>TARGET 12.6.</b> Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.</p>	<p><b>Responsible gambling:</b></p> <ul style="list-style-type: none"> <li>Global Gambling Guidance Group (G4) certification</li> </ul> <p><b>Annual Sustainability Report</b> <b>Annual Snaitech Sustainability Week</b></p>
 <p><b>16</b> PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p><b>TARGET 16.4.</b> By 2030, significantly reduce illicit financial and arms flows, strengthen the recovery and return of stolen assets and combat all forms of organised crime.</p> <p><b>TARGET 16.5.</b> Substantially reduce corruption and bribery in all their forms.</p>	<ul style="list-style-type: none"> <li>Over 3,000 hours of training on compliance with regulations on anti-corruption and offences foreseen by Model 231.</li> <li>95% of employees received information and 96% received specific training on anti-corruption during the year.</li> <li>69% of business units assessed for corruption-related risks.</li> <li>€2,097,993.91 invested in cybersecurity improvement projects.</li> <li>ISO 27001 certification for information security renewed.</li> </ul>

# 1.1 THE REGULATORY FRAMEWORK

## AND THE MAIN INNOVATIONS

In Italy, the gaming sector, in which Snaitech has long operated as one of the most important licensed agents, is characterised by a **rather complex and varied regulatory framework**, particularly due to the need to respond to significant **aims of public interest**.

At the European level, there is no **single, homogeneous regulation** on gambling, in compliance with the principles of subsidiarity and proportionality set out in the **Treaties of the European Union**.

**Therefore, member states have autonomy in regulating the sector, provided they comply with European legislation in general and the fundamental freedoms established under the Treaty on the Functioning of the European Union (TFEU).** Consequently, national regulations focus on primary objectives such as combating issues of problem gambling, protecting minors, and preventing crime and fraud, as EU legislation focuses particularly on the principles of free provision of services, public order, and consumer protection.






Italian legislation, based on the premise that gaming constitutes a legitimate human activity but with a great need for regulation, aims to ensure that the practice is appropriately regulated, limiting possible social repercussions and thus acting as a barrier to the development of illegality.

In detail, the **regulation of gaming in Italy is the responsibility of the state and entrusted to the Ministry of Economy and Finance (Legislative Decree 496 of 1948), which carries out its activities through the Italian Customs and Monopolies Agency (ADM).** The ADM oversees the regulatory and administrative activities for the ministry, the regulation and practice of individual games, and through surveillance and control activities, it implements actions to prevent illegal gambling.

Regional and local authorities are instead entrusted with the power to regulate, within their respective areas of responsibility, the practical implementation methods related to the different needs of local areas, while ensuring the protection of health and public peace.

Private operators can only operate in the gaming sector through licences awarded by public tender, periodically announced by the ADM in compliance with European regulations. It should be noted that **Law No 197 of 29 December 2022 ('Budget Law' 2023) has harmonised the expiry of public gaming licences, providing for the extension, for a fee, until 31 December 2024.**

In their position as operators of regulated gaming, companies in the sector are subject to a **strict and ongoing verification process by competent institutional bodies** and they must also ensure compliance with a set of complex regulations concerning various matters, including the following particularly relevant five pillars:

ANTIMAFIA	CONSUMER PLAYER PROTECTION	PERSONAL DATA PROTECTION
<p>(Antimafia Code - Leg. Decree 159/2011 and with the amendments made, most recently, by Decree-Law No 75 of 22 June 2023, converted, with amendments, by Law No 112 of 10 August 2023, and by Decree-Law No 123 of 15 September 2023).</p> 	<p>(“Balduzzi Decree” - Law No 189/2012, Consumer Code, referred to in Leg. Decree 206/2005, Service Charter, Decree-Law No 87/2018 ‘Dignity Decree’).</p> 	<p>(Leg. Decree No 196 of 30 June 2003, amended by Leg. Decree 101/2018 and subsequent amendments, European General Data Protection Regulation 2018 (EU) 679/2016).</p> 
PROCUREMENT CODE	ANTI-MONEY LAUNDERING AND FINANCIAL FLOW TRACEABILITY	
<p>(Leg. Decree No 36 of 31 March 2023, Public Contracts Code in implementation of Article 1 of Law No 78 of 21 June 2022, granting mandate to the government on the issue of public contracts”, updated with the changes introduced, most recently, by Decree-Law No 19 of 2 March 2024).</p> 	<p>(Testo Unico delle Leggi di Pubblica Sicurezza (Consolidated Law on Public Security), Leg. Decree 231/2007 as last amended by Leg. Decree No 125 of 4 October 2019, and subsequent amendments, Art. 3 of Law No 136 of 13 August 2010 and subsequent amendments).</p> 	
		<p>1. Please refer to section “1.3 Protection of consumers” for more details on data protection.</p>



To combat this phenomenon, Italy has recently transposed, through Leg. Decree No 195 of 2021, Directive (EU) 2018/1673 2019 (**VI Anti-Money Laundering Directive**) and with Leg. Decree No. 184 of 2021 Directive (EU) 2019/713 on combating fraud and counterfeiting of non-cash means of payment, aiming to prevent, in an increasingly global and competitive market, the free movement of funds of possible illicit origin, and which engages companies in the most exposed sectors, administrative, investigative, and judicial authorities. Italian legislation has also provided for the establishment of a **'Committee for the prevention and repression of illegal gaming, gaming safety and the protection of minors'**, whose chairmanship is entrusted to the Director General of the ADM and composed of leading members of the Carabinieri, the State Police and the Finance Police. The mission of CoPreGI, which completes a comprehensive plan of checks in the field of public gaming every year, is to ensure public order and safety, citizens' right to good health, but also state interests.

Finally, the most recent national legislative interventions have aimed at ensuring increasingly strong **consumer protection - particularly for vulnerable groups such as minors - from the risks and dangers associated with forms of irresponsible gambling**. This protection is ensured in Italy also through regulation on gaming advertising, which is among the most stringent in Europe. Decree Law No 87 of 2018 ( 'Dignity Decree') - which is in addition to the restrictions already imposed by Decree Law No 158 of 2021 ( Balduzzi Decree') - introduced an total ban on advertising for all games with cash prizes (in-person and online), through any means of communication. This ban, starting from 1 January 2019, was also extended to sponsorships of events, activities, shows, programmes, products or services, as well as all other forms of promotional content communication (for further details on the subject, see paragraph 1.3 'Protection of consumers').

## DELEGATION LAW ON THE REORGANISATION OF GAMING

In 2023, the gaming sector in Italy made a further attempt at reorganisation, advocated by all stakeholders operating in the sector. In August 2023, the text of the Tax Delegation was definitively approved, which includes measures related to the reorganisation of the gaming sector in Article 15, outlining the principles and guiding criteria on gaming and confirming the organisational model based on the licensing and authorising regime.

The Government is mandated to adopt, within 24 months from the date of entry into force of the law, one or more legislative decrees containing the revision of the tax system. Therefore, in accordance with the provisions of Law No 111 of 9 August 2023, Government Mandate for tax reform, the Council of Ministers preliminarily approved, on 19 December 2023, the draft Legislative Decree for the Reorganisation of Remote Gaming; subsequently, agreement was obtained at the Unified Conference meeting held on 25 January 2024, and the opinions were gathered of the competent parliamentary committees on the matter and of the Chamber of Deputies and the Senate of the Republic on financial aspects. Finally, the legislative decree was definitively approved by the Council of Ministers on 11 March 2024<sup>2</sup>.

The measure constitutes the national regulatory framework for public gaming allowed in Italy, particularly remote gaming, with the identification of principles, including European principles, regulating public gaming: protection of minors, prevention and treatment of compulsive gambling, combating illegal gambling, protection of expectations in the relationship between the State and agents, use of advertising to promote safe and responsible gambling. In particular, the measure envisages:

---

2. The Legislative Decree No 41 of 25 March 2024 containing "Regulations on the reorganisation of the gaming sector, starting with remote gaming, pursuant to Article 15 of Law No 111 of 9 August 2023" was published in the Gazzetta Ufficiale General Series No 78 on 3 April 2024 with effect from 4 April 2024.

- **Remote gaming licensing relationship** - The remote gaming licensing relationship shall be regulated by identifying various types of remote public games with cash prizes, confirming that the operation and remote collection for public games are allowed for holders of licences issued by the Customs and Monopolies Agency following a public tender, and the maximum duration of the licence is set at 9 years, with no possibility of renewal.
- **Minimum technical rules** - It is envisaged that the ADM shall adopt minimum technical rules for the organisation, by the agent, of their own telematic network and hardware and software infrastructure for data transmission for the management of the licence, and the establishment of a register for entities operating top-up points of sale.
- **Top-up Point of Sale (PVR)** - PVRs allowed within Law 86 and 88 of the Consolidated Law on Public Security (TULPS) and tobacconists, with permitted activities limited to opening accounts, top-ups and closing accounts.
- **Permanent consultation on public gaming** - The establishment of the Permanent Consultation on public gaming allowed in Italy, whose main purpose is to monitor the progress of gambling activities, including illegal and unauthorised gambling, and the relative effects on health.
- **Combating compulsive gambling** - Criteria are identified that must be met by the agent to protect and safeguard the customer, preventing and combating compulsive gambling: measures for restricting and self-restricting gaming, automatic messages regarding the duration of play and spending, informational content on compulsive gambling, risk monitoring. Furthermore, it is established that the agent must invest 0.2% of its net revenue, in any case not exceeding EUR 1 million annually, in information campaigns or responsible communication initiatives, according to topics established by a special commission operating within the Department for Information and Publishing.
- **Illegal gambling offering** - Regarding the illegal offering of gaming, regulations from the Italian Ministry of Economy and Finance (MEF) shall establish the methods for excluding the offering of cash prize gaming through telematic or telecommunication networks by entities without a licence; in agreement with the Bank of Italy, methods to prevent payment service providers from managing transactions on behalf of entities without a licence; information technology measures for identifying sites offering illegal remote gaming.

Finally, it is crucial to mention the group's due interest in the international regulatory framework. Following the finalisation of the acquisition of entities operating under the HAPPYBET brand in 2022, Snaitech interfaced with the **regulatory framework of the gaming sector in Germany, Austria, and Malta, which feature heterogeneous and less mature regulatory systems than in Italy.**

In detail, from 1 January 2023, the regulation of the German gambling market was transferred from the sixteen federal states (each with legislative autonomy) to the Gemeinsame Glücksspielbehörde der Länder (German Joint Gambling Authority of the Federal States, GGL), the central regulatory authority that now oversees gaming operators and approves them on a national scale, ensuring compliance with rules that protect customers from the main risks of gambling. Therefore, in an environment that is still in development and in a market characterised by wide and unexpected variations, Snaitech is enhancing the experience gained in the more mature and structured Italian context to implement its best practices with a particular focus on the online world, sharing and synergistically leveraging the know-how and expertise acquired over time.

## REGULATORY DEVELOPMENTS IN 2023

Pending the reform of the regulations on public gaming, the Budget Law 2023 (Law No 197 of 29 December 2022, concerning the three-year period 2023-2025) standardised the expiry of Public Gaming Licences, providing for the extension, for consideration, until 31 December 2024, of the Licences for the remote operation of public gaming, the installation and management of video lottery terminals (VLTs) and Amusement (machines) with Prizes (AWPs), and the collection of bets on sporting events, including horse racing, and non-sporting events, including virtual events.



### **Horse racing measures**

The *Gazzetta Ufficiale* of 19 June 2023 published Prime Ministerial Decree No 72 of 11 April 2023 on the reorganisation of the Italian Ministry of Agricultural, Food and Forestry Policies, establishing the Directorate-General for Horse Racing.

In detail, the Undersecretary of State's Decree of 30 August 2023 established the Horse Racing Commission, a body with advisory functions in relation to policy guidance in the horse racing industry and activities related to the organisation of horse racing and betting.

Chaired by Undersecretary La Pietra, the commission is composed of breeders, owners, trainers, jockeys, drivers, representatives of racetrack operating companies, judges responsible for the technical and disciplinary control of races, representatives of veterinarians, The National Association of Italian Municipalities (ANCI), and the Italian Equestrian Sport Federation.

### **Sports Rescue Fund**

Decree-Law No 34/2020, which established the 'Fund for the recovery of the national sports system' ('Sports Rescue Fund') established for 2020 and 2021 the obligation for the betting agents to pay a contribution of 0.5 per cent of the total takings from bets placed on sports events of all kinds, including virtual events, made in any way and through any means, both online and through traditional channels. The financing of the Fund is set at a maximum of EUR 40 million for the year 2020 and EUR 50 million for the year 2021.

The ADM decided, by Resolution of the directors of 5 January 2023, by way of unilateral self-protection, to annul its previous Resolution of 8 January 2022, and all related notes, through which the agency had transmitted to betting agents the calculation criteria and payment methods of the contribution to the Sports Rescue Fund, communicating the new calculation methods that, as indicated by the Treasury and the Court of Auditors, no longer consider the payment limit, set at EUR 40 million for 2020 and EUR 50 million for 2021.

The betting agents filed an appeal for the annulment of the Resolution of the Customs and Monopolies Agency according to which the amounts to be paid had indeed been recalculated. The Lazio Regional Administrative Tribunal (TAR) rejected - with the judgement of 28 June 2023 - all the appeals filed by the betting agents, considering unquestionable the decision of the legislator, which referred, for the taxable base, to the criterion of taxation on revenues (cf., Constitutional Court, 26.10.2007, No 350).

The hearing on the merits regarding the appeal filed against the judgement of the Lazio TAR in favour of the ADM for the recalculation of the 'Sports Rescue' contribution took place on 5 December 2023, at the end of which the judge reserved the decision. Subsequently, with a judgement published on 26 February 2024, the Italian Council of State fully accepted the appeals filed by Snaitech, reforming the previous judgement of the Lazio TAR (Second Section) No 13008/2023, which had deemed legitimate the resolutions by ADM to recalculate the 'Sports Rescue' contribution.

### **PREU (Gaming Hall Tax) Rates**

Regarding amusement machines with cash prizes, as a result of Law No 160 of 27 December 2019 (Budget Law 2020), as of 1 January 2021, the PREU rates for AWP and VLTs were modified as follows, with the same rates remaining also for 2022 and 2023:

- For AWP, the PREU rate increased to 24%.
- For VLTs, the PREU rate increased to 8.6%.

### **ADM Development Plan**

In December 2022, the ADM transmitted to the agents with licences for amusement machines with cash prizes, in accordance with the relevant concession agreement, the guidelines for the 2023 development plan, based on four main activities:

- activities to improve the security and non-modifiability of data recording and transmission;
- innovations necessary for the protection of public order and user safety;
- communication and information initiatives for the protection of legal and responsible gambling;
- provisions to safeguard the potential of the sector.

### **Local authorities**

The following are just some examples of regional regulations that clearly illustrate the heterogeneity and multi-layered nature of the regulations that an operator active throughout the whole country, like Snaitech, must consider, maintaining a proactive and rigorous approach that also takes into account local specificities.

Marche: Marche Regional Law No 13/23, in force since 4 August 2023, amended Regional Law No 3 of 7 February 2017 (Rules for the prevention and treatment of compulsive gambling and addiction to new technologies and social networks).

In particular, the measure reduced the minimum distance from sensitive locations from 300 to 200 meters in municipalities with populations under 5,000 people, and from 500 to 300 meters in municipalities with populations over 5,000 people, and reduced the no-gambling hours from 12 to 6 hours per day. Furthermore, it established that the provisions of the law apply to establishments whose activities are authorised after its entry into force. Finally, tobacconists and lottery sellers were excluded from the distance requirements.

Friuli Venezia Giulia: Friuli Venezia Giulia Regional Law No 10/23 of 3 March 2023, amended Law No 1/2014, also allowing betting businesses to take over and enter into a new contract with the agent.

Tuscany: Tuscany Regional Law No 28/2023 amended Regional Law 57/2013 by prohibiting the use of machines and devices that redeem tickets to people under 18 years of age.

**DURING 2023 THE HOURS  
OF TRAINING DEDICATED TO TOPICS  
OF COMPLIANCE HAVE INCREASED  
BY 113%: THE FOCUS ON ALL  
REGULATORY ASPECTS REPRESENTS  
A PRIORITY ISSUE AND ESSENTIAL  
FOR EVERY GROUP'S ACTIVITIES.**





# 1.2 ETHICS, TRANSPARENCY AND INTEGRITY

Snaitech is committed daily to pursuing the objectives of the UN 2030 Agenda for Sustainable Development, specifically Goal 16 'Peace, Justice, and Strong Institutions', which includes targets 16.4 and 16.5. Through its efforts to prevent illicit behaviour, it collaborates with the Italian regulator to protect the community as a whole. As a licence holder in the public gaming sector, Snaitech undertakes to comply with all national and international laws, regulations and guidelines. The company has adopted a Code of Ethics and an Anti-Corruption Policy that promote values such as loyalty, fairness, transparency and honesty. This commitment is a fundamental part of Snaitech's identity and is reflected in its Organisational Model.

In this context, it is indeed in the Group's primary interest to **adapt its organisational and administrative practices to the applicable regulations in a timely manner**, since the duties of the license holder include, first and foremost, full compliance with the various regulatory frameworks.

In order to promote compliance with regulations and ensure the protection of legality, Snaitech's operations are not simply guided by a mode of **total compliance**, but rather by an **active policy of combating any form of irregularity**, based on the detection of potentially suspicious behaviours and systematic reporting, in constant dialogue with the authorities responsible at various levels.

Conducting business while adhering to a mode of total compliance with various regulatory frameworks is also a way to provide group employees with a sense of a job that has full citizenship rights, as it meets the legitimate desires of the customer-consumer, who is simultaneously protected from the dangers of illegal gaming and informed on the risks associated with irresponsible gambling.

Moreover, Snaitech and the group companies have also joined the AGID (Agency for Digital Italy) Guidelines of 26 April 2022, aimed at increasing the accessibility of digital services by ensuring optimised access for people with disabilities. The regulations impact in particular Snaitech's websites (whether gaming or institutional). In this context, Snaitech's websites contain a special page on accessibility and, more broadly, have all been made fully compliant with AGID guidelines.

# THE CODE OF ETHICS: PRINCIPLES, VALUES AND SOCIAL RESPONSIBILITY

As a confirmation of the importance attributed to the value of responsibility and behaviours consistent with it, Snaitech has adopted a Group Ethical Code, developed to guide and promote commitment and ethical conduct in all areas and sectors of operation of the companies belonging to the Group. The Code of Ethics defines the set of ethical principles and values that the Group is inspired by, with deep conviction, in conducting business and operational activities, and from which it derives concrete rules of behaviour for all entities directly or indirectly related to it: customers, shareholders, and employees first and foremost, but also suppliers, business partners, communities, the local areas and the environment.

The **Group's Code of Ethics is an integral part of the Organisational Management and Control Model of the individual companies** and is the tool that they use to translate the stated values into principles and rules of behaviour, which apply to anyone who enters into relations with the group companies. In fact, the adoption of ethical principles relevant to the company's entire operation constitutes an essential element of the **preventive control system of Snaitech and its subsidiaries**.

In order to prevent and combat illicit behaviours not in line with their corporate values and the law, the group companies have adopted and implemented a **Whistleblowing Policy and a whistleblowing tool pursuant to Leg. Decree 24/2023<sup>3</sup>; the tool also allows the reporting of offences and irregularities according to Article 48 of Leg. Decree 231/2007** and ensures the anonymity of the reporter, if requested, and protects them from any form of retaliation, discrimination, or penalisation.

During 2023, work was begun to adapt the 231 Model to the recent whistleblowing procedures. This adaptation required both the modification and drafting of the procedures themselves, as well as constant

AS LEGAL GAMING OPERATORS, WE HAVE A DUTY TO OPERATE IN THE MARKET IN A RESPONSIBLE, COMPETENT AND LAWFUL MANNER. THIS DUTY IS ABOVE ALL MORAL.

SNAITECH GROUP  
CODE OF ETHICS

3. At the beginning of 2023, the Whistleblowing procedures and tool were adjusted to comply with the provisions of Leg. Decree No 24 of 2023, which transposed Directive (EU) 2019/1937 of the European Parliament and of the Council of 23 October 2019 concerning the protection of persons who report violations of Union law and laying down provisions to protect persons who report violations of national legislative provisions. Additionally, the tool allows employees and those in comparable positions within the group companies to report offences and irregularities as specified in Article 48 of Leg. Decree No 231/2007. Reports concerning the Snaitech Group Code of Ethics must be forwarded by employees to their hierarchical superior, to the Human Resources and Organisation Department of Snaitech S.p.A., or to the company's Supervisory Body.



dialogue with the ICT Department to ensure compliance with the requirements of confidentiality and anonymity of the whistleblower, when requested, as stipulated by the new provisions. This implementation was conducted in two distinct phases, during which integration was ensured by all the companies within the scope.

The effectiveness of Model 231 and the governance tools adopted helped to achieve once again in 2023 the result of no reported episodes of non-compliance with social and economic laws and regulations and no ascertained instances of corruption.

Within the framework of its ethical culture and social responsibility, the Snaitech Group consistently adopts adequate measures to prevent and combat corruption. The company recognises the importance of the issues addressed within the Model and the Code of Ethics and therefore undertakes to inform stakeholders through adequate and periodic training on the subject. More broadly, all employees are informed continuously about anti-corruption policies and procedures through specific internal communications. Furthermore, in its commercial relationships, the group informs all its suppliers of the principles and models of behaviour they must follow, all based on maximum transparency of actions and strict compliance with standards, laws, and regulations.

Snaitech is aware that a structured approach is key to building trust and transparency, managing risks while safeguarding the company's reputation. In this context, the parent company Pluto (Italy) S.p.A has also adopted a specific Code of Ethics and an Organisation, Management and Control Model.

Regarding Epiqa S.r.l. companies, the following procedures have been adopted to strengthen controls and awareness:

- information flows to the Supervisory Body
- reporting of offences and irregularities pursuant to Art. 48 of Leg. Decree No 231/2007;
- whistleblowing policy;
- waste management at company premises;
- event management.

With regard to Snai Rete Italia S.r.l., the following procedures have been adopted to strengthen controls and awareness:

- information flows to the Supervisory Body;
- reporting of offences and irregularities pursuant to Art. 48 of Leg. Decree No 231/2007;
- whistleblowing policy.

## ORGANISATION, MANAGEMENT AND CONTROL MODEL

In order to promote compliance with the spirit of regulations and ensure adaptation to internal and external reference procedures, thus protecting itself from the risk of sanctions, potential losses, or reputational damage due to non-compliance with laws, as mentioned previously, the Snaitech Group adopts an **Organisation, Management and Control Model in accordance with Leg. Decree No 231 of 2001**, taking into account the specificity of the sector in which it operates and the organisation of the group to which it belongs.

The model is addressed to all those who operate with Snaitech, and its main objective is to create a systematic and structured system of principles and control procedures aimed at preventing, where possible and feasible, the commission of what are known as '231 offences'.



The model and the group's Code of Ethics were approved – in their latest version – by the company's Board of Directors on 1 June 2021 after being shared with the Supervisory Body and the Board of Statutory Auditors. The new group Code of Ethics was also submitted for approval by the administrative bodies of each group company. Both corporate documents were updated during 2023 and approved by the Board of Directors in February 2024.

Regular notices are published on the company intranet and institutional website to inform staff and third parties about new regulations and updates to the organisational model, Anti-corruption Policy, and Code of Ethics.

The regulatory changes included in the most recent update of the Organisation, Management and Control Model are the subject of specific training.

## THE PURPOSES OF THE ORGANISATION, MANAGEMENT AND CONTROL MODEL

- 1 Promote a culture of corporate integrity, reduce the legal risks of unethical behaviour, and foster employee loyalty.
- 2 Promote business ethics and foster a culture of control.
- 3 Implement effective and efficient business organisation, with a particular emphasis on decision-making and the transparency and traceability of decisions, the accountability of resources dedicated to making these decisions and their implementation, the establishment of preventive and subsequent controls, and the management of internal and external information
- 4 Implement all necessary measures to reduce rapidly and as far as possible the risk of offences being committed.
- 5 Provide adequate training (differentiated in content and delivery methods, depending on the qualifications of the recipients, the level of risk in which they operate, whether or not they hold positions of representation of the company) and information to employees, to those acting on behalf of the company, or connected to the company by relationships relevant under the decree, with reference to activities involving the risk of offences.

The adoption of the model is therefore a tool for raising awareness among those who act on behalf of the company so that they carry out their activities using correct and fair behaviour, in order to prevent and reduce the risk of offences.

As a result of the organisational and regulatory changes affecting the Group, several documents have been available since last year, also considering the expansion to an international scope. Specifically, it is worth mentioning:

- Guidelines on Responsible and Safe Gaming for the subsidiaries regulated by foreign law of the Snaitech Group;
- operating instructions on Responsible and Safe Gaming related to the German market for Snaitech's International Business Unit;
- operating instructions on Responsible and Safe Gaming related to the Maltese/Austrian market for Snaitech's International Business Unit;
- Guidelines for preventing and combating money laundering and terrorist financing for the subsidiaries regulated by foreign law of the Snaitech Group;
- operating instructions on anti-money laundering for the International Business Unit.

Regarding employees, in continuity with the previous year, periodic training courses were provided on compliance with the Playtech policies applicable to the Group and the national context. The courses were delivered through the platform provided by the parent company, and each employee had to pass final tests covering various modules on specific topics such as corruption prevention, anti-money laundering, tax evasion, human rights, responsible gambling, privacy, and cybersecurity.

## COMMUNICATION AND TRAINING ON ANTI-CORRUPTION REGULATIONS AND PROCEDURES

### NUMBER AND PERCENTAGE OF EMPLOYEES TRAINED IN ANTI-CORRUPTION\*

	2023		2022		2021	
	n.	%	n.	%	n.	%
Milan office + branches + Milan Horseracing District	192	90%	198	97%	172	90%
Rome office + branches	175	96%	188	98%	179	90%
Porcari office + branches	354	99%	352	98%	350	96%
Branches Rest of Italy + Montecatini Horseracing District <sup>4</sup>	120	113%	122	103%	138	95%
Abroad	21	25%	n/a	n/a	n/a	n/a
<b>Total</b>	<b>862</b>	<b>96%</b>	<b>860</b>	<b>96%</b>	<b>839</b>	<b>93%</b>

### NUMBER AND PERCENTAGE OF EMPLOYEES INFORMED ON ANTI-CORRUPTION POLICIES AND PROCEDURES

	2023		2022		2021	
	n.	%	n.	%	n.	%
Milan office + branches + Horseracing District	213	100%	204	100%	192	100%
Rome office + branches	182	100%	192	100%	198	100%
Porcari office + branches	357	100%	360	100%	363	100%
Branches Rest of Italy + Montecatini Horseracing District <sup>4</sup>	106	50%	119	100%	146	100%
Abroad	0	0%	n/a	n/a	n/a	n/a
<b>Total</b>	<b>858</b>	<b>95%</b>	<b>875</b>	<b>100%</b>	<b>899</b>	<b>100%</b>

\*Note that for the calculation regarding the percentages of employees who have been trained in anti-corruption, the calculation method is as follows: "no. employees who have received anti-corruption training / no. employees who have received anti-corruption communications. Finally, for foreign countries, note that the percentage is calculated as follows: "n. employees who have been trained in anti-corruption / n. tot. foreign employees.

4. Note that for 2023, Giobet employees whose communication/training in on anti-corruption was carried out in 2024.

GRI 205-2

# ANTI-CORRUPTION

Snaitech has a Group Anti-Corruption Policy that includes procedures to safeguard the internal risk management control system already in place, with the aim of providing a specific focus on preventing and combating corruption.

By illustrating how corruption manifests not as an isolated event but rather as a composite and multifaceted set of behaviours all characterised by a common pattern of misconduct and dishonesty, the policy seeks to enable recipients to first recognise corrupt behaviour in its various forms of verification and, consequently, to activate the measures adopted to report and suppress the phenomenon.

The policy recalls the characteristic and cardinal principles of the operations of Snaitech Group (honesty, legality, loyalty, fairness, responsibility, diligence, professionalism, role segregation, traceability, and archiving) with which all those who act on behalf of the group and/or the companies that are part of it must comply. It identifies the areas of activity most exposed to the risk of corruption and indicates, with reference to each of them, the main rules of behaviour to which the recipients of the policy must adhere.

In coherence with its materiality analysis, which gives ample space to issues of compliance with regulations and combating unlawful activities, Snaitech believes that monitoring and preventing the risks of corruption promotes the spread of a corporate culture based on ethics and good business practices, and that this corresponds to the expectations of good conduct that the national and international community require of responsible companies.

The Policy was updated in 2023 to incorporate the new provisions on Whistleblowing and approved by the Board of Directors in February 2024.

## **Snaitech conducts audits of both internal processes and the network of points of sale, both directly managed and under third-party licence.**

Internal figures and operators who manage gaming and betting in Italy operate in compliance with the application of the current reference regulations in order to eliminate or mitigate the mapped risks. The risks of particular relevance include **internal and external fraud and corruption between private individuals and between private individuals and public bodies.**

The control activities developed year after year aim to verify, among the many aspects subject to investigation:

- the correct accounting and valuation of balance sheet items, the adequate identification of revenue recognition criteria, and the correspondence of billing data with financial flows;
- the adequacy of the supply chain;
- the adequacy of the process for selection and termination of employment relationships and salary variations;
- the adequacy of relationships, communications, and obligations with authorities and public entities;
- the correctness of the operating requirements of points of sale with relevant risk indicators, in order to identify and prevent potential internal and external corrupt relationships;
- the adequacy of the selection and monitoring flows of the potential and contracted sales network through prior verification and continuous monitoring of reputational requirements;
- the adequacy and consistency of the betting collection processes used in the network of points of sale, in compliance with the licensing provisions and the MOGC (Organisation, Management and Control Model).

Below is the breakdown of organisational units subjected to audits for corruption-related risks in the last three years:

# ORGANISATIONAL UNITS ASSESSED FOR CORRUPTION-RELATED RISKS

	2023 <sup>5</sup>	2022	2021
<b>Organisational Units</b>	<b>13</b>	<b>11</b>	<b>11</b>
Number of organisational units assessed for corruption-related risks	9	7	6
Proportion of organisational units assessed for corruption-related risks	69%	64%	60%

*5. As of 1 October 2023, 2 new organisational units have been created and are taken into account in the total calculation, although the 2023 Audit Plan did not originally consider them.*

No incidents of corruption were detected in 2023.

Each year, upon regulatory or procedural changes, the members of the Board of Directors receive appropriate information and training on the regulatory updates affecting the organisation management and control model pursuant to Leg. Decree 231 of 2001 with particular reference to anti-corruption issues.

## ANTI-MONEY LAUNDERING

For the Snaitech Group, ensuring the effectiveness and timeliness of the control and verification of anti-money laundering and anti-terrorism systems in the gaming sector is a fundamental priority.

As a betting agent, Snaitech is required to comply with the regulations to prevent money laundering and terrorist financing.

Therefore, Snaitech has developed a policy system that covers the entire group and defines the structure and organisation of the Anti-Money Laundering (AML) office, with specific roles, responsibilities, and rules that must be followed by all companies in the group, both Italian and foreign, in order to prevent money laundering and terrorist financing.

Furthermore, the agent has adopted various risk mitigation and management measures, such as guidelines, procedures, and operational manuals, both internal and for points of sale. These measures are aimed at ensuring the integrity and transparency of gaming and betting activities.

Snaitech's is constantly committed to compliance with laws and the prevention of unlawful events such as money laundering, which constitutes a central element in its operational strategy.

The specific risks of non-compliance with these very stringent regulations are monitored and mitigated by the anti-money laundering office and are connected to the improper and illicit use of gaming and betting products by third parties (whether they be "customers" or commercial partners) for potential crimes of money laundering and terrorist financing.

In this area, Snaitech must address and control **operational risks related to the security of gaming and betting acceptance systems, the traceability of gaming movements (online and physical), and the continuous control and monitoring of the personal profiles of customers and business partners** in order to ensure compliance with EU and national regulations. Gaming and betting services, although provided by Snaitech in the market according to customer protection standards and despite the group's constant commitment to supporting responsible gambling, could potentially be subject to misuse and fraudulent activities (or uses in any case different from those typical of entertainment and gaming).

The Anti-Money Laundering Office, under the guidance of the Legal and Corporate Affairs Department, regularly verifies the effectiveness of the guidelines, procedures and operational manuals adopted, as well as customer verification systems, gaming monitoring, and reporting suspicious transactions.

In the event of detection of anomalies, these are reported to the Financial Intelligence Unit at the Bank of Italy. Additionally, the Anti-Money Laundering Office carried out checks and inspections of operational areas and points of sale, collaborates with competent authorities, and provides support, opinions, data, and documentation. It also provides informational flows to corporate bodies and senior management, and collaborates with the Board of Statutory Auditors and the Supervisory Body in monitoring compliance with provisions on the prevention of money laundering and terrorist financing.

**Snaitech has implemented numerous safeguards and efforts over the years in the field of anti-money laundering, extending across all areas of business operations:**

- the entire sales network has access to a portal called “Webanti”, which constitutes Snaitech Group’s Single Computerised Archive, recording user data and gaming transactions and winnings exceeding the threshold set by law.
- the sales network receives ongoing training and information circulars on regulatory requirements and is required, inter alia, to fulfil the obligation of identifying and checking the identity of customers at physical gaming points.
- in accordance with the “risk-based” principle and regulatory obligations, Snaitech utilizes internally developed automated systems and databases from external providers to make adequate checks. These systems screen customers, gaming operators and suppliers in terms of reputation to ensure compliance with legal requirements. The software can also be integrated with the company’s management systems and control lists provided by professional operators.
- the Group actively collaborates with public authorities to identify anomalous transactions or behaviours to be reported to the Financial Intelligence Unit (FIU). Whenever indicators of anomaly are detected, we promptly submit reports of suspicious transactions to the FIU, accompanied by data and documentation.
- the Human Resources Department ensures that all staff receive adequate training on anti-money laundering and counter-terrorism regulations. In 2023, we delivered 3,091 hours of training to employees on compliance with regard to preventing corruption, the offences under Model 231, such as money laundering, tax evasion, etc.

An essential part of the **AML Office’s** activity is in fact training: training is an indispensable element of the internal control system aimed at ensuring that there are adequate measures to manage and mitigate the risks of money laundering and terrorist financing. Mandatory training is provided to all employees (both new and existing) and collaborators, including staff at points of sale, to improve awareness of risks and basic knowledge of anti-money laundering regulations. They are also informed about internal procedures and how to recognise and handle potential suspicious transactions or activities.

# 1.3 CONSUMER PROTECTION

As illustrated in the previous sections, Snaitech operates in Italy under licence from the Customs and Monopolies Agency (ADM) and is constantly committed to complying with the regulations and principles of safe gaming, which the legislator has established as fundamental requirements for obtaining the licence to operate in the Italian market and to safeguard customers and the community as a whole. Snaitech recognises and promotes gaming as a **healthy and legitimate recreational activity, a source of entertainment, excitement, participation, and fostering analytical skills and self-control.**

The main objective of Snaitech Group is to prevent potential risks for customers, such as addiction or compulsive gambling, as well as risks for society, such as infiltration by organisations using illegal gaming methods to commit crimes such as tax evasion, money laundering, and fraud. Following the guidelines of the Customs and Monopolies Agency and presenting its own annual Development Plan, Snaitech promotes comprehensive customer protection based on continuous improvements and includes activities aimed at ensuring:

- the promotion of informed, responsible and safe gaming;
- data security and the protection of customers' personal data;
- responsible management of points of sale.

## PROMOTION OF INFORMED, RESPONSIBLE AND SAFE GAMING

Games of risk have always enjoyed great popularity and can be traced back to a socially acceptable form of entertainment when practised in moderation and as an **occasional, healthy and informed recreational activity**. However, for a small minority of individuals, often in conjunction with additional risk factors, gambling for money can lead to **addiction** and, in severe cases, result in a disorder known as 'pathological gambling' or 'compulsive gambling', which has specific repercussions on the socio-economic well-being of the individuals concerned, their families and the wider community.

By adhering to and respecting the principles of safe gaming set forth by legislators, Snaitech works actively to safeguard customers and recognises the promotion of responsible gambling as an absolute priority in managing and implementing sustainable business practices that successfully balance the needs of all stakeholders.

To this end, Snaitech has established an 'Responsible Online Gaming' policy and adopted a specific policy of "Responsible and Safe Gaming in Points of Sale and at Racetracks" in January 2023 for physical gaming.

The Group's commitment to presenting gaming as a source of wholesome entertainment, excite-

ment, and participation is also reflected in the group's Code of Ethics, which is explored in detail in the section 'Code of Ethics: principles, values, and social responsibility'.

As testimony to and assurance of that illustrated so far, Snaitech:

- provides clear and transparent information regarding the rules of the game, the odds of winning, how the prizes are structured, age restrictions, and information on the dangers of excessive and uncontrolled behaviours.
- commits to improving the usability of the website and apps, the simplicity of the graphic design, the intuitiveness of options and buttons, and the clarity of graphic artworks to avoid any possible misunderstanding about the rules of the game.
- adapts all communication, both offline and online, and raises awareness throughout the retail network on the legal obligations and restrictions, in particular the legal age for gambling and entering gaming/betting venues and the advertising restrictions imposed by the 'Dignity Decree'.

In compliance with the above, or in strict compliance with Leg. Decree 158 of 2012 ('Balduzzi Decree') and Leg. Decree 87 of 2018 ('Dignity Decree'), Snaitech has ceased all forms of advertising and promotional communication — including indirect communication — on gaming products, limiting itself to information intended for customers in places designated for collecting payment for pay-to-play games.

Each Snaitech point of sale provides customers with compliant information material, such as leaflets and paper and digital posters. The Snaitech sales force monitors the correct display of these materials during visits, and periodic circulars are also sent to remind operators to ensure adequate visibility. For new openings and restyling of points of sale, Snaitech takes care of the production and installation of signs and decals compliant with the group's guidelines. The alignment of these elements with the guidelines is monitored constantly by the commercial Area Managers of the various points of sale.

## BALDUZZI DECREE

*'Urgent provisions to promote the development of the country through a higher level of health protection.' Decree-Law 158 of 2012.*

*The Decree, besides addressing a series of topics related to health protection (such as local healthcare, limitations on tobacco sales, food safety, etc.), included measures specifically aimed at prevention and treatment with regard to people with a predisposition towards compulsive gambling, assigning to regional authorities the task of including appropriate related measures among the essential levels of care. The Decree also introduces **provisions on combating compulsive gambling, with particular focus on the protection of minors and vulnerable persons, and bans advertising for games with cash prizes** on television, radio and in newspapers and magazines.*

## DIGNITY DECREE

*Decree-Law 87 of 2018, or 'Dignity Decree' — in addition to providing measures for the protection of the dignity of workers, businesses and professionals and introducing measures aimed at simplifying taxation — also includes tools aimed at effectively combating compulsive gambling. These tools include an **almost total ban on advertising and sponsorships of games and bets with cash prizes**, extending the ban on promotional messages already introduced in the industry.*

*"For the purposes of strengthening consumer protection and for the more effective prevention of compulsive gambling,...**any form of advertising, even indirect advertising, for games or bets with cash prizes, is prohibited, regardless of the methods and means used, including sports, cultural, or artistic events, television or radio broadcasts, daily press, publications in general, billboards, and the internet.**"*

*In implementation of Article 9 of the aforementioned Decree-Law, the Italian Communications Regulatory Authority published the 'Guidelines for the implementation of the ban on advertising and sponsorship of gambling', providing interpretative clarifications regarding the scope of application of the decree and paying particular attention to combating the risks associated with gambling disorders and, more generally, pathological gambling, which is deemed scientifically to be progressively increasing. This reaffirms authority's commitment to effective supervision with regard to actions aimed at exploiting the pathology for economic gain.*



Consistent with the priority given to raising customer awareness, Snaitech has continued initiatives to promote responsible gaming, both in physical shops and on online platforms.

The website [snai.it](https://snai.it) includes a section dedicated to **customer protection**, in which Snaitech emphasises the recreational and healthy dimension of gaming, providing warnings and necessary information to enable people to make **informed gaming choices**. Additionally, the website and the interface of the PC bookies used by customers in retail outlets both provide a link that users can use to complete a self-assessment to test whether their gaming behaviour presents signs of problem or compulsive gambling. The online gaming platform and gaming apps also always display information, odds of winning, warnings, logos of the Customs and Monopoly Agency – developed and constantly updated by the Marketing Department – and specific logos, such as reminders of the age limit.

The company also has specific internal guidelines aimed at ensuring compliance with the ‘Dignity Decree’ and the ‘Balduzzi Decree’; specific instructions have also been disseminated throughout the physical network of Snaitech retail distribution network.

To prevent impulsive gambling, Snaitech has developed and made accessible two self-control tools on online platforms: self-exclusion and self-restriction.

- With self-exclusion, customers can opt to exclude themselves temporarily (30, 60, 90 days) or permanently from gaming activities. During this period, they will not be allowed to deposit money, receive bonuses or place other bets. Customers can request exclusion from all gaming accounts and inclusion in the Register of Self-excluded Persons (RUA).
- On the other hand, self-restriction allows customers to set weekly deposit limits, daily spending limits, and maximum betting amounts. It is important to note that when reducing the deposit limits, the change is immediate, whereas when increasing the limits, the change shall not be available for seven days. This mechanism is designed to prevent users from making impulsive decisions when caught up in the excitement of gaming.

The measures of gaming restriction and self-restriction are fundamental to protect the customer and prevent pathological gambling. In this regard, reference is made to the information provided at the beginning of the chapter regarding the Delegating Law under the section ‘combating pathological gambling’.

During 2023, there were no reported cases of non-compliance with the regulations governing the marketing communications of Snaitech Group.

## INTERNATIONAL G4 CERTIFICATION FOR ONLINE GAMING

Snaitech’s commitment to combating problem gambling received for the ninth year running important recognition in the form of the **International G4 Certification for Online Gaming**, which stems from the company’s membership of the **Global Gambling Guidance Group**, an organisation that applies advanced rules and protocols to assess the application of tools to encourage responsible gaming and limit the potential harm of gambling. The certification, valid through 2023, was renewed to 18 December 2026, following an audit conducted by G4 in December 2023 to evaluate the policies adopted by the company and the effectiveness of the tools provided to users. The scope of the G4 audit is extensive and includes strategies to prevent under-age gambling, as well as the information and support for customers to promote responsible behaviour and attitude. The results of the audit confirmed a strong commitment to various projects, all united by the main objective of growing the corporate culture and awareness of the issues and dynamics of problem gambling.

More generally, Snaitech's continuous and priority commitment is to ensure **that all online gaming and betting sites** – subject to strict controls by the ADM – **comply with the requirements of customer safety and protection, protection of sensitive data, quality of entertainment activity, transaction guarantee, and reliability and timeliness of payments.**

For the agent's processing systems to be valid, appropriate security mechanisms are required, such as firewalls, intrusion prevention, and malware detection software, which are explored in more detail in the following paragraph. Moreover, the computerised gaming system, based on technologically advanced centralised infrastructures, must prevent attempted tampering and intrusion and ensure, in real-time and without interruptions, that all gaming transactions maintain high performance in terms of security, certification and data storage.

For amusement machines with cash prizes, the ADM issues the authorisations for distribution and operation and is responsible for checking – centrally but with a processing system that extends to the individual agents – that gaming activities are carried out properly. This allows for the adequate determination of taxes owed, the suspension of activity in case anomalies are detected, and the possible definition of sanctions following violations.

For remote gaming, again it is the ADM that is responsible for issuing licences to entities that demonstrate the ability to comply with a series of measures necessary to protect gaming customers – some of which are related to physical and environmental security – including the following:

- the physical location of all computer systems in a data processing centre, access to which must be restricted to authorised personnel.
- gaming customers must only be granted access to the systems after verifying their credentials, including certified credentials (e.g., the Italian public digital identity system, or SPID).
- the presence of intrusion detection systems, access logging and virus detection;
- the safe disposal of all removable media that contain or may contain critical data;
- the activation of a time-out after a certain period of inactivity by the user during a session.

**Snaitech Group has long adopted cutting-edge technologies and software solutions for all its gaming and betting offerings open to the public, aiming to ensure compliance with regulatory systems and enable its customers to use remote gaming, which is subject to strict controls in Italy.** Specifically:

- The transaction management system, applicable across all gaming channels, issues gaming or betting tickets only after real-time connection with Sogei, the Ministry of Finance's IT structure, confirms the acceptance of the request. This guarantees the validity of the stake and the payment of any winnings.
- account management operations, particularly for top-ups by credit card, are encrypted using SSL128.
- withdrawal requests from gaming accounts are fully traceable and possible only via bank transfer or equivalent systems. Account holders can call a special telephone help number at any time.

# DATA SECURITY AND PERSONAL DATA PROTECTION

**For Snaitech Group, data security and personal data protection are of utmost importance and are therefore rigorously managed and implemented, both in the physical network and in the online segment.**

**In recent years, the Group has significantly reinforced** its methods for protecting and processing personal data, including through the implementation of a more effective data strategy, given the increasingly widespread digitisation of gaming experiences and the significant growth in transactions and data.

With regard to the processing of personal data, Snaitech ensures **compliance with and application of the principles of fairness, lawfulness, transparency, as well as the protection of the confidentiality and rights of data subjects**, in accordance with European Regulation No 679/2016 (European Regulation on the protection of natural persons with regard to the processing and free movement of personal data, known as the GDPR) and Leg. Decree 196/2003 'Personal Data Protection Code', amended by Leg. Decree 101/2018 and subsequent amendments.

The Group has adopted a risk-based approach in compliance with the principle of accountability for the implementation of its 'Privacy Organisational Model' (MOP) containing the activities in place to fulfil data protection requirements. In particular, Snaitech has defined an organisational structure (internal Privacy Office and external Data Protection Officer, supported - where necessary - by the Head of Information Security and other company departments/offices) that reviews at least annually the Register of Processing Activities, the privacy documentation supporting the information provided to Data Subjects or the appointment of Data Processors and/or Data Controllers, as well as the operational procedures related to the management of data breaches and requests from data subjects, also providing training for newly hired employees and informative sessions on the subject for all staff members.

During the period from March to June 2023, the 'Telecommunications Division of the Italian Data Protection Authority' sent certain requests to Snaitech related to the processing of personal data of gaming account holders, with particular reference to obtaining the consent of gaming account holders and the processing of their personal data. These requests were acknowledged and followed by the closure of the preliminary investigation. The company also had the opportunity to present to the authority its Privacy Organisational Model, which was deemed adequate and suitable for compliance with the regulations on the processing of personal data, insofar as it was also reflects the efforts, professionalism and thorough knowledge in this area.

Snaitech and the group companies, including the parent company Pluto (Italia) S.p.A., have undertaken a path aimed at ensuring **compliance with the guidelines on the formation, management, and storage of computerised documents issued by the Agency for Digital Italy (hereinafter AgID)**, adopted in compliance with Directive (EU) 2015/1535 and Law 317/1986, as amended by Leg. Decree 223/2017.

**The documentary management of administrative proceedings ensures the proper administration of documents, from their production to their storage.** Specifically, the Group identified the Departments/Offices/Divisions of the various companies that needed to update their storage methods to align with current standards. Following specific interviews with each of these companies, document processes were mapped out that fall within the scope of the AgID Guidelines.

The regulations require the appointment of a Storage Manager, responsible for drafting the Storage Manual in accordance with the technical requirements outlined by the AgID Guidelines. The

Storage Manager was appointed on 3 April 2023; the appointed person is someone from outside the organisation, who, for example, performs the following activities:

- defines the storage policies and functional requirements of the storage system;
- manages the storage process and ensures its compliance with current regulations over time;
- monitors the proper functioning of the storage system;
- periodically checks the integrity and readability of computerised documents;
- prepares the necessary measures for the physical and logical security of the storage system;
- provides assistance and necessary resources to competent bodies and public officials, in the event of audits and supervisory activities.
- prepares the storage manual and ensures its periodic updating in the event of relevant regulatory, organisational, procedural or technological changes.

**The Storage Manual**, drafted during 2023 for each of the companies within the Snaitech Group and for the parent company Pluto, illustrates in detail the organisation, the persons involved and their roles, the operating model, a description of the process, descriptions of the architecture and infrastructure, the security measures adopted, and numerous other useful pieces of information for managing and verifying the functioning of the storage system over time.

From the perspective of improving operational efficiency, exploiting the potential of digital clouding, and reducing environmental impacts, the Group has pursued — in continuity with the initiatives started in 2022 — the transition from proprietary data centres to external data centres ('data centre simplicity') due to their greater self-cooling and self-powering capacity.

With the involvement of the ICT Department, **Snaitech controls continuously the security of its IT tools and applies appropriate monitoring tools**. The controls implemented — which are subject to inspections by the Italian Data Protection Authority and the Italian Finance Police vested with the necessary powers of control — **aim to ensure high standards of security and quality and are applied by the company to demonstrate constant compliance with the regulations in force**. Within the ICT Department, the Group has also established special Business Support units to oversee the process, particularly the role of Information Security Officer, set up to ensure adequate and specific focus on issues of cybersecurity.

In this context, we point out that Snaitech is **certified according to ISO 27001**, an international standard that defines the requirements for the information security management system.

More broadly, in 2023, Snaitech Group made significant investments in cybersecurity, in terms of infrastructure security, application security, and training. The infrastructure has been strengthened through investments in security management tools and process improvements adopting a zero-trust approach that involves decoupling user access from application (segregation of duties).

## INVESTMENTS IN CYBERSECURITY IN 2023

Activity	2023	2022
Penetration test and vulnerability assessment	341,647.90 €	232,507 €
Security IT Compliance	585,986.75 €	215,126 €
Cyber Security Systems	1,170,359.26 €	690,038 €
<b>Total</b>	<b>2,097,993.91 €</b>	<b>1,137,671 €</b>

The Group has also delivered internal training, both specific training for the security team and for the entire company. Training also serves to make the company more responsive to and prepared for new technologies, enabling it to respond promptly to market changes. For more information on training, please see Section 4. People.

## RESPONSIBLE MANAGEMENT OF POINTS OF SALE

Snaitech's commitment to ensuring a safe and responsible gaming model has to consider the establishment of **strong and preferential relationships with the group's retailers, regarded by the company as genuine business partners**. Indeed, the quality of the relationship with the end customer and the group's reputation depend on their professionalism and compliance with the rules.

In this regard, Leg. Decree 231 of 2007 in Article 52 ('Risk Mitigation Measures') clearly states that gaming and betting agents must adopt procedures and control systems to ensure that the selection of the figures in the list below is based on standards that ensure the legality and correctness of their behaviour:

- A. shop and betting corner managers;
- B. VLT hall managers and operators;
- C. agents;
- D. customer gaming licence holders for connectivity services;
- E. gaming partners (with whom they have a contractual relationship directly or indirectly functional to the offer of gaming services).

The constant and transparent relationship between Snaitech and the retail network, which is a highly strategic resource for the Group, is intended to monitor continuously compliance with high standards of reliability and quality. In this regard, the **'Licensing and Regulatory Compliance Office'** periodically updates the procedure for checking reputational requirements. The last update of the procedure, dating back to November 2022, also expanded intended target persons subject to control, including operators of AWP, resellers of value-added services (e.g., Snaipay), GAD partners, suppliers, and horse owners and/or trainers.

To facilitate the control process and cope with the expansion of the scope of persons subject to controls, various elements have been established and implemented, including the preparation of operational instructions on completing evaluation forms for supplier customers. In strict compliance with sector standards, Snaitech identifies, checks possession of and monitors possession over

the course of the relationship the reputational requirements under industry regulations (Article 94 et seq. of the Code of Public Contracts, Article 24 of Leg. Decree No 98 of 2011, etc.) and the license agreements entered into with the ADM.

**The checks carried out by Snaitech during the awarding of contracts**, concerning the possession of reputational requirements by gaming operators, **supplement – in almost all cases – the checks carried out by the ADM, the Prefectures and the Police Headquarters prior to the issue of the authorisation** for the collection of gaming revenue (police license pursuant to Articles 86 and 88 of the TULPS).

Following the awarding of the contract, the responsible management of points of sale is implemented through the activation of various channels. Indeed, with a view to consumer protection and satisfaction, Snaitech undertakes to maintain constant dialogue with operators, conducting periodic visits, sending communications, and providing its commercial partners with information material produced in compliance with guidelines and current regulations, made available at all points of sale, both in paper format and in digital format on the dedicated portal. Operators of points of sale are encouraged by the Group to display updated material in all areas of the premises at all times, particularly in the most visible areas and near amusement machines.

In addition, the Marketing Department produces a continuously updated **information kit on “Responsible Gambling”**, in line with guidelines provided by the ADM and the Balduzzi Decree, which is made available to all newly opened points of sale.

The support materials include information messages covering the following topics:

- warnings about the risks of gambling addiction and information on dedicated helplines (free-phone number of the National Institute of Health) for people dealing with gaming-related problems;
- age limit for gambling and entry to shops primarily dedicated to gaming and betting;
- information on the odds of winning;
- company name and agent authorisation number;
- use of ADM logos and trademarks.

Training is an essential element of Snaitech’s responsible management of points of sale. Training establishes close relationships with commercial partners, improves commercial operations and raises awareness of crucial issues such as the risks of problem gambling and related prevention measures. In recent years, the Group has replaced traditional on-site training with modules delivered via webinars, suitable for both slot machine and video lottery operators and other operators wishing to learn more about specific topics. Furthermore, within the Snaitech Academy portal, all operators can freely access various training modules that include numerous video tutorials. Training is a fundamental opportunity to disseminate knowledge and information to all group operators, with particular focus on those who have direct contact with customers and regularly participate in various courses. The use of online platforms helps to improve the effectiveness of communication between the company, with its values, and the network of commercial partners.

# AUDITING AT POINTS OF SALE

As described in detail in the previous paragraphs, Snaitech Group operates with the aim of continuous improvement of its relationships with commercial partners, prioritising the development of ethical and responsible gaming. In this context, it is fundamental for Snaitech to maintain periodic monitoring of points of sale, aimed at ensuring the correct application of regulatory, managerial and contractual obligations, as well as detecting the implementation of the social responsibility principles for the direct and indirect protection of gaming customers.

The audit plan is developed by the Internal Audit Office in an ongoing manner, progressively covering the national territory on the basis of the performance of specific risk indicators, supplemented by remote audit activities. The monitoring of indicators and scheduled audits are carried out quarterly; based on the results of the audits, action plans are developed aimed at restoring correct behaviour in the event of misalignment with the gaming machine operating procedures established by the company.

The audits conducted periodically by the Group mainly pertain to:

- the formal and substantive correctness of the licence operation (e.g., adequacy of the premises, possession and validity of licenses, ticket storage, etc.) to ensure the legality of gaming machine operation.
- the application of provisions regarding the protection of gaming customer health, which include requirements on gaming communication for the purpose of adequate prevention of compulsive gambling and access to gaming by vulnerable categories of people (e.g., age limit for entry and use of machines).
- activities aimed at verifying the application of the provisions of the 'Dignity Decree' and the implementing guidelines by AGCOM (Italian Communications Authority) issued on 18 April 2019, concerning the ban on advertising, including indirect advertising, for games and betting with cash prizes.
- compliance with anti-money laundering regulations ( Leg. Decree 231 of 2007 and subsequent amendments), with reference to the knowledge and correct application of procedures and contractual obligations to guarantee activities conducted to prevent money laundering and terrorist financing (particularly regarding the diligent fulfilment of duties of adequate customer verification and subsequent storage of data and supporting documentation).
- the application of the GDPR, through a specific checklist of the data protection controls applicable to the directly managed network.

Following the above-mentioned control activities, specific action plans are drawn up to address any deficiencies.

**We point out here that, in 2023, Snaitech strengthened its training activities for point-of-sale operators** (see Section 2. Innovation for more details). The corrective actions may include recommendations to internal training units to provide training on specific topics. In this way, Snaitech aims to create greater awareness and take targeted action to improve progressively its standards in relationships with its partners in Italy.



For an overview of the activities carried out by the group's Internal Audit office, please see the section 'Internal control and risk management system', subsection 'Internal Audits'.

As every year, all audits were monitored, with the aim of addressing and resolving any problems found. The audit planning has therefore been progressively directed towards an increasingly accurate risk analysis.



0



2

*Snaitech*

# INNOVATION

RESEARCH, DEVELOPMENT  
AND CUSTOMER EXPERIENCE

# OUR COMMITMENT TO THE SDGS IN 2023

SDG	SDG TARGETS	SNAITECH ACTIONS
<b>8</b> DECENT WORK AND ECONOMIC GROWTH 	<b>TARGET 8.1.</b> Sustain per capita economic growth in accordance with national circumstances and, in particular, at least 7 per cent gross domestic product growth per annum in the least developed countries.	<ul style="list-style-type: none"> <li>• Net value added generated 1,239,051 (in thousands of euro).</li> <li>• Tax contribution 1,024,841 (in thousands of euro).</li> <li>• Jobs generated by direct employment: 1,036 people.</li> <li>• Contribution to suppliers and third parties in charge of collection € 598 million.</li> </ul>
<b>4</b> QUALITY EDUCATION 	<b>TARGET 4.4.</b> By 2030, substantially increase the number of youth and adults who have the relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.  <b>TARGET 4.7.</b> By 2030, ensure that all learners acquire knowledge and skills needed to promote sustainable development through, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development.	<ul style="list-style-type: none"> <li>• Strengthening <b>Sales Network training</b>:             <ul style="list-style-type: none"> <li>- 1,056 training courses provided;</li> <li>- 394 individual shops trained;</li> <li>- 820 individual participants trained;</li> <li>- 1,530 training hours provided.</li> </ul> </li> </ul>

## 2.1 THE SYNERGY BETWEEN RETAIL AND ONLINE:

### THE OFFER OF GAMES AND SERVICES

For Snaitech, innovation is part of the Group's culture, the aim of which is to renew, year after year, its constant commitment to making Snaitech people active participants in the company's growth through different and alternative perspectives and models of thought. In 2023, in continuity with the work of previous years, **Snaitech strengthened the role of Innovation in the continuous research and adoption of the most advanced technologies underlying the gaming offer, as well as a driver able to guarantee the improvement of security and information systems.** A winning innovation process that is the result of a shared system of organisation, roles, responsibilities, processes and co-ordination tools, also created through discussions with the best professionals in the sector. In 2023, this commitment was also reflected within the organisational structure of the

Snaitech Group, with the creation of the department of **Marketing & Innovation, dedicated to innovation in the areas of strategic marketing, research, scouting and focused on the creation and development of new solutions capable of interpreting the needs of future generations.**

**Snaitech Group's mission is to provide its consumers with high-performance and technologically advanced gaming and betting products and services,** investing in the research and development of increasingly improved and innovative consumer experiences. It is precisely **through continuous technological innovation that the Group proves itself capable of ensuring the most complete compliance with the continuously evolving legal and regulatory requirements of the sector.** Technological expertise and network security are therefore the main competitive assets for Snaitech to work on, with a view to preventing illegal activities, mitigating compulsive gambling and limiting access to minors. Thanks to the definition of structured investment plans and the presence in its shareholding of Playtech, the world's leading technology partner in the supply of online gambling software, the Group works constantly to ensure the integrated and digitised management of the company, aimed at the efficiency of procedures and processes and the services offered, which will be increasingly connected, structured and secure.

As one of the major players in the sector, Snaitech operates in the Italian and international market with an offer that encompasses the entire range of legal and secure gambling experiences, managed in retail and online channels with a synergic approach:

- amusement machines (AWPs and VLTs);
- betting on sports, horse racing and virtual events;
- remote games of skill (skill games, casino games and bingo).

**INNOVATION IS ALSO CONCEIVING ONE'S OWN ORGANISATION IN A DIFFERENT WAY, AND THAT IS WHY WE DECIDED TO CREATE A NEW DEDICATED TEAM THAT WILL COVER FROM STRATEGIC MARKETING TO RESEARCH AND SCOUTING, FOCUSED ON THE CREATION AND DEVELOPMENT OF NEW SOLUTIONS TO PROPOSE TO THE COMPANY THAT ARE CAPABLE OF INTERPRETING THE NEEDS OF FUTURE GENERATIONS. IN FACT, AT SNAITECH WE ALWAYS TRY TO BE AT THE FOREFRONT OF TRANSFORMING OUR THOUGHT PROCESSES AND ALSO OUR WORK PROCESSES.**

FABIO SCHIAVOLIN,  
CEO OF SNAITECH GROUP

In addition to these, Snaitech provides specialised betting services given to independent agents, offers commercial services (telephone top-ups and payment of bills to PA - Public Administration) and manages the group's racecourses, both in relation to horse racing events and as multi-purpose spaces open to the public for cultural events, events, concerts and more.

## WESPORTUP ACCELERATOR

### SNAITECH CONFIRMS PARTICIPATION IN THE INNOVATION ACCELERATOR INITIATIVE AGAIN IN 2023

**Demo Day 2023** marked the end of the second acceleration cycle of **WeSportUp Accelerator**, the initiative dedicated to start-ups offering innovative sport & wellness solutions, of which #Snaitech has been a Corporate Partner since 2022.

WeSportUp aims to represent an open ecosystem capable of engaging Italy's most important companies, institutions and investors in the search, selection and acceleration of the best Italian and international start-ups for the economic and social development of the sector. It offers an intense 13-week acceleration programme in the splendid setting of the Foro Italico park in Rome, at the heart of Italian sport: a great opportunity to collaborate with the leading companies, institutions and investors of the Italian sport and wellness system, and to receive economic resources and high-level professional support.

The event was the culmination of a nine-month journey: over 1,000 sport & wellness start-ups analysed, 550 applications received, 24 projects presented at the Selection Day in June, followed by the identification of the start-ups that would participate in the structured 13-week acceleration programme.

During the Demo Day, the eight finalist start-ups had the opportunity to tell their stories and present their pitches to an audience of Sports Tech industry stakeholders, partner companies and promoters. Each presentation was introduced by mentors who played an active role during the acceleration programme, helping these businesses to enter the market.

For the occasion, Snaitech presented Penguinpass, a promising start-up that proposes an innovative event management and access control system using proximity technology and predictive algorithms, with which the Group had the opportunity of collaborating directly in 2023 for events organised by Snaitech.

As part of its broader **internalisation strategy**, in 2023, the Group consolidated the supply of the betting platform to companies operating under the HAPPYBET brand in Austria and Germany. The services are currently provided both to all betting shops in the territory and for the online channel, available on PCs and via mobile app.

Aware of the synergies that can be generated and the significant benefits that can result from such synergies, the Group strives constantly to achieve **alignment in the customer experience between the two worlds of physical retail and online platforms**. The ultimate goal is to **ensure full integration between the two realities**, which today becomes feasible thanks to special digital tools and devices developed for retail customers. Using the Snai App on their smartphone or tablet, customers can now operate autonomously within the 'Multiplay Shop', booking bets, checking the status of tickets played, reading information and studying statistics.

The strategy of integrating the two realities represents a focal point for Snaitech, as it is the start of a virtuous circle necessary for the growth of its value, in particular by allowing it to reach and acquire new online betting customers directly through the points of sale. Customers can easily



open their own online gambling accounts at Snaitech shops, while shop operators are paid a royalty on online bets made by customers who have chosen to open an account at their shop. **In 2023, there was a 12.4% increase in active betting accounts compared to the previous year, to over 763,000 accounts.**

**In order to offer an excellent customer experience, Snaitech has made technological innovation and reliability the pillars of its mission.**

Also new for 2023 is the integration of **BetBuddy** within the platform, a tool to predict problem behavior, identify and proactively engage player at risk.

There was also a particularly innovative project developed in collaboration with the **Politecnico di Milano**, which involved a panel of PhD students in the study of the trading mechanisms of gambling, followed by the creation, development and proposal of the different odds. The collaboration included two outputs:

- a POC on odds creation mechanisms, more consistent in character with Snaitech's current processes;
- an experimental trading exercise guided and complemented by AI mechanisms, aimed at studying the new possibilities of automating the proposal of odds using artificial intelligence.

The project, which developed over a whole year of work, was particularly useful and innovative from the point of view of interplay between business and basic research mechanisms, confirming the added value of collaboration between different contexts, such as market operators and academia.

## PHYSICAL NETWORK

In 2023, Snaitech confirms itself as one of the leading betting operators in the physical channel, with a market share of 20% of net expenditure. Snaitech's nationwide sports betting acceptance network consists of **1,608 active betting points, 746 shops (of which 38 are operated through subsidiaries) and 862 corners.**

Snaitech's direct sales outlets are divided into two categories: shops and corners.

- The Snaitech shops have been transformed into modern and cosy spaces, equipped with advanced technology and offering all kinds of games. The group's aim is to create comfortable places of entertainment and social gathering for sports and betting enthusiasts, promoting a healthy and responsible experience. The use of innovative technologies such as the proprietary digital signage system SmartShow for displaying the odds feed and live score of events on the screens in the points of sale, PCs enabled to book bets through the SmartSolution system, BetSmart terminal totems for self-service betting purchases, and the Snaigo app for in-store betting using their mobile phone as a gaming terminal, allows customers to bet in a simple and interactive way, integrating physical betting with the digital betting experience.
- Snaitech corners, on the other hand, are spaces located in public venues whose main commercial activity is other than gaming, such as bars, tobacconists, newsagents, internet points, etc. The gambling space within these venues is supervised directly by the company and designed to blend in with its surroundings. They offer suitable technological solutions and set-ups, together with real-time information and acceptance systems.

The main objective for Snaitech is to consolidate the network of corners and agencies. **2023 set the record for active agencies in the last four years.**

The **'Innova' project**, redesigned the points of sale of the Snaitech network, both newly opened



and existing shops in need of restyling. The design engaged a team of specialist architects who designed the layout of the interior and exterior spaces of the points of sale following the guidelines of the Multiplay Shop retail format defined by the marketing department on the basis of ROI analyses, studies on the customer target group, and more generally using the experience and know-how gained over the years.

An ad hoc project was created for each individual point of sale (agencies, corners and gaming halls), based on the size of the point of sale and the layout of the space, which provided for the allocation and distribution of all gaming products following a category-based approach. Live sports betting, betting on virtual events and horse racing, and amusement machines are allocated and distributed within the sales area in such a way as to maximise profitability from an optimised customer experience in terms of entertainment and socialisation.

Each project was shared with the Sales Department and the Retail BU during recurring weekly meetings and then proposed to the managing partner and outlet operator, who was then guided and supported by Snaitech in the implementation of the project.

Snaitech was also directly involved in the development of point-of-sale facing in order to maximise outward appeal and brand impact and visibility through the design and installation of signs and decals in full compliance with the guidelines defined by the 'Dignity' Decree and, above all, with the priority objective of promoting the recognisability of Snaitech points of sale as legal gambling venues.

**The 'Innova' project saw an increase of +12% for 2023 with the involvement of more than 150 points of sale throughout the year.**

The well-established and widespread presence throughout Italy, as one of its main strengths, is deemed central to Snaitech's growth strategies. Snaitech has always invested in technological innovation, both to improve customer enjoyment of its products and services and to keep pace in a constantly and rapidly evolving industry.

For the Group, the owners of points of sale with direct betting licences (retailers) are real business partners with whom it establishes a relationship of trust lasting over time and based on a continuous exchange of know-how: on the one hand, Snaitech provides the complete business model with all the related training activities and, on the other hand, it receives all the information related to the management of the final relationship with customers. More specifically, the benefits Snaitech guarantees for its retailers include support in the design of the point of sale and organisation of the layout, reliability in the management of transactions adopting the highest security standards, a complete offering of gaming, betting and payment services, and access to innovative, high-tech platforms. In addition, Snaitech offers a wide range of information to ensure a safe and responsible gaming experience as well as assistance with administrative formalities.

Snaitech intends to use AI to create interactive sales training courses: the company's Sales Department is already involved in the implementation of training courses, both live and on-demand, and the goal is to **include AI-based interaction features, such as a question-and-answer section, including on-demand courses**. The use of AI for these different purposes represents a further evolution of Snaitech's approach based on technological innovation, with the aim of offering a personalised and high-tech customer experience.

For Snaitech, the role of retailers is central and, from a strategic perspective, it also provided training sessions aimed at the entire sales network in 2023 through a portfolio of available courses that is updated monthly. The training includes numerous courses available on different topics, from anti-money laundering and responsible gaming, to the management and control of online gaming and user gaming accounts through an 'Informers Portal', from VLT technical equipment to the use of the Snaipay portal, or even through courses focused on specific products (betting on virtual events or horse racing).

There are also 10 video courses on technical and regulatory topics as well as around 100 short video tutorials on technical and administrative procedures.

Below are some highlights:



## SNAITECH: NEW BETTING TECHNOLOGY

The **bookmaker PCs** that use SmartSolution proprietary software are the evolution in the world of betting from the traditional paper books in which the odds for sporting events used to be printed. They have enabled customers to place bets through a simple, convenient and secure system with information and odds always updated in real time. Thanks to these PCs, after preparing a bet, customers are given a code with which they can confirm and pay for their bet directly at the cashier's desk. On **Smart Solution PCs**, it is also possible to enable the FastBet function, which allows customers to purchase prepaid vouchers for the desired amount at the cashier's desk to be used to pay for the bet ticket directly on the PC. The gaming experience has been further enhanced thanks to the multifunctional **BetSmart** totems: self-service terminals with a simple and intuitive interface, through which customers can study rankings and statistics, consult odds, bet on sports, virtual and horse racing events, play multiple tickets, follow the scoreboard of live events in infographics, and purchase bets directly at the totem using cash or by inserting winning tickets to use the credit. In addition, from 2024, there will be the launch of new enhanced-functionality **SSBT BetSmart** terminals.

BETSMART



BETSMART<sub>mini</sub>



SMARTSOLUTION



SMARTSHOW



# GAMING IN THE PHYSICAL NETWORK

## AWPs AMUSEMENT WITH PRIZES

The term AWP refers to all amusement machines installed in public establishments subject to authorisation under the Consolidated Law on Public Security (TULPS). AWPs are the traditional 'slot machines', found in bars, tobacco shops, betting shops and dedicated halls, enabling them to reach a wide audience.

As at 31 December 2023, there were **35,384 machines** installed on the Snaitech network in **8,573 venues across the territory**.

## VLTs VIDEO LOTTERY TERMINALS

This category includes all new-generation amusement machines, aimed at a more specific and select audience, which can only be installed in specially allocated spaces and which offer a wider variety of games that can be fully controlled remotely.

**As at 31 December 2023, there were approximately 10,010 VLTs installed in 1,099 venues on the Snaitech network.**

## BETTING SPORTS AND OTHER TYPES OF EVENTS

Snaitech offers customers the opportunity to predict the outcome of one or more events (mainly sports, but also current events followed by the general public on television media) among those authorised by ADM.

## VIRTUAL SPORTS

This is betting on virtual events simulated by software that reproduces on monitors the main episodes of football events, car races, tennis, cycling, greyhound racing, and horse racing.

## HORSE RACING BETTING

These are bets on trotting, flat and steeplechase races held at racecourses in Italy and abroad.

# ONLINE GAMING

Thanks to product development, acquisition strategies and the strengthening of cross-selling on the physical network, as well as the acceleration of digitalisation recorded in recent years, **in 2023 the GGR of the online segment grew by 7.6% compared to 2022, from € 405 million to € 435.6 million, consolidating Snaitech's position in the online gaming segment with a market share of 10.2%.**

For 2023, we can see the following evolution of the GGR for online products: net expenditure on sports betting grew to € 187.1 million (+2.8% compared to 2022), that on horse-race betting stood at € 13.2 million (in line with the 2022 figure), that on betting on virtual events grew to € 24.3 million (+15.2% compared to 2022) and, finally, that on remote games (casino, cash and tournament card games and online slot machines) stood at € 211 million (+11.6% compared to 2022).

**Snaitech is constantly engaged in the innovation and technological transition of its infrastructure.** For several years now, Snaitech has been pursuing an omnichannel project with the aim of merging the physical space with the online space, which has involved exploiting to the maximum the opportunities offered by the digital world, enhancing its performance, resources and functionalities to meet the demands of the industry. Snaitech has adopted a cloud-oriented approach and invested in **enhancing its online sports offering, with strategic partnerships for the streaming of world-class sporting events.** Indeed, Snaitech has continued its investment in the sports offering as a growth driver for the online segment and, through strategic partnerships with all streaming providers and top scoreboard providers, has expanded the list of live and streaming events available, including some of the most important football, basketball and tennis events (Spanish La Liga, Bundesliga, NBA and three tennis grand slams). In addition, games such as live casino and live tables in different languages have been introduced to offer an immersive and personalised experience. The technological transition process also included the upgrading of data centres, with the aim of using more energy-efficient external facilities and thus taking into consideration the issue of sustainability. Snaitech is becoming a full-fledged sports broadcaster, offering a complete, year-round schedule.

**Launch of the Tipzone project in 2023.** The objective of this project is to introduce new features to the sports channel (via the sport app), aimed at promoting sociality among users. The following features were launched:

- Chat for users within major live events
- Live streaming channel with analysis and opinions by a tipster broadcast live every Saturday.

Furthermore, in order to offer an even more immersive and personalised experience, the Group has strengthened the offer of games such as live casinos – which are very popular abroad and are gaining popularity in Italy as well – and live tables in ten different languages, for both roulette and blackjack.

All online gaming can be accessed from [www.snai.it](http://www.snai.it), using special software and apps developed for IOS and Android devices and specifically designed to provide the most exciting gaming experience possible for each type of entertainment.

WE ARE CONSTANTLY ENGAGED IN THE PROCESS OF ALIGNING THE CUSTOMER EXPERIENCE BETWEEN THE TWO WORLDS OF RETAIL AND ONLINE: EACH SHOP IS A COMFORTABLE PLACE OF ENTERTAINMENT AND SOCIAL GATHERING, WHERE EVERY USER CAN BE SURE OF FINDING CONVENIENT AND RAPID DIGITAL SOLUTIONS.







rt



# SNAIFUN

One of Snaitech's primary objectives is to promote gaming as a responsible leisure activity and as a positive form of entertainment offering opportunities to socialise and share the love of sport. With this aim in mind, Snaitech has launched SNAIFUN, a **news, statistics and gaming app for sports fans**. Users of the platform can test and **enrich their sports culture with quizzes and predictions**, collecting points and participating in instant wins for daily prizes and Amazon.it gift vouchers (up to a maximum of EUR 650). Thanks to SNAIFUN and its balanced mix of trivia, statistics, real-time results, quizzes and predictions, Snaitech has created a multimedia engagement without excesses with which to strengthen the social dimension and transmit the positive values of sport, reaching **around 80,000 users** in four years. The app is available free of charge on all online stores and also features '**ZeroXS**', which includes content and initiatives designed to promote fair play, healthy fan behaviour and responsible entertainment.

In 2023, the SNAIFUN app was updated with a **new edition of MET4GO4TS**, the innovative game based on the performance of real players in real matches, which involves sporting intuition, tactical analysis and a lot of fun to collect NFTs and win Snaipay gift cards. MET-4GO4TS, developed in partnership with Xister Reply, a company specialising in the design and implementation of cutting-edge solutions in the digital services sector, is a Web3 Game with a Data-Driven approach, based on the performance of real players in real matches, to create virtual game dynamics. Following the success of the game launched for the World Cup in 2022, a new edition **dedicated to the Serie A Championship** was launched in 2023. The main new feature is the daily leaderboard determined by the scores obtained by users during matches. At the end of each round, NFTs – 2 gold, 3 silver and 5 bronze – are awarded to the top finishers. Users who manage to collect at least 3 NFTs will win the Snaipay gift cards up for grabs.

In 2023, through SNAIFUN, Snaitech launched numerous partnerships with sports teams and associations that embrace values such as bringing people together, participation and inclusion. It signed a partnership with **Olimpia Milano**, Italy's most successful basketball team, of which SNAIFUN has become Official Infotainment Partner for the 2023-2024 season. Snaitech has also further consolidated its partnership with the Rossoneri, with SNAIFUN becoming Premium Partner of **AC Milan**: the new agreement was celebrated with a special event at the Snai San Siro Racecourse, attended not only by numerous representatives of the two brands and important stakeholders, but also 200 lucky SNAIFUN users. There were numerous sponsored sporting events in 2023: the Giro-E Enel X Way, the only stage race in the world for e-bikes, which ran in parallel with the Giro d'Italia (6-28 May 2023); the Milano Marathon, one of the biggest sporting events for the city of Milan and a great attraction for all international runners (2 April 2023); and the Acea Run Rome The Marathon (19 March 2023), the biggest running event in Italy, where SNAIFUN was title sponsor of the Fun Run, the 5-kilometre non-competitive cross-city race. Also in 2023, the brand was the Official Sponsor of the second edition of MILANO PREMIER PADEL P1, held at the Allianz Cloud from 4 to 10 December.



## TRANSACTIONS COMPLETED DURING THE YEAR

	2023	2022	2021
Active betting accounts in the year*	763,831	668,948	602,278
GGR (Gross Gaming Revenue in millions of €)	435 €	405 €	384 €
Value of online winnings (in millions of €)	7,010 €	6,590 €	5,656 €

*\*Betting accounts that have purchased at least one ticket during the calendar year for any type of product offered.*

## ONLINE GAMES

### SKILL GAMES

Online tournaments of poker, burraco, briscola, scopa and other traditional Italian games with cash prizes.

### ONLINE SLOT MACHINES

Slot machines that allow you to play directly via the web from the mobile site or special APPs.

### LIVE GAMES

Classic casino games streamed live with real tables and dealers.

### CASINO GAMES

Classic casino games such as French and American roulette, blackjack, video poker.

### BINGO

A game offering five different virtual gaming halls, with incremental jackpots for each hall.

### LOTTERIES

Portal enabling participation in major national and international lotteries.

## 2.2 SNAIPAY SERVICES

Working closely with the market, Snaitech Group successfully meets the increasing demands of its consumers through its **presence in the high value-added services sector under the SnaiPAY brand, known for its efficiency, security and cutting-edge technology**. In this sense, the brand has been overhauled several times to simplify the use of services for the customer and to ensure a wide range of payment services. SnaiPAY is a **24-hour platform, present in around 5,000 sales outlets (including 1,400 large-scale retail outlets)**, using advanced Web Smart POS terminals and self-service kiosks.

The brand offers a **rich portfolio of services to end users**, including the following:

TELEPHONE TOP-UPS FOR NATIONAL NETWORK PROVIDERS AND MVNOS (Mobile Virtual Network Operators)	INTERNATIONAL TELEPHONE TOP-UPS	E-VOUCHERS	GIFT CARDS
TOP-UPS FOR TV, VIDEO GAMES, AUDIO AND VIDEO STREAMING	WALLET TOP-UPS	TOP-UPS FOR SNAI.IT BETTING ACCOUNTS	TRAVEL DOCUMENTS
CHAMBER OF COMMERCE PRODUCTS AND CERTIFICATES	TICKETING FOR SPORTING AND CULTURAL EVENTS, SHOWS, FAIRS, PARKS AND CONCERTS	UTILITY PAYMENTS (MAV and RAV payments, car tax, PagoPa, pre-marked bills, etc.)	

Thanks to a network of about forty partner companies, SnaiPAY users can purchase gift cards for well-known brands such as Zalando, Feltrinelli, Q8, Foot Locker or Game Stop and all available products with cash payment, offering a viable alternative for people who do not have a credit or debit card:

- Distributors, i.e. organised entities with their own facilities (B2B) that intend to develop their service offering by creating new potential for their customers or business units;
- End resellers (B2C);
- Snai shops and corners;
- Arcades / Gaming Halls;
- Points of sale with New Slot machines.

**Gift cards played a key role in the expansion of SnaiPAY's offering in 2023. More than eighty new types were added to the portfolio, which now includes a wide range of products from different sectors**, such as footwear and fashion, travel, food & beverage, pharmaceuticals, baby products, large-scale retail, etc. We mention in particular our partnerships with Trenitalia, Italo, ITA Airways and Deliveroo;

In 2023, there was **an increase in the offering of domestic and international phone top-ups, with the inclusion of new network providers** such as Kena Mobile, as well as the renewal of some existing partnerships with providers such as Vodafone and Ho Mobile.

As early as 2022, Snaipay had already introduced **Chamber of Commerce services** among the products available, including Ordinary and Historical Certificates and Company and Person Reports, available to professionals and anyone who needs company and person data that would normally require an accountant or an industry expert. The chamber of commerce products include in particular the innovative Historical Company Card, i.e. a comprehensive documentation that contains all the most important chamber information, aggregating data from Historical Certificates, Shareholders Lists and Balance Sheet Summaries of corporations and partnerships.

The **wallet top-up service, which includes Amazon, was expanded during 2023** with the addition of Paysafe card (Direct). Paysafe is a virtual currency and payment method used online as an alternative to credit cards, favoured by those who do not have one or prefer to avoid using them online. In addition, we have simplified the payment services by making transactions faster and smarter, both for the merchant and the end customer: today, utility bills can be paid quickly by simply scanning the barcode. A further innovation was the implementation of multi-factor authentication (MFA) for all points of sale, with a view to increasing security. Thanks to this measure, merchants have a double level of access in order to prevent and reduce computer fraud.

**The introduction of Lead Generation serves to expand partnerships with suppliers and build customer loyalty: from 2023, points of sale will have the option of downloading customised posters from the Snaipay portal containing a QR code.** End customers can scan the code and enter their contact details to receive details of special offers directly from the providers. In this respect, we mention in particular the partnership with TIM in 2023.

**The brand has also consolidated its partnership with Vivaticket**, Italy's leading platform in the provision of booking and pre-sale services for tickets for sporting and cultural events, shows, fairs, parks and concerts. Snaipay is the only authorised distributor and manager of Vivaticket ticketing, with 6,600 licensed points of sale in the Snaipay network.

**Finally, thanks to the Top-Up Point of Sale (PVR) project, Snaipay has further extended the number of non-gaming outlets offering top-ups for betting accounts and winnings voucher payments.** In the past, winnings were only paid out at corners and agencies, while this has now been extended to PVRs, for a broader network of services and greater convenience for betting customers. Consistently with the group's tradition, Snaipay has also worked hard to promote the values of sport and sports culture, as partner of AC Milan and Lega Basket Serie A until mid-2023, and of FC Internazionale, of which it is still a Value-Added Services Partner.

## 2.3 MULTIMEDIA SERVICES

Epiqa is the multimedia reference of the Snaitech Group. It provides the **service of collecting, processing and transmitting video and audio signals from the filming of races at Italian and foreign racetracks and related services on behalf of MASAF** (Ministry of Agriculture, Food Sovereignty and Forestry).

**Epiqa**, which today produces four TV channels, three web TV channels dedicated entirely to horse racing, plus three TV channels dedicated to Virtual events, two to Sport in general and one radio station, **has worked with MASAF for more than 15 years and, thanks to the six-year contract awarded in 2021 – ‘Communication campaign in support of the horse racing industry’ – allows the Snaitech Group to continue developing one of its fundamental assets.**

2023 was a year of major organisational changes for Epiqa, which continued on a path of re-founding and repositioning that began in March 2022.

The process of expansion and optimisation also involved the internalisation in June of the entire editorial staff of Epiqa, which, in addition to dedicating itself to the daily coverage of Italian horse races, is also responsible for the development of more than **20 exclusive television formats related to the world of horse racing, local products of excellence, culture, and the love for nature and horses.**

Alongside the competent ministry, Snaitech is actively engaged in combating illegal gambling in the world of horse racing: Epiqa promotes equestrian culture, understood as everything to do with horses and their relationship with man, which also goes beyond sporting events. In addition to promoting individual well-being, **sport has always been an important educational and social tool as well as a means of bringing people together and fostering inclusion.** In line with this point of view, horse racing and horse riding are sporting activities capable of conveying important messages of social inclusion and responsibility, as they not only involve physical exercise, but also help improve cognitive skills and coordination and **transmit values of respect for others and the environment.**

**With this in mind, in 2022, the Group set up the new television channel EQUtv.** The project, which will be further expanded and strengthened in 2023, aims to present the world of horses and horse racing to viewers in a clear, universal and topical manner, with greater engagement and innovation than before, and producing programmes intended for a wider audience. Precisely for this reason, topics such as horse welfare, the use of horse therapy, horses as guides on nature excursions, etc., are included among the main subjects of the programmes broadcast.

Of particular note in 2024 is the presentation of the first original production of EQUtv, “Io sono Varenne, il figlio del vento”, a docufilm dedicated to the Italian trotting legend and world, made thanks to the footage and historical archives of the TV station.

## EQU TV: THE CHANNEL AND 2023 PROGRAMME SCHEDULE

- Audio/video reception and transmission from every single Italian racecourse via proprietary digital contribution network
- Operational centres 24 hours a day - 7 days a week - 365 days a year
- DVB-T/SAT/IPTV-Streaming Distribution Channels
- EQU TV news channel distributed on 151 Digital Terrestrial, on SKY 220 and on Tivùsat channel 51
- 4 TV studios
- 9,500+ races broadcast per year
- 9,000+ hours of live broadcasting per year
- 45 major events produced per year
- 12 Horse Racing and Equestrian events simulcast with SKY on Arena and SkySport
- 7 programmes and new formats, including Tatanka the new format with boxing champion Clemente Russo dedicated to the world of Western disciplines; 'L'Italia a cavallo', the format dedicated to equestrian tourism and 'EQU tv ricordi', a container for reliving the best programmes aired on the channel.

Finally, among Epiqa's activities in 2023, we mention in particular:

- **participation in Vinitaly, the first wine and spirits fair** for business operators on the international markets, which is an important opportunity for the Group to combine aspects of territory, business and agriculture with the world of horses;
- **presence at Fieracavalli in Verona, a reference point for all horse enthusiasts.** Epiqa, as the only television studio on site, had the opportunity to report on all the features at the fair and acquired the role of 'Horse Television'.

## ITALIA. OPEN TO MERAVIGLIA FEI JUMPING EUROPEAN CHAMPIONSHIP MILAN 2023

**The FEI European Show Jumping Championships returned to Italy after almost twenty years, choosing Milan and its prestigious Snai San Siro Horse Arena as the venue to host the 37th edition of this competition,** which also included the awarding of three places in the Paris 2024 Olympics.

Epiqa, winner of the FEI contract for the organisation of the European Show Jumping Championships, signed a partnership agreement with RCS Sport&Events, Sport&Salute and FISE, for the design and implementation of this prestigious sporting event, effectively forming the coordination and management group for the activities with these three contractual parties.

The organisational structure, therefore, was overseen by the Organising Committee, consisting of Epiqa S.r.l as the Associating Party, and the Associates Sport e Salute S.p.A, RCS Sports & Events S.r.l and FISE. Each of the members of the Organising Committee made available their know-how and their management and organisational skills, putting on an incredibly successful event that went on to receive significant accolades.

**The event had a considerable media impact, attracting the interest of large numbers of people. This was one of the main objectives, namely to attract young people in particular to equestrian sports.** As proof of this, the event was attended by 85 jockeys and riders from all over Europe, representing 24 countries. Over the course of the five days, some 2,600 people were involved including teams, officials, staff and all those who contributed to the organisation of the event. In addition, the event attracted the attention of 108 journalists and 110 accredited photographers from more than 17 countries. This resulted in **over 60 hours of television coverage, which is one of the most important aspects for FEI. More than 30 hours of live coverage were broadcast on Sky, Rai and EquTv,** in addition to the streaming by FEI. Finally, 1,150 articles were published in print and online publications. In terms of the public, there were more than 11,000 visitors over the five days of competition, between the village and the competition area.





3





*SNAITECH*

# SUSTAINABILITY

RESPONSIBLE MANAGEMENT  
OF NATURAL RESOURCES  
FOR SUSTAINABLE GROWTH  
AND THE CREATION  
OF SHARED VALUE



# OUR COMMITMENT TO THE SDGS IN 2023

SDG	SDG TARGETS	SNAITECH ACTIONS
 <p><b>1 NO POVERTY</b></p>	<p><b>TARGET 1.2.</b> By 2030, reduce by at least half the proportion of <b>men, women, and children of all ages living in poverty</b> in all its dimensions according to national definitions.</p>	<ul style="list-style-type: none"> <li>• €241,643.32 in donations disbursed by the Fondazione Snaitech for 2023.</li> <li>• Collaboration with the Francesca Rava Foundation through the initiative 'UNISCITI al VOLOntariato' (Join the volunteering).</li> </ul>
 <p><b>3 GOOD HEALTH AND WELL-BEING</b></p>	<p><b>TARGET 3.8.</b> Achieve universal <b>health coverage</b>, including financial risk protection, access to quality essential health care services and access to safe, effective, quality and affordable essential medicines and vaccines for all.</p>	<ul style="list-style-type: none"> <li>• Autism awareness project ANGSA Tivoli and Valle dell'Aniene Onlus - <i>Saliamo a cavallo: L'equitazione per l'autismo</i> - (as part of the 'Share 4 Good' initiative).</li> <li>• Horse therapy project 'Equi-librarsi Circolo Ippico Scuola di Equitazione Asd - Il cavallo come co-terapeuta' (as part of the "Share 4 Good" initiative).</li> </ul>
 <p><b>4 QUALITY EDUCATION</b></p>	<p><b>TARGET 4.4.</b> By 2030, substantially increase the number of youth and adults who have the relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship.</p> <p><b>TARGET 4.5.</b> By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples, and children in vulnerable situations.</p> <p><b>TARGET 4.7.</b> By 2030, ensure that all learners acquire knowledge and skills needed to promote sustainable development through, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development.</p>	<ul style="list-style-type: none"> <li>• Collaboration with the Francesca Rava Foundation with the project 'Bambini in Goal: Educational'</li> <li>• Collaboration with the POLIMI Graduate School of Management as part of the Executive Master MaBIC - Management of Heritage and Cultural Institutions.</li> </ul>
 <p><b>5 GENDER EQUALITY</b></p>	<p><b>TARGET 5.1.</b> End all forms of discrimination against all women and girls everywhere.</p> <p><b>TARGET 5.2.</b> Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation.</p> <p><b>TARGET 5.5.</b> Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.</p>	<ul style="list-style-type: none"> <li>• Participation in the charity event dedicated to the "Women 4 Haiti" project.</li> </ul>

SDG	SDG TARGETS	SNAITECH ACTIONS
 <p><b>10</b> REDUCED INEQUALITIES</p>	<p><b>TARGET 10.2.</b> By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion, economic or other status.</p>	<ul style="list-style-type: none"> <li>• Collaboration with Special Olympics Italia for the: <ul style="list-style-type: none"> <li>- World Summer Games in Berlin;</li> <li>- 'Adotta un Campione' campaign and the organisation of 'Play The Games';</li> <li>- Milan Marathon 2023.</li> </ul> </li> <li>• Support for the 2023 edition of the "Premio Costruiamo il Futuro" dedicated to 59 amateur sports associations in Milan and its province.</li> <li>• Sports project 'L'amore non conta i cromosomi APS - Duemila volte', dedicated to children with Down syndrome - (as part of the 'Share 4 Good' initiative).</li> <li>• Football inclusiveness project "Il Sorriso di Stefano - El Niño col Sorriso" - (as part of the 'Share 4 Good' initiative).</li> </ul>
 <p><b>11</b> SUSTAINABLE CITIES AND COMMUNITIES</p>	<p><b>TARGET 11.4.</b> Strengthen efforts to <b>protect and safeguard the world's cultural and natural heritage.</b></p>	<ul style="list-style-type: none"> <li>• Project 'Snai San Siro Horse Arena'.</li> </ul>
 <p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p><b>TARGET 12.5.</b> By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.</p> <p><b>TARGET 12.8.</b> By 2030, ensure that people everywhere have <b>relevant information and awareness for sustainable development</b> and lifestyles in harmony with nature.</p>	<ul style="list-style-type: none"> <li>• Over 650 tonnes of waste recovered (98% of total waste produced).</li> <li>• ~10% reduction in paper consumption, confirming the impact of the dematerialisation process.</li> <li>• 'We care un sacco' initiative in collaboration with Plastic Free.</li> </ul>
 <p><b>13</b> CLIMATE ACTION</p>	<p><b>TARGET 13.1.</b> Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.</p>	<ul style="list-style-type: none"> <li>• Adherence to Playtech's Group Environment Policy.</li> <li>• Support for the 'Foresta Italia' campaign by the Climate Network, endorsed by MASE and MASAF.</li> <li>• Assessment of environmental risks (with particular focus on the racecourses).</li> <li>• Workshops for analysing climate-related risks.</li> <li>• Monitoring and calculation of Scope 3 emissions.</li> </ul>
 <p><b>15</b> LIFE ON LAND</p>	<p><b>TARGET 15.1.</b> By 2020, ensure the conservation, restoration and sustainable use of <b>terrestrial and inland freshwater ecosystems and their services</b>, in particular forests, wetlands, mountains and drylands, in line with obligations under international agreements.</p>	<ul style="list-style-type: none"> <li>• Digitisation and dematerialisation processes to reduce paper consumption.</li> <li>• Procurement of electricity from renewable sources.</li> </ul>

# 3.1 MANAGING ENVIRONMENTAL IMPACTS

In the context of environmental sustainability, Snaitech's commitment to managing its environmental impacts emerges as an integral feature of its corporate strategic vision. The company positions itself as a driving force in adopting practices aimed at continuously reducing the environmental impact of its operations, with particular attention focused on the racecourses, where interaction with the environment is of specific importance.

Snaitech takes a proactive approach to decarbonisation and reducing energy consumption. This is reflected practically in the implementation of cutting-edge innovative technologies and the adoption of targeted energy efficiency practices, with the objective of directing its operational model towards increasingly sustainable solutions. Concurrently, the company is dedicated to the responsible management of water resources, adopting policies aimed at the conservation of water, as well as reducing and properly disposing of waste. Minimising material consumption is another area of action for the company, which aims to optimise the use of natural resources through the adoption of more efficient and sustainable production processes.

Snaitech's commitment to environmental sustainability not only demonstrates its corporate social responsibility but is also an opportunity for long-term value creation, both for the company and for the environment and society as a whole. In order to achieve the established objectives regarding the management of environmental impacts, **the Group acts with the intention of minimising both the direct and indirect negative effects of its production processes on the environment.** To this end, roles and responsibilities are appropriately identified, and specific efficiency improvement initiatives are activated.

In order to ensure proper management of environmental issues, several years ago, the Snaitech Board of Directors appointed a special **Group Environment Manager**, whose task is to prevent risks and safeguard the environment.

Considering the very peculiar context in which the racecourses operate compared to typical business activities, environmental issues are managed with the support of an external consultant specialised in environmental matters, who coordinates with the Group Environment Manager for the performance of their tasks.

Specifically, the Group Environment Manager is tasked with providing regular written reports to the CEO regarding their fulfilment of assigned duties. Upon specific request by the Group's control bodies (such as Supervisory Bodies, Boards of Statutory Auditors/Single Statutory Auditors, Legal Department, Compliance Office, and Internal Audit Office), they provide specific feedback on the environmental issues in question.

Respecting the planet has become an essential element for all areas of operation and every industry. Actively fostering sustainable development, **Snaitech considers environmental protection to be an integral part of its business strategy.**

During 2023, in line with the previous year, the Group continued with various analysis activities within different business areas to identify processes with the greatest environmental impact and simultaneously pinpoint key areas requiring action. The goal of these initiatives was to develop sustainability strategies that can serve as the foundation for a business model increasingly oriented towards eco-sustainability.

Snaitech firmly believes that commitment to the environment, to yield the desired results, must be a shared effort, requiring the involvement of everyone: citizens, governments and institutions. In line with this belief, the group's strategy for 2023 embraces an even broader and more conscious vision of the responsibility that every company is called to assume, at both local and also global level.

The company is committed to improving its compliance by adopting increasingly sustainable practices and policies to reduce the environmental impact of its activities. It recognises the importance of the active engagement of citizens, governments and institutions in achieving a real and positive environmental transformation. Therefore, Snaitech is determined to promote dialogue and collaboration with all stakeholders to achieve common goals of sustainability and environmental protection.

## SNAITECH ALONGSIDE RETE CLIMA

On National Tree Day – celebrated on 21 November each year – Snaitech confirmed its partnership with Rete Clima - Social Enterprise in sustainability and decarbonisation again for 2023. The collaboration with the non-profit organisation continues after the successful campaign '*PIANTALA! Più persone creano un cambiamento. Più alberi fanno una foresta*', which involved the planting of 3,200 new trees in the three Italian regions in which the company is based: Tuscany, Lazio and Lombardy.

Through its dedicated entity for good causes, Fondazione Snaitech, Snaitech supported the campaign by Rete Clima, sponsored by MASE and MASAF, 'Foresta Italia,' which acts nationally with concrete reforestation and national forest management activities.

In particular, for 2023, Rete Clima and Fondazione Snaitech chose to engage in a series of local projects that include tree planting, support for forest care in recently planted areas, increasing biodiversity, and contributing to sustainable forest management.

Trees are a valuable asset to be protected; they have the ability to absorb CO<sub>2</sub>, release oxygen, and mitigate climate change; therefore, the group has decided to implement concrete and tangible actions towards the environment capable of generating a positive impact on reducing air pollution.

# MANAGEMENT AND PROMOTION OF THE RACECOURSES

Snaitech currently owns three Italian racecourses: **Snai San Siro Racecourse (gallop races)**, **Snai La Maura Racecourse (trotting races)**, which includes training tracks and stabling facilities, and **Snai Sesana Racecourse (trotting races)** in Montecatini Terme.

In its development strategy, the company considers these spaces essential:

- as symbols of a noble sport with great tradition;
- as multifunctional spaces for social gathering and entertainment, capable of providing a wide range of entertainment services.

## SAN SIRO RACECOURSE

Snai San Siro Racecourse is one of the most prestigious horse racing venues at international level. Covering 136 hectares, it represents a unique heritage and an immense 'green lung' for the city. The facility and its spaces, which also house a valuable botanical park and 2,700 tall trees, are undoubtedly the flagship among the racecourses managed by Snaitech in terms of history, tradition, architectural features, vastness of spaces and environmental values.

The racecourses are considered among the most selective in the world, hosting thousands of spectators and races every year (in 2023, Snai San Siro Racecourse hosted 50 race meeting days). Thanks to the different tracks — four for flat races, one for hurdles, one for steeplechase, and one for cross-country — races can be held over different distances.

In the eight five years, Snaitech has sought to combine the sporting vocation of the racecourse with numerous other cultural initiatives, such as artistic and entertainment events, educational and outreach opportunities, and large-scale musical events open to the general public. Through significant collaborations, the Group has transformed the racecourse into one of the most important places of social gathering for the city of Milan and beyond, attracting nearly a million spectators in recent years, who come to the venue for the races and also to enjoy concerts, exhibitions and events.

These include the partnership with **Piano City Milano**, a widespread festival born in 2011 and dedicated to the piano, recognized as one of the most prestigious in Italy. Also in this sphere, also worth mentioning is the season of concerts hosted at the Snai San Siro Racecourse and Snai La Maura in the period between May and September, through the **Milano Summer Festival** and **I-Days** reviews.

## CREATION OF THE “SNAI RACECOURSES HISTORICAL ARCHIVE”

On April 1, 2023, the 136th gallop racing season was inaugurated with a major event open to the public, at which the “**Snai Racecourses Historical Archive**” was presented, a collection of more than 500 documents that can be visited online at [www.ippodromisnai.it/archivio-storico/](http://www.ippodromisnai.it/archivio-storico/), created with the support of the Milan Polytechnic University, which traces 135 years of the history of Snai Racecourses and Milanese horse racing and is the result of a major cataloging, selection and digitization of documents, photographs, drawings and images, organized through six thematic sections.

Thanks to this major cultural project, Snaitech joined **Museimpresa**, an association that brings together more than 100 museums and archives curated directly by large and small Italian companies.

During the event, endorsed by the Municipal Authority of Milan, visitors participated in a unique experience thanks to the installation, at the Leonardo's Horse area, of 4 immersive cubes. Each cube represented a stage in the historical archive and allowed the viewer thanks to projections of images, videos and graphics accompanied by themed sounds to enter 360 degrees into the history of horse racing and the protagonists who have made the racetracks famous over the years.

The project, which was strongly advocated by Snaitech and well-received by the public, was further expanded during the year, adding a section dedicated to the ‘Snai Sesana Racecourse’ in Montecatini Terme, retracing the history of the venue from its inauguration in 1916 to the present day.

At the end of 2022, Snaitech began work aimed at creating the “**Snai San Siro Horse Arena**,” a major enhancement project aimed at changing the face of the Snai San Siro Racecourse, strengthening its sports function and making it a true modern stadium dedicated to equestrian sports, which will be accompanied as always by culture, art, music and entertainment.

The project envisages the construction within the galloping racecourse, of a trotting track and adjacent stone stables, as well as the creation of a sand/all-weather track for galloping, in order to create a unified facility that hosts both disciplines. The goal of the project can be described under the key word “contaminate”: on the one hand to contaminate among themselves all disciplines revolving around the world of horses, and on the other hand to contaminate the Temple of Equestrianism by transforming it into a great HUB of entertainment, a city space cross-cutting different arts and disciplines, a crossroads of environmental, architectural and cultural values.

The ‘Snai San Siro Horse Arena’ project is structured into two main areas: **multidisciplinarity**, understood as the merging of equestrian events into a single multi-purpose facility, and the **eco-sustainability** of the works – expressed in compliance with environmental, architectural, and urban constraints, in the redevelopment of existing green areas, and in the reduction of light pollution.

From as early as 2021, Snaitech had initiated the restoration and conservative renovation of the racecourse, built in 1920 in Art Nouveau style and designed by architect Paolo Vietti Violi. Over the past few years, Snaitech had in fact initiated a seismic improvement project aimed at restoring and reopening the Tribuna Secondaria (secondary stands), a splendid structure inaccessible to the public for over twenty years. The innovative renovations include in particular the installation of a new calbana flooring, a material recognised in the industry for its elastic properties that make it the most virtuous material for the specific features of the racecourse. The works prioritised maintaining the original shape of the stands, foreseeing a complex but fundamental engineering and architectural effort to preserve the identity of the facility. A new restaurant was also opened in the

secondary stands, helping to change the face of the area as a complete space of social gathering and entertainment.

The multi-disciplinarity of the venue is also achieved through the introduction of **horse riding** in the calendar of equestrian events and, in this regard, it should be noted that in 2023 the facility hosted the 37th European Show Jumping Championships (more details in Chapter 2. Innovation). An area has been created in the middle of the racetrack for horse riding competitions. The competition field, measuring 100 meters long and 70 meters wide, is surrounded by stands with a total capacity of 10,000 spectators and 400 VIP guests.

Also as part of the work to relaunch the Snai San Siro Racecourse and the 'Snai San Siro Horse Arena' project, work is scheduled and underway to improve the lighting systems (new LED lighting system for trotting with 5th generation LED fixtures, along with partial relamping of similar fixtures along the galloping track) and the irrigation systems (new automated irrigation system along with the replacement of the pump), in terms of both performance and consumption.

In 2023, Snaitech implemented projects to improve efficiency both in the fleet of vehicles, gradually replacing thermal vehicles with more efficient models, and from an energy perspective, with the progressive transition to LED lighting, which has been implemented gradually. Currently, the galloping racecourse and the adjacent stables have nearly completed the installation of LED lights; the floodlight towers inside the trotting track will be exclusively LED, improving energy efficiency in line with the best practices available on the market.

The trotting track was planned very carefully, taking into consideration numerous details: on one hand, ensuring optimal visibility from the secondary stands, while on the other hand, minimising the amount of earth to be removed. The excavated soil was largely reused on-site to create the parabolas of the curves (10%) and to build an embankment in the secondary stands to accommodate the public. Additionally, all rainwater that collects on the new tracks (trotting and galloping) is collected in overflow basins or dispersed for infiltration, later used for irrigation of the tracks through an irrigation well and a collection and pumping system.

All renovation works were guided by the principles of environmental protection and recycling (the track screed was specifically produced using recycled embankment materials): during the construction phase, earth movements were managed to be volumetrically contained through the use of advanced technologies, while the volumes of soil moved were reused on-site, where possible, to revalue and regenerate the tracks.

## SNAI LA MAURA RACECOURSE

The Snai La Maura Trotting Racecourse was established in Milan in 2015 and takes its name from an ancient Lombard farmhouse that was located in the large portion of land originally used for training thoroughbreds. **The complex was designed using existing volumes and using recycled and locally sourced materials**, such as the track screed and the original San Siro trotting track fence. The new 'minimal environmental impact' facility welcomed approximately 17,000 spectators in 2023 and was also used as a recreational space for events and 7 concerts.



## SNAI SESANA RACECOURSE

The Snai Sesana Trotting Racecourse, one of the main venues in central Italy, located between the provinces of Pistoia, Pisa, and Lucca, specifically in Montecatini Terme, fits into the urban and cultural environment of this spa town and the whole of the Val di Nievole. **This venue is distinguished by the superior technology and quality in relation to both the horses, drivers and trainers, and the public.** It was built at the start of the twentieth century and has undergone significant structural improvements and expansions over time. In addition to the track where races are held, the facility also hosts important events during the spring and summer seasons. Within the facility, there are covered stands with a capacity of two thousand spectators comfortably seated, a press room, the racecourse control room, the paddock, and the trackside area, together with a capacity of over eight thousand people. The equestrian complex also houses the Varenne Museum, with a permanent exhibition on the recent history of the Sesana Racecourse, and a children's play area.

The Snai Sesana Racecourse is famous for the Montecatini City Grand Prix, which is held every August and attracts thousands of spectators. The *Gran Premio di Ferragosto* (August Holiday Grand Prix), as it is known, is a veritable festival with free entry, featuring not only spectator sports but also a wide variety of entertainment events and activities.

In 2023, the main track at the Montecatini Racecourse underwent renovation, involving the use of a mix of materials including calbana and siliceous sand (the same materials used for the new trotting track at San Siro). This choice aimed to ensure a safer and higher performance surface for horses and riders. Alongside the track renovation, various communication and promotion activities were launched to raise awareness and engage an increasingly broad audience. Themed events were organised, such as family days or events for horse racing enthusiasts, in order to offer unique and engaging experiences.

Thanks to these promotional initiatives, there was a significant increase in numbers of visitors to the Montecatini Racecourse in 2023. This success was made possible through close collaboration with local authorities and tourism promoters, aiming to maximise the racecourse's value as a tourist attraction and a point of reference for horse racing enthusiasts.

# 3.2 ENERGY EFFICIENCY

## AND EMISSIONS REDUCTION

Snaitech is actively committed to adopting policies aimed at reducing the environmental impact of its production activities. This commitment focuses on reducing the greenhouse gas emissions resulting from electricity use and the lifecycle of gaming machines, as well as the sustainable use of water for irrigation and the control of office consumption. Snaitech acknowledges its role in promoting the importance of natural resources, particularly its own racecourses, which improve air quality in the urban areas where they are located. The Group is committed to following rules of conduct to promote sustainable growth, caring for the planet and future generations. This commitment is reflected in the pursuit of the sustainable development goals set by the UN 2030 Agenda, with particular focus on preventing pollution, reducing emissions, and the responsible management of the environmental impacts of its activities.

In this regard, the Group operates in line with the following principles:

- clear environmental objectives for a sustainable future;
- accurate monitoring and controls to reduce environmental impact;
- awareness-raising and training for global ecological awareness.

For the Group, risk management is a priority, including in the field of environmental protection. For this reason, every year Snaitech monitors its activities to identify the main impacts of its processes and activates precise procedures to ensure compliance with regulations and prevent related risks.

The Group's Code of Ethics, Model 231, and the internal operating procedures of Snaitech and its subsidiaries define the principles and guidelines on the group's Environmental Responsibility and the control of the direct and indirect impacts of its activity.

The parent company Playtech has adopted specific environmental policies, which have been adopted by Snaitech and adapted to the Italian context in which it operates. Playtech's new **Group Environment Policy**, approved in May 2021 and applicable to all companies within the group, aims to reduce carbon emissions by 2025, reduce water usage and waste production by implementing measures to mitigate the environmental impact of its operations. Playtech has appointed a Sustainability ESG Board and a Policy Committee with overall responsibility to ensure that this policy complies with the set commitments and targets, as well as with the regulatory, legal, and ethical obligations, and that all those under its control adhere to its principles; employees are also encouraged to provide feedback on this policy and suggest ways in which it could be improved.

## THE PRINCIPLES OF PLAYTECH GROUP'S ENVIRONMENTAL POLICY ARE AS FOLLOWS:

- 1 **Maximum compliance with applicable local environmental regulations and laws** in the contexts in which the group companies operate;
- 2 Commitment to **reducing greenhouse gas emissions** by monitoring consumption throughout the supply chain and playing a role in keeping global warming below 1.5°C;
- 3 Procurement of energy generated from renewable sources for its offices and activities where technically feasible and available in the reference markets;
- 4 Commitment to minimising the use of resources such as **water consumption** and **waste generation** (including plastic) and, where possible, participating in recycling programmes;
- 5 Commitment and **collaboration throughout the supply chain**, considering environmental issues as a significant requirement for the selection and management of partners and suppliers;
- 6 **Awareness and engagement of employees and the community** to improve awareness of environmental issues.
- 7 Transparency and continuous improvement of performance through **constant monitoring**.

## CLIMATE-RELATED RISKS

Climate change is a growing concern for all stakeholders of the Group, whether they are investors, employees, or members of the communities in which it operates. As far back as 2022, Snaitech, in collaboration with its parent company Playtech, adopted the double materiality approach, whereby issues related to ongoing climate change must be analysed from two different perspectives: from the viewpoint of the impacts that the organisation has on the environment (the “inside-out” perspective) and from the perspective of the consequences that climate change can or could have on the company’s performance (the “outside-in” perspective).

In this regard, **workshops have been organised to analyse critically a range of potential climate change scenarios**, aligning with the guidelines of the Task Force on Climate-related Financial Disclosures (TCFD). Accordingly, Snaitech has included in its Enterprise Risk Management (ERM) mapping, as already mentioned in the first chapter, the risk of climate change, dedicated in particular to the specific financial and business impacts that an increase in global temperature of 1.5 and 2 degrees Celsius would have, such as the cancellation of horse races due to rising temperatures (*and thus a real risk of business interruption*) or the significant water stress to which racecourse ecosystems would be subjected.

Particular mention must be made of the racecourses, which, by virtue of their very extensive and predominantly green areas, **require special measures of protection and enhancement**. On the other hand, they also can also have potentially significant environmental impacts, often closely related to the dynamics of climate change.

**The racing district of Milan**, along with all its adjacent areas, **is a ‘green lung’ and therefore an environmental resource of utmost importance for the entire metropolitan city**. In addition to being home to an important botanical park, which boasts more than 70 species of flora, the racecourse also serves as an **artistic-cultural centre protected as a site of Environmental and Cultural Heritage**, preserving Art Nouveau buildings dating back to the early twentieth century (Stands and the Palazzina del Peso), along with sculptural works of fundamental importance such as the *Cavallo di Leonardo* (Leonardo’s Horse).

In order to protect the natural and artistic-cultural heritage of the urban environment, minimising negative impacts and enhancing positive ones, Snaitech regularly conducts assessments of environmental risks and impacts.

Specifically, the most closely monitored aspects include maintenance of sports facilities, noise and odor emissions and analyses of the condition of buildings by appointed external experts and engineers. There is also the annual updating of all contracts with external technical systems maintenance companies (water, electrical, lighting, elevators, generators, heating, fire safety).

Despite operating in a low-criticality sector, the Snaitech Group has included environmental management among its sustainability priorities, giving even greater importance to the material topic than in the past, with the objective of **rationalising the use of energy resources and reducing the direct or indirect impacts of its operations**.

In order to measure the positive effects of its actions and investments for mitigating climate change, Snaitech considers it very important not only to quantify the emissions related to its own organisation (direct and indirect) but also those throughout the entire value chain. In continuity with that begun in 2021 with the parent company Playtech, through a comprehensive data collection process, Snaitech has calculated its **Scope 3** emissions also for the current year. The GHG (Greenhouse Gas) Protocol classifies Scope 3 emissions as all indirect emissions from resources not directly controlled or owned by the organisation but occurring within its value chain. These emissions are not generated by facilities or processes directly controlled by the Group but are attributable to business activities, which contribute to the company’s risk profile (e.g. climate risks), and can be reduced through direct and indirect actions by Snaitech.

For its typical activities, operating mainly with low-voltage electronic circuits, Snaitech’s energy demand is typical of office work, to which must be added consumption from the use of various energy sources for winter heating and summer cooling of operational headquarters. Methane, in particular, is used for both heating and cooling in the premises of the Data Processing Centre (CED).

In this context, reducing consumption mainly involves the rationalisation of spaces and energy efficiency improvements both in points of sale and in offices and CEDs.

In general, as described earlier, the Group has adopted LED lighting and replaced old monitors with more energy-efficient devices.

Regarding office locations, we point out the following:

- For the warehouse in Peschiera Borromeo (via Walter Tobagi), there is a continuous trend towards decreasing consumption, also thanks to the rationalisation of logistics activities. For the offices in Piazza della Repubblica (Milan) and those in Via Boccherini 57 (Porcari), the implementation of remote work has led to an inevitable decrease in electricity consumption.
- The building in Via Boccherini 39 in Porcari, since its acquisition in 1996, has undergone various adaptations and modernisations. The building includes a medium-voltage cabin and houses

the vast majority of the CED rooms owned by Snaitech. Furthermore, within the building in Via Goito 58/A (Rome), the UPS (uninterruptible power supply) machines were replaced in 2022 with others featuring newer and more energy-efficient technology.

- The Rome headquarters in Via Goito 58/A were designed approximately 12 years ago and include a CED room equipped with the latest generation technology. Overall, the building is equipped with efficient systems and has low consumption in terms of power supply and cooling.
- The offices of the Milan headquarters in Piazza della Repubblica occupy the seventh, eighth, and eleventh floors of a building of architectural significance. Although there have been no maintenance works over the years, the windows on the seventh and eleventh floors have been replaced.

Finally, it is specified that, regarding the electricity supplies, **again for 2023, a special contract has been developed with a supplier ensuring access to electricity that is 100% from renewables.**

## ENERGY CONSUMPTION

	UoM	2023	2022	2021
<b>DIRECT CONSUMPTION (non-renewables)</b>				
Methane for heating	GJ	6,014.58	19,363.41	8,257.68
Diesel fuel for generators	GJ	245.48	36.73	111.75
LPG for heating	GJ	-	-	-
Diesel for vehicles	GJ	7,162.65	5,541.10	4,737.02
Petrol for vehicles	GJ	1,320.71	410.53	388.12
<b>Total direct consumption</b>	<b>GJ</b>	<b>14,743.42</b>	<b>25,351.77</b>	<b>13,494.57</b>
<b>INDIRECT CONSUMPTION</b>				
Purchased electricity	GJ	29,297.02	32,751.19	29,420.03
of which from renewables	GJ	29,297.02	32,751.19	26,581.96
of which from non-renewables	GJ	-	-	2,838.07
District heating (renewables)	GJ	343.89	630.55	629.9
<b>Total indirect consumption</b>	<b>GJ</b>	<b>29,640.91</b>	<b>33,381.74</b>	<b>30,049.93</b>
<b>% energy from renewables (electricity + district heating) out of total indirect consumption</b>	<b>%</b>	<b>100%</b>	<b>100%</b>	<b>91%</b>
<b>TOTAL CONSUMPTION</b>	<b>GJ</b>	<b>44,384.33</b>	<b>58,733.51</b>	<b>43,544.50</b>

GRI 302-1

The emissions produced by Snaitech in 2023 are expressed in tonnes of CO<sub>2</sub> equivalent (tCO<sub>2</sub>eq), and they have been calculated considering various emission factors, as specified in the notes.

## EMISSIONS – SCOPES 1 AND 2 (tCO<sub>2</sub>)

	UoM	2023	2022	2021
<b>DIRECT EMISSIONS (Scope 1)*</b>				
Methane for heating	t CO <sub>2</sub>	337.85	1,151.55	464.18
Diesel for generators	t CO <sub>2</sub>	16.34	2.71	8.56
LPG for heating	t CO <sub>2</sub>	0	0	0
Diesel for vehicles	t CO <sub>2</sub>	509.91	407.27	350.19
Petrol for vehicles	t CO <sub>2</sub>	94.02	29.81	28.57
Refrigerant gases	t CO <sub>2</sub>	14.53	78.24	-
<b>Scope 1</b>	<b>t CO<sub>2</sub></b>	<b>972.65</b>	<b>1,669.57</b>	<b>851.51</b>
<b>INDIRECT EMISSIONS (Scope 2)</b>				
Scope 2 Location based**	t CO <sub>2</sub>	2,279	2,596	2,320.52
Scope 2 Market based***	t CO <sub>2</sub>	0	0	788.81

*\*For the calculation of Scope 1 emissions, we used the conversion factors published by the Italian National Institute for Environmental Protection and Research (ISPRA) in the 'National Standard Parameters Table' updated to 2022. It should also be noted that starting from this year, emission resulting from refrigerant gases have been included, taken directly from the analyses conducted by Playtech in this regard. This addition has also been extended to the 2022 data, resulting in the restatement of the total emissions for Scope 1.*

*\*\*For the calculation of 'Location based' Scope 2 emissions, we used the average emission factor related to the specific national energy production mix for electricity generation (for Italy 0.280 gCO<sub>2</sub>/kWh, Source: Terna 2019 Confronti internazionali). For the calculation of emissions for the years 2022 and 2021, however, we used the emission factor for the reference period, which was 0.278).*

*\*\*\*For the calculation of 'Market based' Scope 2 emissions for the years 2021 and 2020, we used the emission factor for the national residual mix (for Italy 0.456 gCO<sub>2</sub>eq/kWh, Source: European Residual Mixes 2020 - AIB). It is specified that the Scope 2 data for 2021 were restated following methodological fine-tuning.*

GRI 305-1 / GRI 305-2

As the table shows, there is a substantial variation in the emission values moving from the Location based to the Market based methodology; the latter better represents the situation of the Snaitech Group, adequately representing the specific weight of the supply of electricity produced from renewables across the whole Group. In previous reporting years, this supply service had experienced interruptions and/or restrictions in scope, which did not occur in 2022.

## EMISSIONS – SCOPE 3

Category		UoM	2023	2022
	<b>INDIRECT EMISSIONS (Scope 3)<sup>1</sup></b>			
1	Purchased goods and services	t CO <sub>2</sub> e	22,027	32,137.70
2	Capital goods	t CO <sub>2</sub> e	18,119	22,364.26
3	Activities related to fuel and energy (item not included for Scope 1 or Scope 2)	t CO <sub>2</sub> e	811	1,071
4	Upstream transport and distribution	t CO <sub>2</sub> e	35	33
5	Waste generated during activities	t CO <sub>2</sub> e	126	115
6	Business travel	t CO <sub>2</sub> e	244	116
7	Commuting	t CO <sub>2</sub> e	1,862	408
9	Downstream transport and distribution	t CO <sub>2</sub> e	2,203	1,676
11	Use of sold products	t CO <sub>2</sub> e	4,490	852
13	Downstream leased goods	t CO <sub>2</sub> e	444	749
14	Franchising	t CO <sub>2</sub> e	47,749	45,957
15	Investments	t CO <sub>2</sub> e	442	251
<b>Total other indirect emissions (Scope 3)</b>		<b>t CO<sub>2</sub>e</b>	<b>98,553</b>	<b>105,731</b>

1. Snaitech Group has calculated and monitored its emissions for all its reporting cycles. With reference to Scope 3 calculations, the Group has been engaged in monitoring activities since 2021, but for purposes of comparability and methodological consistency, only data for the years 2022 and 2023 are reported in this document. We specify that the data reported in categories 1, 2, and 11 are intended to be reported at the Playtech Group level, and therefore overstated with respect to the Snaitech Group's emissions. It should also be specified that for this reporting cycle, Cat. 13 was also included in the total for Scope 3, both for 2023 and 2022, resulting in the restatement of the total figure for 2022.

GRI 305-3



# 3.3 WATER AND WASTE MANAGEMENT

For the Snaitech Group, sustainable water management is a matter of great importance, as it is increasingly aware that globally water is a scarce resource, subject to progressive reduction and potential fluctuations in availability, which depend on seasonal weather patterns, which are in turn influenced by climate change. **Snaitech pursues the correct and conscious management of its water consumption in its offices and at its racecourses, aiming to prevent and minimise waste as much as possible.**

As evidence of its awareness of the importance of water as a fundamental resource for the local area, starting in 2021, the Group improved the efficiency of the irrigation system for flowerbeds and green areas at the Porcari headquarters (Lucca) by installing a water softener and reconfiguring the irrigation network to minimise waste. Additionally, Snaitech installed water dispensers connected to the municipal water supply in its main offices to reduce the use of plastic bottles.

It is also worth mentioning that Snaitech launched a detailed project last year regarding the hydraulic system of its horse racing facilities, commissioning a survey by a hydraulic engineering company with a view to creating a cutting-edge irrigation system capable of measuring the amount of water distributed on the ground. In 2023, a rainwater collection system was installed at the Snai San Siro Racecourse, with collected water subsequently used for track irrigation.

## DATA ON WATER CONSUMPTION, WITHDRAWALS AND DISCHARGE

	UoM	2023		2022		2021	
		All areas	of which from water-stressed areas	All areas	of which from water-stressed areas	All areas	of which from water-stressed areas
<b>Total withdrawal Headquarters, Offices and Agencies</b>	<b>m³</b>	<b>9,223.5</b>	<b>2,520</b>	<b>8,944.7</b>	<b>7,539.3</b>	<b>7,053.5</b>	<b>5,914.4</b>
Municipal aqueduct Milan + Peschiera + Imola	m³	1,520	-	1,405.4	-	1,139.2	-
Municipal aqueducts Rome, Porcari	m³	5,964	5,964	4,523	4,523	4,376.7	4,376.7
Municipal aqueducts Agencies	m³	890.5	890	3,016.3	3,016.3	1,537.5	1,537.6
<b>Total withdrawal Racecourses</b>	<b>m³</b>	<b>367,367</b>	<b>8,911</b>	<b>390,069</b>	<b>8,342</b>	<b>550,469</b>	<b>7,204</b>
Municipal aqueduct	m³	44,065	3,511	46,462	2,942	179,569	1,804
Extraction from wells	m³	317,902	-	338,207	-	365,500	-
Other sources	m³	5,400	5,400	5,400	5,400	5,400	5,400
<b>Total withdrawal</b>	<b>m³</b>	<b>376,590.5</b>	<b>11,431</b>	<b>399,013.7</b>	<b>15,881.3</b>	<b>557,522.5</b>	<b>13,118.4</b>
<b>Total discharge</b>	<b>m³</b>	<b>376,590.5</b>	<b>11,431</b>	<b>399,013.7</b>	<b>15,881.3</b>	<b>557,522.5</b>	<b>13,118.4</b>
Discharge to municipal sewer network	m³	212,239.5	6,031	224,510.2	10,481.3	369,372.5	7,718.4
Irrigation	m³	164,351	5,400	174,503.5	5,400	188,150	5,400

GRI 303-3, 303-4, 303-5

In 2023, 97.55% of the group's water consumption is attributed to the horse racing facilities in Milan and Montecatini, totalling 367,367 m<sup>3</sup>. Of this, 317,902 m<sup>3</sup>, equivalent to 84.41% of the total, come from private wells, monitored through meters installed and managed by Società Metropolitana Milanese S.p.A., while 44,065 m<sup>3</sup> come from the Milan and Montecatini aqueducts. The category "other sources" refers to water withdrawal from the Torrente Borra, used to wet the sand track for the races. Withdrawal from this water course is authorised by the Regional Authority of Tuscany. The withdrawal is estimated in cubic meters based on the number of races and the quantity of water carried by the tanker truck that travels round the track between races.

**The corporate objective of combining sustainable growth with respect for the natural environment includes virtuous waste management, which Snaitech pursues by adopting a circular economy approach, i.e. by promoting the use of recyclable resources and materials, reducing waste generation, ensuring proper disposal, and reusing wherever possible.**

Of the total waste produced by the Group, 65% comes from the management of the racecourses, consisting almost entirely of non-hazardous waste. A significant proportion of this waste comes from park maintenance at the horse racing venues, which is recycled for the recovery of renewable energy through biogas production.

**With the aim of improving the positive environmental impact of racecourse activities, the Group has continued in its commitment to the redevelopment and reclamation of land in the Milan Horse Racing District.**

**In terms of waste generated from office activities, 83% consists of non-hazardous waste, while the remaining hazardous waste consists primarily of Waste Electrical and Electronic Equipment (WEEE). At the end of their lifecycle, this equipment is handled and treated according to a specific internal procedure revised and updated periodically by Snaitech.**

The issue of illegal WEEE management is an international concern that has long been addressed by relevant authorities, also due to the rapid increase in amount of such equipment over time. Despite the critical nature of this category of waste - rich in substances and materials that can be reused but are also harmful to the atmosphere if not treated correctly - it is estimated that less than 40% of WEEE is recycled in Europe. The main reason for illegal WEEE management is that they often contain extractable high-value precious metals (such as iron, gold, silver, copper, aluminium, and some rare components like lanthanum, yttrium, cerium and samarium), which fuels the illegal market of exporting waste abroad.

Aiming for excellence in the management and reduction of this type of waste, Snaitech has established a corporate control unit, whose task is to organise and supervise the collection and disposal of WEEE products placed on the market by the company, in compliance with the principle of Extended Producer Responsibility regulated by Directive 2012/19/EU, subsequently amended by Directive 2018/849/EU, transposed into Italian law with Leg. Decree 118 of 2020, part of the Circular Economy Package.

**The Licensing and Regulatory Office also issued a procedure back in 2021, defining the methods for transferring electrical and electronic equipment, furnishings, fixtures and movable property from Snaitech's headquarters to retail network outlets and to Technical Assistance Centres and vice versa, covering the entire product lifecycle.**

For the non-recoverable equipment and machinery sent for disposal, the company relies on external specialised firms that are certified and registered with the National Register of Environmental Managers, capable of managing materials of regulatory and logistical complexity, which require a level of specialisation that the company would find difficult to ensure internally.

For the management of this type of waste, Snaitech provides specific training to the company's professional figures responsible for managing the processes outlined in the procedure.

## WASTE GENERATED

	UoM	2023	2022	2021
<b>Total waste generated Offices</b>	tons	<b>224.71</b>	<b>244.80</b>	<b>240.73</b>
of which non-hazardous		186.55	212.53	194.61
of which hazardous		38.16	32.27	46.12
<b>Total waste generated Racecourses</b>		<b>425.67</b>	<b>733.81</b>	<b>368.14</b>
of which non-hazardous		422.59	731.93	365.26
of which hazardous		3.08	1.88	2.89
<b>Total waste generated</b>		<b>650.38</b>	<b>978.61</b>	<b>608.87</b>

GRI 306-3

## NON-HAZARDOUS WASTE - OFFICES

	UoM	2023	2022	2021
<b>Total non-hazardous waste generated</b>		<b>186.55</b>	<b>212.53</b>	<b>194.60</b>
of which recovered		186.54	212.28	194.605
of which sent for disposal		0.01	0.25	0
Paper, cardboard and packaging	tons	23.91	18.38	9.31
Metals and similar		16.24	0.53	1.17
Electrical and other components		71.40	87.46	92.91
Wood and similar		-	10.78	13.42
Other		75.00	95.37	77.78

GRI 306-4

## HAZARDOUS WASTE - OFFICES

	UoM	2023	2022	2021
<b>Total hazardous waste generated</b>	tons	<b>38.16</b>	<b>32.27</b>	<b>46.12</b>
of which recovered		37.87	32.27	46.12
of which sent for disposal		0.29	0	0
Batteries and similar		0.04	0.15	0.48
Equipment		37.10	32.11	45.31
Other		1.01	0	0.32

GRI 306-4

## NON-HAZARDOUS WASTE - RACECOURSES

	UoM	2023	2022	2021
<b>Total non-hazardous waste generated</b>	tons	<b>422.59</b>	<b>731.93</b>	<b>365.26</b>
of which recovered		422.59	726.5	357.82
of which sent for disposal		-	5.43	0.018
Wood and similar		9.04	10.62	15.96
Metals and similar		57.50	3.64	5.04
Biodegradable waste and manure		44.17	316.45	330.62
Other		320	401.22	13.64

GRI 306-5

## HAZARDOUS WASTE - RACECOURSES

	UoM	2023	2022	2021
<b>Total hazardous waste generated</b>	tons	<b>3.08</b>	<b>1.88</b>	<b>2.88</b>
of which recovered		3.08	1.88	2.48
of which sent for disposal		0	0	0.4
Batteries and similar		-	0.2	0.44
Equipment		2.80	0.97	1.8
Other		0.28	0.7	0.63

GRI 306-5

### 'WE CARE UN SACCO' INITIATIVE IN COLLABORATION WITH PLASTIC FREE.

The catastrophic effects of plastic pollution on the environment are of increasing concern: every year, 570,000 million tons of plastic end up in the waters of the Mediterranean Sea, equivalent to 33,800 plastic bottles thrown into the sea every minute. In response to this situation, through its entity devoted to good causes, the Fondazione Snaitech, in 2023 Snaitech continued to support Plastic Free, the most important volunteer association active in the fight against plastic pollution and safeguarding our ecosystem.

On World Environment Day on 5 June, Snaitech employees were engaged in corporate volunteering with three plastic and waste clean-up events held in the cities of the three Snaitech headquarters (Rome, Milan and Lucca).

These events in 2023 collected and removed 120 kg of plastic and waste, and this action represents a concrete example of Snaitech's contribution to achieving the SDGs identified by the Group.



*SNAITECH*



# WE CARE **UN SACCO**

INSIEME, LIBERIAMO LA CITTÀ DALLA PLASTICA.

---

UN'INIZIATIVA IN COLLABORAZIONE CON



**PLASTICFREE**

# 3.4 CONSUMPTION OF MATERIALS

## PAPER CONSUMPTION

**In its efforts to mitigate the environmental impacts of its operations, Snaitech is also committed to reducing the consumption of materials.** Paper is one of the materials most consumed by the Group, given its significant use both within the headquarters and in the points of sale for the provision of services. Therefore, Snaitech has implemented a process of progressive dematerialisation and streamlining, prioritising digital solutions and using renewable and **recyclable** materials, aimed at a gradual reduction in consumption. Promoting responsible behaviour among its employees is another important aspect that Snaitech leverages to reduce the use of paper in all company locations. This, understood in particular as the propensity to adopt responsible practices in the use and recycling of materials, is also included in the supplier screening criteria.

In conclusion, we can confirm again for 2023 that the process of digitisation, the creation of a document division, and the efficient integration of information and documentation, which also involves relationships with the sales network and suppliers, has led to a gradual reduction in material consumption.

## PAPER CONSUMPTION (UOM T)

	2023	2022	2021
Paper consumed	9.04	9.4	9.1



# 3.5 COMMITMENT TO THE LOCAL COMMUNITY:

## RESPONSIBLE BUSINESS MANAGEMENT

As anticipated in the introduction, Snaitech, as a leading player in the public gaming industry in Italy, has always considered it essential to integrate Corporate Social Responsibility into its business strategy. This is aimed at creating bi-directional relationships with the local community, fostering a relationship of trust between the local area and the organisation, and promoting sustainable and responsible development. The main goal of the Group is to transmit the values of its corporate culture through shared projects and long-term partnerships, in order to strengthen the spirit of cohesion by engaging not only governance and business processes but also all its employees.

Therefore, in line with its growth strategy further strengthened by membership of the UN Global Compact, Snaitech **promotes numerous initiatives in the educational, social, cultural and environmental fields, with a particular focus on the promotion of sport understood as a tool for social gathering, social recognition and growth, as well as pure entertainment.**

**The Group's commitment to Corporate Social Responsibility is made possible through the Fondazione Snaitech - Ente Filantropico ETS (formerly iZilove Foundation), an autonomous third-sector entity wholly controlled by Snaitech.**

**The foundation, which pursues exclusively charitable aims in the fields of social care, charity, education, environmental protection, promotion of culture, art and scientific research,** activates new projects every year, identifying the involved beneficiary entities, defining a plan for the design and implementation of social utility initiatives, and providing and reporting the necessary resources for their implementation.

## FONDAZIONE SNAITECH AND SOCIAL INITIATIVES 2023

In 2023, the Fondazione Snaitech continued to support CSR welfare projects in sports, education, environmental protection and charity for children, with a total of EUR 241,643.32 in donations. **These social projects involved 133 company volunteers, supported over 70 organisations, and reached approximately 11,000 beneficiaries.**

Below, we outline the projects and main collaborations with associations and non-profit organisations during the year:

- in 2023, Snaitech renewed its long-standing collaboration with the **Francesca Rava Foundation**, a non-profit organisation founded in 2000 with the mission of helping disadvantaged children in Italy and worldwide, and representative in Italy of N.P.H. - (*Nuestros Pequeños Hermanos*), an international humanitarian organisation that has been rescuing orphaned and

abandoned children. The partnership between the Fondazione Snaitech and the Rava Foundation envisaged, for 2023, the activation of the project 'Bambini in Goal: Educational', an initiative giving the children from three care homes the chance to visit museums, Italian city landmarks, and amusement parks. Additionally, this year, Snaitech launched a volunteering project, accompanied by the internal engagement campaign 'UNISCITI al VOLOntariato', aimed at engaging its employees in volunteering at care homes supported by NPH. Lastly, the Rava Foundation also organised children's entertainment in the paddock of the Snai San Siro Racecourse, during which children from the family home in Milan were also invited to participate, and allocated a portion of the 2023 donation to relief efforts in Turkey and Syria following the earthquake.

- The Fondazione Snaitech continued its collaboration with **Special Olympics Italy** in 2023. In detail, the partnership, aimed at raising awareness on the issue of intellectual disability through sports, involved three different events: the **Milan Marathon**, a running event that symbolically supported the Italian Special Olympics athletes at the World Games in Berlin 2023. A team of Snaitech employees ran the Relay Marathon to raise money for the non-profit organisation. Secondly, the organisation supported the '**Play The Games**' initiative, which consisted of 17 sporting events held in 14 Italian regions, at which some employees participated as volunteers.
- Lastly, the company supported the **Special Olympics World Summer Games**, held in Berlin from 17 to 25 June, through the fundraising campaign 'Adotta un Campione' (Adopt a Champion) to enable three Italian athletes to participate in the games. The first international volunteering activity also involving colleagues from HAPPYBET was also organised for this initiative. Through its collaboration with Special Olympics Italy, Snaitech sought to raise awareness of intellectual disabilities among its target audience, breaking down prejudices and stereotypes and highlighting sports as one of the most powerful tools for inclusion and individual and community growth;
- in 2023, Snaitech supported the **Costruiamo il Futuro Foundation**, which finances projects involving amateur sports associations in Milan and the province through an annual award. The ongoing collaboration provided financial support to a record 59 sports associations in 2023.
- Furthermore, in 2023, the **Share 4 Good** project continued, allowing all employees to nominate an initiative of social interest to receive support from the Fondazione Snaitech in the form of a donation. Further details are provided in the box on 'Snaitech Sustainability Week'.
- In 2023, following severe flooding in Emilia-Romagna, Snaitech launched a fundraiser for the **Civil Protection of Emilia-Romagna**, active on the website [www.snai.it](http://www.snai.it), the Snaisport app, and in approximately 2,000 points of sale located throughout the area, also supported by the Snai-pay brand. Snaitech pledged to match the donations received from users and further contributed with a donation from the Fondazione Snaitech fund.
- Additionally, thanks to the partnership with the **POLIMI Graduate School of Management** at the Politecnico di Milano, Snaitech continued in its commitment to enhancing Italian cultural heritage in 2023 during the third edition of the MaBIC Executive Master 'Management of Heritage and Cultural and Institutions', providing scholarships for two students.

In addition to the projects and main partnerships with non-profit associations and organisations mentioned earlier, the total donations made in 2023 also include projects in collaboration with Plastic Free and Rete Clima, as described in previous paragraphs, and with the Fondazione Milan for a charity dinner, as well as donations made as a result of internal charity initiatives through payroll giving.

# SNAITECH SUSTAINABILITY WEEK

The fifth edition of **Snaitech Sustainability Week** was held from 19 to 23 June 2023, dedicated to communication, information and awareness-raising on sustainability in general and on the company's social responsibility activities.

Under the slogan '*Il futuro in 4 tappe*' (The future in 4 stages), the week included presentation of the Sustainability Report 2022 and numerous ESG-related initiatives. The purpose of the Snaitech Sustainability Week is to promote dialogue among stakeholders in order to develop shared and increasingly strong-rooted corporate social responsibility and to make all employees part of the company's CSR journey.

**Below are the initiatives launched during the 2023 edition of Snaitech Sustainability Week:**

## SHARE 4 GOOD

In June 2023, Snaitech launched the third edition of Share 4 Good, the innovative format through which all group employees were able to put forward socially useful projects focusing on female empowerment, environmental protection, and sport as a vehicle for social inclusion, becoming active participants in the Corporate Social Responsibility journey.

Following an internal selection and voting process, the projects with the highest scores were funded by the Fondazione Snaitech.

**Overall, the 2023 edition saw a record number of participants:** many Snaitech employees took part with enthusiasm in the initiative, proposing outstanding projects of social utility, demonstrating naturally their objectives and effectiveness. The nominations were collected and assessed by a special committee which selected the finalists, with the winning projects decided by votes by employees for their favourite initiative. **In 2023, the project also took one more step and crossed its national borders: colleagues from Germany, Austria and Malta were also able to participate in Share 4 Good by nominating projects of non-profit organizations active in foreign territories.**

Specifically, the grants went to the following organisations:

- **L'amore non conta i cromosomi APS**, an association in Lucca working to promote the integration of people with Down syndrome in education, employment and society. In particular, the 'Duemila volte' (Two Thousand Times) initiative promotes inclusion in the world of sports through events tackling the issue of training for team sports and specific motor activities;
- **ANGSA Tivoli e Valle dell'Aniene Onlus**, which focuses exclusively on autism and pervasive developmental disorders. With the project 'Saliamo a cavallo - L'equitazione per l'autismo' (Let's Ride: Horse Riding for Autism), the association offers autistic children a new opportunity to improve their well-being through contact with horses in a natural and stimulating environment. -
- **Il Sorriso di Stefano**, a non-profit organisation in the province of Lucca whose main objective is to bring a smile to those in need. The association is committed to achieving this goal through various initiatives of solidarity in the field of social care, and recreational, cultural, environmental, educational, and training activities. The 'El Niño col Sorriso' project supports a unified football team composed of players with and without intellectual disabilities who train and play together, thus promoting inclusion.
- **Equi-librarsi Circolo Ippico Scuola di Equitazione Asd**, a sports association in the Milan province that has launched the horse therapy project 'Il cavallo come co-terapeuta'. This initiative was conceived and designed with and for the 'Centro Insieme' in Rho, a facility that supports single-parent families, offering help with parenting and the mother-child relationship. The project helps to rebalance and improve the lives of mothers and children in need by spending precious time caring for and interacting with specially trained horses, ponies and dogs, for the benefit of them and those around them.

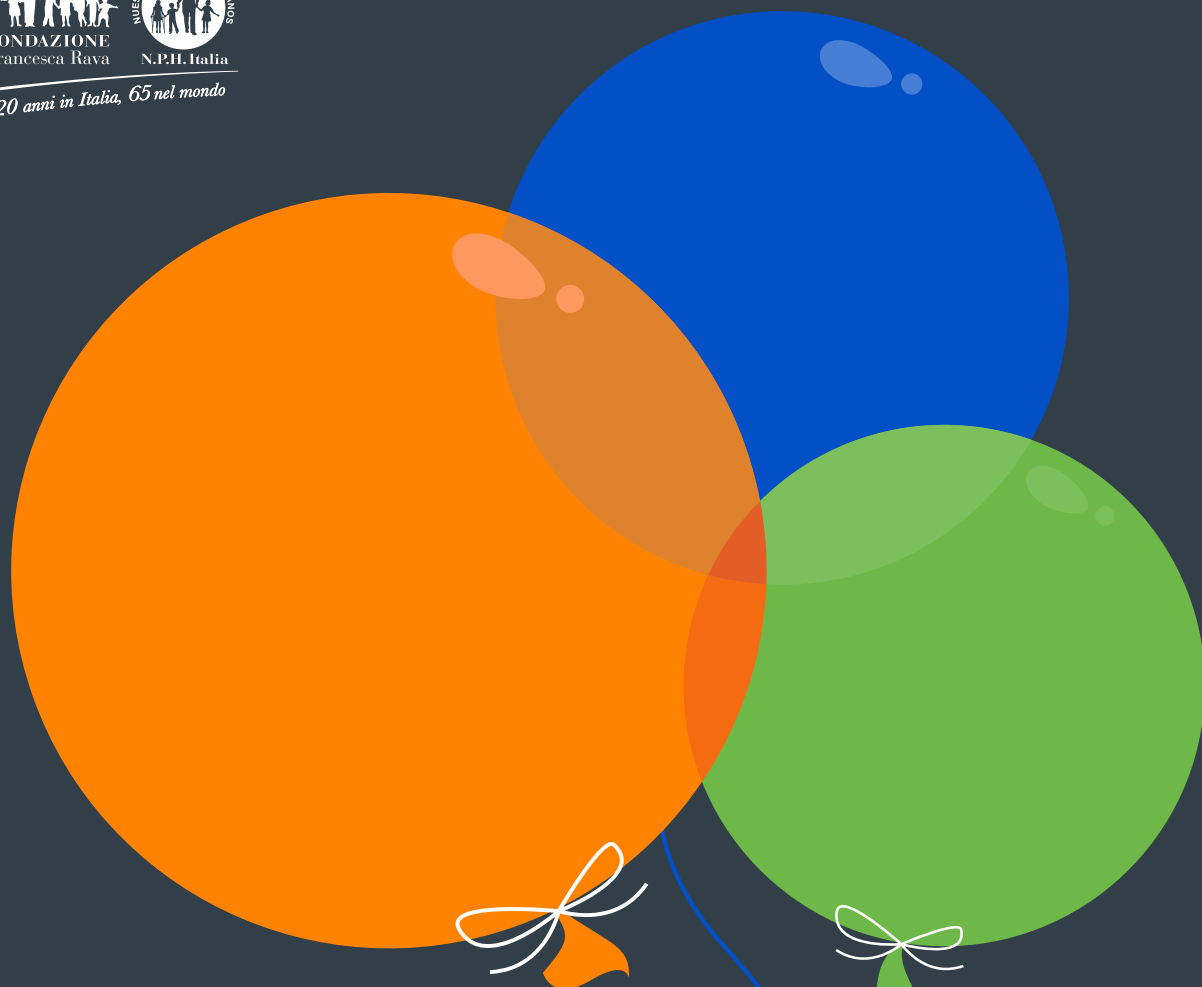
## 2022 SUSTAINABILITY REPORT

During Snaitech Sustainability Week, Snaitech also publishes the Sustainability Report. The 2022 report illustrated in detail the 4 pillars of Snaitech's identity, which have also become the cornerstones of the company's communication plan, which in turn make up the four key points of the slogan **'The future in 4 stages': the regulated market, innovation, sustainability, and people.**

### INTERNATIONAL VOLUNTEERING - SPECIAL OLYMPICS WORLD GAMES (BERLIN)

During Snaitech Sustainability Week the company, through its Foundation, stood alongside Special Olympics Italy on the occasion of the 2023 World Games - which took place June 17-25 in Berlin. Snaitech, in addition to supporting the "Adopt a Champion" fundraising campaign, actively participated in the event with a team of corporate volunteers who supported the Athletes during the competitions to promote together the most beautiful and authentic values of sport: passion, courage, sacrifice and inclusion.





# UNISCITI al VOLO *ntariato*

FONDAZIONE  
**SNAITECH**

**CREATE OPPORTUNITIES TO MEET  
ON THE PRINCIPLES OF  
SUSTAINABILITY, MEANS PROMOTING  
KNOWLEDGE AND AWARENESS  
AND OFFERING INSIGHTS  
FOR ACTIONS TO BE TAKEN  
IN THE LIFE EVERYDAY LIFE.**











4

*SNAITECH*

PEOPLE

THE STRENGTH OF THE  
SNAITECH GROUP

# OUR COMMITMENT TO THE SDGS FOR 2023

SDG	SDG TARGETS	SNAITECH ACTIONS
<b>3</b> GOOD HEALTH AND WELL-BEING 	<p><b>TARGET 3.8.</b> Achieve universal health coverage, including financial risk protection, access to quality essential health-care services, and access to safe, effective, quality, and affordable essential medicines and vaccines for all.</p>	<ul style="list-style-type: none"> <li>• ISO:45001 "Occupational Health and Safety Management Systems" certification.</li> <li>• Health coverage schemes.</li> <li>• Paid leave to employees for medical examinations and diagnostic tests.</li> </ul>
<b>4</b> QUALITY EDUCATION 	<p><b>TARGET 4.4.</b> By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship.</p> <p><b>TARGET 4.5.</b> By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples, and children in vulnerable situations.</p> <p><b>TARGET 4.7.</b> By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promoting a culture of peace and non-violence, global citizenship, and appreciation of cultural diversity and the contribution of culture to sustainable development.</p>	<ul style="list-style-type: none"> <li>• Professional development of employees through continuous training: +89% training hours compared to 2022.</li> <li>• <i>"Non restare allo stato bradipo"</i> (Don't Stay in Sloth Mode) initiative dedicated to Snaitech employees' training in the digital culture.</li> <li>• Coding Challenge — accompanied by the campaign <i>"Cervelli in fuga Snaitech. Anche in Italia esiste il lavoro del futuro"</i> (Snaitech Brain Drain. The Work of the Future is also in Italy) - with which the Company wanted to issue a challenge to young talents to test their skills in an original and intuitive way, aimed at joining the Snaitech team.</li> </ul>
<b>5</b> GENDER EQUALITY 	<p><b>TARGET 5.1.</b> End all forms of discrimination against all women and girls everywhere.</p> <p><b>TARGET 5.2.</b> Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation.</p> <p><b>TARGET 5.5.</b> Ensure full and effective participation of women and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.</p>	<ul style="list-style-type: none"> <li>• Adherence to Valore D.</li> <li>• Adherence to Parks - Free and Equal.</li> <li>• Project "Diamo forma al cambiamento (Shaping Change)," to further increase and strengthen the Group's commitment to Diversity &amp; Inclusion issues. The initiative was launched in 2023 and implemented during 2024.</li> <li>• Training on Diversity &amp; Inclusion topics.</li> </ul>
<b>8</b> DECENT WORK AND ECONOMIC GROWTH 	<p><b>TARGET 8.1.</b> Support economic growth per capita in accordance with national conditions</p>	<ul style="list-style-type: none"> <li>• The "Hybrid Work" project continued in 2023 with the revision and update of the policy and the introduction of the sharing desk.</li> </ul>

## SDG



## SDG TARGETS

**TARGET 10.2.** By 2030, enhance and promote the social, economic and political inclusion of all, regardless of status related to age, gender, disability, race, ethnicity, origin, religion, economics or otherwise.

## SNAITECH ACTIONS

- Adherence to Valore D.
- Adherence to Parks - Liberi e Uguali.
- 45% female employment.
- 24% female executives.
- 43% female members of the BoD.
- Increased contribution to the payment of registration and daycare fees to facilitate the reintegration of the new parent.
- Possibility for all applicants to take advantage of post-maternity part-time work, exceeding the maximum number stipulated by their respective applicable National Collective Bargaining Agreements (C.C.N.L.).
- Additional days to paternity leave.
- Solidarity Hour Bank.

# 4.1 HUMAN CAPITAL:

## OUR PEOPLE AND THEIR CONTRIBUTION

The sociological definition of an organisation as a Group with a shared goal is true for Snaitech, but the company takes it a step further. Snaitech believes its human capital is a strategic asset, so crucial that it underpins the company's very existence.

**For the Group, people are its main strength. Therefore, the business competitiveness inherent in business needs is developed within a context of strong attention to and protection of individualities, placing the value of responsibility at the centre of the relationship with employees and, more generally, with all Group stakeholders.**

Snaitech's daily operations are guided by respect for individual and worker rights, dignity, and physical and moral integrity. These fundamental values are enshrined in the Group's Code of Ethics, which aligns with the principles of the most recognised international conventions, including:

- the Universal Declaration of Human Rights;
- the UN Convention on the Rights of the Child and Adolescent;
- the International Labour Organisation Convention;
- the European Convention for the Protection of Human Rights and Fundamental Freedoms.

In line with this vision, the Group promotes the adoption of management systems that prevent and counter any violations of human rights, both within its own production cycles and in the procurement of goods and services.

Snaitech prioritizes continuous improvement of its work environment, focusing on both employee safety and health, and functionality. They recognise this not only benefits employee well-being but also fosters stronger relationships and collaboration among team members, which is essential for effective work. The spirit of sharing the company's mission and the professionalism of employees are values and determining conditions for the pursuit and achievement of Snaitech's objectives, which constantly works to ensure opportunities for professional growth, based solely on merit criteria and the recognition of skills.

The true strengths of the Snaitech team, united not only by goals but also by **principles, values, experiences, and perspectives**, are therefore active participation, constant discussion, intra-functional involvement, integration, and enhancement of diversity.

Furthermore, in its daily activities, Snaitech pursues the objective of continuous improvement of the work environment, both from the perspective of worker safety and health and from a functional standpoint, recognising its importance as a means through which to improve the quality of relationships among employees, who are required to actively collaborate in carrying out their duties.

As previously stated, the integration and enhancement of diversity represents for Snaitech an inherent goal for Snaitech in achieving its Mission. The Organisation has long since undertaken concrete **commitments to ensure full and effective female participation**: currently, 45% of the Group's employees are women. This balance allows for the creation of diverse and high-potential work teams, and it also records a significant female presence in the Board of Directors and among managers and executives. In this regard, it is worth noting the continuation of the partnership between Snaitech and the associations Valore D and Parks - Free and Equal in 2023. These associations are committed to promoting diversity and inclusion values within organisations, with a particular focus on gender identity.

Another important strategic value, as a driver of growth, is represented by the well-being of Snaitech's employees. It is worth noting the renewal of the **Contratto Integrativo Aziendale** (CIA - Corporate Bargaining Agreement) **valid for the three-year period 2023-2025**, which was signed by Snaitech at the end of 2022 following a year of agreements and intense negotiations. The CIA introduced important innovations and interventions undertaken for the welfare and protection of workers and women workers, among which it is worth highlighting: the Solidarity Hour Bank, an increase in daycares subsidies for women who have completed maternity leave, leave for women victims of gender-based violence, the extension of paternity leave days, and an increase in surcharges for holiday and Sunday work.

Regarding training in 2023, several projects focusing on the themes of hybrid work and digitalisation have been initiated. The Group's objective is to encourage cultural transition and to lead in digital transformation, increasing awareness among its people of the rapid changes taking place and enhancing the skills necessary to understand and effectively use the new tools available.

Safeguarding and protecting its people are also of paramount importance to Snaitech. In 2023, the Group significantly increased its training in Health and Safety, more than doubling the efforts compared to previous years.

Snaitech Group recognises the importance of a shared culture, and this was further emphasised by the continued integration of HAPPYBET in 2023. Further details regarding initiatives and activities carried out in the international scope are available in the following sections.



# NON RESTARE ALLO STATO BRADIPO.

SEGUI IL DIGITAL  
WORKSHOP  
COSTRUIAMO  
INSIEME LA MAPPA  
DEL CAMBIAMENTO



#DIGITALEBESTIALE

***SNAITECH***

## NON RESTARE ALLO STATO BRADIPO

*New technologies are evolving at an increasingly rapid pace, the web is becoming a jungle, and we cannot afford to stay in sloth mode. It is time to wake up and explore this new technological habitat, which has now become an integral and natural part of our daily lives.*

From this reflection arises the project “Non restare allo stato bradipo (Don't Stay in Sloth Mode)”, an initiative that, starting in 2023, involved Snaitech employees in targeted training interventions aimed at increasing awareness of the rapid changes taking place and enhancing the skills necessary to understand and effectively use the new tools available.

The first event of 2023, “Building together the Map of Change”, was dedicated to digital awareness: from the use of Cloud and IoT technologies to artificial intelligence, in order to be faster, more agile and more innovative. The event was also accompanied by a fun internal communication campaign involving boxes full of oranges placed in the main offices throughout the region, with a direct invitation to all employees to enjoy a boost of vitamin C before the courses. The project continued in 2024 with new training sessions focused on digital culture.

## EMPLOYEE PROFILE

At the end of the financial year 2023, the Snaitech Group had a total workforce of 1,036 employees.

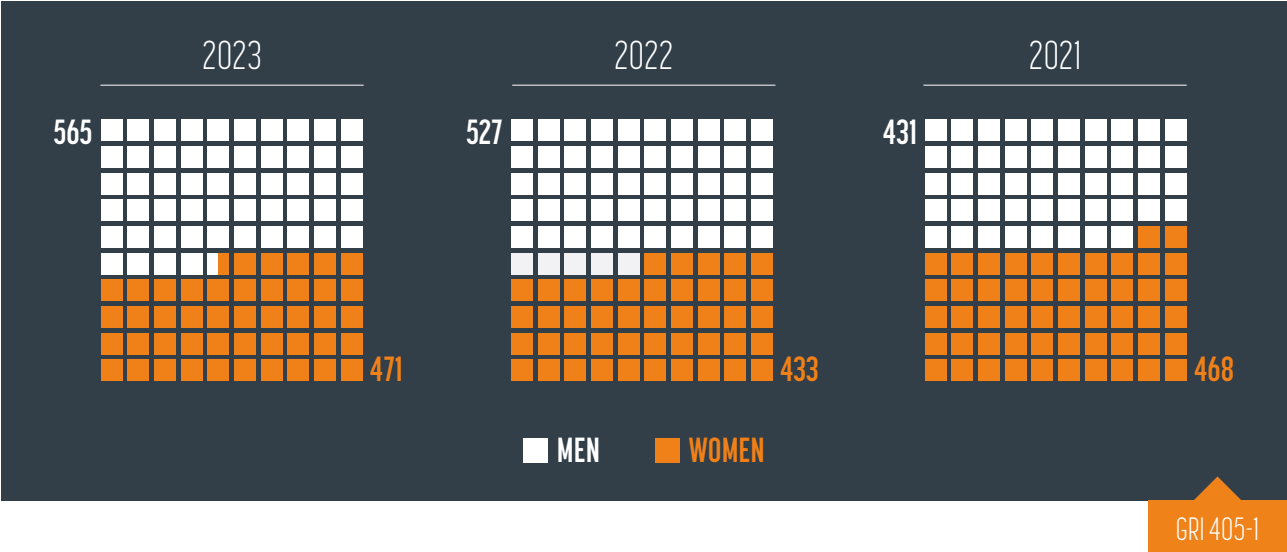
The different working contexts that characterise the Group, such as headquarters offices, sales network, and racetracks, form a heterogeneous working group in terms of skills and experiences but directed compactly towards common growth. The stimulating and positive working environment in the Group's companies passes through the integration and synergy between diversified perspectives and skills, which in turn translates into the ability to attract and retain talent.

The male component of the workforce stands at 55%, while the female component is at 45%, thus remaining in line with Snaitech's objectives regarding gender balance in the composition of the company's workforce.

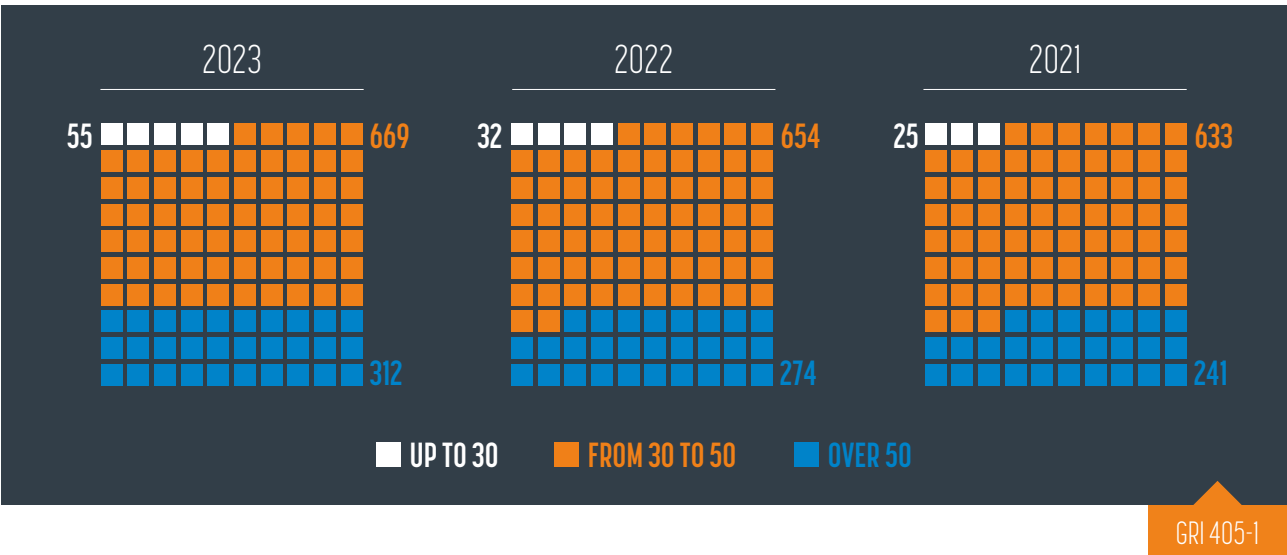
About 5% of Snaitech employees are aged under 30 and 65% are aged under 50. Furthermore, the percentage of staff with a university degree, compared to the total number of employees in the Italian perimeter, stands at 25%.



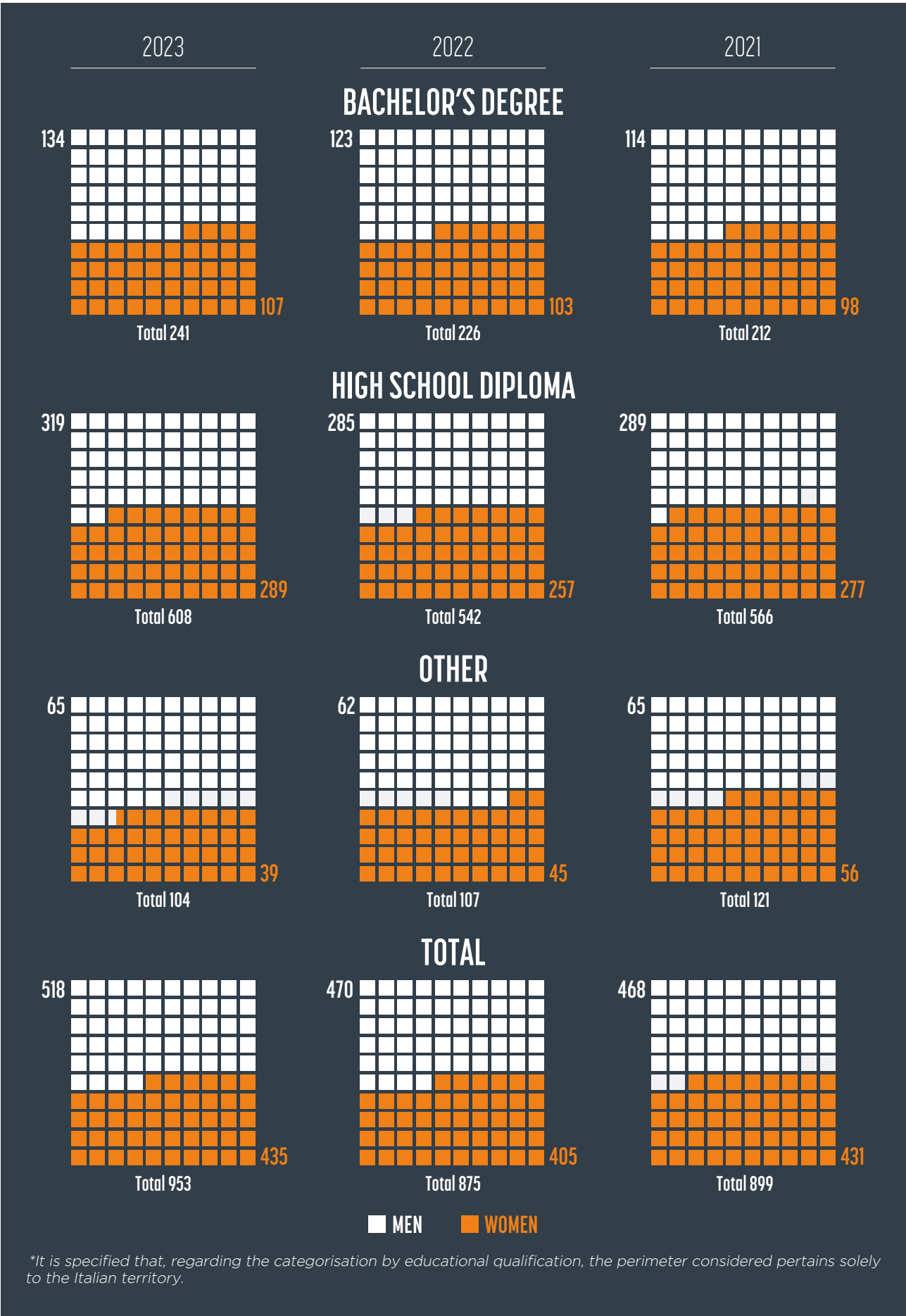
# EMPLOYEES BY GENDER



# EMPLOYEES BY AGE GROUP



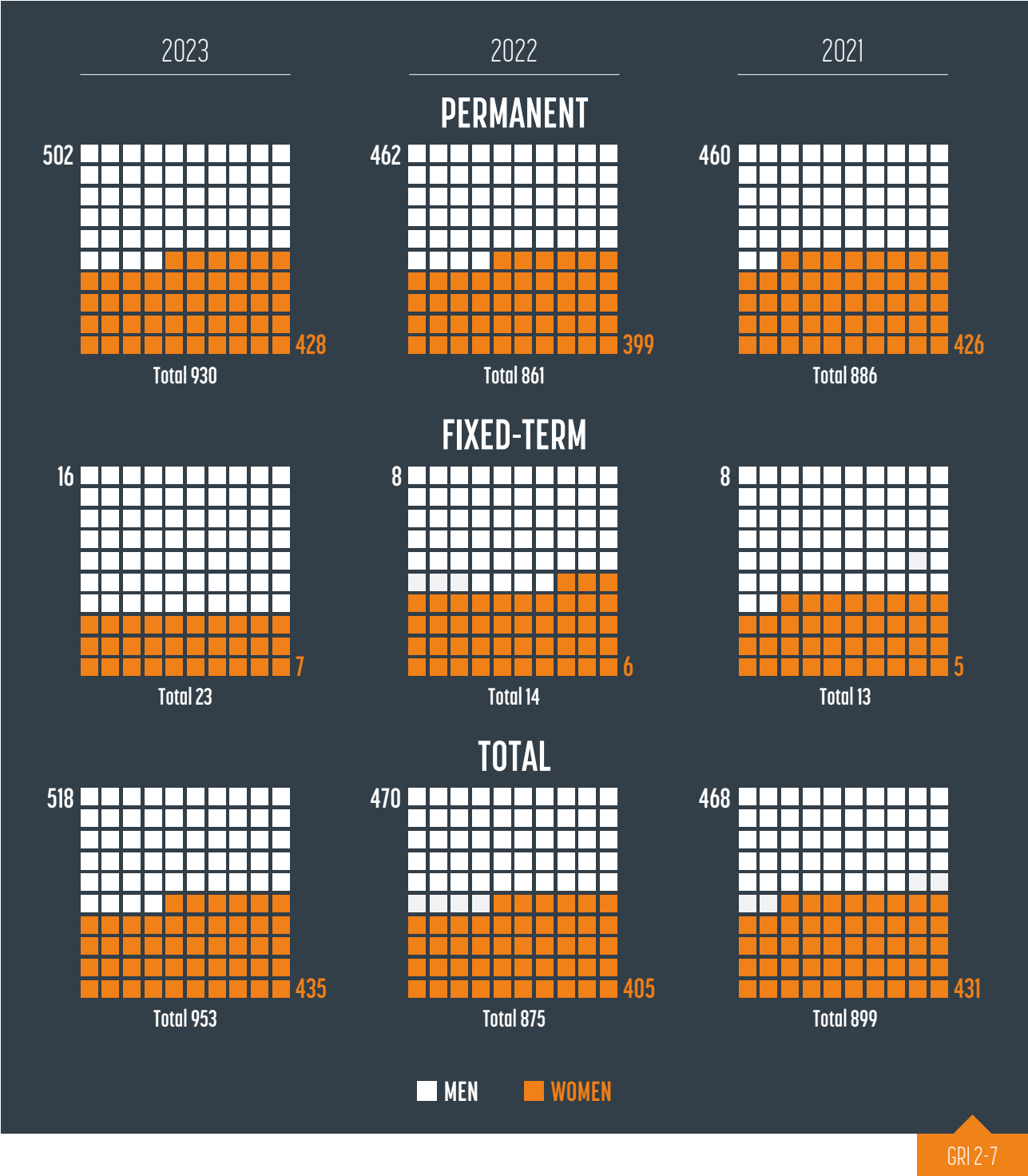
# EDUCATIONAL BACKGROUND



As of December 31, 2023, 98% of Snaitech staff in the Italian territory are employed with permanent contracts, and 82% with full-time contracts. Regarding foreign locations, there are 81 employees with permanent contracts and 2 employees with fixed-term contracts.

Throughout the year, Snaitech also employs staff with fixed-term contracts, particularly during the horse racing season or other events held at the Racecourses. Although to a residual extent, the Group also relies on external collaborators for its activities, represented for example by individuals providing the Company with freelance services and consulting firms offering various types of services (e.g., in the IT field).

## EMPLOYEES BY TYPE OF CONTRACT - ITALY



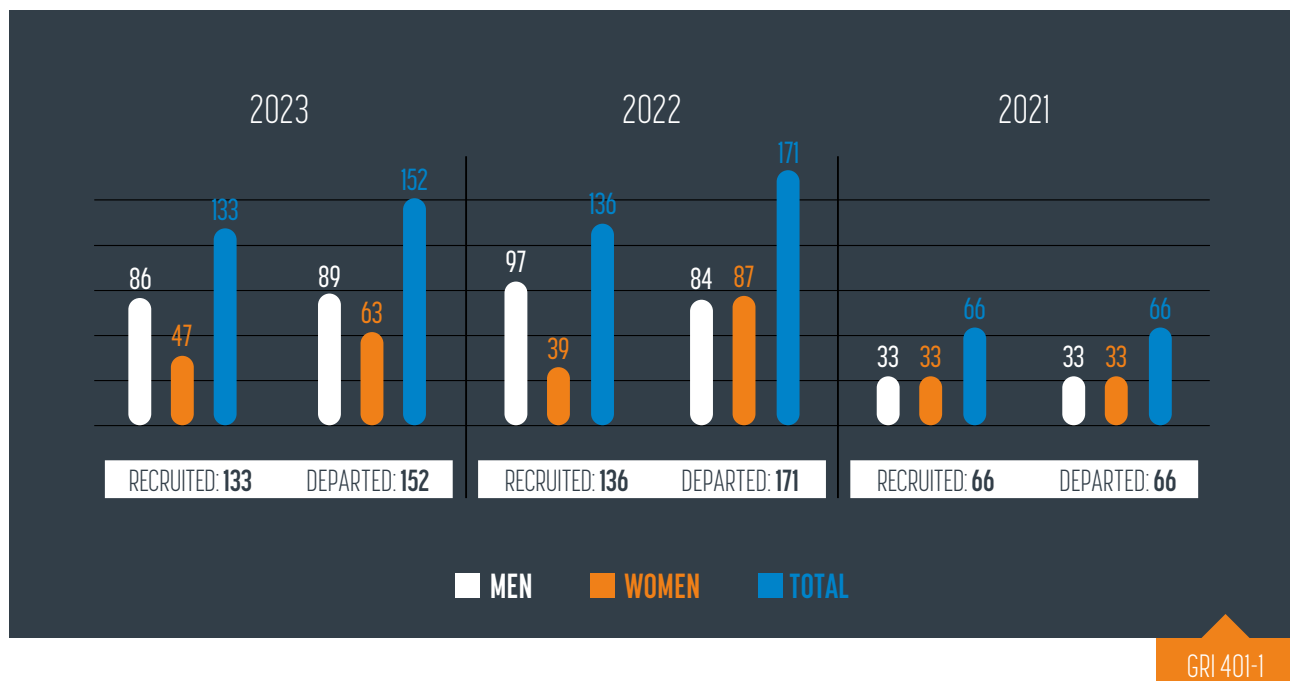
Furthermore, as of December 31, 2023, the employees of the Group are distributed geographically as follows: 8% at the overseas offices of companies under the HAPPYBET brand, 34% of the Group's staff is based in Porcari, 21% in Milan and Peschiera Borromeo, 18% in Rome, and 19% in the rest of Italy.

## GEOGRAPHICAL BREAKDOWN OF EMPLOYEES BY CONTRACT

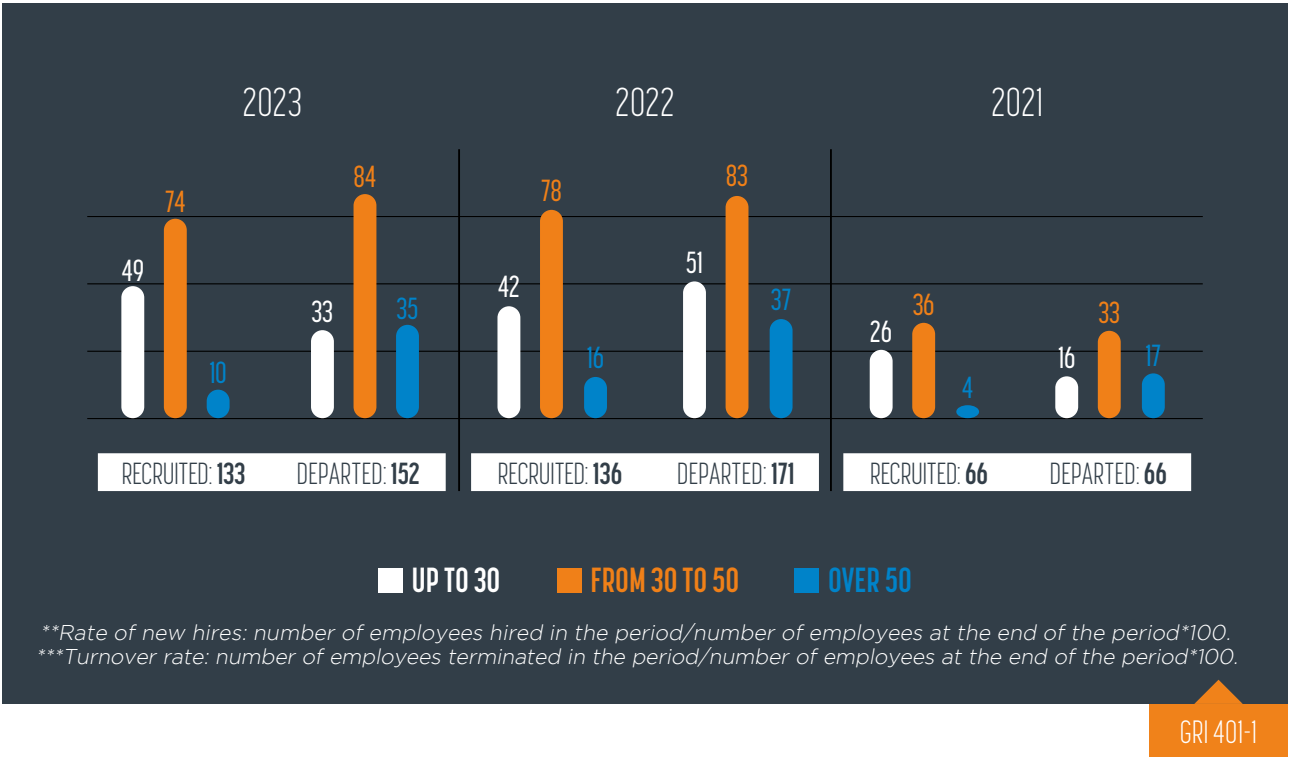
	2023			2022			2021		
	fixed-term	permanent	total	fixed-term	permanent	total	fixed-term	permanent	total
Milan headquarters + agencies + Milan Racecourse area	6	207	213	4	200	204	4	188	192
Rome headquarters + agencies	4	178	182	2	190	192	2	196	198
Porcari headquarters + agencies	5	352	357	5	355	360	3	360	363
Rest of Italy Agencies + Montecatini Racecourse area	8	193	201	3	116	119	4	142	146
Abroad	2	81	83	0	0	NA	NA	NA	NA
<b>Total</b>	<b>25</b>	<b>1,011</b>	<b>1,036</b>	<b>14</b>	<b>861</b>	<b>875</b>	<b>13</b>	<b>886</b>	<b>899</b>

The year 2023, characterised by the completion of the integration process of the HAPPYBET employees, recorded 133 new hires and 152 terminations, with an incoming turnover lower than the outgoing turnover, respectively at 13% and 15% of the total number of employees.

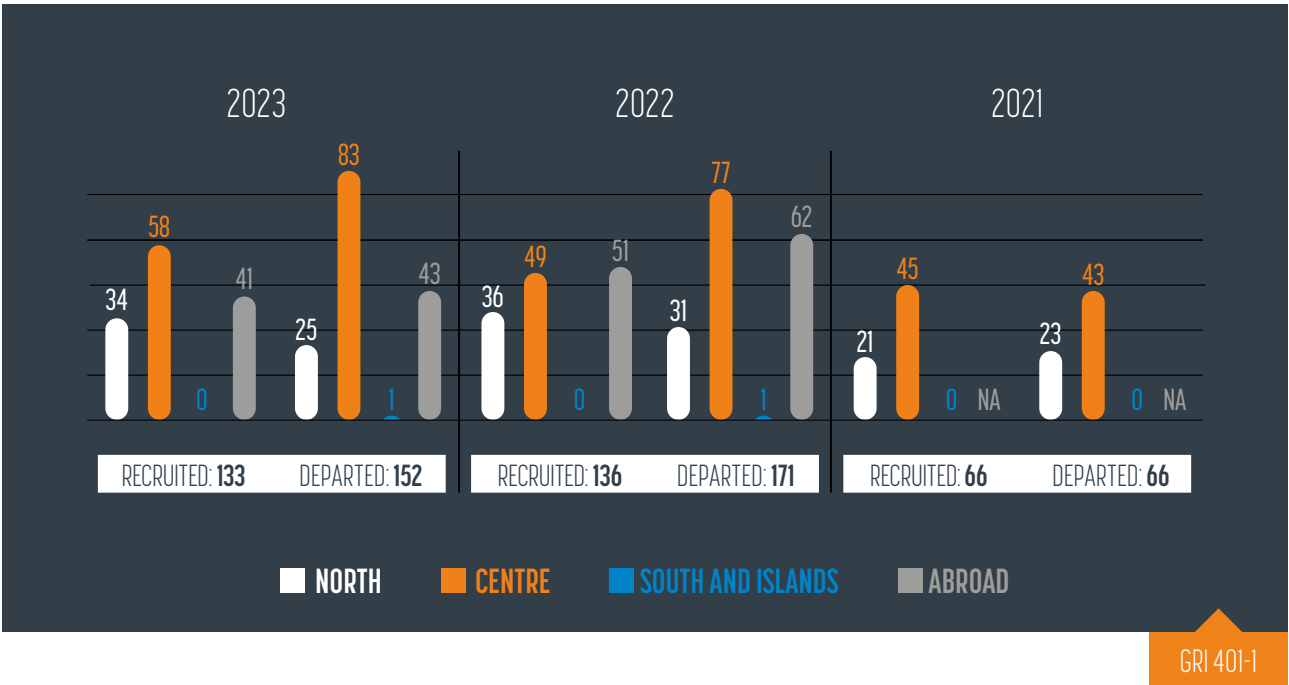
## TURNOVER BY GENDER



# TURNOVER BY AGE GROUP



# TURNOVER BY GEOGRAPHICAL AREA



# INDUSTRIAL RELATIONS

The organisational model adopted in the field of industrial relations consists of numerous references, including the Code of Ethics and Behaviour, the Organisational Model, the Job Description, and various management procedures.

Snaitech adopts the C.C.N.L. for Executives of Tertiary, Distribution, and Service Companies, the C.C.N.L. for Employees of Tertiary Distribution and Services, the Agreement for the Discipline of Employees Involved in Betting Collection and Payment, and various services at Racecourses.

Epiqa S.r.l. adopts the C.C.N.L. for Executives of Tertiary, Distribution and Service Companies and the C.C.N.L. for Private Companies Performing Radio and Television Services with editorial and broadcasting activities, programme production and marketing.

SNAI Rete Italia S.r.l. adopts the C.C.N.L. for Employees of Tertiary Distribution and Services and the Additional Protocol for the Discipline of Employees Employed by Betting Agencies dated March 30, 2015.

Giobet S.r.l. adopts the C.C.N.L. Tertiary, Distribution and Services Agreement and Additional Protocol for the discipline of workers employed by Betting Agencies dated March 30, 2015.

# CONTRACTUAL AGREEMENTS

Consistently with the regulations of the relevant sectors, Snaitech's staff are fully covered by mandatory social security. Group companies therefore regularly set aside and pay sums to cover severance pay. The contracts also provide for forms of healthcare integration and supplementary pension, managed by sectoral bodies, which engage the companies towards the members with different modalities depending on the relevant CCNL.

Membership in these sectoral bodies allows employees to benefit from more favourable treatments compared to third-party funds, listed below:

- Fasdac for Executives, governed by the C.C.N.L. for Executives of Tertiary, Distribution and Service Companies;
- Quas for Managers, governed by the C.C.N.L. for Tertiary, Distribution, and Service;
- Sanimpresa and Fondo Est for Employees, governed by the C.C.N.L. for Tertiary, Distribution, and Service;
- Salute Sempre for Employees, governed by the C.C.N.L. for Private Radio and Television

In addition, Snaitech has taken out an insurance policy in favor of all its employees for non-occupational injuries.


# 4.2 DIVERSITY, EQUAL OPPORTUNITIES AND INCLUSION

In the Snaitech Group, fundamental importance is placed on recognising and appreciating diverse perspectives and viewpoints, constantly promoting the creation of an environment where each individual can be respected in their uniqueness and able to freely express their ideas.

**Snaitech is committed daily to strengthening the culture of diversity, equity, and inclusion, becoming an advocate for these values both within and outside the company, recognising that their acknowledgement is an indispensable factor for the sustainability, in its broadest sense of enduring opportunities, of the enterprise itself.** Only a stimulating environment, open to diverse experiences and multiple viewpoints, can lay the groundwork for structural growth, both at the individual and corporate levels. Therefore, a daily effort is made to nurture this vitality through access to a range of perspectives.

The Snaitech Group's Code of Ethics, which values the protection of the individual as one of the key principles that characterise the Group's identity, underscores the commitment to defending human rights. It pays particular attention to individual dignity and physical and moral integrity of all those involved in relationships with the Company, including staff.

The measures adopted by the Group to counteract any violations of human rights, as well as those implemented to prevent any form of discrimination, are included in the risk-based monitoring plans established by the Internal Audit function and the Supervisory Board.



**AT SNAITECH, WE WANT OUR PEOPLE TO FEEL FREE TO BE THE WAY THEY ARE, WHICH IS UNIQUE. A RESPECTFUL AND INCLUSIVE WORK ENVIRONMENT, CAPABLE OF VALUING DIFFERENT PERSPECTIVES, ENSURING FAIRNESS AND EQUAL OPPORTUNITIES, IS THE FUNDAMENTAL PREREQUISITE FOR ANY TYPE OF SUSTAINABLE BUSINESS DEVELOPMENT.**

FABIO SCHIAVOLIN, CEO OF SNAITECH



PEOPLE MAKE COMPANIES.  
FOR OUR GROUP  
INTEGRITY, SHARING SOLID  
VALUES AND TEAM SPIRIT  
ARE THE FOUNDATIONS  
FROM WHERE OUR PATH OF  
SUSTAINABLE GROWTH STARTS.





It is noted that, during 2023, no discriminatory situations were reported against internal or external counterparts. Furthermore, Snaitech - concerning compliance with labour laws, with particular reference to child labour, forced labour, and compulsory labour - is not aware of any instances of exploitation throughout the reported period, neither within the Group nor within its supply chain.

In line with this vision, the Group also devotes primary attention **to the promotion of equal gender opportunities**. In order to maintain a good balance in the composition of the workforce, Snaitech has consistently maintained a female workforce exceeding 40%. By the end of 2023, this figure had climbed to around 45%.

## PARKS – LIBERI E UGUALI

The nonprofit organisation Parks – Liberi e uguali collaborates with companies to understand and maximise the business potential associated with the development of strategies and best practices that respect the values of diversity and inclusion. To date, there are over 100 members of the association, namely companies that have decided to commit - through their staff management practices - to building a culture of global inclusion, which also considers the reality of LGBT individuals within it. Snaitech, a partner since 2021, also took part in this reporting year's virtual meeting and sharing events dedicated to LGBT issues, usually excluded from the corporate context. Meetings are always opportunities for exchange and sharing, to discuss and talk about oneself, while at the same time allow one to become familiar with a more inclusive language that is careful not to legitimise and perpetuate stereotypes and discrimination.

## VALORE D

Taking a further step towards the creation of a real culture of inclusion, since 2021 Snaitech has been an ordinary member of Valore D, the first association of companies in Italy that has been committed to building a professional world free of discrimination and gender inequality for over a decade. Through the use of an integrated approach, Valore D can provide companies with effective tools and inter-company dialogue with institutions. As part of this collaboration, information meetings are periodically dedicated to the corporate population, promoted on Snaitech communication channels and focused on topics such as the enhancement of female talent and leadership or responsible communication, as well as seminars, training tracks and mentoring programs offered to an appropriately selected corporate population.

## DIAMO FORMA AL CAMBIAMENTO

Snaitech Group's affiliation with Valore D and Parks – Liberi e uguali represented the symbolic beginning of an itinerary that over the years will be increasingly deepened within the company context. With the internal communication campaign "La consapevolezza prende forma (Awareness Takes Shape)", launched in 2022, Snaitech continued to raise awareness on issues of inclusion to generate a corporate culture better able to channel, orient, and welcome all diversity. The path evolved in 2023, with the "**Diamo forma al cambiamento** (Shaping Change)" initiative, which from 2024 will materialize with training paths aimed at company managers.



***SNAITECH***

# **DIAMO FORMA AL CAMBIAMENTO**

**VALORIZZIAMO LE DIVERSITÀ**

## EMPLOYEES BY PROFESSIONAL CATEGORY AND GENDER - ITALY

	2023			2022			2021		
	men	women	total	men	women	total	men	women	total
Executives	25	8	33	24	8	32	23	7	30
Managers	60	29	89	59	24	83	55	24	79
Employees	397	398	795	354	373	727	360	399	759
Workers	36	0	36	33	0	33	30	1	31
<b>Total</b>	<b>518</b>	<b>435</b>	<b>953</b>	<b>470</b>	<b>405</b>	<b>875</b>	<b>468</b>	<b>431</b>	<b>899</b>

GRI 405-1

## EMPLOYEES BY PROFESSIONAL CATEGORY AND AGE GROUP - ITALY

	2023				2022				2021			
	Up to 30 years	30 to 50	Over 50	total	Up to 30 years	30 to 50	Over 50	total	Up to 30 years	30 to 50	Over 50	total
Executives	0	11	22	33	0	13	19	32	0	14	16	30
Managers	0	53	36	89	0	51	32	83	0	50	29	79
Employees	37	551	207	795	17	539	171	727	25	564	170	759
Workers	4	5	27	36	3	2	28	33	0	5	26	31
<b>Total</b>	<b>41</b>	<b>620</b>	<b>292</b>	<b>953</b>	<b>20</b>	<b>605</b>	<b>250</b>	<b>875</b>	<b>25</b>	<b>633</b>	<b>241</b>	<b>899</b>

GRI 405-1

## EMPLOYEES BY PROFESSIONAL CATEGORY AND GENDER - ABROAD

	2023			2022		
	men	women	total	men	women	total
Executives	0	0	0	0	0	0
Managers	0	0	0	0	0	0
Employees	27	26	53	33	22	55
Workers	20	10	30	24	6	30
<b>Total</b>	<b>47</b>	<b>36</b>	<b>83</b>	<b>57</b>	<b>28</b>	<b>85</b>

GRI 405-1



## EMPLOYEES BY PROFESSIONAL CATEGORY AND AGE GROUP - ABROAD

	2023				2022			
	Up to 30 years	30 to 50	Over 50	total	Up to 30 years	30 to 50	Over 50	total
Executives	0	0	0	0	0	0	0	0
Managers	0	0	0	0	0	0	0	0
Employees	4	36	13	53	7	32	16	55
Workers	10	13	7	30	5	16	9	30
<b>Total</b>	<b>14</b>	<b>49</b>	<b>20</b>	<b>83</b>	<b>12</b>	<b>48</b>	<b>25</b>	<b>85</b>

GRI 405-1

The Snaitech Group's objective, as mentioned earlier, is to be a promoter and spokesperson for the values of diversity and inclusion, evidenced by the significant presence of employees belonging to protected categories, who account for 5% of the workforce, for a total of 49 people.

## EMPLOYEES BELONGING TO PROTECTED/DISABLED CATEGORIES BY GENDER

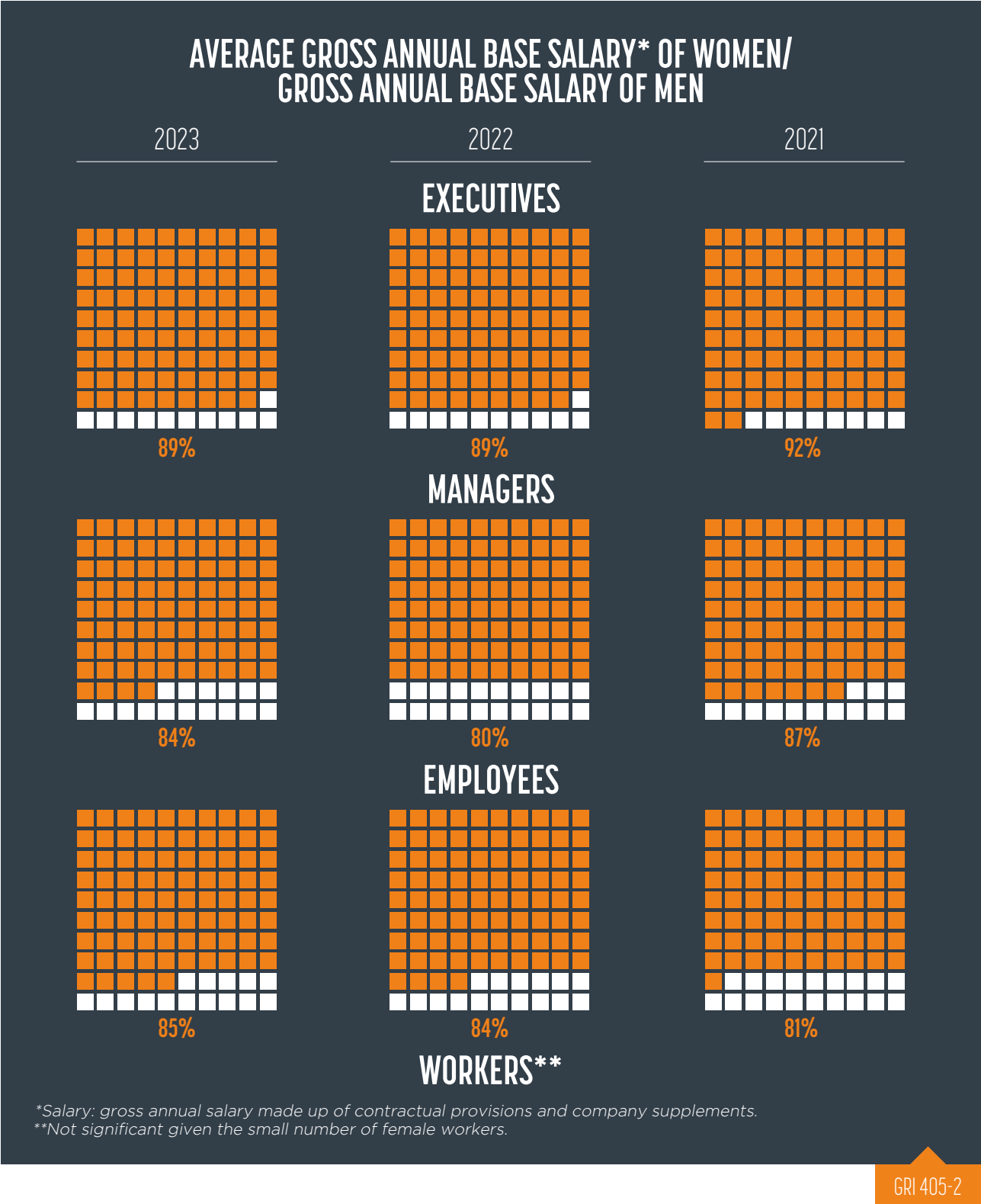
	2023			2022			2021		
	men	women	total	men	women	total	men	women	total
Executives	2	2	3	2	1	3	2	0	2
Managers	2	1	3	2	1	3	2	1	3
Employees	16	20	36	17	22	39	20	20	40
Workers	7	0	7	6	0	6	6	1	7
<b>Total</b>	<b>27</b>	<b>22</b>	<b>49</b>	<b>27</b>	<b>24</b>	<b>51</b>	<b>30</b>	<b>22</b>	<b>52</b>

GRI 405-1

With respect to the three professional categories of Executives, Managers and Office Workers, as at 31 December 2023, the gross annual salary for women was, respectively, 89%, 84% and 85% the salary for men in the same categories. In 2023, an improvement is noted for the professional categories Managers and white collars compared to 2022 with a respective improvement of 4 and 1 percentage points, the gender pay gap is still contained thanks to the Group's constant action to encourage the spread of a corporate culture based on merit and recognition of skills. The same considerations also apply to the ratio of the average gross total remuneration (RGL, given by the gross annual salary plus the variable part and the performance bonus) of the female component to

that of the male component, which is 77% for Executives 80% for Managers (compared to 77% in 2022) and 82% for the white-collar category (compared to 80% in 2022).

# AVERAGE GROSS ANNUAL BASE SALARY OF WOMEN/GROSS ANNUAL BASE SALARY OF MEN





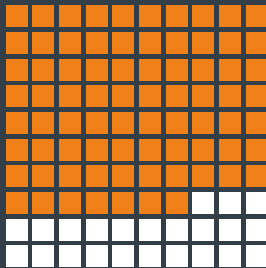
## AVERAGE GROSS ANNUAL BASE REMUNERATION\* OF WOMEN/ GROSS ANNUAL BASE REMUNERATION OF MEN

2023

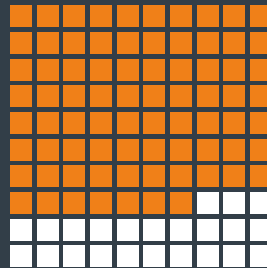
2022

2021

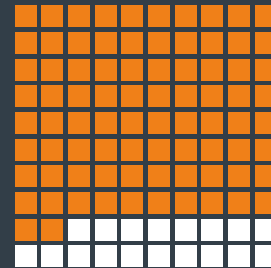
### EXECUTIVES



77%

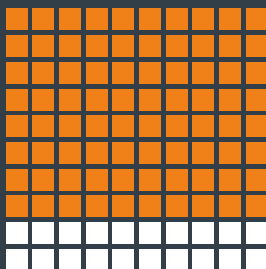


77%

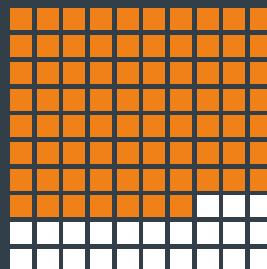


82%

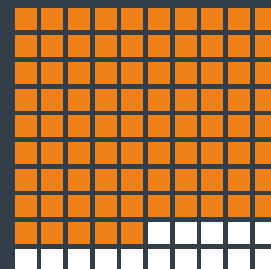
### MANAGERS



80%

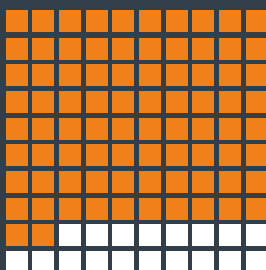


77%

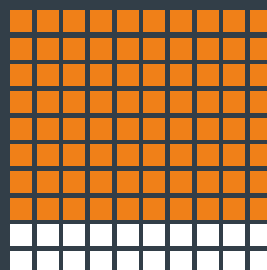


85%

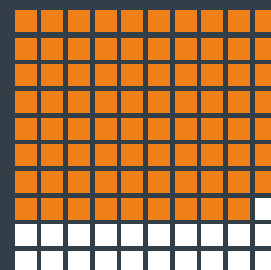
### EMPLOYEES



82%



80%



79%

### WORKERS\*\*

\*Remuneration: means the gross annual basic salary (fixed component) + the variable components and the production bonus. It should be noted that the data in this table do not include employees of the brand companies HAPPYBET.

\*\*Not significant given the small number of female workers.

GRI 405-2

Attention to people and their individuality is a pillar of Snaitech's social responsibility, which is committed daily to strengthening the culture of diversity, fairness and inclusion, inside and outside the company.

# 4.3 HEALTH AND SAFETY

The focus on people, as repeatedly emphasised, is one of the pillars of Snaitech's social responsibility. This is also reflected in the **Group's adoption of appropriate measures to protect the physical and moral integrity of its staff and, therefore, to ensure Health and Safety in the workplace. In addition to the periodic investments made to improve the adequacy and safety of plants and structures, particular attention is paid to training, information and awareness activities in this area,** which are made available to staff.

The issue of health and safety at work is therefore a priority for the Group, and is considered and managed as such.

The companies Snaitech S.p.A. (excluding Racecourses) and Epiqa S.r.l have voluntarily adopted an **Occupational Health and Safety Management System**, based on the principles of UNI ISO 45001:2018, the first international standard to define minimum standards of good practice for the protection of workers. This System aims to prevent and counteract accidents and occupational diseases through the management, monitoring and continuous improvement of the entire company organisation, enabling the companies to increase their performance in terms of Health and Safety.

In detail, the certification obtained by Snaitech covers the management processes of amusement machines and related IT systems, which include:

- activation, operational management and support of the network dealing with the telematic management of legal gambling through amusement machines and the business management system;
- provision of management and technical support service for amusement machines and business management systems;
- maintenance of gaming cards, gaming machines, gaming systems with their video terminals and all peripherals connected to them.

With respect to Epiqa, the activities included within the scope of the certification concern the service of revenues, processing, and distribution of the television signal originating from the filming of horse races in both Italian and foreign racecourses, as well as ancillary services.

UNI ISO 45001, which was last renewed in 2021 with validity until November 2024, places individuals at the centre with the primary objective of guaranteeing them the performance of their duties in a healthy, safe, and secure work environment, covering the vast majority of the Group's population. The Occupational Health and Safety Management System is constantly subjected to audits by certification bodies, which ascertain the compliance of company activities and documents with the requirements of the reference standard.

As a result of compliance with the UNI ISO 45001 standard and respect for the Group's Ethical Code, Snaitech and Epiqa have defined an organisational structure to which the responsibility for the protection of health and safety in the workplace falls. This structure aims to ensure that the adoption of appropriate prevention and protection measures can make it possible, if not completely avoid, at least minimise, the risks to the health or physical safety of the staff.

The following are the main company figures responsible and competent in matters of safety, identified by Snaitech and Epiqa:

- the Prevention and Protection Service Manager (RSPP), who reports directly to the respective Employer on the performance of the Occupational Health and Safety Management System;
- the Prevention and Protection Service Officers (ASPPs), two of whom are appointed by Snaitech and one by Epiqa, who assist the RSPP in carrying out and coordinating their activities;
- the Workers' Health and Safety Representatives (RLS), who act as spokespersons for the Group's workers, promoting their listening and involvement;
- the Coordinating Occupational Physician, responsible for employee discipline and company health records;
- the Fire Emergency and First Aid Management Officers

Due to the unique characteristics and activities of racecourses compared to office environments, Snaitech has entrusted a Safety Delegate to manage health and safety aspects at its Milan and Montecatini Terme racetracks. This specialised individual is responsible for implementing specific prevention and protection measures within the training tracks and horse housing facilities. One such measure is the use of horse handlers provided by third-party companies. This approach has helped Snaitech progressively reduce the risk level of activities performed by employees at the racecourses.

To further guarantee worker protection, each company within the Group has prepared a Risk Assessment Document (DVR) in accordance with Article 28 of L.D. 81 of 2008, outlining the analysis and assessment of the company's health and safety risks and the prevention and/or protection measures to be adopted for their proper management and control.

Thanks to the implementation of the aforementioned measures, the Snaitech Group has not experienced any serious accidents or significant increases in the number of such incidents over the past three years. In detail, **10 accidents were reported in 2023, an increase compared to 2022. However, none of these incidents resulted in serious consequences. The total number of accidents determines the frequency rate, which remained unchanged at 1.14 in 2023 as in 2022. This is due to the increase in total working hours. Furthermore, the Group did not record any cases of occupational diseases in 2023.**

## ACCIDENTS

	2023	2022	2021
<b>TOTAL NUMBER OF ACCIDENTS</b>	<b>10</b>	<b>8</b>	<b>10</b>
of which are on-going	5	4	4
of which: number of incidents with serious consequences (<180 sick days)	0	0	0
<b>FREQUENCY RATE</b>	<b>1.14</b>	<b>1.14</b>	<b>1.55</b>
Serious incident rate	0	0	0
<b>Hours worked</b>	<b>1,612,127.30</b>	<b>1,404,916.89</b>	<b>1,289,207.46</b>

*\*It is specified that accidents occurring when the transport was organised by the organisation are included*  
*\*Total number of accidents/number of hours worked x 200,000.*  
*\*\*\*Total number of days lost due to accidents with serious consequences (more than 180 sick days) / total number of hours worked x 200,000.*

GRI 403-9

## HEALTH AND SAFETY TRAINING

Snaitech Group companies actively promote responsible and appropriate behaviour at all levels of the organisation to manage risk or dangerous situations through the periodic delivery of health and safety training courses at work. For the Group, each individual worker is called upon to contribute to the effectiveness and continuous improvement of the management of this issue, carrying out their activities in compliance with the provisions of company regulations and rules and reporting any inadequacies to the competent figures.

In 2023, the Snaitech Group provided approximately 5,000 man hours of training related to Occupational Health and Safety, confirming the Group's focus on these issues. Among the various training initiatives carried out in compliance with Legislative Decree 81 of 2008, there were alignment meetings with emergency teams aimed at clearly communicating emergency strategies, priorities and procedures as well as raising the team's awareness by fostering better awareness of their role.

# 4.4 STAFF DEVELOPMENT, WELL-BEING AND SKILLS DEVELOPMENT

The general well-being of workers can be a fundamental competitive value for a company. Snaitech, strong in this belief, has made it a strategic value for the growth of the Group and therefore undertakes to ensure that all the companies belonging to it converge, even in compliance with the specificities of the different structures, in the same development vision for their resources.

In 2023, an **important work of dialogue and listening** was carried out **with the Snaitech workers' representatives, which led to the signing of the new Contratto Integrativo Aziendale (CIA - Corporate Bargaining Agreement)**. The CIA, which expires in 2025, is the result of an agreement reached with national and territorial trade union secretaries and covers over 80% of Snaitech S.p.A. employees (excluding executives and the Racecourses BU, which have a separate CBA) and introduces important new features and interventions on the following main topics:

- **Hours Solidarity Bank:** From January 1 to December 31, 2023, Snaitech S.p.A. employees, hired with a permanent employment contract, will be able to donate accrued holidays and permits to colleagues in need - for serious and documented reasons of their own or to assist a family member (up to the second degree of kinship) - in excess of the limits set by current regulations. Employees who have already used up all their vacation days and hours of leave may request the Company to benefit from the days set aside in the Hours Solidarity Bank up to a maximum of 20 total days. In support of the initiative, Snaitech has undertaken to donate a total of 20 days per year to the Hours Solidarity Bank.
- **Nursery school:** With the aim of guaranteeing equal opportunities for working mothers and promoting the reintegration of new parents, Snaitech confirms its contribution to the payment of enrolment and tuition fees for nursery school attendance for each employee's child aged between 0 and 3 years. The monthly reimbursement (from 350€ to 450€) for mothers returning to full-time was also increased, and the fee for the father or mother returning to part-time was confirmed. In the case of parents who are both employed by the Company, the aforementioned reimbursement will be recognized only to the mother.
- **Leave for women victims of gender-based violence:** Snaitech recognises 2 additional months of leave for female employees who are victims of gender-based violence, in addition to what is provided for in Article 24 of Legislative Decree 80 of 2015. 24 of L.D. 80 of 2015. This leave will be fully paid by the Company and can be used on an hourly or daily basis within the 3-year period provided for. The employee also has the right to convert her full-time employment contract to a part-time contract, either vertical or horizontal.
- **Paternity leave:** Another significant new feature introduced by the CBA is the increase of 2 days (to a total of 12) of paid paternity leave.
- **Meal Vouchers:** Starting from January 1, 2023, and for the entire period of validity of the CBA, the CBA will increase meal vouchers for Snaitech staff.
- **Paid leave for specialist examinations:** In the case of diagnostic tests and specialized medical visits, duly certified and with the exception of physiotherapy visits, the CBA provides for the possibility of taking paid leave, up to a maximum of 20 hours per year. These permits will also be recognised and granted in the case of specialist visits for family members of employees belonging to the family unit.

- **Holiday and Sunday work:** As of January 1, 2023, work performed on holidays will be compensated with a 45% (previously 40%) surcharge calculated on the hourly rate of pay. The surcharge will also increase from 30% to 45% for Sunday work.

As of January 2023, meal vouchers were introduced for employees of Snai Rete Italia and for employees in the Betting Collection and Payment, and various services at Racecourses. Meal vouchers recognized to Epiqa staff have been increased in value.

These interventions are part of a broader framework of welfare and total remuneration supplementary institutions, including performance bonuses, additional benefits, and access to well-being initiatives, always with the aim of improving the possibility of reconciling work with personal needs, increasing the well-being of workers and their families, and promoting a sense of belonging to the Snaitech Group and its core values.

With respect to HAPPYBET, despite the complexity in aligning three different cultures (German, Austrian, and Maltese), new benefits were introduced during 2023: meal vouchers in Germany, previously present only in Austria. Eventually, Malta will also have access to equivalent treatment. Also in Germany, the extension of vacation days to 30, positioning the company favorably compared to local competitors and ensuring greater candidate attraction.

It should also be noted that the Snaitech Group organised the Love Generation Xmas Party 2023 in December 2023, a company Christmas event to which all Group employees, both from Italy and abroad, were invited to participate in order to celebrate the successes of the year together. On this occasion, the four Share 4 Good winners were honoured on the big stage of the event, as well as colleagues who have reached 10, 20 and 30 years of employment with the company. Among the various guests who livened up the evening were Giovanni Vernia and international DJ Bob Sinclar.

## ***HYBRID WORK***

Hybrid Work is in fact based on two of Snaitech's main values, responsibility and trust, concepts that are further strengthened in this process.

Hybrid Work was launched in 2022 through a sharing desk project that began during 2023. This new model of work organization and space will help make the work environment increasingly smart, productive, and creative, and will be geared toward accelerating cross-skilling and comparison among colleagues.

During 2023, the **policy on hybrid work**, activated in 2022 on an experimental model, was revised and updated. The new policy allows more flexibility in organizing remote work days, no longer on a weekly basis but on a monthly basis. In addition, clusters of employees (e.g., pregnant workers, or workers/workers with health problems) have been created to meet specific needs of individuals.

HAPPYBET will also soon plan to implement a hybrid work policy for which an employee training phase has been planned where the culture of hybrid work will be introduced.

# STAFF TRAINING AND DEVELOPMENT

**For the Snaitech Group, the continuous development and enhancement of professional skills at all levels are fundamental vehicles for growth and an important source of competitive advantage.** Increasing and updating professional skills, acquiring new and transversal skills, allows individuals to adapt to all the social, technological, and regulatory changes that characterise the business environment in which the Group operates.

Snaitech encourages and promotes the growth of its staff's personal potential. The company is committed to building career paths that guarantee the achievement of professional growth objectives, also in support of the company's development.

The training activities are divided into four macro-categories:

- **Behavioural:** Develop soft skills consistent with the role and with organisational change and development processes. The primary objective is to enhance awareness of the individual's contribution to achieving the company mission and the ability to act effectively in increasingly complex contexts. This is achieved through the learning of techniques and tools aimed at facilitating emotion management and the synergistic achievement of individual and company goals. Among the many activities undertaken during 2023 were leadership training and coaching programs tailored to individual needs.
- **Technical:** Necessary for the implementation of the corporate strategy, it aims at the development and maintenance of specific skills. In this area, there are various on-the-job training initiatives, mentoring activities, role-specific technical courses, and English language courses. In 2023, Snaitech organised and made available to all employees "gamified" sessions dedicated to company welfare. These sessions aimed to consolidate knowledge of the Flexible Benefit Plan and present the main new features introduced in an interactive and fun way. In addition, an awareness and training programme was launched to strengthen cybersecurity awareness.
- **Occupational Health and Safety:** Includes the provision of training and information courses for staff in accordance with L.D. 81 of 2008.
- **Compliance:** Includes the various training initiatives promoted by the Legal and Corporate Affairs Department and the Human Resources and Organisation Department, aimed at strengthening information, awareness and compliance with current laws and regulations.

Over the past few years, the use of digital as the prevailing medium of dissemination and contact has demanded the utmost flexibility and adaptability from all Group staff, who have embraced and successfully met this challenge. This training program, which will be renewed again next year, has focused on supporting employees in the digital transformation, communicating and teaching best practices for managing virtual meetings and other opportunities offered by the tools used daily by employees. **Team building experiences** are also organised periodically by Snaitech to strengthen engagement, teamwork, and promote the development of an increasingly inclusive environment that is attentive to the well-being of individuals and teams. Since 2023, these activities have been extended to other professional categories, not just managers as in the past.

Regarding the training provided by the Group in 2023, the data confirms the positive trend already recorded in the previous two years. In particular, training in 2023 doubled compared to the numbers that remained stable in 2022 and 2021. This is thanks to significant increases in training hours in some strategic areas for the Group.

Below is a summary of the training hours provided in 2023, including HAPPYBET, where the focus was on aligning basic processes and making them standardised.



## TRAINING HOURS BY TYPE

	2023	2022	2021
Behavioural	2,753	633	5,548
Team Building	1,088	1,642	824
Technical (including Welfare)	12,000	7,716	5,602
On-the-job training	2,430	625	1,724
L.D. 231/2001 and anti-corruption, AML (anti-money laundering), responsible gambling, antifacilitation of tax evasion	3,091	1,448	850
Health and safety	4,919	1,966	1,515
Privacy	308	21	833
Information security	4,311	402	579
Diversity & inclusion	114	1,936	265
<b>Total</b>	<b>31,012</b>	<b>16,389</b>	<b>17,740</b>

In 2023, the **Snaitech Academy**, the platform dedicated, in particular, to the provision of mandatory courses, was used. Three training courses in Information Security and Compliance were, therefore, made available.

The number of training hours per capita for the Italian market in 2023 amounts to 29.93, representing a valuable result, which confirms Snaitech's consistency in terms of valuing its human capital, recognised as the Group's true strength.

## TRAINING HOURS BY GENDER AND PROFESSIONAL CATEGORY

Training hours by gender <sup>1</sup>	2023	2022	2021
Men	18,478	9,975	10,215
Women	12,534	6,414	7,525
<b>Total</b>	<b>31,012</b>	<b>16,389</b>	<b>17,740</b>

1. The calculation of training hours also includes HAPPYBET

GRI 404-1

Training hours by professional category	2023	2022	2021
Executives	1,631	2,019	1,275
Managers	3,712	2,485	3,128
Employees <sup>2</sup>	25,080	11,456	13,263
Workers	515	394	75
Abroad	74	36	N/A
<b>Total</b>	<b>31,012</b>	<b>16,389</b>	<b>17,740</b>

2. Also included within the Employee category are Giobet employees, interns, and employees of HAPPYBET.

GRI 404-1

## CERVELLI IN FUGA SNAITECH. ANCHE IN ITALIA ESISTE IL LAVORO DEL FUTURO

Snaitech makes the development and enrichment of the consumer experience its absolute priority through principles of security, usability, and technological innovation; for this reason, it is constantly looking for talented people to offer an inclusive, meritocratic, dynamic, and rapidly growing work environment both on the Italian market and internationally.

These are the principles that guided the launch of Snaitech's first "Coding Challenge": until June 25, 2023, it was possible for all those interested in testing themselves and their IT skills to participate in the challenge through two challenges: Coding Front-End Developer and Coding Back-End Developer. The candidates tested their programming and writing skills in the main programming languages (HTML, JavaScript, etc.). But that's not all: all those who participated then had the opportunity to showcase their skills and make themselves known to Snaitech at the final event.

Through the Coding Challenge — accompanied by the campaign 'Cervelli in fuga Snaitech. Anche in Italia esiste il lavoro del futuro (Snaitech Brain Drain. The Work of the Future is also in Italy)' - the company wanted to launch a personal challenge to young talents, to test their skills in an original and intuitive way. In the end, it was nothing more than a foretaste of what it means to work at Snaitech.

In this direction, it is worth mentioning the "STEM Speed Date" in 2024, another initiative through which Snaitech met candidates and young talents by presenting its reality and job opportunities.



# CERVELLI IN FUGA SNAITECH

ANCHE IN ITALIA ESISTE IL LAVORO DEL FUTURO.

***SNAITECH***

# 4.5 SNAITECH'S RELATIONSHIP WITH ITS SUPPLIERS

In 2023, Snaitech Group's supply costs for goods and services amounted to over 595 million and included, among others, fees paid to third parties for revenues (managers and commercial partners) and platform-related costs. Despite the expansion of the Group's business scope, the 76% of the supply chain is composed by Italian suppliers, a figure that rises to 88% considering the exposures of Italian legal entities. To carry out its business, Snaitech relies on various categories of suppliers, which can be categorised as follows, depending on the type of supply:

- A. managers and business partners;
- B. hardware and software (gaming terminals and platforms, office machines);
- C. energy supply (electricity, natural gas, oil);
- D. telecommunications and connectivity;
- E. assistance and maintenance;
- F. professional consultancy services;
- G. logistics and transport services;
- H. legal and financial services;
- I. communication agencies;
- J. services dedicated to marketing activities and market research.

The responsible and sustainable management of the supply chain represents a theme of extreme strategic importance for Snaitech and is already implemented starting from the supplier selection phase, which involves the adoption of **criteria based on principles of objectivity, morality, reliability, impartiality, fairness of price, safety, quality of goods and services**, and carefully evaluates the guarantees of assistance and the panorama of offers in a competitive regime. In this context, a preventive verification of the supplier's reputational requirements is also carried out, compliance with which is then periodically monitored during the business relationship.

Verifications are carried out on the potential supplier to investigate the possession of the technical, professional and financial requirements and authorisations to carry out their business, as well as to evaluate the possession of any certifications. The potential supplier must also declare to be aware of and undertake to comply with Snaitech's Code of Ethics and Model 231. In order to guarantee complete transparency of the process, contracts are followed by various company areas and are subject to different levels of approval. In addition to the above, each supplier is required to guarantee compliance with and respect for regulations in the field of:

- safety and the environment;
- employment contracts and social security contributions to their employees;
- employment of non-EU citizens.

These best practices have also been extended to the latest acquisitions in 2022 and 2023 (HAPPYBET and Giobet, respectively), which are fully integrated into Snaitech's procurement process in terms of management systems, applicable procedural regulatory body and administration of questionnaires.

Among the procurement processes worth mentioning is the one related to company vehicles, which is gradually transitioning to hybrid engines.

A separate focus must be dedicated to the **supply chain of racecourse suppliers**, which has specificities in its management due to the peculiarity of the activity and the large number of relationships that characterise it. It should be noted, in fact, the variety of product categories, ranging from supplies for the maintenance of buildings (building, electrical, plumbing), tree assets, to supplies of vehicles and equipment, to supplies of fuels, sand and seeds for the tracks. There are also suppliers directly linked to racing activities, which have specificities closely linked to the world of horse racing.

The supply activities in the racecourse sector have represented a particularly important construction site in 2023, with the implementation of the Snai San Siro Horse Arena project already presented in Chapter 3. Sustainability, by virtue of the important renovation works of the equestrian complex.

The selection process for racecourse suppliers is distinguished by the need to contain costs and the quality of the services offered, but also by the choice of supply companies close to the racecourses as the racing calendar, very rich and concentrated in particular periods, requires timely intervention and very specific professionalism to deal with the critical issues that may arise. Therefore, the presence of the Racecourses on the territory represents an important driver of induced demand for the local economy.

*SNAITECH*

# METHODOLOGICAL NOTE

# OBJECTIVES AND REFERENCE STANDARD

For years, the Snaitech Group has set itself the objective of reporting, on an annual basis, its ESG (Environmental, Social, and Governance) performance and ambitions, sharing with its stakeholders its awareness and culture of Sustainability. The Snaitech Group's Sustainability Report 2023, which refers to the period from 1 January to 31 December 2023, is in fact the eighth non-financial reporting exercise, and is presented as purely voluntary reporting. Following the acquisition of the entire share capital of Snaitech by Playtech - a leader in the international casino software and gambling market - Borsa Italiana S.p.A. has ordered the revocation of the ordinary shares of Snaitech S.p.A. from listing with effect from 3 August 2018, making the Group no longer obliged to comply with L.D. 254/2016 to which it was subject as a large public interest Entity. Nevertheless, Snaitech has chosen to continue its commitment to reporting and conducting its business activities according to a responsible approach in the triple economic, social and environmental dimension.

In methodological terms, this Sustainability Report 2023 has been prepared using the principles defined by the "Sustainability Reporting Standards" published by the Global Reporting Initiative (GRI) in their latest updates, according to the "with reference to" option. In particular, the edition published in 2021 (GRI 1, GRI 2 and GRI 3), which came into force on 1 January 2023, and all other applicable GRI Standards have been used.

# MATERIALITY ANALYSIS AND REPORTING SCOPE

The topics covered in the Sustainability Report are the result of the Materiality Analysis presented in detail in the Chapter "The Snaitech Group", updated this year in line with the provisions of GRI 3. Through this analysis, Snaitech has confirmed the themes that represent the Group's main impacts on the economy, people and the environment, which have also guided the structure of the content and the index of the document, an evolution of the approach adopted in the previous reporting period.

The Sustainability Report 2023 describes the environmental, social and economic performance of the Snaitech Group Companies, both in Italy and abroad, with the exception of affiliated companies and companies without employees. An exception is made for Fondazione Snaitech (formerly iZilove Foundation) - 100% controlled by Snaitech S.p.A. and without employees - in consideration of the relevance of its social solidarity activities in the field of assistance, charity, education and training, promotion of culture and art and scientific research.

In order to provide as complete and comprehensive a picture as possible of the performance of the reporting year, the data published are presented in comparative form where relevant; there are also additional data, information and KPIs not linked to the GRI Standards, but nevertheless considered useful to ensure a correct representation of the reporting year and a comprehensive understanding of the material topics. Any restatements of previously published data are clearly indicated within the various sections of the Sustainability Report.



# DATA PROCESSING AND METHODS

The Working Group established by the Parent Company for the preparation of the Sustainability Report 2023, coordinated by the Business Development & Communications Directorate and composed of the Corporate Directorates of the Group Companies, was responsible for data collection and document preparation. The Directors were involved through in-depth interviews on their areas of expertise, as well as for data collection and subsequent drafting and revision of the textual parts of the document. The analysis process also included in-depth discussions with the Parent Company Playtech where useful to ensure the completeness and accuracy of data collection and presentation.

With reference to greenhouse gas emissions, it is reported:

- Scope 1: Direct emissions are those from sources owned or controlled by the organisation. For the Snaitech Group, these sources are exclusively represented by heating, refrigerants and fuels that power generators and the company's fleet of cars and vans. Source of emission factors used: ISPRA - Table of standard national parameters, updated to 2023;
- Scope 2: Indirect emissions, deriving from the purchase of electricity, have been calculated using the Location based and Market based methods. Location based emissions are calculated considering all the energy purchased by the Group (renewable and non-renewable) as indicated by the GRI Standards. Source of emission factors used: ISPRA - Table of standard national parameters, updated to 2023; the indirect emissions calculated according to the Group's Market based method take into account the non-renewable share of purchased electricity and district heating energy. Source of emission factors used: AIB 2018 international comparisons;
- Scope 3: Indirect emissions related to the value chain, divided into the 15 categories defined in line with the GHG Protocol. The materiality analysis of the emission categories was carried out at Playtech Group level, determining the relevance of all categories with the exception of 8 (Upstream Leased Assets) and 10 (Processing of Sold Products). For the applicable categories, a detailed assessment was carried out to segregate the share attributable to the Snaitech Group, which is disclosed in this document. For details of the analysis, please refer to the Playtech Group's Annual Report and Accounts 2023.



*SNAITECH*

# CONTENT INDEX

<b>DECLARATION OF USE</b>	The Snaitch Group has prepared its Sustainability Report with reference to GRI Standards for the period 1 January 2023 to 31 December 2023.
<b>GRI 1 USED</b>	GRI 1: Foundation 2021

GRI STANDARDS	DISCLOSURE	LOCATION / PARAGRAPH	NOTES
<b>ORGANISATION PROFILE</b>			
<b>GRI 2</b>	<b>2-1</b> Organisational Details	A strategy guided by the Vision and Mission; Corporate Governance	
	<b>2-2</b> Entities included in the organization's sustainability reporting	Corporate Governance; Methodological note	
	<b>2-3</b> Reporting period, frequency and contact point	Methodological note	For further information <a href="mailto:ufficio.stampa@snaitech.it">ufficio.stampa@snaitech.it</a>
	<b>2-4</b> Restatements of information		The Sustainability Report is not subject to restatement.
	<b>2-6</b> Activities, value chain and other business relationships	Corporate Governance; 2.1 The synergy between retail and online gaming: the offer of games and services; 2.2 Snaipay services; 2.3 Multimedia services; 3.5 Commitment to the community: responsible business management	
	<b>2-7</b> Employees	4.1 Human capital: our People and their contribution	
	<b>2-8</b> Workers who are not employees	4.1 Human capital: our People and their contribution	
	<b>2-9</b> Governance structure and composition	Corporate Governance	
	<b>2-22</b> Statement on sustainable development strategy	Letter to Stakeholders	
	<b>2-23</b> Policy Commitments	1.2 Ethics, transparency and integrity <i>Sub-paragraph:</i> Organisation, management and control model; <i>Sub-paragraph:</i> Anti-corruption; <i>Sub-paragraph:</i> Anti-money laundering; 3.2 Energy efficiency and emissions reduction; 4.4 Staff development, well-being and skills development	
	<b>2-28</b> Membership associations	Materiality Analysis	
	<b>2-29</b> Approach to stakeholder engagement	Materiality Analysis	
	<b>2-30</b> Collective bargaining agreements	4.1 Human capital: our People and their contribution	
<b>GRI 3</b>	<b>3-1</b> Process to determine material topics	Materiality Analysis	
	<b>3-2</b> List of material topics	Materiality Analysis	

GRI STANDARDS	DISCLOSURE	LOCATION / PARAGRAPH	NOTES
<b>MATERIAL TOPICS</b>			
<b>Generation and distribution of economic value</b>			
<b>GRI 3</b>	<b>3-3</b> Management of material topics	The group's positioning and economic performance	
<b>GRI 201</b>	<b>201-1</b> Direct economic value generated and distributed	The group's positioning and economic performance <i>Sub-paragraph:</i> Economic performance and the value generated and distributed	
<b>Compliance with laws and regulations and combating illegal activities</b>			
<b>GRI 3</b>	<b>3-3</b> Management of material topics	1.2 Ethics, transparency and integrity; 1.3 Consumer protection: the challenges of the market and technology	
<b>GRI 205</b>	<b>205-1</b> Operations assessed for risks related to corruption	1.2 Ethics, transparency and integrity <i>Sub-paragraph:</i> Anti-corruption; <i>Sub-paragraph:</i> Anti-money laundering	
	<b>205-2</b> Communication and training about anti-corruption policies and procedures	1.2 Ethics, transparency and integrity <i>Sub-paragraph:</i> Organisation management and control model	
	<b>205-3</b> Confirmed incidents of corruption and actions taken	1.2 Ethics, transparency and integrity <i>Sub-paragraph:</i> Anti-corruption; <i>Sub-paragraph:</i> Anti-money laundering	
<b>GRI 206</b>	<b>206-1</b> Legal actions for anti-competitive behavior, anti-trust and monopoly practices	1.1 The regulatory framework and the main innovations; 1.2 Ethics, transparency and integrity	In 2023, there were no legal actions for anti-competitive behaviour and/or violations of anti-trust and monopoly legislation.
<b>GRI 207</b>	<b>207-1</b> Approach to tax	The Group's positioning and economic performance <i>Sub-paragraph:</i> The contribution to taxation	
	<b>207-2</b> Tax governance, control and risk management	The Group's positioning and economic performance <i>Sub-paragraph:</i> The contribution to taxation	
	<b>207-3</b> Stakeholder engagement and management of concerns related to tax	The Group's positioning and economic performance <i>Sub-paragraph:</i> The contribution to taxation	
	<b>207-4</b> Country-by-country reporting	The Group's positioning and economic performance <i>Sub-paragraph:</i> The contribution to taxation	

GRI STANDARDS	DISCLOSURE	LOCATION / PARAGRAPH	NOTES
<b>Staff development, well-being and skills development</b>			
GRI 3	3-3 Management of material topics	4.4 Staff development, well-being and skills development	
GRI 401	401-1 New employee hires and employee turnover	4.1 Human capital: our People and their contribution <i>Sub-paragraph: Employee profile</i>	
	401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	4.4 Staff development, well-being and skills development	
GRI 404	404-1 Average hours of training per year per employee	4.4 Staff development, well-being and skills development	
<b>Diversity, equal opportunities and inclusion</b>			
GRI 3	3-3 Management of material topics	4.2 Diversity, equal opportunities and inclusion	
GRI 405	405-1 Diversity of governing bodies and employees	Identity and strategy Corporate Governance; 4.2 Diversity, equal opportunities and inclusion	
	405-2 Ratio of basic salary and remuneration of women to men	4.2 Diversity, equal opportunities and inclusion	
GRI 406	406-1 Incidents of discrimination and corrective actions taken	4.2 Diversity, equal opportunities and inclusion	
<b>Employee health and safety</b>			
GRI 3	3-3 Management of material topics	4.3 Occupational health and safety	
GRI 403	403-1 Occupational health and safety management system	4.3 Occupational health and safety	
	403-2 Hazard identification, risk assessment, and incident investigation	4.3 Occupational health and safety	
	403-3 Occupational health services	4.3 Occupational health and safety	
	403-4 Worker participation, consultation and communication on occupational health and safety	4.3 Occupational health and safety	
	403-5 Worker training on occupational health and safety	4.3 Occupational health and safety <i>Sub-paragraph: Health and safety training</i>	
	403-6 Promotion of worker health	4.3 Occupational health and safety	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	4.3 Occupational health and safety	
	403-8 Workers covered by an occupational health and safety management system	4.3 Occupational health and safety	
	403-9 Work-related injuries	4.3 Occupational health and safety	
	403-10 Work-related ill health	4.3 Occupational health and safety	

GRI STANDARDS	DISCLOSURE	LOCATION / PARAGRAPH	NOTES
<b>Commitment to the local community</b>			
GRI 3	3-3 Management of material topics	3.5 Commitment to the community: responsible business management	
GRI 413	413-1 Operations with local community engagement, impact assessments, and development programmes	3.5 Commitment to the community: responsible business management <i>Sub-paragraph:</i> The Fondazione Snaitech and social initiatives; 3.1 Management of environmental impacts <i>Sub-paragraph:</i> Management and promotion of the racecourses	
<b>Service quality and consumer relations</b>			
GRI 3	3-3 Management of material topics	1.3 Consumer protection	
GRI 416	416-1 Assessment of the health and safety impacts of product and service categories	1.3 Consumer protection <i>Sub-paragraph:</i> Auditing at points of sale	
<b>Promoting responsible gaming</b>			
GRI 3	3-3 Management of material topics	1.3 Consumer protection <i>Sub-paragraph:</i> Promotion of informed, responsible and safe gaming	
GRI 417	417-1 Requirements for product and service information and labeling	1.3 Consumer protection <i>Sub-paragraph:</i> Promotion of informed, responsible and safe gaming	
	417-2 Incidents of non-compliance concerning product and service information and labeling	1.3 Consumer protection <i>Sub-paragraph:</i> Promotion of informed, responsible and safe gaming	There were no reported cases of non-compliance in this area in 2023.
	417-3 Incidents of non-compliance concerning marketing communications	1.3 Consumer protection <i>Sub-paragraph:</i> Promotion of informed, responsible and safe gaming	There were no reported cases of non-compliance in this area in 2023.
<b>Data security and protecting consumer privacy</b>			
GRI 3	3-3 Management of material topics	1.3 Consumer protection <i>Sub-paragraph:</i> Data security and privacy protection	
GRI 418	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	1.3 Consumer protection <i>Sub-paragraph:</i> Data security and privacy protection	
<b>Responsible shop management</b>			
GRI 3	3-3 Management of material topics	1.3 Consumer protection <i>Sub-paragraph:</i> Responsible shop management	
GRI 416	416-1 Assessment of the health and safety impacts of product and service categories	1.3 Consumer protection <i>Sub-paragraph:</i> Responsible shop management	



GRI STANDARDS	DISCLOSURE	LOCATION / PARAGRAPH	NOTES
<b>Technological innovation, research and development</b>			
<b>GRI 3</b>	<b>3-3</b> Management of material topics	2.1 The synergy between retail and online: the offer of games and services; 2.2 Snaipay services; 2.3 Multimedia services	
<b>Custom indicator</b>	Investments in cybersecurity in 2022	1.3 Consumer protection <i>Sub-paragraph:</i> Data security and privacy protection	
<b>Reducing energy consumption and emissions</b>			
<b>GRI 3</b>	<b>3-3</b> Management of material topics	3.2 Energy efficiency and emissions reduction	
<b>GRI 302</b>	<b>302-1</b> Energy consumption within the organisation	3.2 Energy efficiency and emissions reduction	
<b>GRI 305</b>	<b>305-1</b> Direct (Scope 1) GHG emissions	3.2 Energy efficiency and emissions reduction	
	<b>305-2</b> Energy indirect (Scope 2) GHG emissions	3.2 Energy efficiency and emissions reduction	
	<b>305-3</b> Other indirect (Scope 3) GHG emissions	3.2 Energy efficiency and emissions reduction	
<b>Responsible water management</b>			
<b>GRI 3</b>	<b>3-3</b> Management of material topics	3.3 Water and waste management; 3.4 Consumption of materials	
<b>GRI 303</b>	<b>303-3</b> Water withdrawal	3.3 Water and waste management; 3.4 Consumption of materials	
	<b>303-4</b> Water discharge	3.3 Water and waste management; 3.4 Consumption of materials	
<b>Responsible management of natural resources and climate action</b>			
<b>GRI 3</b>	<b>3-3</b> Management of material topics	3.2 Energy efficiency and emissions reduction	
<b>GRI 304</b>	<b>304-3</b> Habitats protected or restored	3.1 Management of environmental impacts <i>Sub-paragraph:</i> Management and promotion of the racecourses	
<b>Responsible waste management</b>			
<b>GRI 3</b>	<b>3-3</b> Management of material topics	3.3 Water and waste management	
<b>GRI 301</b>	<b>301-1</b> Materials used by weight or volume	3.3 Water and waste management	
	<b>306-1</b> Waste generation and significant waste-related impacts	3.3 Water and waste management	
	<b>306-2</b> Management of significant waste-related impacts	3.3 Water and waste management	
<b>GRI 306</b>	<b>306-3</b> Waste generated	3.3 Water and waste management	
	<b>306-4</b> Waste diverted from disposal	3.3 Water and waste management	
	<b>306-5</b> Waste directed to disposal	3.3 Water and waste management	
<b>Responsible supply chain management</b>			
<b>GRI 3</b>	<b>3-3</b> Management of material topics	4.5 Snaitech's relationship with its suppliers	
<b>GRI 412</b>	<b>412-1</b> Operations that have been subject to human rights reviews or impact assessments	4.5 Snaitech's relationship with its suppliers	



**Concepts, editorial co-ordination and editing**

Business Development & Communications Snaitech

**Graphic design and layout**

Zampediverse

**Printing**

Multimedia Publishing by ALMACA S.r.l.

**Snaitech S.p.A. in short Snai S.p.A.  
with Sole Shareholder**

**Registered Office**

**Milan**

Piazza della Repubblica, 32

**Other Office**

**Porcari (LU)**

Via Luigi Boccherini, 39

**Rome**

Via Goito 58A

Share capital: €97,982,245.40 fully paid up

Tax code: 00754850154

VAT Number: 01729640464

**[www.snaitech.it](http://www.snaitech.it)**

**[www.snai.it](http://www.snai.it)**

