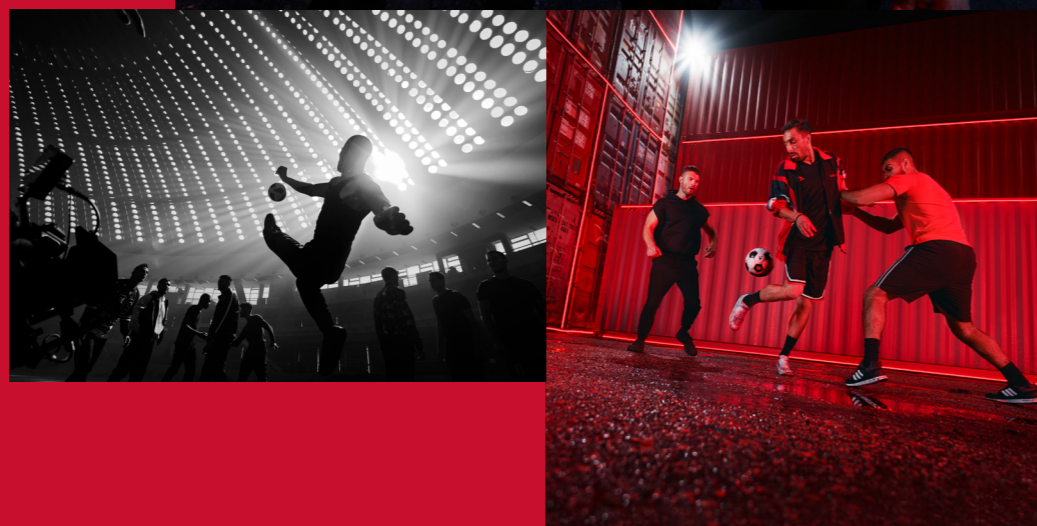


tipico



**ENVIRONMENT
SOCIAL
GOVERNANCE
REPORT
2023**

TIPICO ESG REPORT 2023



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01 INTRODUCTION



DEAR READER,

This is our very first attempt to report in line with Corporate Sustainability Reporting Directive (CSRD) requirements, which will take effect for Tipico in fiscal year 2025. We firmly believe that complying with the CSRD will not only fulfill regulatory obligations but will also support our long-term business success and resilience.

Being a continuous member of the United Nations (UN) Global Compact, we are adhering to internationally proclaimed human rights and standing up for business ethics and fair labor conditions, not only within our own operations but also within our supply chain. We know, however, that this is not an exhaustive list of our environment, social, and governance (ESG)-related impacts. Therefore, we conduct a materiality assessment involving our key stakeholders.

2023 was a very insightful year for us since we were identifying material ESG topics for our stakeholders through a series of interviews, surveys, and industry benchmarking. We always strive to meet and exceed the expectations of our customers, authorities, business

partners, investors, and other groups of shareholders who expect detailed and reliable information about Tipico's ESG impact and performance.

Besides new ESG learnings, we continued our roadmap of reducing Scope 1 and 2 CO₂e emissions to zero by 2030. In 2023, we increased the share of renewable electricity supply in Tipico shops to 83% (+3% compared to 2022). In the office locations where no contracts for renewable electricity are available, we have purchased Green Certificates. As a result of this and other actions described in the report, we achieved a 20% reduction in gross carbon emissions in Scope 1 and Scope 2 compared to the previous year. When it comes to Tipico Scope 3 emissions, our data centers' provider switched to 100% renewable electricity in 2023, resulting in zero emissions from Tipico's online offer.

We not only measured our achievements in reaching our zero emissions goal but also tested the alignment of our business operations with the goals of the Paris Agreement to limit global warming to 1.5 degrees or

lower. In order to conduct such a test, we underwent an analysis according to the X-Degree Compatibility (XDC) methodology [based on our 2023 data](#). We can say with certainty that Tipico's business model is fully viable and profitable under the goals of the Paris Agreement.

Besides our environmental actions, we continued focusing on player protection, which is essential for long-term business sustainability. We run strict affordability checks, undertake transactional monitoring, and commit multiple resources toward the early detection and prevention of gambling-related issues. To measure the protection of vulnerable customers, we have defined a key performance indicator (KPI) that consists of the turnover conducted by customers who would later self-exclude or be excluded before they were identified and given the protection they require. We have reached a level of below 1.5% in 2022 for the first time, and it is our goal to stay consistently below this level, independent of annual fluctuation.

Please find further details about Tipico's ESG performance in this report. Happy reading!

THE TIPICO BOARD

Joachim Baca (CEO), **Karin Klein** (CRO), **Marlon van der Goes** (CCO), and **Stefan Eck** (CFO)

WE ARE TIPICO

TRUST

Think about sports betting in Germany, and you think Tipico. With one in every two bets placed with Tipico, we are the clear leader in the German market, with 1,049 shops and over 50% market share.

Our mission is to electrify the sports betting experience for every customer. We maximize Spannung and our culture is bursting with energy and ambition. We do our utmost to obtain the best outcome and achieve success, generating these powerful moments of Spannung, thriving through our values of trust, progress and passion.

Tipico celebrates diversity by being present across seven different international locations: Malta (HQ), Germany, Austria, Croatia, Gibraltar, the US, and Colombia. Globally, we have over 2,050 employees from 67 nations across five continents. Our expansive network comprises supporting offices, shops owned by Tipico Group companies, and franchise shops throughout Germany and Austria.

In peak times, we process up to 50,000 financial transactions per minute, similar to a stock exchange. Over two million customers trust us with their bets and the safety of their funds. This level of trust obliges us to heed rigorous governance. As the market leader, we strive to always be the safe choice for our customers.



WE MAXIMISE SPANNUNG

PROGRESS

Tipico operates digitally throughout. There are Tipico shops in every greater German locality, but it's a matter of personal preference whether to bet online – maybe directly from the match – or to place a bet in a physical venue with friends, watching the stream. The underlying technology is always the same, as is our supervision and customer protection, which rely on the same level of monitoring.

Constant innovation does not prevent us from having an uptime of more than 99.9%. With up to 100 releases a day, we can innovate and adapt our product without interfering with our daily operations. Our customers appreciate the digital drive led by Tipico. As a consequence, it is unsurprising that 96% of our customers have used our online offering at least once this year. Of our gross gaming revenue, 68% stems from online betting and gaming.

The shared backbone of all our online and retail operations relies on a scalable architecture that utilizes as few servers as possible but can spin up as many as required. This dynamic setup and the increasing reliance on renewable energies help us reduce our CO₂e footprint year by year.

PASSION

We love sports and, like those who share our passion, always strive to be number one. Tipico counts on real fans, their devotion, and their love for the game.

Our customers share our energetic spirit. Mostly aged between 18 and 39, they select Tipico as their unique sports betting operator for a number of reasons. Most important of which are our innovative digital solutions.

SPANNUNG

(German /'ʃpanʊŋ/)

Excitement, voltage, electric tension.

We electrify the betting experience with thrilling moments of Spannung. But behind the scenes, we dial up the Spannung in our working lives too, as part of a culture bursting with energy and ambition. For ourselves and each other, we persistently maximize our own personal Spannung, committing to our daily work with unstoppable exhilaration and sky-high voltage!

GOVERNANCE

Tipico is a private company. Since 2016, CVC Capital Partners has indirectly held a majority stake in the Tipico Group (around 60%), with four founding members, each still indirectly holding almost 10% of the shares. The Tipico Group has a one-tier board comprising four executive members. Tipico builds upon the competencies of all employees and, therefore, delegates

authority for many business processes. By using our expertise on all levels, the company can progressively and quickly adapt to the market. Furthermore, we are agile in our operations and ensure that management can focus on crucial decisions. Therefore, we established a Delegation of Authority Policy, which governs responsibilities and allowances, and for certain key functions, Powers of Attorney have been issued to employees, ensuring that the companies are able to act within the legal framework at all times.

BOARD DIVERSITY

At Tipico, the percentage of female board members is 25%, and the average tenure of board members is 7.5 years. Whenever board meetings are held, at least 50% of all members are required to participate. The members of the Tipico Group Board of Directors are elected by the Shareholders' Committee and subsequently appointed through resolution at the Shareholders' Meeting.

NATIONALITY OF BOARD MEMBERS



FEMALE BOARD MEMBERS



AVERAGE TENURE OF BOARD MEMBERS

7.5 Years

THE BOARD



JOACHIM BACA

CHIEF EXECUTIVE OFFICER (CEO)

TENURE:
APPOINTED AS CEO IN JULY 2016 (8 YEARS)

EXPERIENCE:
Joachim has worked with digital business models for more than 20 years and possesses in-depth iGaming know-how.

Joachim was previously a member of the executive board of bwin.party digital entertainment PLC (now Entain PLC), where he served as Chief Operating Officer for more than 10 years and was responsible for group-wide strategy execution, expansion, and effective operations.

Joachim has covered numerous responsibilities, including mergers and acquisitions and representing the company in multiple successful joint ventures. Moreover, he gained comprehensive digital expertise by working for Red Bull Ltd. and the technology venture capitalist March-fifteen PLC at the beginning of his career.



STEFAN ECK

CHIEF FINANCIAL OFFICER (CFO)

TENURE:
APPOINTED AS CFO IN OCTOBER 2017 (7 YEARS)

EXPERIENCE:
Stefan has accumulated extensive experience during his career from various positions as CFO.

Besides traditional CFO responsibilities, he has comprehensive knowledge of business transactions and risk management.

Most recently, before joining Tipico, Stefan was CFO of automotive supplier Vibracoustic GmbH, with more than 12,000 employees in 19 countries, where, in addition to standard CFO functions he took care of international supply chain management.

Further roles include being CFO at private equity-backed Hilite Group and Honsel AG, where he successfully closed the sale of Honsel AG to Canadian industrial investor Martinrea Inc.

Stefan holds a master's degree in Economics from Regensburg University and a Delaware certified public accountant (CPA) certificate.



KARIN KLEIN

CHIEF REGULATORY OFFICER (CRO)

TENURE:
APPOINTED AS CRO IN DECEMBER 2016 (7 YEARS)

EXPERIENCE:
Having been part of the gaming industry for more than 20 years, Karin possesses significant knowledge in the field of regulatory affairs and compliance.

During her career, she has successfully implemented standards and processes to ensure effective compliance programs are in place to meet relevant regulations at a multinational level.

She has held several leading roles in the gaming sector, such as Managing Director at bwin.party services Ltd. (an Entain PLC subsidiary) and as Group Director Compliance and Regulatory Affairs at bwin.party digital entertainment PLC (now Entain PLC), where she established a group-wide compliance framework for the effective implementation of anti-money laundering (AML) measures and all regulatory market requirements.

Furthermore, she gained a wealth of experience in strategic marketing, investor and media relations in several roles at the beginning of her professional career.

Karin serves as a member of the board of the German Sports Betting Association (DSWV) and as a member of the Düsseldorfer Kreis – an initiative aiming at ensuring evidence-based consumer protection in gambling.



MARLON VAN DER GOES

CHIEF COMMERCIAL OFFICER (CCO)

TENURE:
APPOINTED AS CCO IN AUGUST 2016 (8 YEARS)

EXPERIENCE:
Marlon is a veteran leader in iGaming and has worked within the industry for over 20 years. He possesses extensive knowledge in sales, marketing and customer relations.

During his professional career, Marlon has held several roles as an executive leader. Among others, Marlon held responsibility for the entire marketing and sales strategy as well as for the customer relationship management at bwin.party services Ltd. (an Entain PLC subsidiary).

He has also served as a Chief Sales Officer at bwin.party digital entertainment PLC (now Entain PLC), where he oversaw strategy, marketing and sales.

In addition to his extensive experience within the gaming industry, Marlon has picked up special knowledge from other executive roles, such as Chief Marketing Officer at Zuno Bank AG, and as Managing Director at Dominion Services Ltd.

OUR LARGE NETWORK COMPRISES SHOPS OWNED BY TIPICO GROUP COMPANIES, AS WELL AS FRANCHISE SHOPS THROUGHOUT GERMANY AND AUSTRIA. TOGETHER WITH THE EXTENSIVE FRANCHISE NETWORK, WE OFFER OUR SERVICES IN

1,139
OUTLETS

GERMANY

SHOPS TOTAL:

1,049

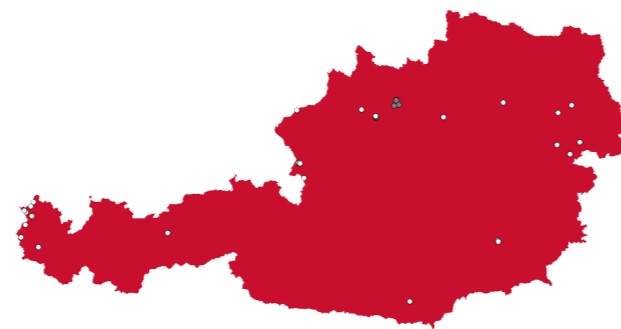


○ FRANCHISE SHOPS ● TIPICO SHOPS

AUSTRIA

SHOPS TOTAL:

38



○ FRANCHISE SHOPS ● TIPICO SHOPS

OUR LOCATIONS



TIPICO GROUP LIMITED
ST JULIAN'S (MT)



TIPICO TECHNOLOGY SERVICES
KARLSRUHE & MUNICH (DE)



TIPICO RETAIL SERVICES GMBH
KARLSRUHE (DE) & VIENNA (AT)



TIPICO SHOP AGENCY NORTH GMBH
HAMBURG (DE)



TIPICO SHOP AGENCY EAST GMBH
BERLIN (DE)



TIPICO SHOP AGENCY SOUTH GMBH
MUNICH (DE)



TIPICO SHOP AGENCY WEST GMBH
FRANKFURT (DE)



TIPICO SHOP AGENCY AUSTRIA GMBH
LINZ (AT)



TIPICO SPORTS SERVICES D.O.O
SLAVONSKI BROD (HR)



TIPICO SERVICES GIBRALTAR (GI)



SPORTS SERVICES SOUTH AMERICA SAS
MEDELLIN (CO)



TIPICO USA TECHNOLOGY INC.
HOBOKEN, NJ (US)

OUR PARTNERS



As market leader, we only partner with the very best. Tipico has been the Official Partner of the Bundesliga and 2. Bundesliga since January 2018. At the end of 2020, the Deutsche Fußball Liga (DFL) and Tipico extended their successful partnership until 2024/25. Tipico is a synonym for passion and a thrilling brand of football – this is emphasized week in and week out by our partnership with the DFL. Bundesliga matches captivate millions of football fans and constitute the core of Tipico’s service.

Tipico has been an official platinum partner to the German football record champion since the 2015/16 season. As a multiple winner of the FIFA Club World Cup, and with a total of six UEFA Champions League titles (formerly known as the European Champion Clubs’ Cup) among its many trophies, FC Bayern München is one of the most successful football clubs in the world.

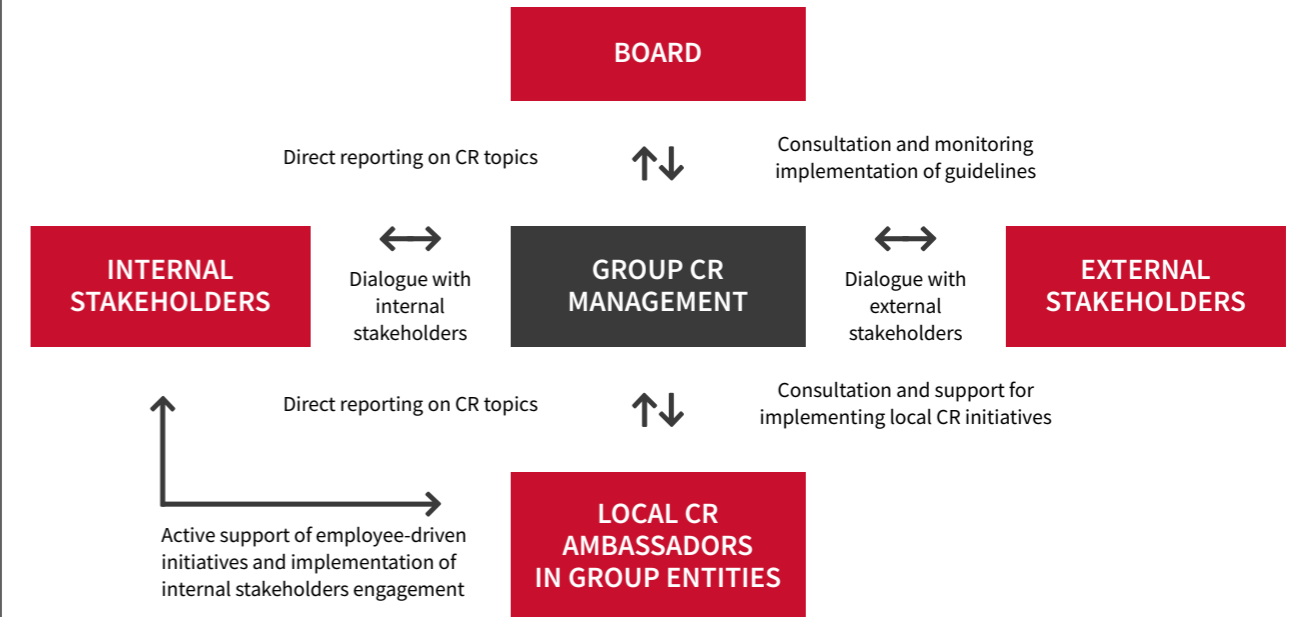
From the 2024/25 season, Tipico became the official and exclusive partner of the easyCredit Basketball Bundesliga. Interest in basketball in Germany is on a steady upward trend, even more so since the German national basketball team won the FIBA World Championship title in 2023. Tipico is pleased to be able to support the continued success story of basketball in Germany with this long-term partnership.



PARTNERSHIP PROLONGATION WITH DFL UNTIL SEASON 2024/25



CORPORATE RESPONSIBILITY (CR) GOVERNANCE



Heads of departments such as Human Resources (HR), AML, Compliance, Purchasing, etc., deliver ESG-related data to the CR Department annually for the purpose of ESG reporting or more frequently based on ongoing requests of authorities, investors, rating agencies, and other Tipico stakeholders.

Within the Board of Directors, our CRO is accountable for ESG topics, which are discussed at Board meetings held several times a year.

Tipico's Group Risk Committee acts as the highest governance body for ESG topics. With the CEO, CFO, and CRO (who acts as a sponsor for ESG initiatives) in this Committee, a high level of exposure to ESG topics can be safeguarded, and ESG decisions naturally involve top management.

ESG topics in the Group Risk Committee focused on all the identified material topics, the German Supply Chain Act and its implementation, the materiality analysis included in this report, and the preparations for ISO 14001 certification and an auditable ESG report.



MATERIALITY ASSESSMENT AND TIPICO STAKEHOLDERS

Tipico's latest materiality assessment took place while we were still in the licensing process in our main market. Since then, we have been among the first operators to achieve a license and operate successfully as market leader in the German regulated sports betting and gaming market. While not substantially changing our stakeholder map, this development certainly necessitated a reassessment of material risks and impacts.

Following a double materiality approach, in a first step, relevant stakeholders were identified and an outreach was conducted in November 2023.



STAKEHOLDER GROUP	INFORMANT
 Financial	CVC
	ELFA
	S&P Sustainable1
	Ecovadis
 Authorities	Malta Gaming Authority
 Industry Associations	Deutscher Sportwettenverband
	Düsseldorfer Kreis
 Business Partners	AWS
	Franchise Partners
 Academia	Technical University Dresden
 Treatment Providers	Institut für Therapieforschung, Munich Glücksfall
 Local Communities	Technisches Hilfswerk
	Nature Trust
 Employees	Employees
 Customers	Customers

SUSTAINABILITY DUE DILIGENCE

CORE ELEMENTS OF DUE DILIGENCE	PARAGRAPHS IN THE SUSTAINABILITY STATEMENTS
a) Embedding due diligence in governance, strategy and business model	p. 20-22, 39-43, 83-85, 111-114 and Tipico's financial statements
b) Engaging with affected stakeholders in all key steps of the due diligence	p. 15-16, 135-137
c) Identifying and assessing adverse impacts	Appendix 2
d) Taking actions to address those adverse impacts	p. 25-29, 53-69, 93-96, 123-125
e) Tracking the effectiveness of these efforts and communicating them	p. 31, 32, 34, 61, 87, 99, 104

In addition to generic stakeholder mapping, the following stakeholder groups were deemed specifically informative for our sector:

- >> regulatory authorities
- >> academia
- >> treatment providers

Where available, documents describing the stakeholder’s position (ESG Code of Conduct (CoC) of the Malta Gaming Authority (MGA)) were considered. In other cases, stakeholder interviews were conducted.

Based on the external input from stakeholders and from internal assessments such as the Principal Risks and Uncertainties, which are part of the Annual Financial Disclosure and the Corporate Risk Register, a shortlist of impacts and risks was generated and mapped against European Sustainability Reporting Standards (ESRS) topics. Following the ESRS methodology, the impacts and risks were rated and approved by the Group Risk Committee.

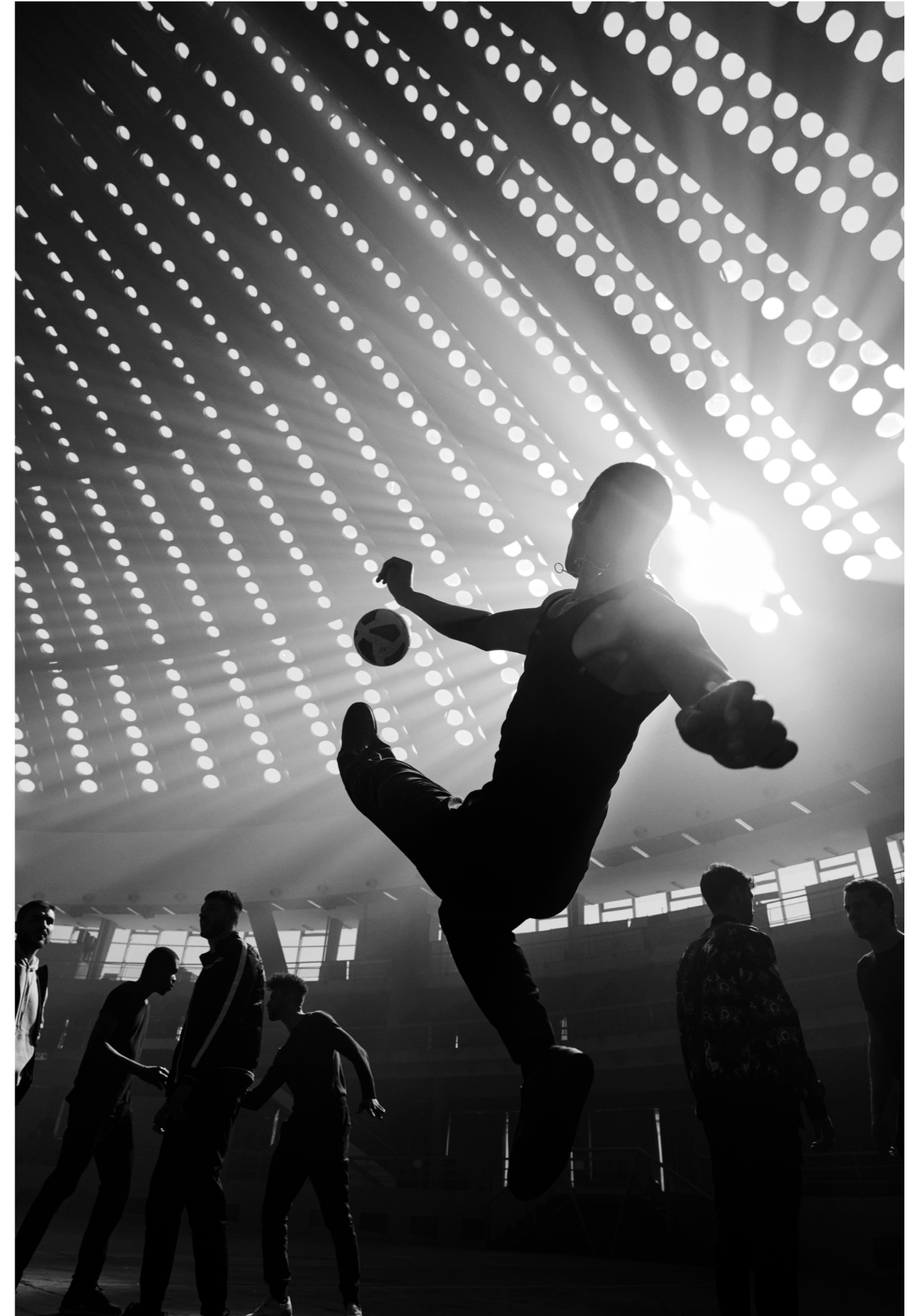
TOPICAL STANDARDS

ENVIRONMENT: ESRS E	SOCIAL: ESRS S	GOVERNANCE: ESRS G
E1 Climate Change	S1 Own Workforce	G1 Business Conduct
E2 Pollution	S2 Workers in the Value Chain	
E3 Water and Marine Resources	S3 Affected Communities	
E4 Biodiversity and Ecosystems	S4 Consumers and End-users	
E5 Resource Use and Circular Economy		

In a final step, a materiality decision was taken by the Group Risk Committee, including the following ESRS topics as material:

- >> ESRS E1 – Climate Change
- >> ESRS S1 – Own Workforce
- >> ESRS S4 – Consumers and End-users
- >> ESRS G1 – Business Conduct

This report will focus on these material topics and sub-topics and adhere to the respective reporting requirements. A full description of the process and detailed results can be found in [Appendix 2, Materiality Assessment.](#)



02



OUR ENVIRONMENTAL IMPACT

LESS IS MORE

WE ARE COMMITTED TO:

- >> measuring our environmental performance against Global Reporting Initiative (GRI) indicators, Task Force on Climate-Related Financial Disclosures (TCFD) Framework and Paris Climate Agreement science-based targets
- >> achieving carbon neutrality by 2030 through innovations and technologies that reduce atmospheric emissions
- >> using natural resources efficiently to minimize waste
- >> promoting awareness regarding environmental guidelines for employees and society
- >> complying with all relevant environmental laws and regulations

ENVIRONMENTAL GOVERNANCE AND POLICIES

OPERATIONAL GOVERNANCE

A dedicated CR Department is centrally responsible for the Group’s environmental performance and is driving our ESG agenda, ensuring compliance with applicable regulations and target achievement. Each Tipico entity appointed an accountable and responsible person to report environmental data to the CR Department on a monthly or yearly basis, depending on the data point. Managing Directors of the entities are accountable for this task, while Facility and Operational Managers are responsible for the supply of the correct and complete data.

The CR Department reports directly to the Chief Regulatory Officer. On top of monthly reporting to the Board and shareholders on ESG performance, the CR Department holds regular meetings at least every three months with the responsible entities to discuss prospective environmental challenges, opportunities, and impacts, present proposals, and receive strategic guidance. The members of the Tipico Board oversee our overall strategy, including the management of climate-related topics.

CORPORATE RESPONSIBILITY POLICY

Our CR Policy reflects Tipico’s commitment to fair labor conditions, environmental stewardship, and community engagement. We prioritize sustainability by continuously adhering to environmental regulations and minimizing our carbon footprint and natural resource usage across our operations. We foster a culture of sustainability through continuous education and active participation in community initiatives for good causes. Our CR Policy includes supportive environmental guidelines for employees for the efficient use of natural resources and a sustainable approach to materials purchasing.

CLIMATE STRATEGY GOVERNANCE

According to the TCFD’s¹ recommendations, in 2020, we assessed climate-related risks in Tipico operation locations and identified strategic opportunities that are described in our Climate Policy. Since then, we have reevaluated the transition risks connected to climate change mitigation annually, which are material for Tipico. These risks can stem from policy changes, such as the implementation of carbon pricing or stricter environmental regulations, shifts in consumer preferences towards sustainable



POTENTIAL FINANCIAL EFFECTS FROM MATERIAL PHYSICAL RISKS

As a provider of digital services, Tipico is extremely flexible about the locations from which the services are provided. Similarly, the retail business is where customers live and will move with customers. Tipico, therefore, has no material exposure to physical risks due to climate change.

POTENTIAL FINANCIAL EFFECTS FROM MATERIAL TRANSITION RISKS

The financial effects of transition risks seem, at least theoretically, to be possible. As a consequence, the compatibility of our business model with the necessary level of regulation to achieve the climate goals of the Paris Agreement needs to be tested.

In order to conduct such a test, we underwent an analysis according to the X-Degree Compatibility (XDC) methodology based on our 2023 data. As a result, the analysis indicates a temperature increase in degrees, which identifies the contribution to climate change based on Tipico’s trajectory. In this methodology, a temperature increase of 1.5 degrees or lower would be aligned with the goals of the Paris Agreement. This indicates that Tipico’s business model is fully viable under the goals of the Paris Agreement.

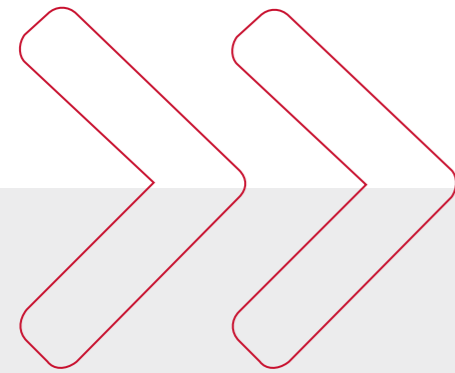


TABLE 1. 1.5°C COMPATABILITY (XDC) ANALYSIS RESULTS IN 2023

	TEMPERATURE INCREASE ESTIMATE
Scope 1	1.3 °C
Scope 2	1.3 °C
Scope 3	1.6 °C

As a consequence, Tipico does not expect full alignment with the Paris Agreement to materially affect our business model or create material financial risks.

¹ <https://www.fsb-tcf.org/recommendations/>

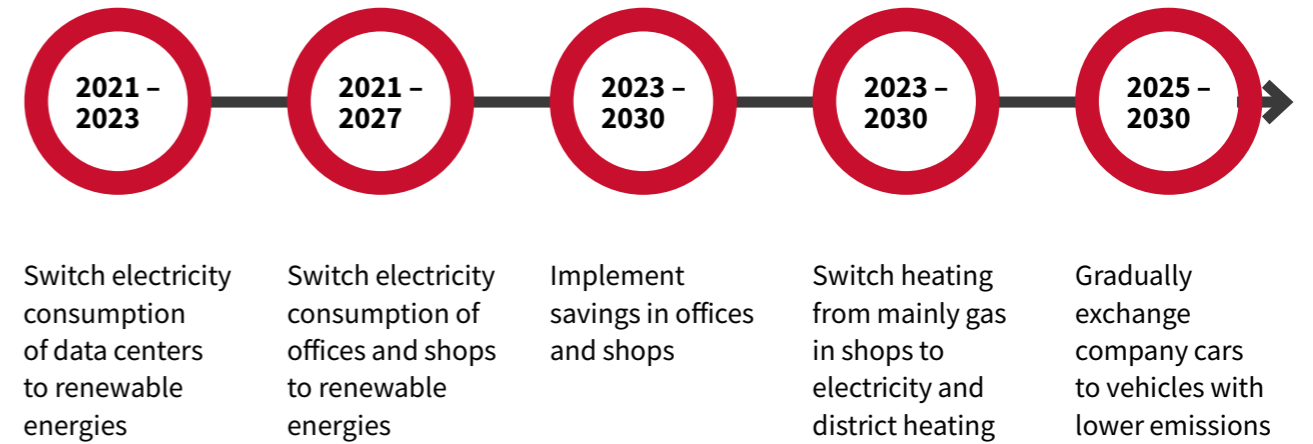


TARGETS FOR 2024 AND BEYOND

- » reduce Scope 1 and Scope 2 emissions to zero by 2030
- » reduce Scope 3 emissions by 20% by 2030
- » assure an average CO₂e emission level across all new company cars of 95g CO₂e/km or less by 2024
- » achieve ISO 14001 certification for our main office locations in Malta and Germany in 2024 and extend to all locations, including shops operated by Tipico by 2027
- » implement waste amount measurement and reporting in all office locations by 2024

ROADMAP TO CARBON NEUTRALITY

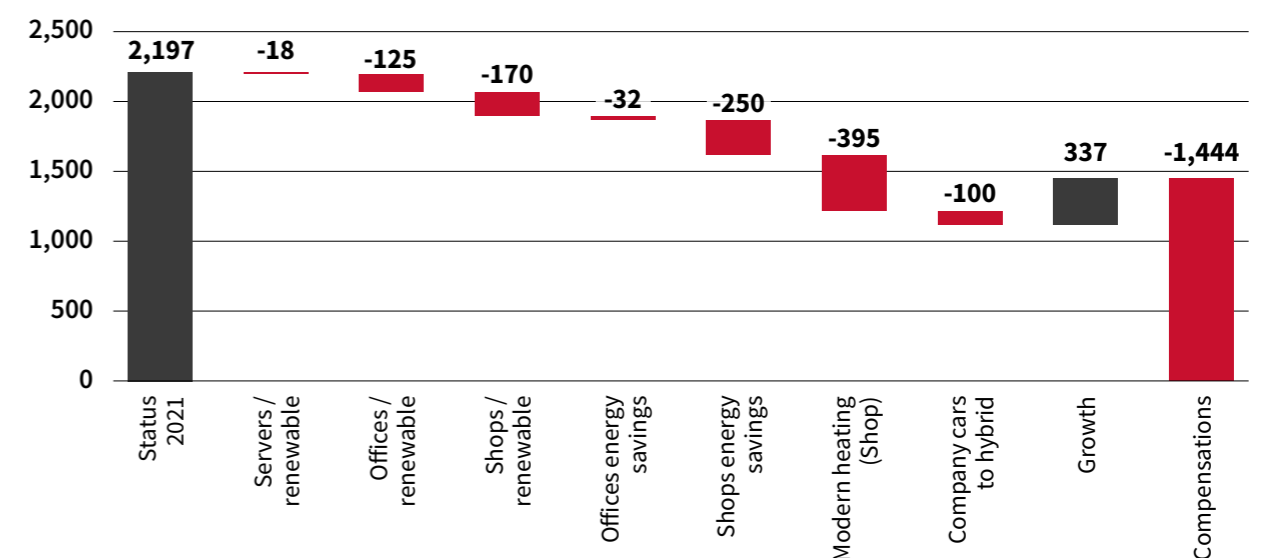
On a 2021 baseline, Tipico planned to reduce Scope 1 and Scope 2 emissions to zero by 2030. To drive this change, we prepared to implement the following set of measures:



While switching our electricity consumption to renewable energies seemed viable in this timeframe, at this point, it was still unclear how far it would be possible to quickly exchange technologies used for heating.

As a consequence of this uncertainty, we also planned to increase the percentage of emissions to be offset by compensations year by year, to ensure that the 2030 target would be reached.

FIGURE 1. EXPECTED IMPACT OF DIFFERENT MEASURES ON OUR SCOPE 1 AND SCOPE 2 EMISSIONS (IN METRIC TONNES CO₂E)



These individual causal effects can be projected along the given timeframe until 2030 to establish a course over time.

FIGURE 2. REDUCTION AND COMPENSATION ROADMAP FOR THE TOTAL OF SCOPE 1 AND 2 EMISSIONS (IN METRIC TONNES CO₂e)

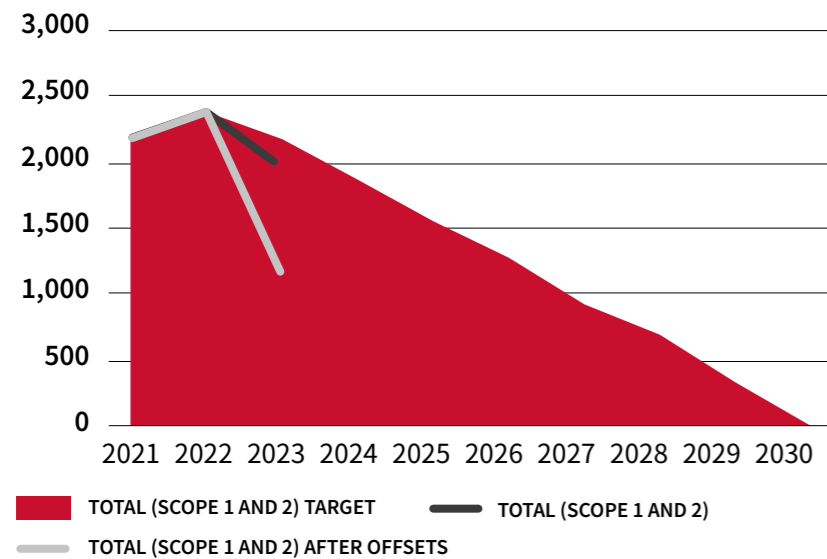
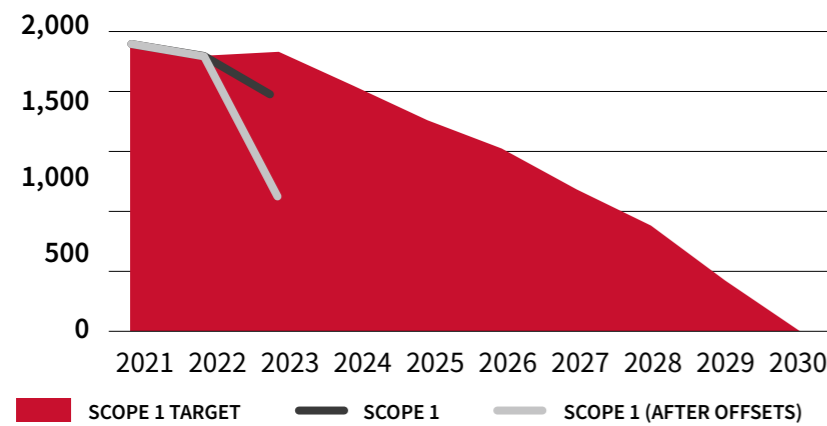
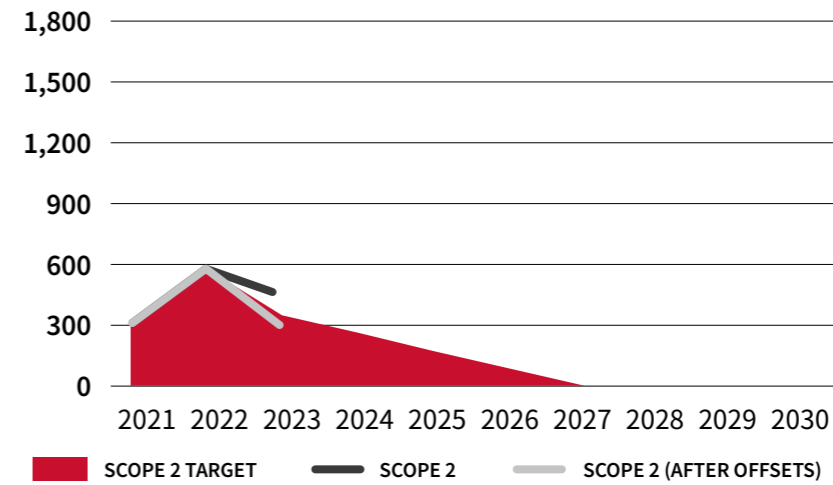


FIGURE 3. REDUCTION AND COMPENSATION ROADMAP FOR SCOPE 1 EMISSIONS (IN METRIC TONNES CO₂e)



What we can see is that we are progressing along our roadmap faster than we had initially expected. What seems more noteworthy is that we have remained on the planned trajectory through savings and modernization toward renewable energies without the need for compensation. This has, however, not prevented us from attaining more compensation than initially planned. As a consequence, our total Scope 1 and 2 emissions after compensations are now at roughly half of our 2021 baseline level. The causes behind this can be explained by looking at the separate roadmaps for Scope 1 and Scope 2.

FIGURE 4. REDUCTION AND COMPENSATION ROADMAP FOR SCOPE 2 EMISSIONS (IN METRIC TONNES CO₂e)



The development we can observe is that the technology shift from gas to electricity in heating our retail shops has taken root faster than we expected. This development boosted Scope 1, which decreased beyond our expectations. Conversely, this shift increases our Scope 2 emissions during winter, when an increasing number of shops are using electricity or district heating. This effect is softened by the fact that the percentage of electricity from renewable sources is relatively high in our retail business. Still, this impact is large enough to have the actual development of our Scope 2 emissions slightly lag behind expectations.



ACTIONS

BUSINESS CARS

With the second largest franchise network in Germany and the constant need to assure full compliance in all those places, mobility is of pivotal importance. As a result, for employees of field service teams, visiting several shop locations per day leads to high mileage, which creates a substantial contribution to our Scope 1 emissions. While the employee is free to choose the company vehicle, there is a set of guidelines that govern the leasing decisions and facilitate reasonable and practical choices.

In 2023, these guidelines have been extended to include environmental considerations. Looking forward, new company vehicles can only be electric or hybrid vehicles or diesel-powered if the CO₂e emissions, according to Worldwide Harmonised Light Vehicle Test Procedure (WLTP) evaluation, are lower than 135 g/km, which would range the vehicle in efficiency class D or better. This change will start affecting our Scope 1 emissions from 2025.

MODERNIZE HEATING

Tipico's shop network in Germany is heavily reliant on natural gas to power the heating during the winter months. In tandem with the general trend in Germany, Tipico is working to move away from gas and towards district heating or local electricity-based solutions.

This is a very slow, gradual process and will likely be the longest timeline within our roadmap. We estimate that a large proportion of the heating in our locations will have moved to renewable energies by 2030.

RENEWABLE ENERGY FOR SHOPS AND OFFICE LOCATIONS

Starting in 2021, Tipico has been switching to electricity contracts providing renewable energy in the shops operated by us. As the process was largely concluded for shops at the end of 2023, we started the same for our office locations.

In places where no contracts for renewable energy are available (e.g., Malta or Gibraltar), we have started purchasing Certificates of Origin. In 2024, we will do the same for further office locations until existing contracts can be changed. The whole process will be concluded by 2027.

ENERGY CONSUMPTION SAVINGS IN SHOPS AND OFFICES

Tipico is campaigning to employees to boost energy savings, which smart building technologies monitor. This approach can be extended directly to retail shops as well. However, further extending processes to the franchise network changes things since those are autonomous companies. As a consequence, in 2023, Tipico engaged ISO 50001 auditors to train all field service employees to recognize potential issues with energy waste. Equipped with a standardized checklist, they have started assessing all the shops they visit and use their findings to track the status of our franchise network and consult franchise partners about potential savings. This will open avenues for Tipico to gradually improve one of the major contributors to Scope 3 emissions.

RENEWABLE ENERGY FOR DATA CENTERS

One of our earliest actions improved the way we provide our online product. By moving operations to the Cloud, we dynamically adapted power consumption to more closely match the immediate need for computational power, which can vary substantially throughout the day. Also, we ensured that our data centers were powered by renewable sources of electricity.

This move started in 2021 and concluded in 2023.

CARBON OFFSETS

Obviously, purchasing offsets alone is not a sustainable strategy for combatting climate change. However, offsets can be a useful tool to bridge the gap between the decision to take action on specific impacts and the point in time when those actions are implemented and have gained traction. For Tipico, it is a good way to support an ambitious 2030 timeline and – where possible – compensate for impacts even earlier.

Tipico is working with Stadtwerke Munich and has purchased offsets for 800 metric tonnes of CO₂e in 2023 with the plan to increase the percentage of remaining emissions gradually every year. For the offsets, a re-forestation project in Panama

was chosen², supporting five UN Sustainable Development Goals (SDGs) and certified by the Gold Standard for the Global Goals.

Our goal for 2024 is to purchase more carbon offsets to mitigate the emission of 1,000 metric tonnes of CO₂e.

Tipico does not apply internal carbon pricing schemes.

ENVIRONMENTAL MANAGEMENT SYSTEM

In 2024, we will be initiating our efforts to pursue ISO 14001:2015 certification, focusing on three offices (Malta, Karlsruhe, and Munich). We will ensure that these offices have a robust Environmental Management System (EMS) in place, with plans

to gradually extend our focus to all other locations. By working towards this certification, we aim to reduce environmental impact, comply with legal and regulatory requirements, and continually improve Tipico's environmental performance. The certification process involves a thorough evaluation of the company's EMS, including aspects such as waste management, resource efficiency, and pollution control.

In 2023, we did not measure the exact amount of waste produced by our entities but estimated it as a total of 629 tonnes based on available amount and waste cost data. From 2024, as a part of ISO 14001:2015 certification preparation, we will monitor waste production, types of disposal, and recycling rates at our offices. In Tipico shops, we will estimate waste production and gradually introduce waste separation procedures and paperless solutions to reduce the environmental impact related to waste.

We will establish qualitative Environmental KPIs for 2024 and beyond to monitor our progress until full certification implementation. Our goal for 2025 is to introduce quantitative KPIs for certified entities while maintaining qualitative KPIs for EMS deployment in other entities. The endorsement of the company's environmental objectives and the provision of a supportive environment to achieve them will be overseen by top management.



² Projektbericht M-Kompensation Plus | SWMGSF Registry (goldstandard.org)

DIGITAL SHOP

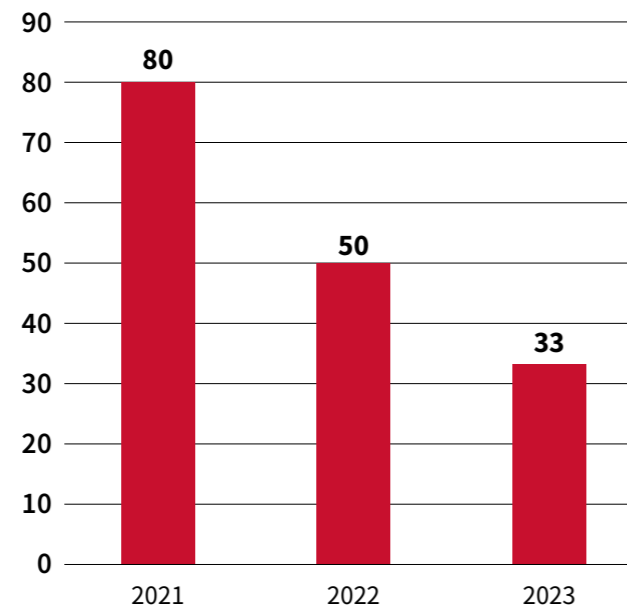
In 2022, we launched trials throughout all Shop Agencies to only print betting programs on demand and provided QR codes to receive digital versions.

By the end of the year, we had reached a 61% reduction in paper consumption, even though the target was 50% by the end of 2023. In 2023, we decreased our paper consumption even more, from 50 tonnes in 2022 to 33 tonnes at the end of 2023.

More than 95% of paper that was purchased for the shops and offices had sustainability certification, such as Forest Stewardship Council (FSC), Program for the Endorsement of Forest Certification (PEFC), or EU Ecolabel. Besides reducing paper usage in the shops, we are always striving to reduce paper usage in the offices. We introduced e-signatures in documents that do not require printing and default paper-saving settings in our printers, such as double-sided printing.



FIGURE 5. TOTAL PAPER CONSUMPTION IN ALL TIPICO LOCATIONS (IN TONNES)



SUPPLIER SELECTION PROCESS

Looking at our value chain, we also ensure that our suppliers respect environmental regulations and protect the environment. When selecting a new supplier, our procurement team ensures a supplier complies with local and international (if mandatory) environmental regulations and has low environmental risks based

on its industry and location. Tipico conducts due diligence checks of new and existing suppliers based on SDGs (numbers 6, 7, 12, 15) scores for the location of the supplier's operation and industry score. While assessing new suppliers' environmental performance, we take into consideration risks of air, water, and ground

pollution, hazardous waste generation, harm to biodiversity, and deforestation based on the industry of this supplier.

In case of high environmental risks and no mitigation actions, a supplier will not be considered for further partnership with Tipico.

M EUR 687

Net revenue used to calculate GHG intensity

0

Net revenue (other)

M EUR 687

Total net revenue (in financial statements)

ENERGY CONSUMPTION AND CARBON EMISSIONS

Following the CSRD obligations, we report annually on our greenhouse gas (GHG) emissions, energy consumption climate policies, actions, and progress towards the targets. Besides, we measured our GHG emissions intensity, which was 30.3 metric tonnes of CO₂e per million EUR net revenue. The GHG intensity was calculated as total gross emissions in Scopes 1, 2, and 3 divided by the net revenue of millions of Tipico Group in 2023.

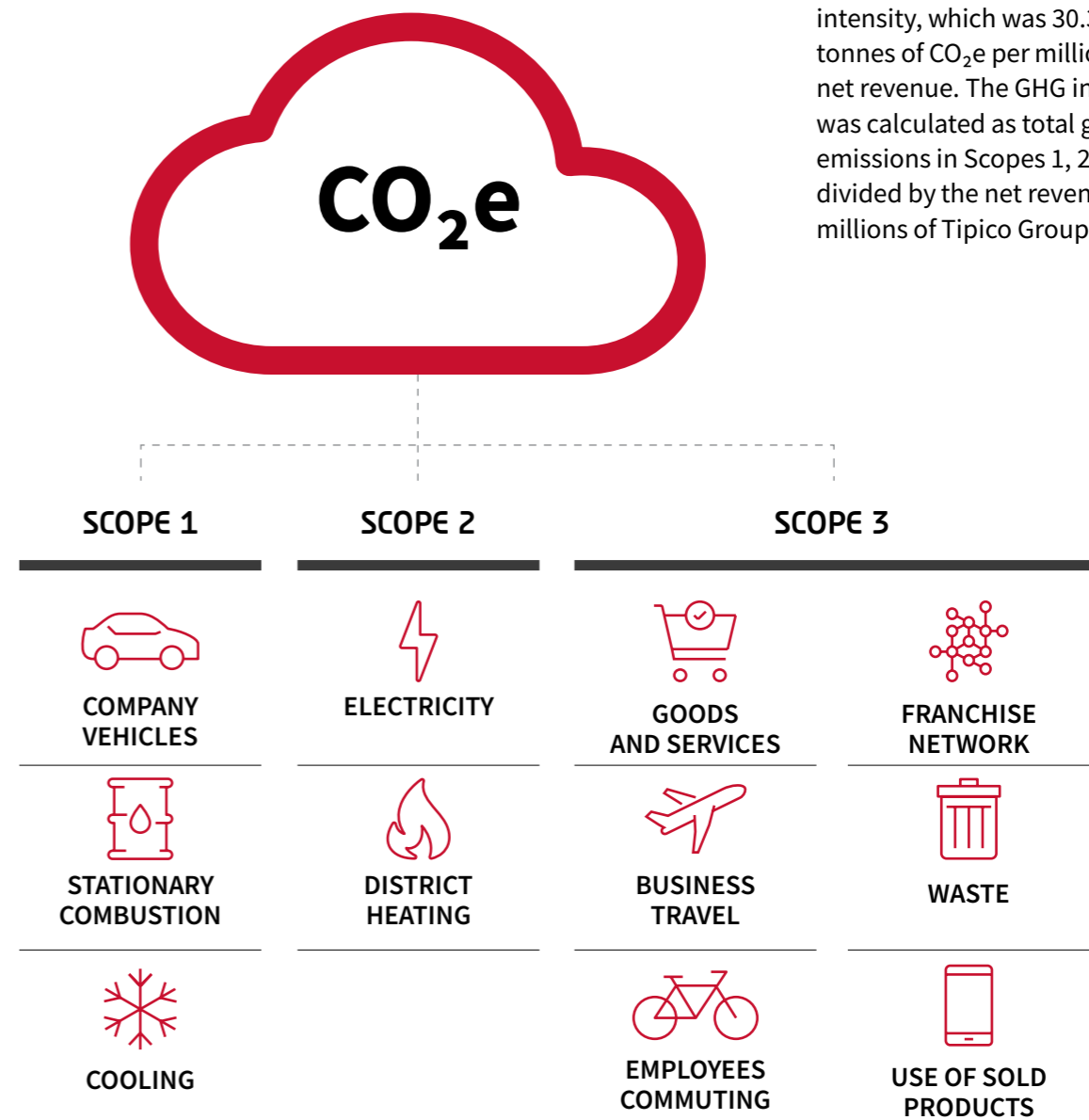
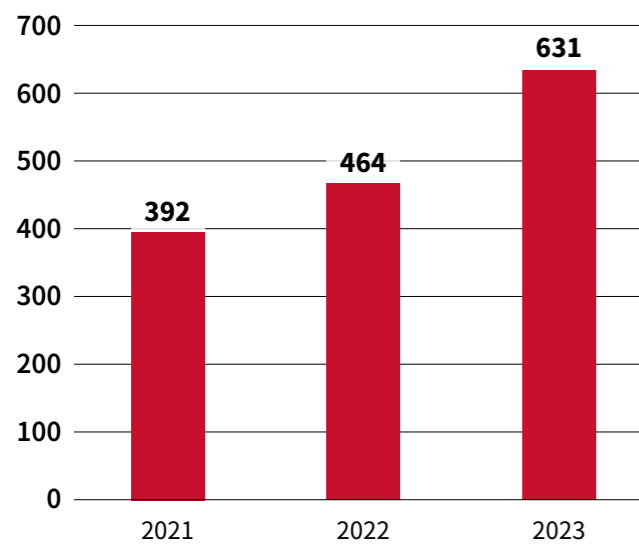


TABLE 2. SPECIFIC DATA POINTS FROM OUR EMISSIONS ROADMAP ILLUSTRATING SHORT-, MID- AND LONGER-TERM GOALS FOR SCOPE 1, SCOPE 2 AND SCOPE 3

	MILESTONES AND TARGET YEARS			
	ACTUAL YEAR 2023	2024	2027	2030
Scope 1 GHG emissions				
Gross Scope 1 GHG emissions (metric tonnes CO ₂ e)	1,510	1,606	928	0
Scope 2 GHG emissions				
Gross location-based Scope 2 GHG emissions (metric tonnes CO ₂ e)	398	266	0	0
Scope 3 GHG emissions				
Total Gross indirect (Scope 3) GHG emissions (metric tonnes CO ₂ e)	18,882	18,500	17,000	15,000
Total GHG emissions				
Total Gross GHG emissions (location-based) (metric tonnes CO ₂ e)	20,790	20,372	18,392	15,000

FIGURE 6. GROSS CO₂E EMISSIONS FROM COMPANY CARS IN ALL TIPICO LOCATIONS THAT USE THEM



Note: In 2021 and 2022 CO₂e emission levels were lower due to COVID-19 travel restrictions.



Scope 1

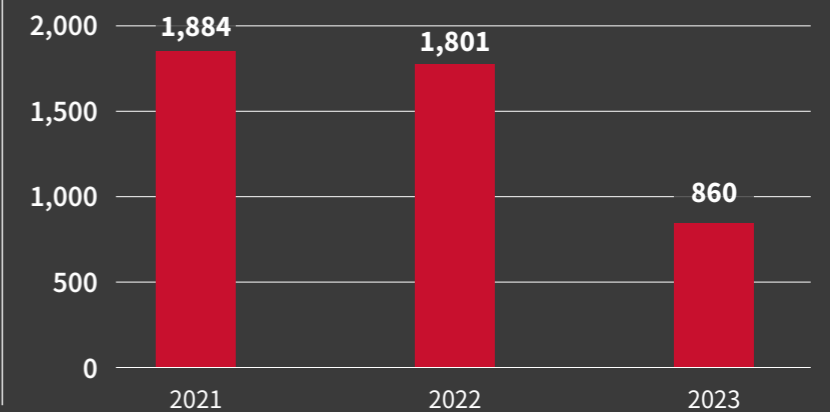
COMPANY CARS, COOLING AND STATIONARY COMBUSTION

The first component of Scope 1 is emissions from company cars. The company car fleet is used only by Tipico Shop Agencies (TSAs) and Tipico Retail Services (TRS) for business trips across Germany and Austria, where the highest number of business trips by cars were made by TRS in Germany. In 2023, emissions from company cars were 631 metric tonnes of CO₂e. Another component of Scope 1 emissions is the stationary combustion of oil, gas, and wooden pallets for heating in Tipico offices and shops, which has the highest impact on Scope 1 total emissions – 847 metric tonnes of CO₂e in 2023. This type of stationary heating is used mostly in our German, Croatian, and Austrian

locations. Other locations either purchase heating in the form of district heating or heat by air-conditioners in the locations where central heating is not provided. Both cases are included in Scope 2. The third component of Scope 1 is emissions from air conditioning, namely leaks of refrigerants, which were 34 metric tonnes of CO₂e in 2023.

In 2023, our total gross emissions in Scope 1 were 1,510 metric tonnes (-16.2% compared to 2022). By applying 650 metric tonnes of carbon offsets, we achieved 860 metric tonnes of CO₂e emissions in Scope 1 in 2023, resulting in a 52.2% reduction compared to 2022.

FIGURE 7. TOTAL SCOPE 1 CO₂E NET EMISSIONS IN ALL TIPICO LOCATIONS (IN METRIC TONNES)





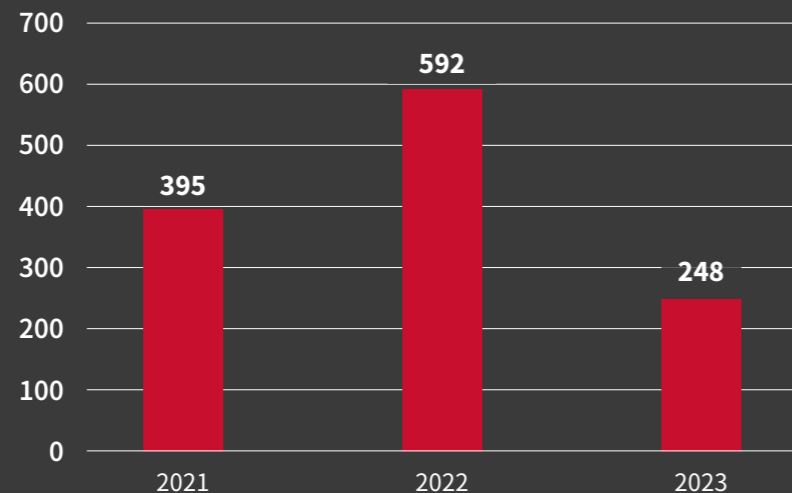
Scope 2

PURCHASED ELECTRICITY AND DISTRICT HEATING

We operationalized Scope 2 emissions by consumption of purchased electricity and purchased district heating. In 2023, our gross emissions were 398 metric tonnes of CO₂e (-32.8% reduction compared to 2022), which is a significant

reduction compared to 2022 due to the increased percentage of renewable energy supplied to Tipico shops and offices. We also applied 150 metric tonnes of carbon offsets, resulting in net emissions of 248 metric tonnes of CO₂e in Scope 2 in 2023.

FIGURE 8. TOTAL SCOPE 2 CO₂E NET EMISSIONS IN ALL TIPICO LOCATIONS (IN METRIC TONNES)



The highest share of renewable energy in the grid is reported in our locations in Germany, Austria, and Colombia, where wind, biomass, solar, and hydropower are widely used. Tipico does not generate renewable energy. Therefore, all renewable energy is purchased through its providers.

In 2023, we applied 100% renewable electricity consumption to our site in Malta through green certificates of 800 MWh due to the lack of renewable electricity providers in this location. Our strategy involves buying green certificates produced locally or in nearby countries, ensuring that these certificates are canceled from the registry and that they cannot be repurchased by other companies.

Total electricity consumption split by Tipico sites corresponds to office size and the number of employees there. In total, in 2023 the share of renewable electricity in all Tipico locations was 84%.

In Tipico Shops, the share of renewable electricity was 83% in 2023. As one of the first steps on our journey to reduce CO₂e emissions, Tipico endeavored to switch the entire retail business to power from renewable sources by 2023 and thereby strongly reduce our Scope 2 emissions.

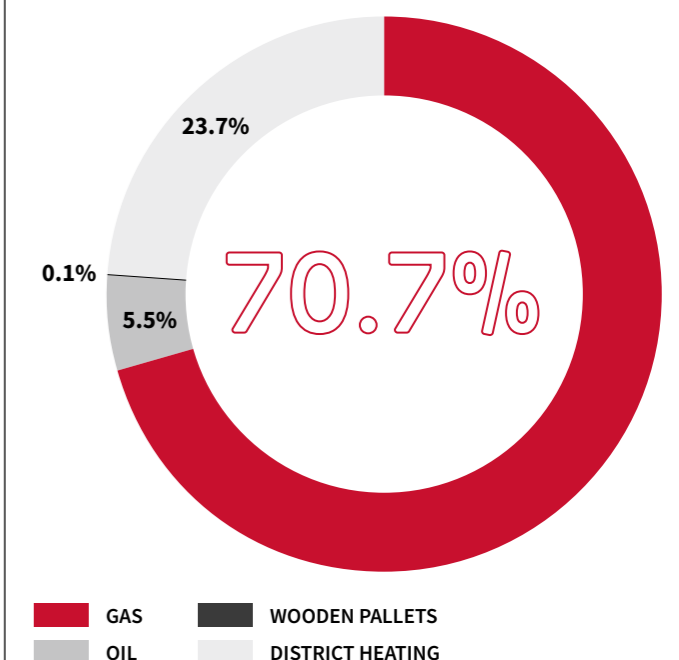
This goal was largely achieved. TSAs Austria and North switched right at the beginning of the initiative. TSA East followed with most of their shops soon after. TSA West switched at the beginning and South-West at the end of 2023.

At this point, only TSA South still has contracts for electricity from non-renewable sources, and those will be switched at their respective renewal date between 2024 and 2026.

As a consequence of these changes, the retail business of over 220 shops operated by Tipico will lead to minimal Scope 2 emissions in 2024 and going forward. The slightly delayed process for TSA South will not create any obstacles for the more high-level target of reducing all Scope 2 emissions to zero by 2027. Therefore, we consider this goal largely achieved.



FIGURE 9. HEATING SPLIT BY CONSUMPTION FOR ALL TIPICO ENTITIES IN 2023



Scope 3

EMISSIONS IN THE VALUE CHAIN

Scope 3 indirect emissions are equal to 94% of all emissions caused by our operations. Since 2022, we identified all applicable categories in Scope 3 in line with the GHG Protocol. Our calculations for each category were completed using activity-based methodology except for purchased goods and services and waste generation, where we applied spend-based methodology.

In 2023, we extended the scope of calculation for two categories compared to 2022. Besides emissions from data centers, Category 3.1 includes estimation of emissions from purchased goods and services using Supply Chain Greenhouse Gas Emission Factors³. Carbon emissions in Category 3.7 were calculated for the full scope of Tipico locations, including

TSAs, whereas in 2022 we provided an estimation only for Tipico offices. By working with a digital product, we do not manufacture or transport any physical product. Therefore, Categories 2, 4, 9, 10, and 12 are not applicable to our business. Category 3 is not applicable since we do not generate energy, and emissions from purchased energy and onsite combustion of fuels for heating are included in Scopes 1 and 2. Emissions related to Category 8 are included in Scope 1 and Scope 2. Category 13 is not applicable to us as Tipico does not own any assets relevant to this category. Category 15 is not applicable to Tipico as we do not make investments.

TABLE 3. APPLICABLE SCOPE 3 CATEGORIES FOR TIPICO AND GROSS EMISSIONS FROM EACH (IN METRIC TONNES CO₂E)

SCOPE 3 EMISSIONS	CO ₂ E IN METRIC TONNES IN 2023
3.1 Purchased goods and services	13,680
3.5 Waste generated in operations	297
3.6 Business travel	410
3.7 Employee commuting	759
3.11 Use of sold products	34
3.14 Franchises	3,702
Total	18,882



PURCHASED GOODS AND SERVICES

Large parts of our supply chain are service providers who would not necessarily be able to readily provide the carbon footprint for the services they provide (e.g., law firms, marketing agencies, or software studios). As a consequence, this position needs to rely on cost-based estimates. To create these estimates, material expenses were labeled, estimated, and clustered into high-level categories.

For cost-based estimation of emissions, supply chain emission factors with margins defined by the Environmental Protection Agency (EPA) for 2021 were used. These factors were corrected based on the services producer price index changes between 2021 and 2023 and converted from USD to EUR.



TABLE 4. HIGH-LEVEL CATEGORIES OF SPENT-BASED EMISSION ESTIMATES (IN METRIC TONNES CO₂E)

HIGH-LEVEL EXPENSE CATEGORY	SPENT-BASED EMISSION ESTIMATES (METRIC TONNES OF CO ₂ E)
Technology	2,670
Legal & regulatory	2,000
Marketing & sponsoring	8,068
Shop building	942

³ Supply Chain Greenhouse Gas Emission Factors v1.2 by NAICS-6

BUSINESS TRAVEL

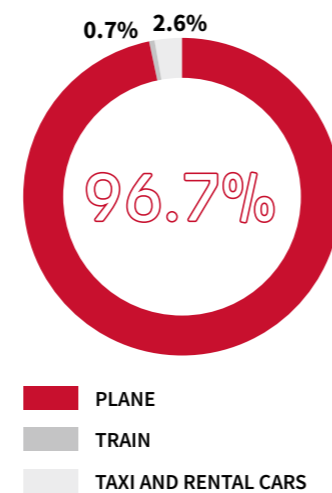
Business travel is an essential part of our operations. Following GHG Protocol Scope 3, we collected business travel data by such means of transport as taxis and rental cars, trains and airplanes. Besides this, we also include hotel stays in this category. In 2023, our emissions increased by 2.7 times compared to 2022 due to the lifting of COVID-19 travel restrictions.

In 2024, we are aiming to offset carbon emissions coming from business class flights as the highest contributor to total travel emissions.

EMPLOYEE COMMUTING

Annually, we conduct an employee survey asking our colleagues about their transport to work, the average distance they travel, and the number of days they usually work per week. Since we do not get a 100% response, we estimate commuting behavior for the total headcount per entity and location based on existing answers. We apply factors from the [UK Government conversion factors to the company reporting of greenhouse gas emissions](#) (year 2023).

FIGURE 10. MEANS OF BUSINESS TRAVEL BY CO₂e EMISSIONS SHARE IN 2023



USE OF SOLD PRODUCTS

In this category, we estimated emissions caused by our customers' usage of our online services. We tracked the number of bets and casino spins made via mobile phones and laptops/desktops and estimated the average time spent per bet or game spin. By applying a standard kWh consumption by laptop/desktop and mobile phones and CO₂e factor per kWh, we estimated total emissions for this category.

FRANCHISE SHOP NETWORK

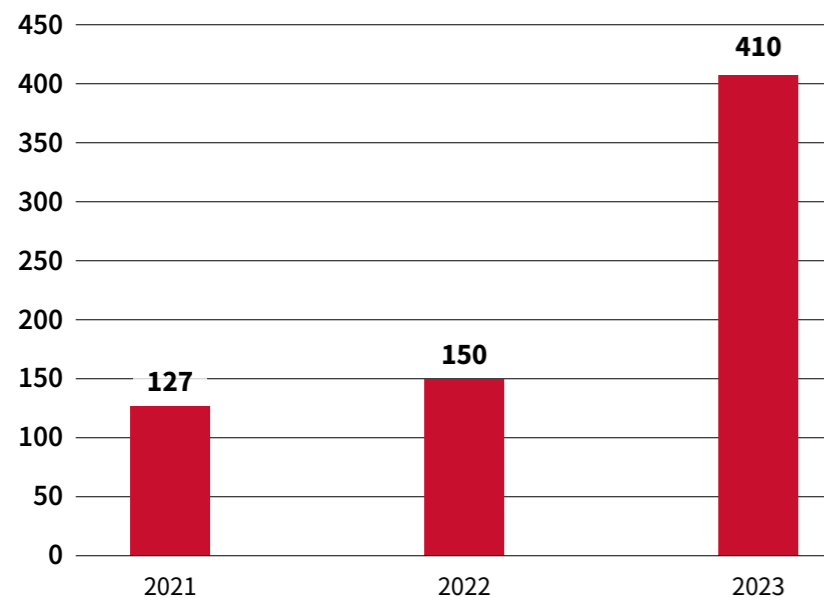
Tipico shops operated by independent franchisees have a total floor area of 81,344 square meters in Germany and Austria. Due to an overarching shop concept that governs the look and feel of a Tipico shop, we can assume that the emissions by square meter of shop area are largely similar to those of shops directly operated by TSAs. Consequently, we must assume that franchisees are accountable for 3,702 metric tonnes of CO₂e emissions coming from their electricity and heating consumption in 2023.

WASTE GENERATED IN OPERATIONS

Since we do not measure the amount of waste and type of disposal by our entities, we estimated emissions from waste using the cost of waste and a factor from the [Open IO emissions dataset](#) per USD spent, and price adjustments are made using the BEA sector "Waste management and remediation services."

From 2024, we aim to measure the amount of waste and type of disposal in the offices, gradually introducing this approach in the shops.

FIGURE 11. TOTAL CO₂e EMISSIONS FROM BUSINESS TRAVEL INCLUDING PLANES, TRAINS, TAXIS, RENTAL CARS AND HOTELS (IN METRIC TONNES)



Note: In 2021 and 2022 CO₂e emission levels were lower due to COVID-19 travel restrictions.



WATER

At Tipico, as a service provider, we consume relatively low amounts of water. Our overall water consumption in all locations is 22 megaliters in 2023, which is the same amount as in 2022. In 2023, the highest water consumption of 18.4 megaliters (84% of all consumption) was reported by Tipico shops in Germany, corresponding to the number of shops in each location. In our offices and shops, water is used only for sanitary purposes and office kitchens.

Wastewater is further discharged to the communal facilities for treatment. In our location in Gibraltar, salted water is used for sanitary purposes. Furthermore, we buy drinking water in locations where tap water is not appropriate for consumption or install filters on taps. To avoid more plastic waste from empty bottles, we buy water in reusable bottles and encourage our employees to use filtered water from the tap.

03

OUR PEOPLE OUR GREATEST ASSET



TEAMWORK

THRILLS
INNOVATE



WE ARE COMMITTED TO:

- » fostering a working environment that promotes a culture of collaboration, equity and inclusivity where every talent can feel respected and appreciated for their professional contribution to Tipico's success
- » focusing on people management excellence and developing strong people managers and leaders who guide the teams at Tipico, applying the practices to ensure equity, diversity, inclusion, and building an engaged and high-performing workforce
- » ensuring fairness, equity and non-discrimination while rewarding employees for their performance and offering them opportunities for professional growth
- » respecting applicable labor laws and applying fair labor practices

GOVERNANCE AND POLICIES

Our HR policies are fundamental to our commitment to responsible business practices. They embody our values, principles, and commitments to our employees, communities, and the environment. All topics related to our employees are led by the Director of Human Resources, who reports to the CFO. In this chapter, we explore how our HR policies align with ESG considerations and contribute to our overall sustainability strategy.

HUMAN RIGHTS

Tipico does not operate in countries where human rights are not adequately safeguarded by law. In fact, 97% of our employee headcount is within the European Union. The average Human Rights Index⁴ by country of employment weighted by employee headcount for Tipico's operations is 0.93.

TABLE 5. HUMAN RIGHTS INDEX ASSESSMENT FOR TIPICO LOCATIONS IN 2023

	EMPLOYEE HEADCOUNT	HUMAN RIGHTS INDEX
Austria	28	0.93
Colombia	56	0.8
Croatia	150	0.9
Germany	1,440	0.95
Gibraltar	7	0.9
Malta	377	0.91

⁴ V-Dem (2024) – processed by Our World in Data. "Civil liberties index – (best estimate, aggregate: average)" [dataset]. V-Dem, "V-Dem Country-Year (Full + Others) v14" [original data]

Besides the Human Rights Index evaluation, each year, we conduct country-specific due diligence for Tipico locations to identify which human rights topics require additional attention. The assessment is based on the country score provided per achievement of each of the SDGs.

SDGs 5, 8, and 16, which we take for due diligence, are connected to the UN Global Compact Principles, International Labor Organization (ILO) fundamental Conventions, and other topics included in Tipico's CoC. These include the country's vulnerability to modern slavery/forced labor, indigenous people's rights, child labor, corruption perception, gender discrimination, such as the gender wage gap, fundamental labor rights, such as freedom of association and collective bargaining, etc.

In 2023, only Colombia, where 2.7% of our total headcount is located, had medium risk when it comes to gender equality and fundamental labor rights. Therefore, we track these indicators and implement measures to ensure that no discrimination, harassment, or other violations regarding basic human rights are taking place in this location.



EQUITY, DIVERSITY AND INCLUSION POLICY

In Tipico, we believe in the power of uniqueness, equity, and a sense of belonging for people with all their differences in our workplaces. The diversity of our employees, their backgrounds, experiences, perspectives, and their appreciation of all their individual differences are the foundations of our competitive advantage. We believe that a company culture focused on diversity, equity, and inclusion (DEI) is the key driver of creativity and innovation.

We conducted a series of interviews and focus groups with employees and management to gather input about equity, diversity, and inclusion. As a result, we elaborated a policy that describes Tipico's commitment to the ten principles of the UN Global Compact and to equity, inclusion, non-discrimination, and non-harassment due to personal characteristics.

In May 2023, we officially launched the Equity, Diversity and Inclusion Policy. It describes Tipico's commitment to DEI, Board Diversity, responsibilities of employees, leaders, people managers and HR; to guide how to report inappropriate conduct internally and externally.

TABLE 6. COUNTRY-SPECIFIC HUMAN RIGHTS DUE DILIGENCE FOR TIPICO LOCATIONS BASED ON SDG GOALS IN 2023

	5 GENDER EQUALITY	8 DECENT WORK AND ECONOMIC GROWTH	16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Austria	●	●	●
Germany	●	●	●
Colombia	●	●	●
Croatia	●	●	●
Malta	●	●	●
Gibraltar	●	●	●

● LOW RISK ● MEDIUM RISK ● HIGH RISK



TALENT ACQUISITION POLICY

In order to emphasize Tipico’s commitment to equity, diversity and inclusion in recruitment, and to a transparent and fair process, we launched a groupwide Talent Acquisition Policy. This policy outlines our recruitment process, including our collaboration with external partners such as recruitment agencies and tools, and our stringent measures to ensure their adherence to the UN Global Compact.

By publishing this policy both internally and externally, we aim to foster a culture of transparency and accountability in our selection and recruitment process. We are committed to providing equal employment opportunities to all individuals, regardless of race, gender, age, disability, or other characteristics.

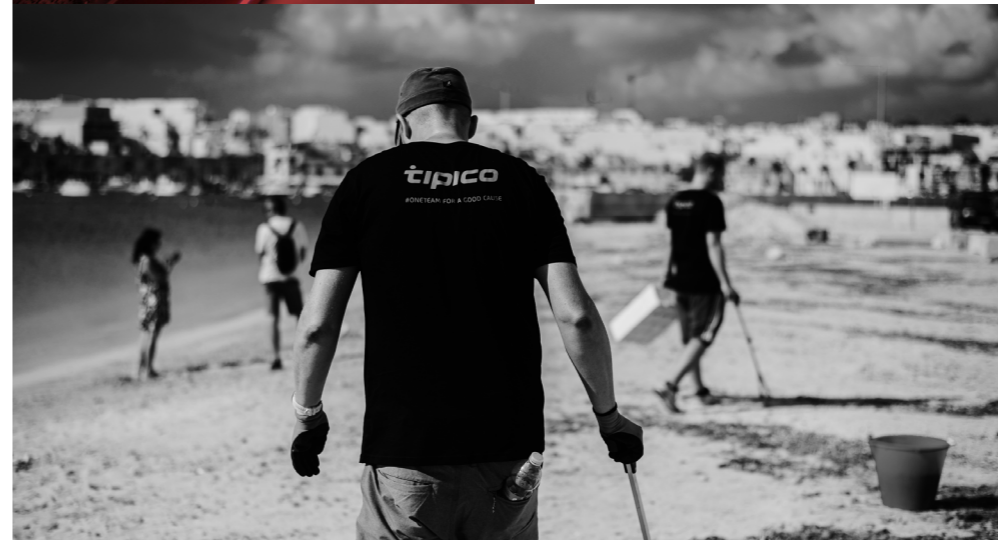
Our recruitment processes prioritize merit-based selection, ensuring that candidates are evaluated based on their skills, qualifications, and potential contributions to our organization. At Tipico, we are committed to creating a level playing field for all candidates and providing an equal opportunity to succeed.



HEALTH AND SAFETY POLICY

The Health and Safety Policy at Tipico (Malta office) is crucial for maintaining a safe work environment, preventing accidents, protecting individuals, and ensuring compliance with legal obligations. It reflects the company’s commitment to the well-being of its workforce and contributes to a positive and productive organizational culture.

This Policy also highlights Tipico’s dedication to continuous improvement in safety performance. Through regular risk assessments, training programs and proactive hazard identification, the company strives to prevent accidents and create a proactive safety culture. This commitment to improvement enhances the overall effectiveness of the health and safety management system and helps in safeguarding the well-being of all individuals associated with Tipico.








ENGAGING WITH THE TEAM

At the heart of our commitment to sustainability lies our dedication to fostering a culture of employee engagement. We recognize that our people

are our most valuable asset, and their well-being, satisfaction, and involvement are integral to our success as an organization.

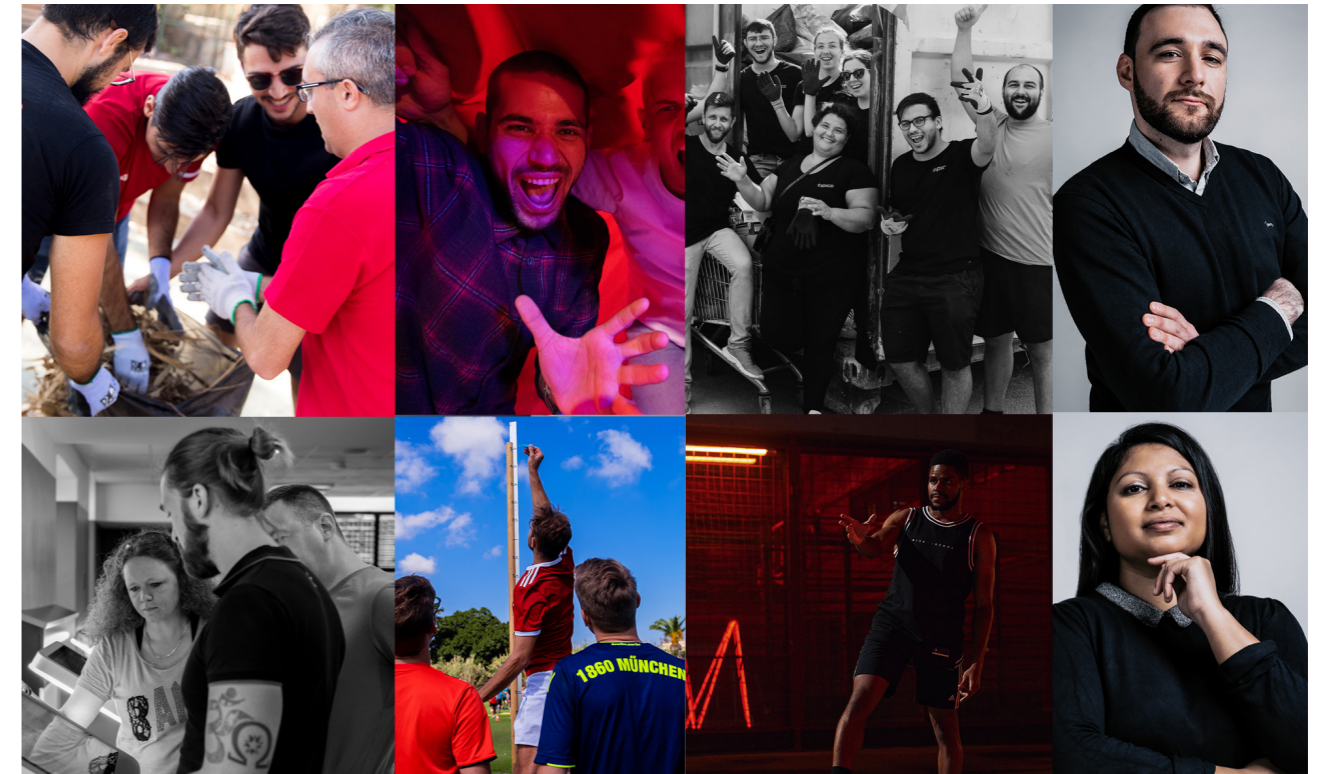
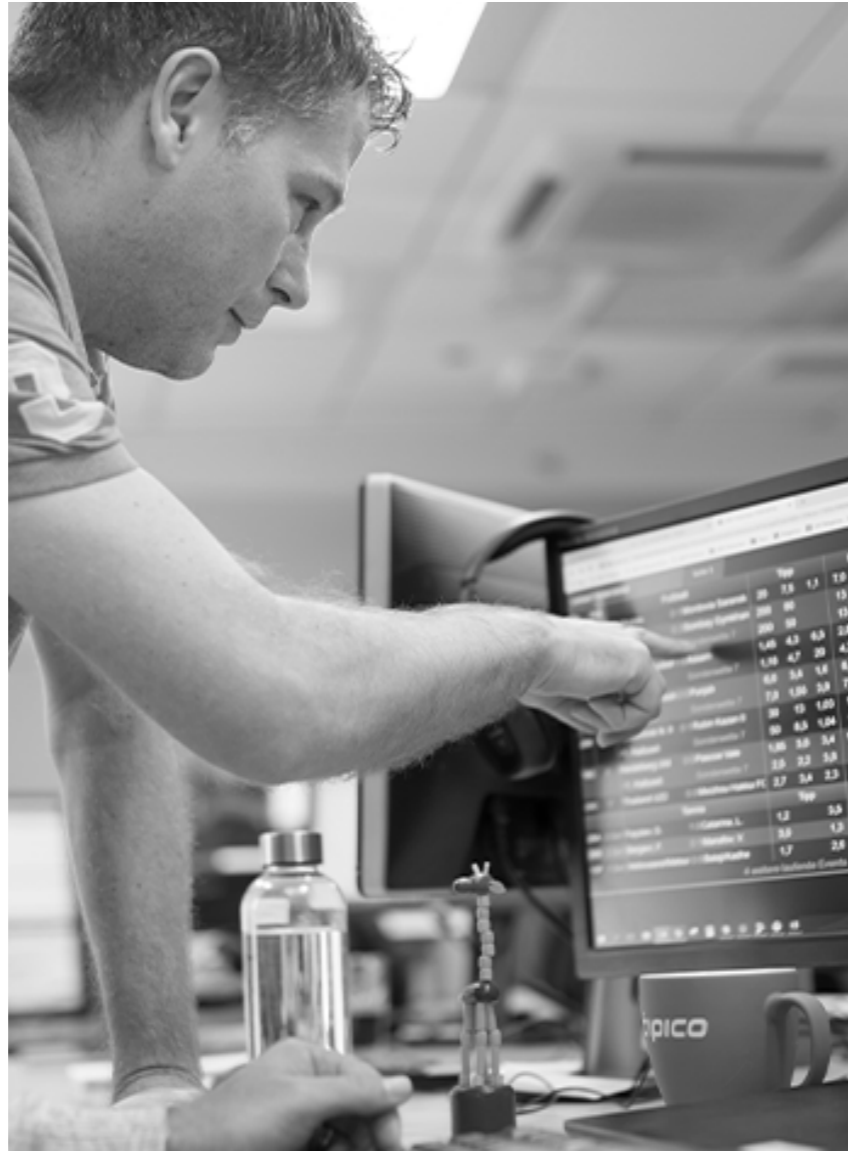
TABLE 7. DESCRIPTION OF THE EMPLOYEES’ ENGAGEMENT CHANNELS

TYPE OF ENGAGEMENT	CHANNELS	FREQUENCY
 Engagement Survey	Internal survey distribution to corporate mailboxes	Once a year
 Pulse Survey	Internal survey distribution to corporate mailboxes	Once a year
 Business updates	Direct meetings with all employees	Monthly with summer breaks
 Content and comment/feedback options on intranet and social media	Intranet MyTipico, Slack channel, Facebook, LinkedIn, Instagram, XING	Daily
 Career development review	Direct meeting of employees with people managers	Twice a year

INTERNAL SURVEYS

Feedback from our employees is of significant importance to us at Tipico. Each year, we conduct two internal surveys: the Tipico Engagement Survey and the Pulse Survey. The Engagement Survey gives us a comprehensive picture of how our team members feel about working at Tipico and helps us commit to continuous improvements of the employee experience we provide. The Pulse Survey acts as a mid-year check-in, which allows us to gain a better understanding of what drives engagement at Tipico.

In 2023, both surveys remained focused on the aspect of collaboration and One Team spirit. We exceeded our 73% target engagement score by 3%, landing our Engagement Score at a high 76% with a response rate of 81%. According to the Engagement Survey, our employees have been showing a consistently high interest in CR over the past years:



Besides CR perception of our employees, we measure other material factors in our Engagement Survey, some of which are:

TABLE 8. PERCENTAGE OF EMPLOYEES WHO RESPONDED "AGREE" OR "STRONGLY AGREE" TO THE LEADERSHIP AND MANAGEMENT QUESTIONS IN THE EMPLOYEE ENGAGEMENT SURVEY 2023

FACTOR	RESULT IN 2023 (% OF EMPLOYEES WHICH ANSWERED "AGREE" AND "STRONGLY AGREE")
Satisfaction	78%
Well-being	88%
Happiness	73%
Purpose	90%

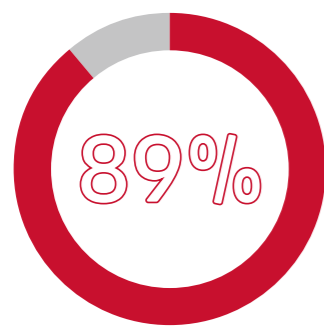
Scope: all employees, excluding Tipico Shop Agencies

Feedback provided as part of the Engagement Survey is communicated in aggregated form to the line managers whose team the feedback stems from and to line managers whose business area the feedback relates to. The feedback is reviewed and analyzed against the backdrop of the strategy,

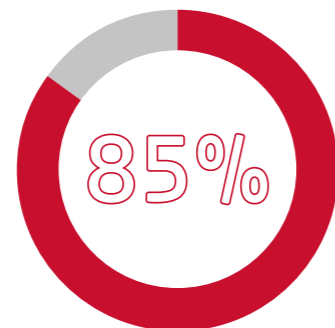
and input that would advance the strategy is considered for implementation. The monthly business updates serve as a format to report back our progress along the strategy – including such topics, where quantitative and qualitative data from the Engagement surveys influenced our roadmap.

FIGURE 12. PERCENTAGE OF EMPLOYEES WHO RESPONDED "AGREE" AND "STRONGLY AGREE" TO THE CORPORATE RESPONSIBILITY QUESTIONS IN THE EMPLOYEE ENGAGEMENT SURVEY 2023

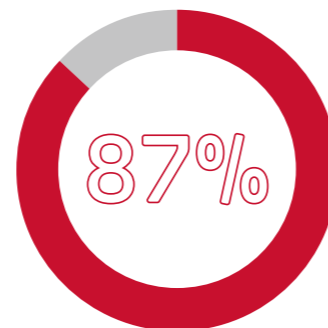
TIPICO IS A TRUSTWORTHY AND RESPONSIBLE COMPANY



TIPICO SUFFICIENTLY PROTECTS ITS CUSTOMER



IT IS IMPORTANT TO WORK WITH A RESPONSIBLE COMPANY



Scope: all employees, excluding Tipico Shop Agencies



GREEN POWER FOR TIPICO TOWER

BUSINESS UPDATES

Tipico's business update is a monthly hybrid meeting organized by the Communication team and management to keep all employees informed and aligned with the company's goals, strategies, and recent developments.

These meetings serve as a platform for disseminating important information about the organization's performance, upcoming projects, market trends, and any changes in policies or procedures.

They offer employees the opportunity to ask questions, share insights, and provide feedback, fostering a culture of transparency and collaboration within the company. In 2023, eight business updates were successfully organized with a summer break. Additionally,

one business strategy update was recorded for the employees to provide a comprehensive overview of what Tipico's 2025 goals are and how we will get there. Moreover, we have regular target achievement communication via internal channels approximately six times a year, and quarterly, we have a more informal format of "Coffee with Jochen" (Tipico's CEO), where business topics are discussed in a Q&A setting.

Any employee who raises questions or gives feedback during a business update receives immediate answers from management or is updated regarding the raised question(s) during the next meeting or in a recorded format. All business updates are recorded and stored on the intranet and are accessible at any time.

INTRANET AND SOCIAL MEDIA

Within Tipico, we use MyTipico as our internal website/ intranet and Slack for internal communication with all employees. Corporate pages on social media, such as LinkedIn, Instagram, Facebook, and XING, are the channels for both internal and external communications.

Each employee and department can communicate any important updates through the Communication team, which will post them on internal channels. For example, there is a Policy Friday for which any Policy owner records a video to describe a new company policy or updates in the existing policies. There is a Coffee Talks series with Tipico's CEO, which provides updates on the company's strategy and performance.

Our CR Department creates content for the Intranet for topics related to ESG, such as Tipico's environmental strategy towards carbon neutrality, and follows up on any feedback given by the employees. In 2023, we focused on building employees' awareness of energy efficiency and waste sorting. When employees' feedback is in line with Tipico's strategy and falls within the current year's budget, we will find solutions for implementation and communicate them in the next posts. In case feedback is not relevant to the CR department, it will be communicated to another department, such as office management, communications, or business relations.

CAREER DEVELOPMENT REVIEWS

At the beginning of the year or a few weeks into their employment, each employee in Tipico offices and offices of TSAs has a focus meeting to define goals for growth in the role and individual contribution to the achievement of department and company targets. Later, in Q4 of the year, each office employee runs an appraisal meeting with people managers to receive performance feedback and discuss growth opportunities and contributions towards the company/department targets. Like a focus meeting, this meeting is held once a year in the form of a focused 1:1 conversation. Besides highlighting the importance of immediate and open feedback and bringing to light the impact a feedback culture has on the ability to achieve together; we are constantly working on talent retention, offering development opportunities within the company and across our locations.

At Tipico, people managers may also participate in a formal 360-degree feedback exercise as an opportunity to receive feedback from their manager, reporting staff members, peers/co-workers, and other stakeholders. The aim is to create a detailed overview of the strengths and improvement opportunities. A survey was formed around competencies expected of people managers at Tipico, and it was used to gather feedback and increase self-awareness.

48% of all Tipico employees received a career development review and held appraisal meetings in 2023:

TABLE 9. NUMBER OF EMPLOYEES WHO HAD PERFORMANCE REVIEWS IN 2023 SPLIT BY GENDER AND MANAGEMENT LEVEL

PERFORMANCE REVIEWS BY CATEGORIES IN 2023	NUMBER IN HEADCOUNT
Women	282
Men	707
Top management	58
Junior management	45
STEM-related positions	438
Other contracts	448



ENGAGING WITH POTENTIAL CANDIDATES

In 2023, we invested in strengthening our bonds with our local communities by participating in career events that were held near our office locations. We understand the importance of local talent for our organization and the growth of the communities where we operate. By actively engaging with these talent pools, we not only contribute to the development of individuals but also build a better connection with educational institutions and industry associations.

Participating in career events is vital for Tipico, as it offers us a platform to showcase ourselves as an employer of choice and shows who we are behind the curtains of one of the biggest brands in Germany. By engaging with students and professionals alike, we have the opportunity to shape positive interactions and highlight the unique aspects of working at Tipico.

In 2023, we participated in three key events, two of which were directly linked to the local universities, aiming to attract young talent, cultivate long-term partnerships, and shed light on their future career possibilities. Our Talent Acquisition Team was present at Tigers Day at

the University of Tübingen, offering insights and clarifying any questions from students, showcasing that Tipico goes beyond our retail presence on the streets and sharing our passion for sports in the basketball arena of the local team.

Tipico's participation in the Freshers week of the University of Malta was a standout effort to attract top talent and showcase the exciting potential for career advancement within the company. Not only was the local HR and Talent Acquisition team present, but also other engaged stakeholders and team members were ambassadors at our stand.

Finally, we participated in the Pitch Club events held in Munich and Karlsruhe. These are dynamic gatherings where tech companies showcase their innovative software projects to attract top-tier talent. These events feature company pitches followed by networking opportunities, providing a platform for our Talent Acquisition and Developer teams to engage with senior tech talent and share our exciting projects and opportunities.

PROCEDURES FOR RAISING CONCERNS

At Tipico, we are upholding employee privacy rights while effectively addressing concerns and ensuring a fair and transparent grievance process.



TIPICO BELIEVES IN THE INTEGRITY OF ALL INTERACTIONS, WHETHER WITHIN THE COMPANY OR OUTSIDE OF IT. TIPICO COMMITS TO HANDLING THE DATA AND INSIGHTS IT COLLECTS DURING RECRUITMENT AND THE TIME OF EMPLOYMENT WITH THE HIGHEST RESPECT AND CARE. THE COMMITMENT EXTENDS TO EVERY MEMBER OF TIPICO'S TEAM AND ITS PARTNERS.

TIPICO ENCOURAGES AND PROMOTES LEARNING AND INNOVATION. IT IS LOOKING FOR TALENTED PEOPLE WHO ENJOY EXPLORING NEW AREAS AND LEARNING FROM OTHERS AND EACH OTHER. TIPICO OFFERS ITS TEAM MEMBERS OPPORTUNITIES TO GROW AND DEVELOP THEIR CAREERS.

TIPICO'S PRODUCT IS MADE TO CREATE GREAT MOMENTS AND SAFE ENTERTAINMENT. IN THE SAME WAY, TIPICO AIMS TO CREATE A RECRUITMENT PROCESS AND WORK ENVIRONMENT THAT ENABLES THE CREATION OF GREAT IDEAS THAT WILL RESULT IN NEW AND INNOVATIVE PRODUCTS.

INTERNAL MAILBOX

In case of any concerns, an employee can make a report either verbally or in writing to their own manager, the Head of their Department, the Worker Representative (in Malta), or their HR Business Partner (HRBP). Grievances through this channel can be submitted directly and in writing to HRBP through a dedicated email address. The manager, Head of Department, or HRBP protects the confidentiality of employee claims. The HRBP who received the grievance first communicates with the employee who raised it and, after obtaining any necessary consent, will initiate the necessary investigation steps confidentially.

GRIEVANCE MAILBOX

Tipico has a grievance mailbox that is accessible not only to employees but also to any external stakeholders on our Group website. If used by employees, they will be guided toward the grievance process for employees, which is managed by HR.

A more detailed description of the grievance mailbox can be found in the [Chapter Responsible Business Operations](#).

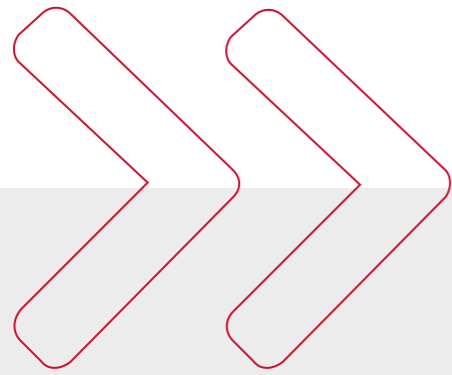


WHISTLEBLOWER PORTAL

Tipico also operates a Whistleblower Portal, which allows employees or any external stakeholder to provide information about potential wrongdoing anonymously. Although this list is not exhaustive, examples of situations in which it might be appropriate to report wrongdoing include:

- » a breach, or potential breach, of health and safety legislation
- » financial irregularities
- » money laundering (please also note that there is a process for STRs)
- » the committing of a criminal offense

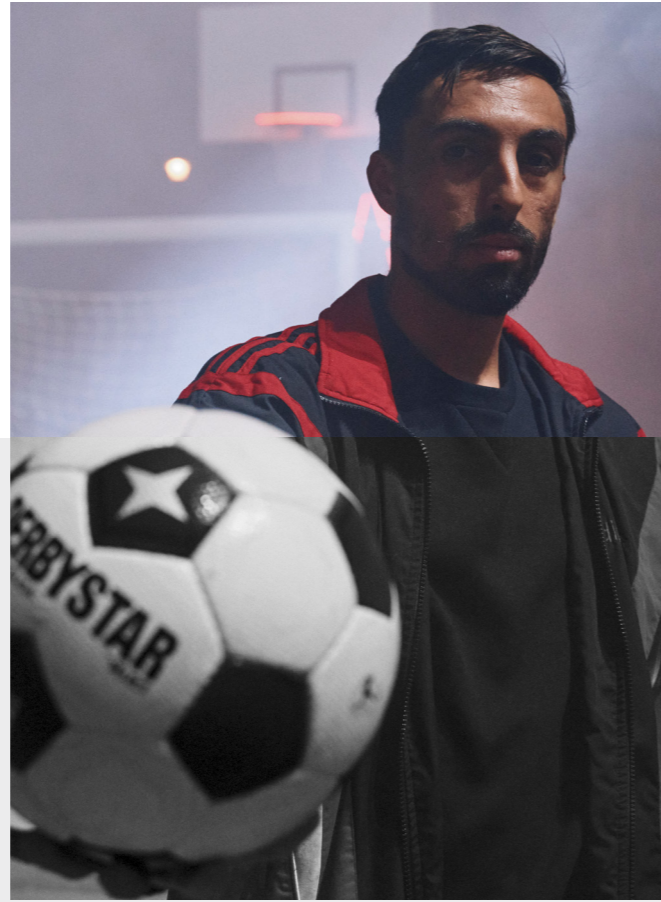
A more detailed description of the whistleblower portal can be found in [Chapter Responsible Business Operations](#).



TARGETS FOR

2024

AND BEYOND



- » continue the strong focus on equity, diversity and inclusion within the people processes guaranteeing equal opportunities, compensation, and a strong presence of female representation
- » define processes and principles of career planning and professional growth to ensure transparency and consistent governance groupwide
- » review and update the job leveling and salary structure to ensure fair and competitive compensation across all offices



ACTIONS

PEOPLE ANALYTICS

Our company's DNA is data-driven. We have defined HR data standards, e.g., a monthly KPI of our mandatory data completeness and accuracy. To reach this KPI, our HR team completes several structured data checks of the various data, such as the number of new joiners, leavers, current employees, and payroll data throughout the month. Apart from this, logical checks are performed to verify additional data points. The focus on data quality allowed us to expand our data structure where new data sets were introduced to our model (e.g., organizational

levels), which were also reflected in our people analytics – providing additional insights to our key stakeholders. We implemented additional dashboards showing basic logical data checks to cascade ownership of HR data to everyone, building a strong data foundation.

Alongside this, our Commercial Finance Insight team uses a People Analytics Tool to prepare the forecast of possible increases in the number of resources needed in the following period. The team reviews the trends of turnover, vacancy factors and, based on strategic needs, assesses

the number of resources needed. Implementation of aligned data standards and people analytics reporting allows the HR and Finance teams to perform regular reviews of the current situation, analyze trends, and prepare forecasts within workforce planning.

The consistency of keeping records of assumed compensation packages and actual costs of the workforce affords the opportunity to prepare simulations and forecasts in case of organizational changes, which translates into informed decision-making and making correct budget assumptions.

PEOPLE MANAGEMENT EXCELLENCE

In 2023, people managers' excellence remained among our learning and development (L&D) priorities. Apart from the continuation of a very strong base of Management and Leadership Programs, we actively looked for new opportunities to strengthen the competencies of our management team. One of the initiatives piloted this year was "Untap your interviewing potential" training sessions. The aim of this L&D initiative is to ensure Tipico's hiring managers are better equipped to understand and select suitable talent for the business, as well as act as true ambassadors of Tipico during the recruitment process.

In 2023, 26 of our managers (3% of our total workforce in the office locations) had a chance to participate in the "Game Changer Lab." This talent program was designed with the intention of providing developmental opportunities to those across the Tipico Office Group who have been identified as having a high potential to bring success to the company. Through "Game Changer Lab" participants embarked on a development journey in order to build self-awareness and understanding of their own potential.



Each of the participants dedicated approximately 30 hours to this development journey. In addition to the above, we remained consistent in running our flagship leadership programs, which were launched in previous years. Our "Leading 'Spannung' Program" aims to strengthen the capacity to perform efficiently in management roles. Since the program launch in 2018, we have trained 200 people managers.

Secondly, the "Lateral Leadership Program" provides an opportunity for employees who manage others horizontally

within their roles to achieve projects and targets. The program supports their development by providing training on topics such as earning natural authority, selling ideas, dealing with resistance, mechanisms of team dynamics, and achieving consensus in conflicts with others. Since its launch in 2021, 76 employees, representing 3% of the total workforce at our office locations, have participated in the program.

"New People Manager Lab" delivery continued to build an understanding of Tipico's

leadership and people processes standards among newly appointed or newly promoted people managers.

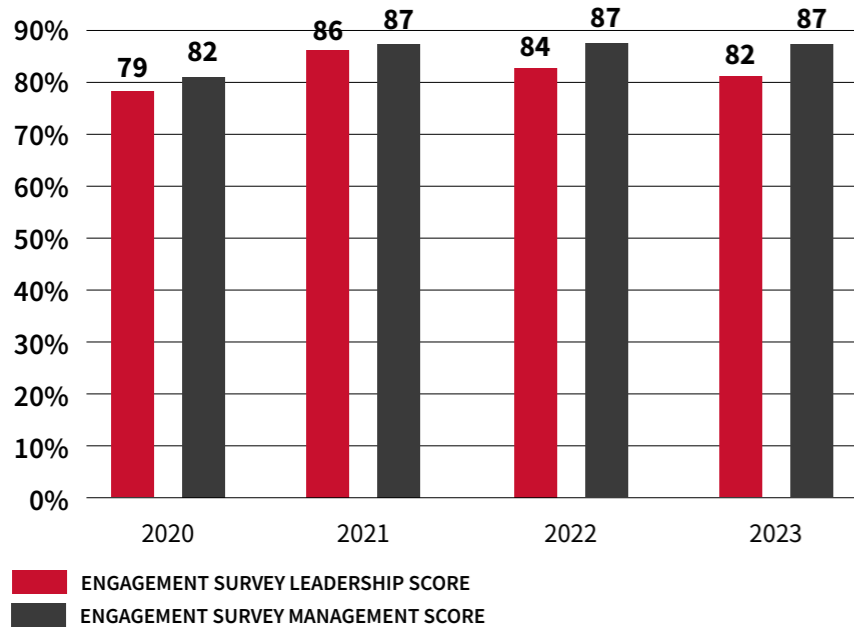
The goal of this program is to build a strong and aligned leadership culture and bring the company's leadership standards to life. Thirty managers, making up 3.4% of our office-based workforce, engaged in this development program in 2023.

In order to measure the success of both programs, we look at their long-term impact on our

Engagement Survey Scores in the factor "Your Manager" for the New People Manager Lab and the factor "Leadership" for the Leadership Lab. While looking at the trend of Engagement Survey Scores referring to both Leadership and Management between 2020 – 2023, we can notice a significant strengthening of our employees' perception of leadership and management team competencies across Tipico.

Whilst in 2020, 'Leadership' scored 79% and 'Management' scored 82%, in 2023, the scores increased respectively to 82% and 87%, which confirms not only the long-term confidence in Tipico's Leadership Team but also the success of our Leadership Development programs.

FIGURE 13. PERCENTAGE OF EMPLOYEES WHO RESPONDED "AGREE" AND "STRONGLY AGREE" IN THE EMPLOYEE ENGAGEMENT SURVEY TO THE QUESTIONS CONNECTED TO LEADERSHIP AND MANAGEMENT



Scope: all employees, excluding Tipico Shop Agencies

Whilst the majority of our training was dedicated to professional topics, a significant part focused on the well-being of our employees. Among others, wellness-themed sessions delved deep into self-care, maintaining balance and motivation.

We organized five well-being sessions in 2023 for the office employees (+2 compared to 2022):

- >> The Power of Balance: A Deep Dive to Create, Maintain & Flow
- >> Dream Team Body & Mind
- >> Deep Dive into Self-care: Keeping Your Body & Mind Healthy
- >> Find Your Flow
- >> Motivate Yourself



SPOTLIGHT

One of the most important projects carried out to support the well-being and work-life balance of our team members and their families is our after-school club, "KiGa," based in Malta. Here, we offer a space for children of our employees between the ages of three and 11 years old to use KiGa free of charge between 13:00 and 19:00 on school days and between 8:00 and 19:00 during school vacations. This gives our employees the opportunity to come during the day, do their

work, and offer their children an ideal and safe place to spend time, play, learn, and participate in a myriad of activities provided by dedicated caregivers. We know it can be difficult to balance family and work life, so we offer our employees the support they need to do their best. Feedback from parents is as good as ever: Tipico employees are able to continue to do their best at work and spend more time with their families.

ADEQUATE WAGE AND SOCIAL DIALOGUE

We believe that the hard work and outstanding achievements of our employees should be respectably rewarded. We work with only the best, and we are prepared to invest in them. Here at Tipico, we offer competitive salary and compensation packages.

In 2019, we implemented a compensation framework based on job leveling and external compensation benchmark data, which allows people managers to take objective decisions on the compensation offer for new employees and on the salary increases for the existing employees. Salaries are evaluated using Willis Towers Watson’s Job Leveling service, which is a process for methodically establishing the relative value of jobs within the organization. Benchmarks are updated annually.

Before starting the salary review process, a cost-of-living increase analysis is conducted. Taking into account the current economic situation in the respective country, data on inflation, energy costs, food costs, rent costs and others will be collected and provided to Tipico leaders. With the help of this analysis, and considering other internal factors, they will decide how to adjust the wage benchmark for Tipico.

The last revision was made in 2023. An additional revision of job leveling and benchmarking is planned for 2024 in close cooperation with Willis Towers Watson in order to compensate for and better understand the greater changes resulting from the situation with COVID-19 and the war in Ukraine in the last three years.

Since 2019, the consistency of the process allowed us to achieve full equality between female and male employees in non-managerial roles. On average, the minimum salaries in our Tipico offices are 33% higher than the respective local minimum wages. No employee is paid less than the national minimum salary. The average annual raise in compensation was 3% in 2023 in all Tipico locations.

From 2021, our Tipico Team across all offices started working within the framework of the One Tipico Bonus Scheme, which provides an incentive to employees based on the achievement of company and department targets. The variable compensation of the CEO of Tipico depends on the achievement of the annual Tipico Company Target. It is based on the same rules as all other employees at Tipico and is paid out once a year in March of the following year.



The Bonus Scheme recognizes the impact and scope of employees’ roles in achieving the company and department targets.

Therefore, it encourages collaboration and the achievement of common goals across all Tipico, preventing risks of non-compliance. Once a year, there is a formal review process of the final targets’ achievement.

In 2023, none of our locations had any bargaining agreements or labor union, however we

respect our employees’ rights for freedom of association, and they are guaranteed by the Constitutional Law and ILO in all Tipico locations. In Malta, there are two worker representatives which serve as liaisons between the workforce and management, ensuring that employee concerns are effectively communicated and addressed. By working collaboratively with worker representatives, we strive to create a workplace where all employees are treated fairly, and with dignity and respect.

TABLE 10. SOCIAL DIALOGUE THROUGH WORKER REPRESENTATIVES’ COVERAGE IN ALL TIPICO LOCATIONS IN 2023

COVERAGE RATE	WORKPLACE REPRESENTATION (EEA ONLY) (FOR COUNTRIES WITH >50 EMPL.)
0-19%	-
20-39%	-
40-59%	-
60-79%	-
80-100%	Malta

TABLE 11. WORKING CONDITIONS IN ALL TIPICO LOCATIONS IN 2023

	FREEDOM OF ASSOCIATION	COLLECTIVE BARGAINING AGREEMENTS	NATIONAL MINIMUM SALARY (ANNUAL, CONVERTED TO USD)	DIFFERENCE IN AVERAGE MINIMUM SALARY IN TIPICO COMPARED TO NATIONAL MINIMUM SALARY
Austria	Guaranteed by Constitutional Law and granted to everyone.	Tipico is a member of the Styrian Chamber of Commerce, which negotiates collective agreements with the workers' associations, which then apply to all employers and workers in the sector concerned.	19,866 (minimum by collective bargaining agreement)	+20%
Colombia	Being a member of the ILO, Colombia has sworn to protect and guarantee the freedom of association. The possibility for employers and employees to associate through trade unions and employers' associations is guaranteed as a constitutional right.	Guaranteed by ILO. While it is not mandatory to be a member or constitute a trade union in Colombia, trade unions may negotiate on behalf of their affiliates to begin collective bargaining. This process can only be initiated by the trade union; employers cannot call for a collective bargaining process. As this has not happened, no collective agreements are currently binding in Tipico.	5,077	+8%
Croatia		Since Tipico is not a member of an employer's association in Croatia or Germany and there are, in addition, no binding collective agreements for the industry, there are currently no binding collective agreements in place.	7,075	+39%
Germany	Guaranteed by Constitutional Law and granted to every employee.		30,529	+7%
Gibraltar	Being a member of ILO, Gibraltar has sworn to protect and guarantee the freedom of association.	Workers are not required to join a trade union, and Tipico is not unionized since less than 50% of its employees are members of a trade union in Gibraltar or Malta. Therefore, no collective agreements are currently binding.	21,882	+115%
Malta	Guaranteed by Constitutional Law and granted to every employee.		11,245	+131%

PERFORMANCE INDICATOR

GENDER PAY GAP

Our commitment to offering competitive salaries based on transparent principles starts in our hiring process, where we aim to equalize our salary structure. Our framework that governs decisions about compensation is based on salary structures that consider roles and positions instead of looking at individuals. By following these principles, after only three years, in 2023, we have achieved almost complete parity between men and women in both

management and non-management positions, an achievement we can be proud of.

The unadjusted gender pay gap provided below was calculated as the difference between the average gross hourly pay for men minus average gross hourly pay for women dividing the result by the average gross hourly pay for men. Then we multiplied the result by 100.

-1.68%

GENDER PAY GAP IN TIPICO*

*A negative difference means that on average women received a higher salary than men. Scope: all employees in the scope of the ESG report

TABLE 12. DIFFERENCE BETWEEN THE ANNUAL SALARIES FOR WOMEN AND MEN SPLIT BY POSITION LEVEL

INDICATOR	% DIFFERENCE IN 2022	% DIFFERENCE IN 2023
Management level (base salary only)	-4%	1%
Management level (salary + other cash incentives)	-3%	1%
Non-management level (base salary only)	7%	-3%

TRAINING AND SKILLS DEVELOPMENT

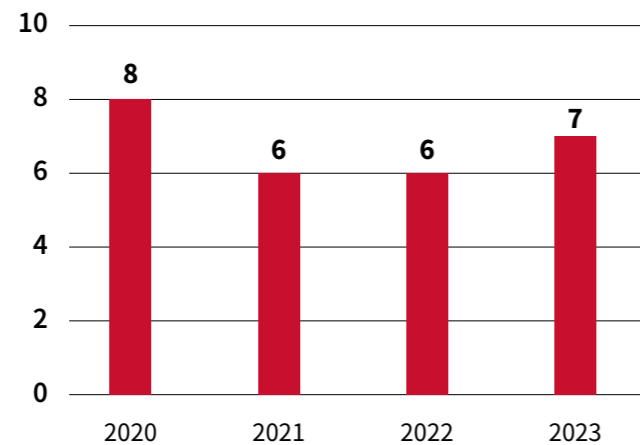
At Tipico, we inspire and support employees to have the ambition and opportunity to develop themselves professionally, using a creative and collaborative approach to learning. In 2023, we introduced new learning sessions in online and face-to-face formats, which allowed us to increase the number of training hours per employee by 14%.

In all Tipico locations, employees dedicated approximately 13,692 hours to internal (including mandatory) and external training, which is seven hours per employee. This is the same number of hours when it comes to office employees only (+1 hour compared to 2022).

In office locations, 38% of men and 48% of women booked internal and external training in 2023, respectively, investing 2,647 hours (men) and 1,353 hours (women) in internal and external training, excluding mandatory training.

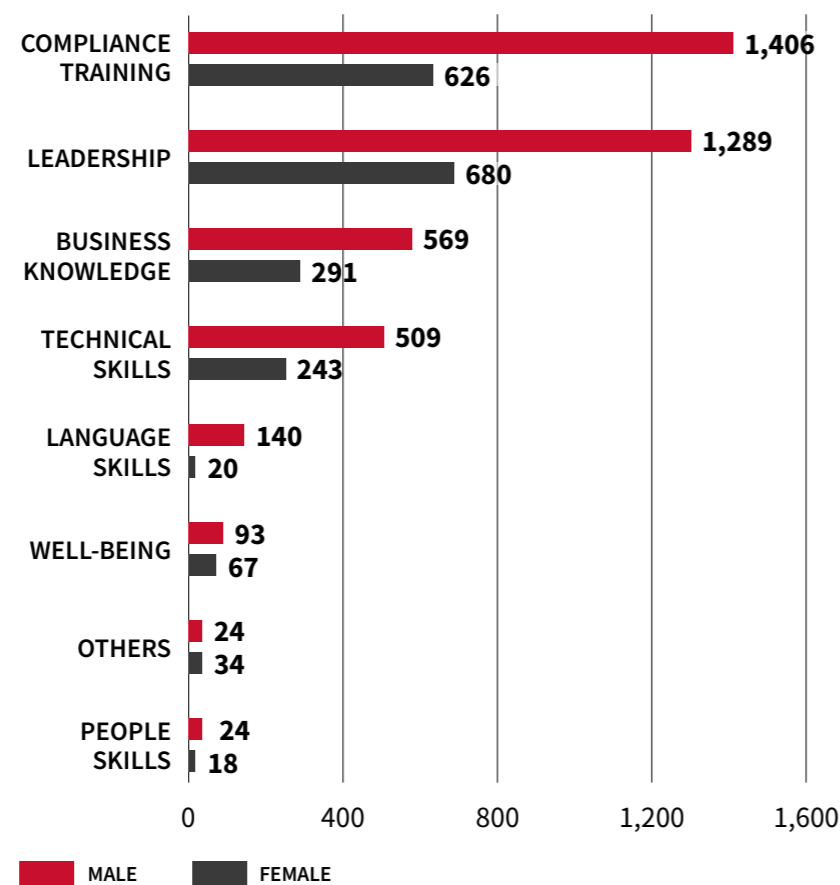
We invested an average of EUR 304 per office employee on training and development opportunities in 2023 (+ EUR 15 in comparison to 2022 due to the return to face-to-face training, as well as the introduction of new training modules). In TSAs, we invested an average of EUR 164 per employee, and, in total, we spent EUR 233 on training per employee in all Tipico entities in 2023.

FIGURE 14. AVERAGE TRAINING HOURS PER OFFICE EMPLOYEE IN 2023



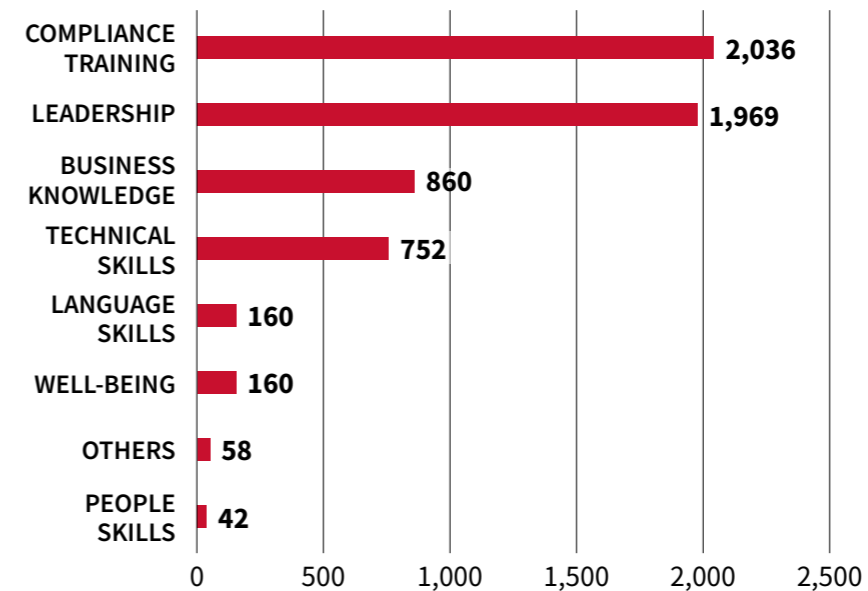
Scope: all employees, excluding Tipico Shop Agencies

FIGURE 15. TOTAL TRAINING HOURS SPLIT BY GENDER AND TRAINING CATEGORY IN 2023



Scope: all employees, excluding Tipico Shop Agencies

FIGURE 16. TOTAL TRAINING HOURS SPLIT BY TRAINING CATEGORY IN 2023



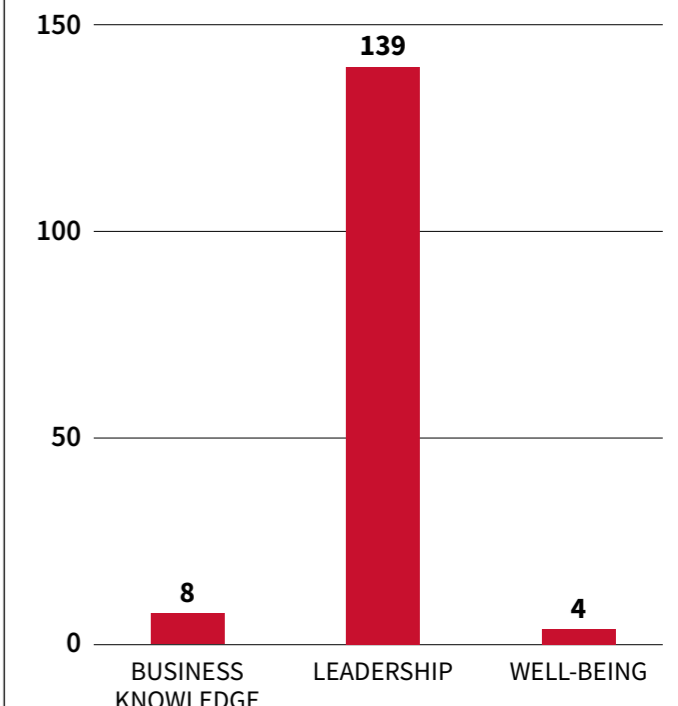
Scope: all employees, excluding Tipico Shop Agencies

IN ALL TIPICO LOCATIONS, EMPLOYEES DEDICATED APPROXIMATELY

13,692

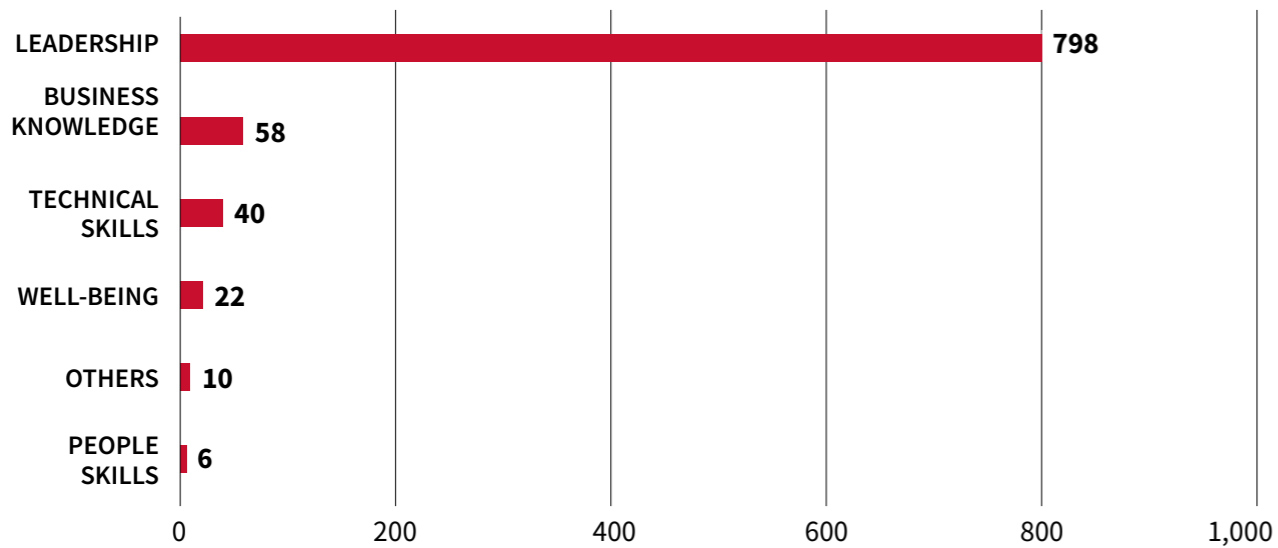
HOURS TO TRAINING, WHICH IS SEVEN HOURS PER EMPLOYEE.

FIGURE 17. TOTAL TRAINING HOURS FOR TOP MANAGEMENT SPLIT BY TRAINING CATEGORY IN 2023



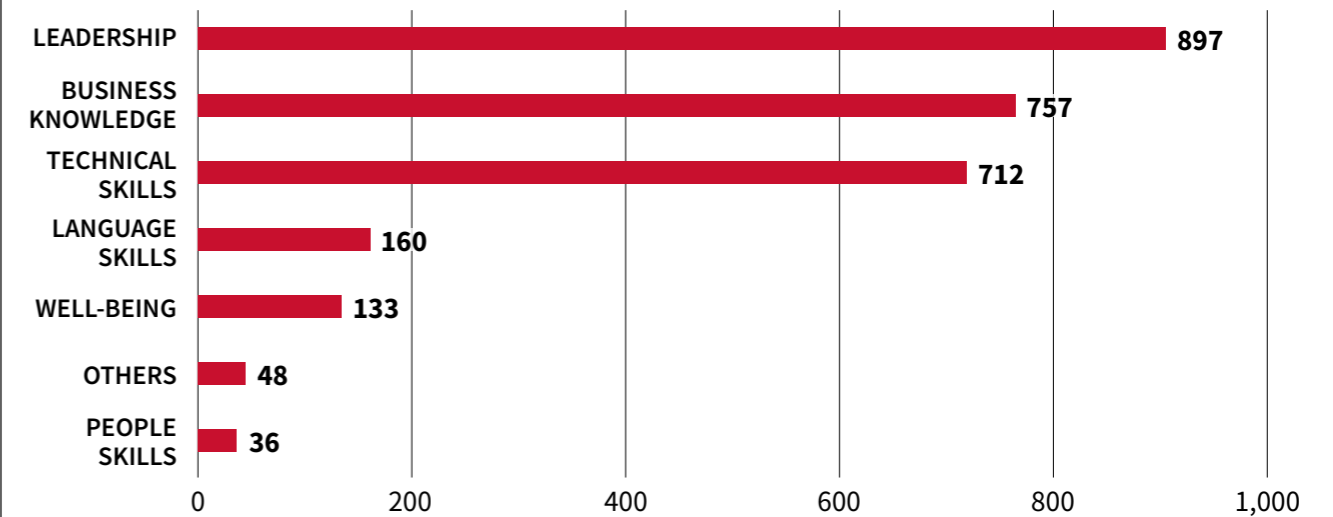
Scope: all employees, excluding Tipico Shop Agencies

FIGURE 18. TOTAL TRAINING HOURS FOR MIDDLE MANAGEMENT SPLIT BY TRAINING CATEGORY IN 2023



Scope: all employees, excluding Tipico Shop Agencies

FIGURE 20. TOTAL TRAINING HOURS SPLIT BY TRAINING CATEGORY IN 2023 FOR ALL STAFF, EXCLUDING MANAGEMENT POSITIONS AND TEAM LEADERS



Scope: all employees, excluding Tipico Shop Agencies

IN TIPICO SHOP AGENCIES,
WE INVESTED AN AVERAGE OF

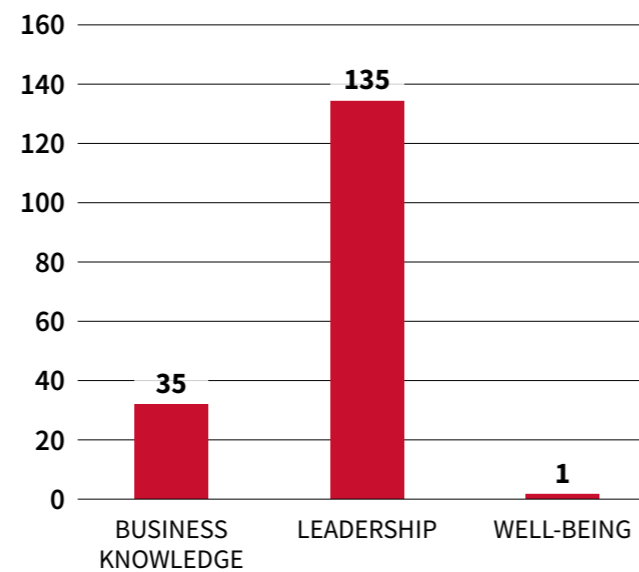
EUR 164

PER AN EMPLOYEE AND, IN
TOTAL, WE SPENT

EUR 233

ON TRAINING PER EMPLOYEE
IN ALL TIPICO ENTITIES IN 2023

FIGURE 19. TOTAL TRAINING HOURS FOR TEAM LEADERS SPLIT BY TRAINING IN 2023



Scope: all employees, excluding Tipico Shop Agencies



2023 marked a return to face-to-face learning activities, which allowed us to reconnect with each other and take full advantage of learning from each other's experiences. This shift facilitated networking and helped our team to expand in-person connections, which are very relevant considering Tipico's focus on collaboration and achieving our goals together. This shift towards face-to-face learning can also be seen through increased training hours in 2023.

Additionally, Tipico Talks, led by internal subject matter experts, provided a platform for collaborative learning and facilitated better cross-departmental understanding.



COMMUNITY INVOLVEMENT

We encourage the involvement of our colleagues in volunteering and charity initiatives they drive. Each Tipico employee has two paid days per year, which can be spent on volunteering activities. We also offer a matching scheme to support fundraising for CR-related events and provide a personal budget for participation in charity races and charity tournaments. In 2023, our employees contributed more than 900 hours to good causes, and we supported more than 15 non-governmental organizations (NGOs) in Malta, Germany, Austria, Croatia, and Colombia by donating in total EUR 80,153 to social projects in the areas of human rights, animal welfare, health, and environmental protection.

In the beginning of 2023, we supported projects of three NGOs in Malta, Germany, and Croatia that are protecting human rights, specifically working with victims of domestic violence, where statistically, the majority of victims are women. We believe that by donating to projects aimed at combating violence

against women, we actively contribute to creating safer communities and empowering women to assert their rights. These initiatives provide crucial support services, advocate for legal reforms, and foster education and awareness to break the cycle of abuse.



For the third year in a row, in May, we participated in the worldwide Wings for Life charity run. Twenty-eight of our employees from Malta, Germany, Croatia, and Colombia joined the Tipico Team to prove again that #oneteam is stronger together. The result of the team run was 334 km, which is more than double what we achieved last year (140 km). Together with the participation fee and individual donations, Tipico donated EUR 3,488 to the Spinal Cord

Research Foundation, supporting research which aims to find a cure for spinal cord injury.

In keeping with the motto “#oneteam for a good cause,” we celebrated our corporate social responsibility (CSR) Days again in October. One hundred thirty-three employees (+15% compared to last year) volunteered to support a total of eight NGOs onsite in Malta and Karlsruhe. We undertook garden work, built resting

areas for hikers at the national park, did deep cleaning at the animal shelter, made repairs at the residential building for adolescents who need a home, built bicycles for children, and much more. Through these efforts, we not only make a tangible impact on the ground but also foster a sense of purpose and solidarity among our employees.

The long-term impact of CSR Days extends far beyond the duration of the event itself. By dedicating time and resources to community engagement and social causes, we lay the groundwork for sustainable change and lasting relationships with NGOs. After the previous CSR Day in 2022, we noticed the lack of waste bins in the area in Malta, where our team cleaned up and carried out garden work. In 2023, we installed four bins and surveillance cameras with the cooperation of the NGO and under agreement with the local council.



Another social project that we organized again in 2023 was Pink October. This is a global event for raising awareness of breast cancer. We are happy that more than 280 Tipico colleagues joined this event by wearing something pink and white on this day in all our locations to express their support for breast cancer patients and reminding about early detection of this disease. Together, we collected EUR 9,500 (+3% compared to 2022), which was sent to six NGOs working on breast cancer awareness and treatment in Austria,

Malta, Germany, and Colombia. Following Pink October, our team organized a Movember contest in all Tipico locations for the third time to raise awareness for men's health issues such as prostate cancer, testicular cancer, and male suicide.



At the end of the year, during the winter holiday season, our team in Malta rallied together to support families in crisis by ensuring they had a Christmas table filled with nourishing food and warmth. Through coordinated efforts and generous contributions, we collected an abundance of food items, from pantry staples to festive treats, ensuring that no family would go without them during the holiday season.

DIVERSITY AT TIPICO

OUR TEAM

Here at Tipico, we love learning from each other and think that new experiences shape and inspire great ideas. Diversity and inclusion make us a winning team – our culture is open, curious, and accepting, working together and making us stronger together. Our philosophy is that we want the best talent who fits our culture – no matter where we are from, be it race, culture, or religious background. We treat all candidates and colleagues with equal respect, irrespective of their role and position within the company.

We have zero tolerance for any type of discrimination and harassment and although we had one case reported through the internal grievance reporting mechanism in 2023, this was promptly followed up according to our Equality, Diversity and Inclusion Policy mentioned previously. The case was successfully resolved within the timeline of 30 days.

Consequently, we had no incidents, adverse rulings, fines, or compensations for damages related to any human rights impacts.

In 2023, the average number of people across our office locations was 893, or 2,058 together with TSA employees, where 70% of employees worked full time and 30% performed part-time jobs. The majority of part-time contracts include shop employee positions in TSAs. We had zero non-employee workers, individual contractors or leased employees in 2023.

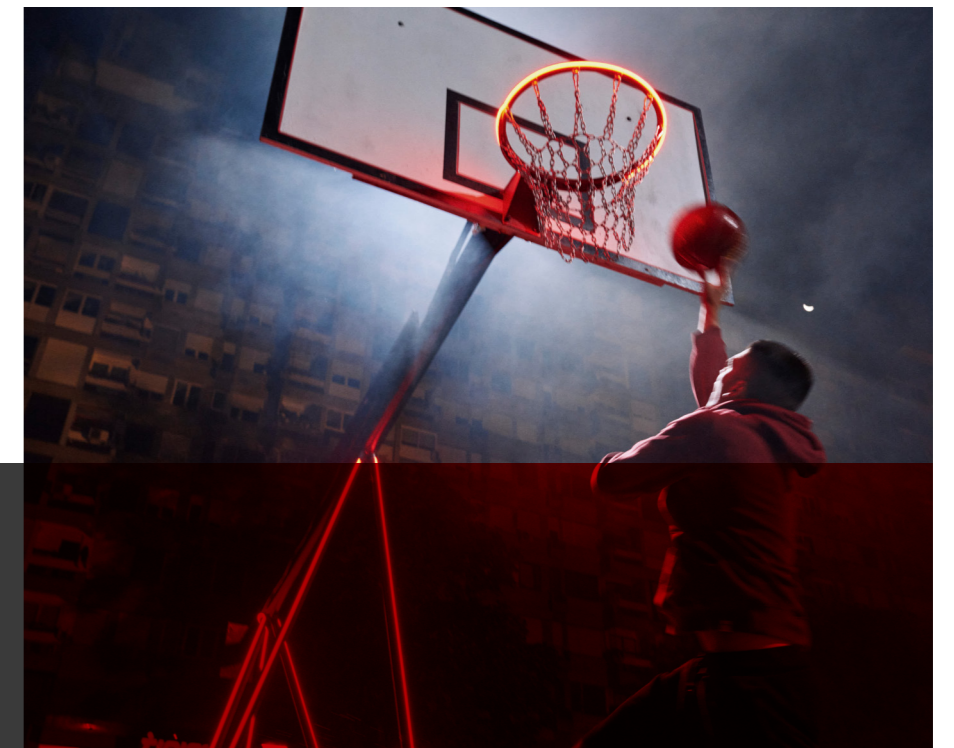


TABLE 13. TOTAL NUMBER OF EMPLOYEES SPLIT BY REGION AND EMPLOYMENT CATEGORY AS OF THE END OF 2023

	AUSTRIA	COLOMBIA	CROATIA	GERMANY	GIBRALTAR	MALTA	TOTAL
Number of employees (headcount)	28	56	150	1,440	7	377	2,058
Number of permanent employees (headcount)	28	48	137	896	7	377	1,493
Number of temporary employees (headcount)	0	8	13	544	0	0	565
Number of non-guaranteed hours employees (headcount)	0	0	0	0	0	0	0
Number of full-time employees (headcount)	24	55	148	801	7	360	1,395
Number of part-time employees (headcount)	4	1	2	639	0	17	663

TABLE 14. EMPLOYEES WITH A REGISTERED DISABILITY SPLIT BY GENDER IN 2023

	NUMBER OF EMPLOYEES, HEADCOUNT
Women	4
Men	10
TOTAL in all workforce, %	0.7%

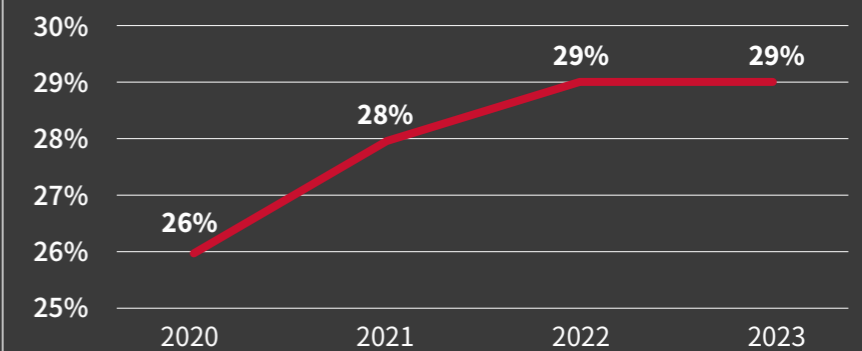


Gender Ratio

Due to the focus of our business on technology and sports, there are more men who are interested in working with us. In 2023, the same as last year, 29% of all office employees were women, and 71% were men.

When it comes to female representation in all Tipico locations, including TSAs, in 2023, it was 1% less than in the offices only; in total, 28% were women and 72% were men.

FIGURE 21. PERCENTAGE OF WOMEN AMONG ALL OFFICE WORKERS



Scope: all employees, excluding Tipico Shop Agencies

TABLE 15. TOTAL NUMBER OF EMPLOYEES SPLIT BY GENDER AND EMPLOYMENT CATEGORY AS OF THE END OF 2023

	FEMALE	MALE	OTHER	NON-DISCLOSED	TOTAL
Number of employees (headcount)					
	566	1,492	0	0	2,058
Number of permanent employees (headcount)					
	439	1,052	0	0	1,491
Number of temporary employees (headcount)					
	128	439	0	0	567
Number of non-guaranteed hours employees (headcount)					
	0	0	0	0	0
Number of full-time employees (headcount)					
	397	999	0	0	1,396
Number of Part-time employees (headcount)					
	169	493	0	0	662

TABLE 16. TOTAL NUMBER OF EMPLOYEES SPLIT BY GENDER AND MANAGEMENT/NON-MANAGEMENT POSITIONS AS OF THE END OF 2023

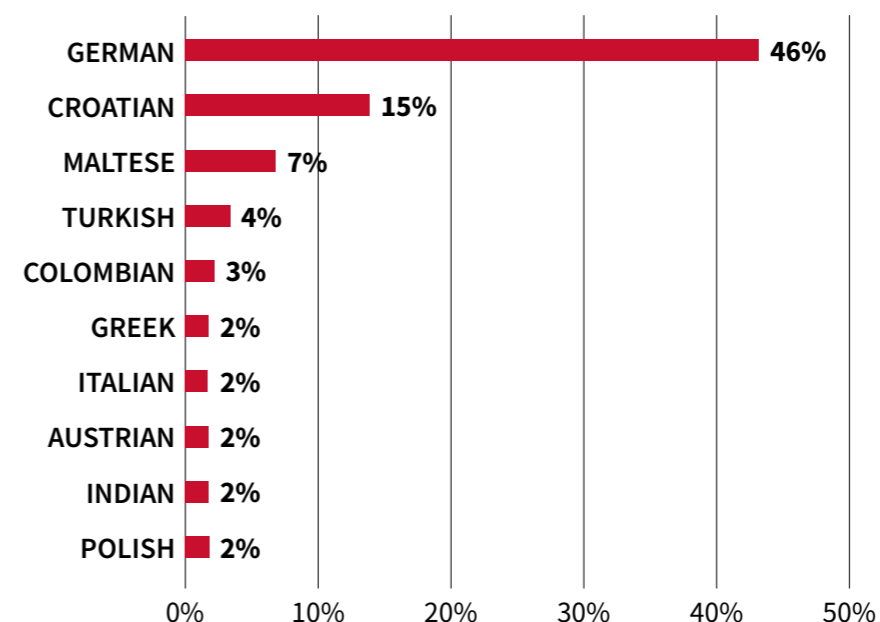
	FEMALE	MALE	OTHER	NON-DISCLOSED	TOTAL
Number of employees in managerial positions (headcount)					
	82	282	0	0	364
Number of employees in top managerial positions (headcount)					
	7	53	0	0	60
Number of employees in revenue-generating functions (headcount)					
	383	1,030	0	0	1,413
Number of employees in STEM-related positions (headcount)					
	50	388	0	0	438
Number of employees in junior management positions (headcount)					
	23	142	0	0	165

TABLE 17. SHARE OF WOMEN IN MANAGEMENT/ NON-MANAGEMENT POSITIONS IN 2023

POSITIONS GROUP	SHARE OF WOMEN (%)
All management positions	23%
Top management positions	12%
Revenue-generating functions	27%
STEM-related positions	11%
Junior management positions	14%

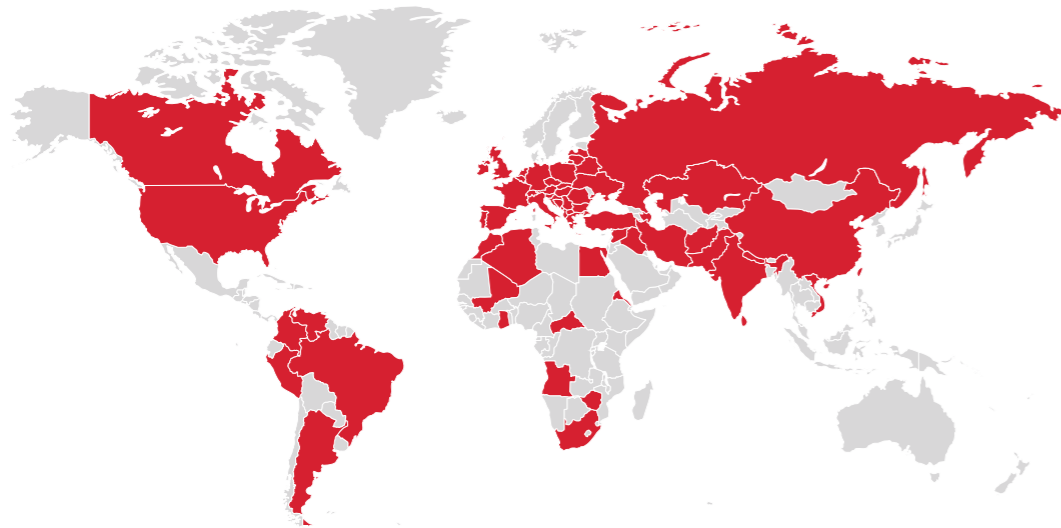
In total, our employees represented 67 different nations in 2023. The most highly represented nationalities were:

FIGURE 22. MOST REPRESENTED NATIONALITIES – HIGHER THAN 1% OF THE TOTAL WORKFORCE IN ALL TIPICO LOCATIONS IN 2023



As Tipico operates as a business in the German-speaking market, our most represented nationality and the biggest number of employees are in Germany, showing our German customer focus. The other three most represented nationalities – Croatian, Maltese, and Colombian – reflect our commitment to hiring talent within the local communities.

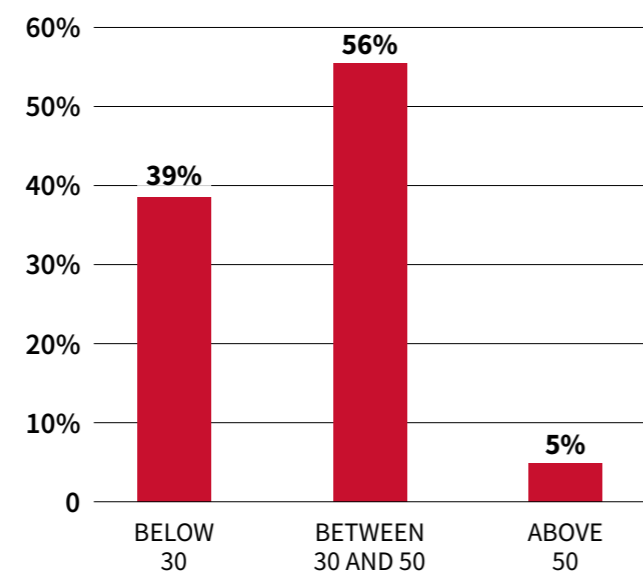
OUR EMPLOYEES REPRESENT FIVE CONTINENTS ON THE WORLD MAP



Among all employees in 2023, 19% were from non-EEA countries, while 4% of senior management (executives, directors, and heads of departments) were non-EEA nationals. Of all Tipico senior management hired in 2023, 83% originated from the local communities in which we operate, which is higher compared to the 61% in 2022.

Most employees are between 30 and 50 years old, which corresponds to the age of the candidates applying for jobs at Tipico. In 2023, the largest number of applications came from the age group of 30-50 years. Children under the age of 18 years are prevented from entering the gambling business, and we closely monitor and prevent this risk.

FIGURE 23. SHARE OF EMPLOYEES SPLIT BY AGE GROUP IN 2023



CANDIDATES AND NEW HIRES

Our website reflects the diverse nature of Tipico, showcasing all the different and special, talented people who make up our team. This diversity is not only evident in the content we share online but also in our candidates. In 2023, we had 143 new hires in the office locations.

Besides this, we filled 50 positions internally, accounting for an impressive 35% of all hires. 60% of all new hires were male, and 40% were female, indicating

a shift into a more diverse team compared to the 25% female hires in the previous year.

In TSAs, we had 441 new hires and 6 open positions were filled by internal candidates. In total with the offices, we hired 584 people in 2023, among which 56 were internal candidates resulting in 9.5% of total internal hires. The average hiring cost of all newly hired employees was EUR 1,235 per hire.

IN 2023, WE HAD

143

NEW HIRES IN THE OFFICE LOCATIONS

BESIDES THIS, WE FILLED

50

POSITIONS INTERNALLY, ACCOUNTING FOR AN IMPRESSIVE 35% OF ALL HIRES

TABLE 18. NEW JOINERS' BREAKDOWN BY GENDER IN ALL TIPICO LOCATIONS IN 2023

GENDER	HEADCOUNT
Female	169
Male	415
Total	584

TABLE 19. NEW JOINERS' BREAKDOWN BY AGE GROUPS IN ALL TIPICO LOCATIONS IN 2023

AGE GROUP	HEADCOUNT
Below 30	395
Between 30 and 50	175
Above 50	14
Total	584

TABLE 20. NEW JOINERS' BREAKDOWN BY MANAGEMENT LEVEL IN ALL TIPICO LOCATIONS IN 2023

MANAGEMENT LEVEL	HEADCOUNT
Junior management	5
Mid management	6
Top management	1
Total	12

Looking at our website traffic, of the almost 60,000 visitors in 2023, 37% are female, 63% male, and from all over the world. Candidates from Germany, the USA, Malta, the UK, and Canada are among the top five sources for visitors.

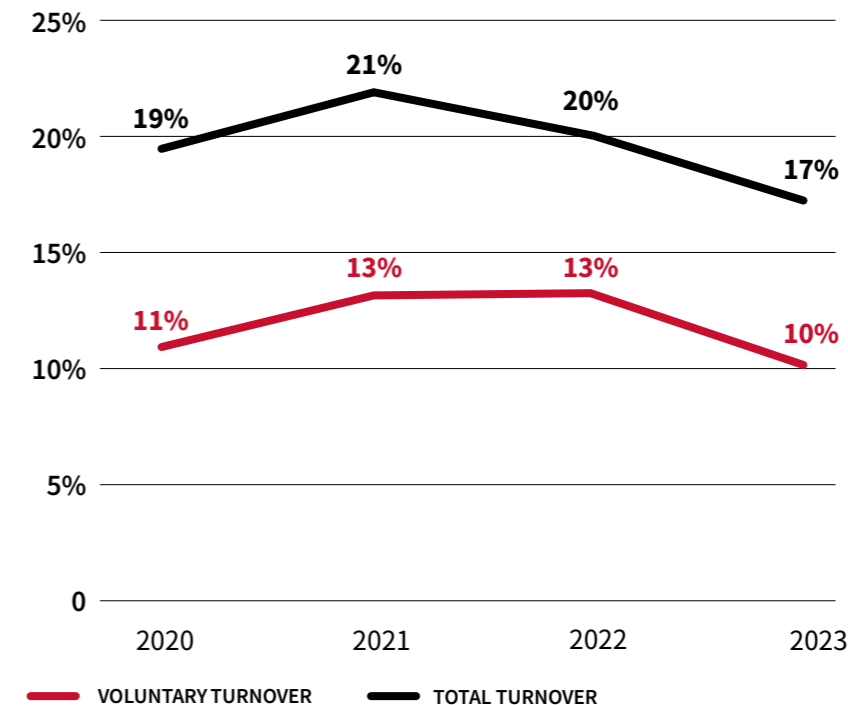
In 2023, our team consisted of people from 67 different nationalities. To make their move to their new homes in Malta or Germany smooth and simple, Tipico offers relocation assistance. We successfully offered this support to 33 new team members to Malta and nine to new team members in Germany, who were joining our offices.

In today's fast-paced industry and ever-evolving talent market, Tipico strives to attract the best and brightest minds from all corners of the globe and to keep our existing talent. In the offices, we decreased our turnover rate by 2% compared to the previous year and achieved 17% in 2023, which equates to 152 people.

We are following the positive trend that started in 2022, where the turnover rate had already decreased by an additional 2% compared to 2021. By looking solely at voluntary terminations, the turnover had an even higher drop compared to the previous year, resulting in 3% less than in 2022.



FIGURE 24. TURNOVER RATES SINCE 2020



Scope: all employees, excluding Tipico Shop Agencies.

In 2023, total turnover rate at all entities, including TSAs, was 34.3% which is impacted by high turnover in TSAs, mainly for shops cashier positions of 47.6%. Voluntary turnover rate, in all entities, was 16.4% whereas in TSAs the average voluntary turnover rate was 21.2%.

TABLE 21. LEAVERS' BREAKDOWN BY GENDER IN ALL TIPICO LOCATIONS IN 2023

GENDER	HEADCOUNT
Female	167
Male	512
Total	679

TABLE 22. LEAVERS' BREAKDOWN BY AGE GROUPS IN ALL TIPICO LOCATIONS IN 2023

AGE GROUP	HEADCOUNT
Below 30	418
Between 30 and 50	245
Above 50	16
Total	679

TABLE 23. LEAVERS' BREAKDOWN BY MANAGEMENT LEVEL IN ALL TIPICO LOCATIONS IN 2023

MANAGEMENT LEVEL	%
Junior management	4
Mid management	9
Top management	4
Total	17

EMPLOYEE WELL-BEING

SOCIAL PROTECTION

At Tipico, we understand the importance of financial stability and peace of mind for our team members. Through proactive planning and support systems, we ensure that unexpected circumstances such as sickness, unemployment, work-related injuries, acquired disability, maternity leave, and retirement do not compromise our employees' financial well-being. This social support is offered in all Tipico locations except in Colombia. We pledge to carefully consider and actively engage with the social security offerings available in Colombia to provide comprehensive support to our employees.

On top of public social security programs, we offer a range of additional benefits to our employees, which are provided to both full-time and part-time employees on the same terms. For our love of sports, we provide a gym allowance and plan to enhance benefits, encouraging and supporting our employees

to participate in sporting activities. In Germany, we offer additional enhanced sick pay for up to ten days in the case of child sickness and top-up personal pension contributions, which go beyond legal obligations. Whilst our benefits do vary across locations according to local legislation and practices, we remain committed to ensuring that our employees have strong benefits offered in whatever location they are in.

Over the last year, we analyzed our current benefits offering and made some enhancements across some of our locations. This included ensuring that all our employees have good healthcare coverage, allowing them to obtain medical treatment in a timely and effective manner. We also looked at ensuring that employees have access to Employee Assistance Programmes to support their mental well-being from both a professional and personal perspective.



HEALTH AND SAFETY

We keep on advocating for the highest levels of hygiene and health and safety standards in our offices and have invested in providing a space where our team members can be comfortable. In our daily operations, we are strictly following health and safety regulations, which are based on local legislation requirements or stricter internal regulations.

Each of our employees is aware of the health and safety rules in the offices and shops. In order to ensure we manage any emergency situations appropriately, we are committed to having a designated number of trained first aiders and fire wardens and providing training to these employees. In accordance with national legal requirements, 100% of our employees, or 2,058 people,

are covered by the health and safety management system. The system is not yet subject to internal audits or external certification.

In 2023, we had zero cases of work-related illnesses, six injuries, zero fatalities among our own workers, and zero fatalities among external onsite workers. The rate of work-related injuries was 1.74. This rate is based on 1,000,000 hours worked and indicates the number of work-related injuries per 500 full-time workers over a one-year timeframe. The lost time due to these accidents was 86 days in total in 2023. The absenteeism rate due to sick leave was 3.8%. On average, employees were absent for 10.9 days due to sick leave.

WORK-LIFE BALANCE

At Tipico, parental leave and minimum notice periods are handled in accordance with national laws. 100% of our employees are entitled to take family-related leave. When it comes to our locations, paid parental leave for the primary caregiver is offered in the following terms:

Malta: eight weeks are paid by social security at the same rate as the sickness benefit for the primary caregiver.

Germany: up to three years paid by social security to the primary caregiver with allowance based on earnings.

Croatia: for primary caregivers, six months after birth, covered by the government.

Gibraltar: 14 weeks of paid maternity leave is provided.

Colombia: primary caregivers in Colombia are entitled to 18 weeks of fully paid leave.

Austria: primary caregivers are entitled to 16 weeks of leave with full payment based on average income.



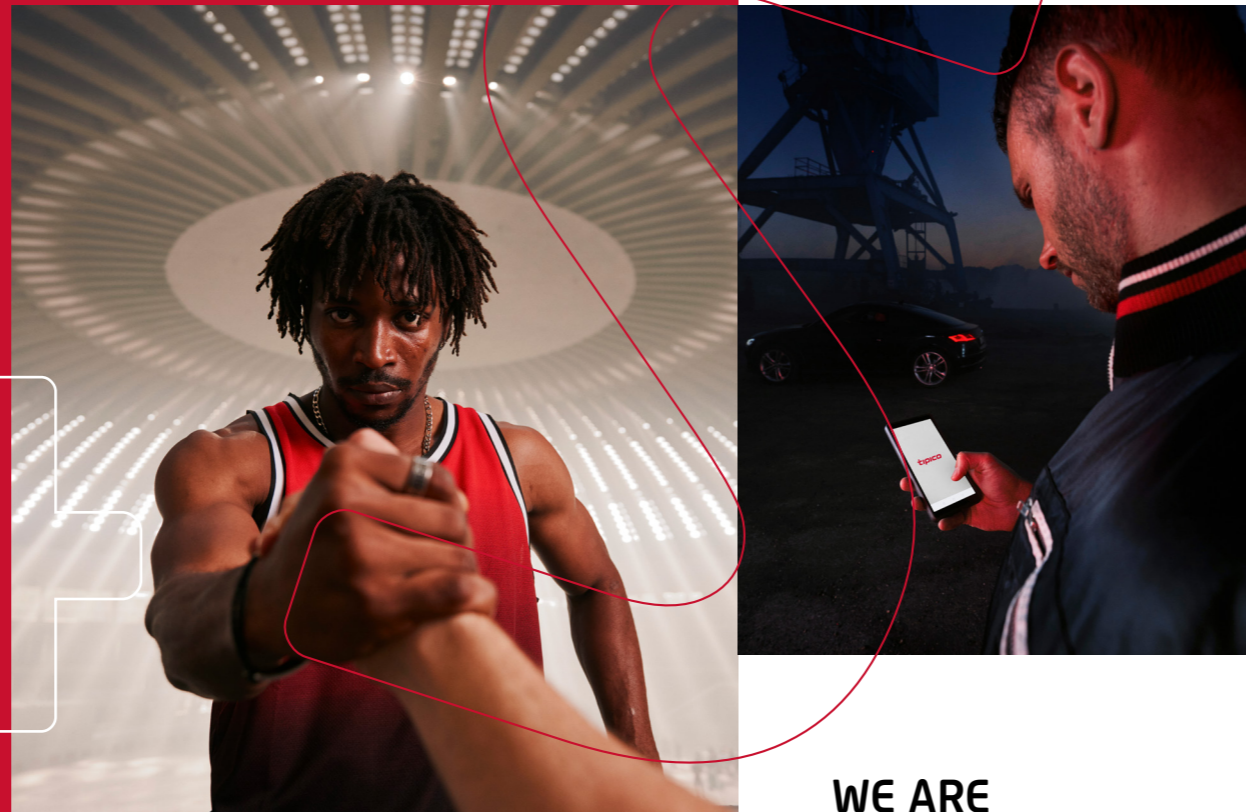
In 2023, the following number of employees took family-related leave in all Tipico locations:

TABLE 24. TOTAL NUMBER OF EMPLOYEES SPLIT BY GENDER, WHO TOOK FAMILY-RELATED LEAVE IN 2023

	IN HEADCOUNT	% OF TOTAL NUMBER OF EMPLOYEES
Female	61	11%
Male	51	3%

04

PRODUCT QUALITY IN SAFE HANDS



WE ARE COMMITTED TO:

- » creating the safest gambling environment – be it online or in our shops
- » protecting minors and vulnerable players effectively
- » maintaining the best international practices for responsible advertising
- » keeping customer data safe and using it solely for the agreed purpose of providing our services to the customer in a compliant manner
- » supporting research and treatment providers in our core markets

CUSTOMER-RELATED POLICIES AND GOVERNANCE

While gambling is harmless entertainment for many, several material impacts are possible and require good governance and mitigation. These impacts are typically also the topic of related regulation and self-regulatory practices.

PREVENTION OF RISKS TO MINORS AND VULNERABLE CUSTOMERS

The protection of minors and vulnerable consumers, and specifically the prevention of addiction, is typically a requirement in gambling regulation, which is linked to a sizable percentage of requirements (e.g., more than one-third of the requirements in the German Gambling State Treaty deal with this topic).

The law also requires a specific governance structure, which is implemented in Tipico's operations. According to §6 GlüStV, the gambling operator is required to devise a player protection concept, which details responsibilities and practical implementation of player protection measures. This concept is part of the licensing submission and is approved by the regulatory authority as part of the license.

While the practical implementation of the player protection concept affects every employee's daily work, there are teams who focus, as experts, on implementation,

evaluation, and the constant improvement thereof. Within the Compliance department, there are two Player Protection Concept Managers who report to the Chief Regulatory Officer (CRO) and who are responsible for the strategic direction of the concept. Operationally, they are supported by the three Responsible Gaming Managers and a Customer Safety Team consisting of 17 FTEs. Additionally, throughout the German franchise network, almost 350 Responsible Gaming Managers are employed to support service employees in our physical shops.

A player protection policy defines rules for the operational handling of cases that might be related to gambling-related problems. These rules are disseminated through two mandatory training packages – one for all office employees and an additional one for office employees with customer contact (typically Customer Operations). Shop employees receive a mandatory eight hours of player protection training as part of their onboarding.

To enforce our policies in the Retail network, shop audits and mystery shopping exercises are conducted by the Quality Team with a size of 12 FTEs, including trainers for shop employees.

The effectiveness of the player protection concept is evaluated scientifically on an annual basis, and the evaluation report is published to authorities and other stakeholders.

RESPONSIBLE ADVERTISING

Whereas for most products and services, advertising regulation mainly aims to assure an informed choice for customers, for gambling, there is an additional layer. While marketing is an important tool for channeling customer demand into the regulated gambling market, advertising messages can put minors and vulnerable players at risk. Therefore, it is of specific importance to avoid any kind of language that would specifically affect minors

(e.g., portraying gambling as a rite of passage) or vulnerable persons (e.g., appealing to superstitions and magical thinking). For our main market in Germany, these requirements are detailed in the gambling regulation §5 and in more detail in the individual licenses. Tipico adheres to the specific requirements for gambling advertising, and our advertising concepts have been approved by the responsible authorities.

On top of full compliance with regulatory standards, Tipico complies with the self-regulatory CoC for gambling advertising of the [German Advertising Council](#).

Tipico has implemented an internal Responsible Advertising Policy. For the daily operational business, there is a process whereby all campaigns will be reviewed together with the Compliance department before launch to identify potential risks and assure oversight.

DATA PROTECTION

Customers do not only trust their funds to Tipico – they also trust us with their personal data. This personal data is required to provide the service and to comply with regulatory requirements regarding gambling. Customers are transparently informed about data usage by a customer-facing Privacy Policy, which is part of our General Terms and Conditions.

The requirements of the EU General Data Protection Regulation (GDPR) and of ISO 27001 are the fundament of a Data Protection Policy and a User Security Policy, which is part of the Information Security Management System (ISMS) policy package.

All office employees receive mandatory annual training on both policies. For shop employees, data protection is part of their mandatory onboarding training.



ENGAGING WITH OUR CUSTOMER BASE

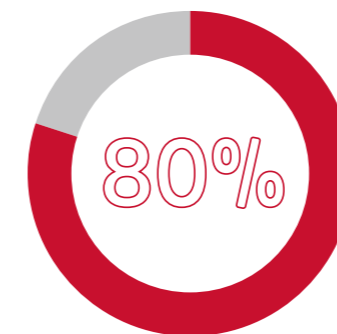
The year 2023 continues the impact of regulatory change. Many systems of the German regulated market were activated, and customers were expected to accept restrictions on betting offers and promotional bonuses. While Tipico assures compliance with regulatory requirements, this was not always welcomed by customers – especially when there were unregulated offers that provided a better selection of bets and more attractive bonuses than we were permitted to offer. Even though we tried to implement the underlying restrictions in a customer-centric way, the changes for customers were notable throughout the market, and they affected customers to a greater degree than we had expected.

In this setting, it is of utmost importance to receive feedback from customers to help us implement regulatory requirements in a manner that is still acceptable to our customer base. This endeavor is overseen by the Director of Marketing Retention. Tipico is engaging with customers predominantly in two ways.

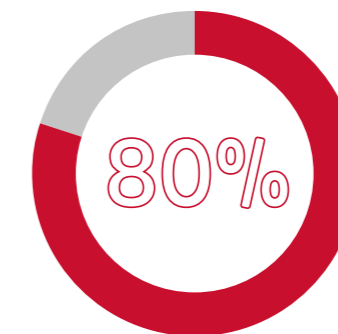
For one, we are reaching out to consumers who are interested in gambling and betting as part of our brand surveys. Tipico conducted two waves of customer satisfaction surveys in 2023 with a sample size of around 1,963 cases.

FIGURE 25. PERCENTAGE OF CUSTOMERS WHO RESPONDED "AGREE" AND "STRONGLY AGREE" TO THE QUESTIONS RELATED TO CORPORATE RESPONSIBILITY IN THE CUSTOMER SATISFACTION SURVEY

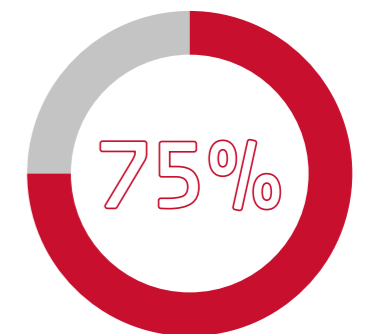
TIPICO IS A RESPONSIBLE AND TRUSTWORTHY OPERATOR



IT IS IMPORTANT TO PLAY WITH A RESPONSIBLE COMPANY



TIPICO'S PLAYER PROTECTION MEASURES ARE EFFECTIVE

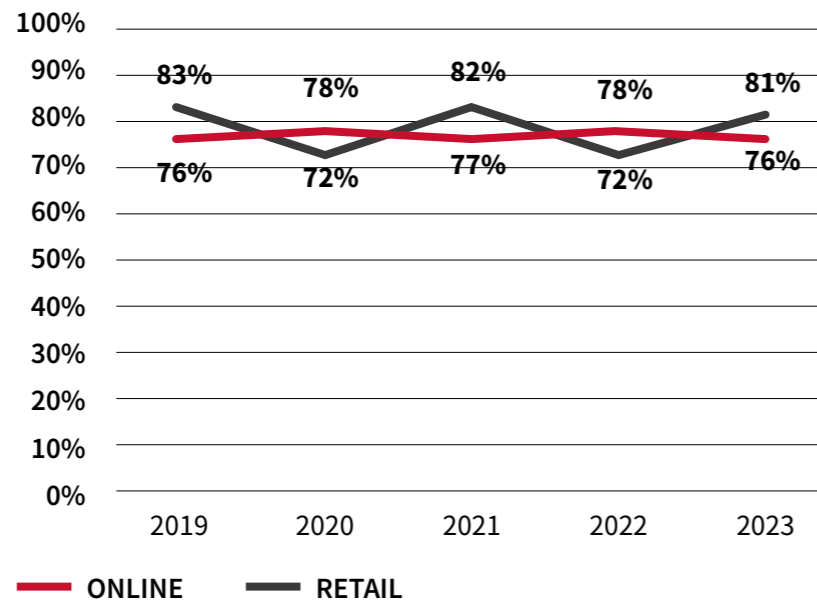


Customer sentiment is very much in line with the assessment of our own workforce. Having a responsible mindset is important for a gambling operator, and Tipico does exactly that.

Small frustrations still exist with player protection, which might be overburdening (see figure 27) but is not necessarily considered effective.

While expanding our market leadership in Germany, we continue to see signs of customer frustration with the regulated market and a degree of disillusionment with the regulatory measures put in place for their protection. Like last year, customers report a notable imbalance when it comes to player protection. While they might feel it's not effective, the reason is typically not because it's insufficient – to the contrary, many customers believe it's ineffective because it's overburdening.

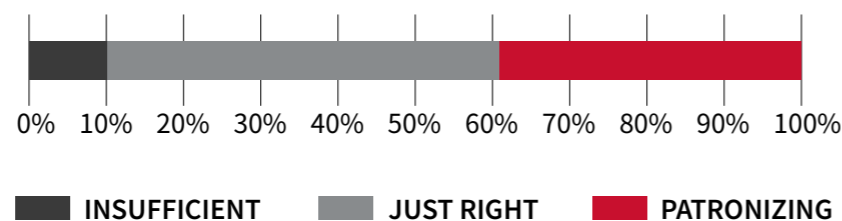
FIGURE 26. GREATLY SATISFIED CUSTOMERS RATE DERIVED FROM CUSTOMER SATISFACTION SURVEY SINCE 2019



While more than half of the customers consider the implemented measures as just right, there is another sizeable group of 38% who believe the responsible gaming measures are too patronizing due to the regulatory requirements we had to implement. A group of that size that is unhappy about product restrictions necessarily also affects customer satisfaction.

38%
believe the responsible gaming measures are too patronizing

FIGURE 27. ASSESSMENT OF THE BALANCE OF PLAYER PROTECTION MEASURES FROM INSUFFICIENT TO PATRONIZING, ASSESSED AS PART OF 2023 CUSTOMER SATISFACTION SURVEYS



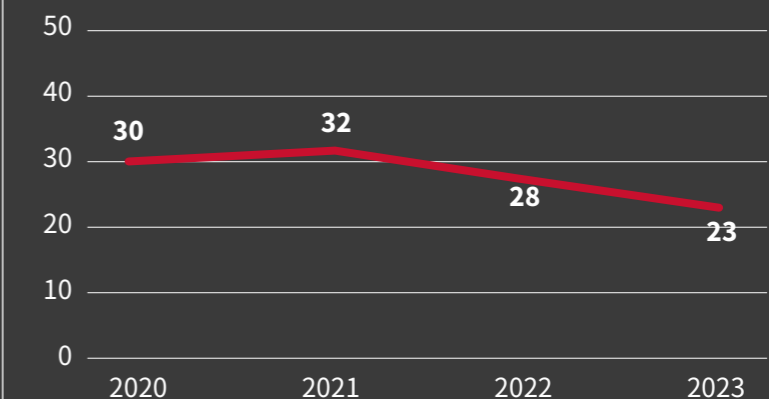
PERFORMANCE INDICATOR

NET PROMOTER SCORE

While KPIs can shed light on important details, overall performance is measured by means of the net promoter score (NPS). Contrasting customers who will likely act as promoters with those who will likely act as detractors provides a very sharp metric of Tipico's reputation among consumers. It has a range between -100 and 100, where positive values indicate a majority of satisfied customers.

Although Tipico still has a very good NPS compared to direct competitors, it remains below our expectations. While we still believe there is a customer-centric way to implement German regulatory requirements, we also believe that the enforced reductions to our product offering have had a negative effect on our customers.

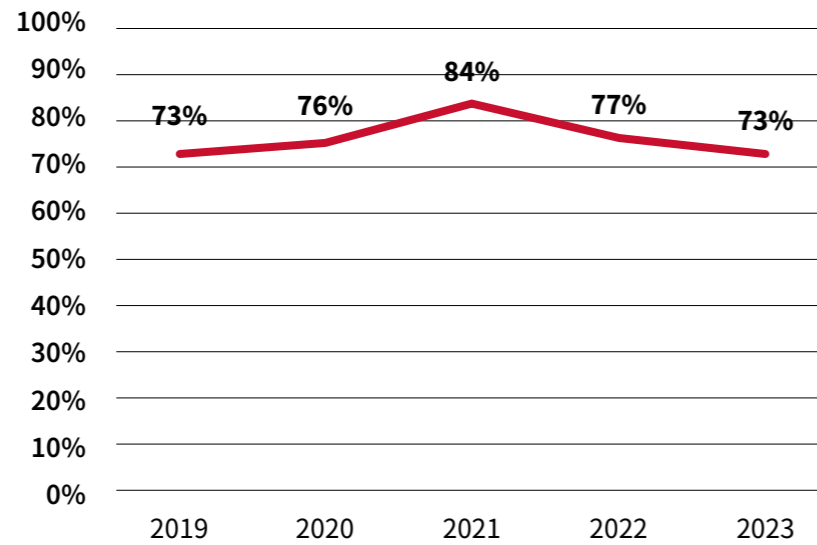
FIGURE 28. NET PROMOTER SCORE DERIVED FROM CUSTOMER SATISFACTION SURVEYS SINCE 2020



We also provide customers with an easy way to email or text with customer services representatives. We believe that not all problems can be solved by an FAQ, and customers should rely on us to answer their questions and concerns if they have any questions.

This created 595,000 customer contacts in 2023, and at the end of such interactions, customers were prompted to rate the interaction. On top of the feedback directly provided by the customer, this helps identify areas for improvement.

FIGURE 29. PERCENTAGE OF "SATISFIED" AND "VERY SATISFIED" RATINGS ON A 5-POINT SCALE AFTER CUSTOMER SERVICES CONTACTS



ALTERNATIVE DISPUTE RESOLUTION

Customers of online services in the EU shall have access to a web-based form of Alternative Dispute Resolution (ADR). Tipico signposts link to ADR providers and the European Commission's Online Dispute Resolution portal. eCOGRA serves as the preferred dispute mediator because of their extensive experience regarding gambling, and Tipico commits to accepting all eCOGRA decisions in disputes as final and adhering to them.

GRIEVANCE MAILBOX

Tipico has a grievance mailbox that is accessible not only to employees but also to any external stakeholders on our Group website. If used by customers, they will typically be guided towards the complaints process for customers.

A more detailed description of the grievance mailbox can be found in [Chapter Responsible Business Operations](#).

WHISTLEBLOWER PORTAL

Tipico also operates a whistleblower portal, which allows employees or any external stakeholder to provide information about potential wrongdoing anonymously. The whistleblower portal is accessible to customers, and due to the anonymity, customers will be indistinguishable from any other whistleblower.

A more detailed description of the whistleblower portal can be found in [Chapter Responsible Business Operations](#).

CHANNELS FOR CUSTOMERS TO RAISE CONCERNS

There are a number of channels accessible for customers to raise concerns, which are derived from different regulations and standards to which Tipico subscribes.

FORMAL COMPLAINTS PROCESS

As a gambling operator, Tipico is required to have a formal complaints process. It is signed in the terms and conditions and on our customer safety page. Complaints will be dealt with by a specific team in customer operations and will be answered within a defined timeline of not more than 10 working days. In 2023, 115 complaints were registered and resolved. In the vast majority of cases, this allows us to find a satisfactory solution for our customers, but customers are also notified about their option to file a complaint directly with the regulatory authority should they be unhappy with the outcome.

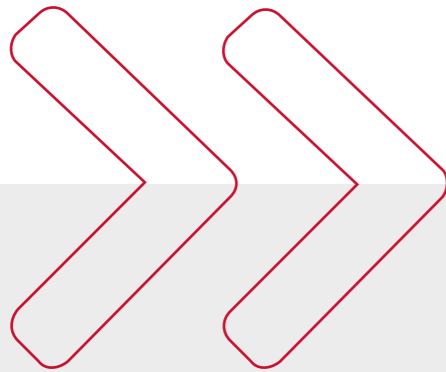


ALTERNATIVE DISPUTE RESOLUTION CASES AND THEIR AVERAGE TIME TO RESOLUTION IN 2023

6 | 47 days

ADR cases | average until resolution





TARGETS FOR 2024 AND BEYOND

- » even though regulatory restrictions on gambling products are perceived negatively by consumers, we want to provide an offer that is compliant and attractive. Therefore, we have set out on a roadmap to win back customer enthusiasm, even in a setting where the regulatory goal is curbing the attractiveness of our products
- » Tipico has always been a leader in the prevention of gambling-related issues. We monitor the performance and effectiveness of our measures closely and make sure the percentage of turnover stemming from potential problem gambling can be sustainably reduced under the 1.5% level by 2025
- » customers trust us with their personal data. While it is clear that we only use the data for the compliant provision of our gaming and betting services, we also want to ensure that the data is protected against third parties. Therefore, we have set targets to tighten our control framework and to anticipate new risks in relation to AI⁵

⁵ <https://www.europarl.europa.eu/topics/en/article/20230601STO93804/eu-ai-act-first-regulation-on-artificial-intelligence>



CUSTOMER SATISFACTION IN A DIFFICULT REGULATORY ENVIRONMENT

Gambling regulation is not always in line with customer expectations. Even requirements that are meant to protect customers are not always welcomed. It is, as an example, difficult for a customer to embrace protective measures that prohibit the league they had been betting on or restrict the promotional bonuses they can be granted. This issue is exacerbated by the fact that these restrictions do not exist with non-regulated off-shore operators.

The NPS is an estimator that is used across industries to standardize customer satisfaction measurements. Additionally, we included a further measure in customer satisfaction surveys to assess whether customers perceive our consumer protection measures as insufficient, just right, or patronizing. The combination of NPS and this measure provides a good indication of customer satisfaction and the reasons why some customers might not be satisfied.

Tipico aims to attain a very healthy NPS of 35. This has proven more difficult than expected, based on the restrictive regulatory measures implemented in 2022 and 2023. In combination, Tipico aims to keep the percentage of players who consider our consumer protection measures as insufficient as low as possible.

ROADMAP TO WINNING BACK CUSTOMER SATISFACTION IN SPITE OF RESTRICTIVE REGULATORY REQUIREMENTS

SHORT-TERM (2024)	MID-TERM (2026)	LONG-TERM (2030)
NPS: 30	NPS: 33	NPS: 35
Insufficiency rating: < 15%	Insufficiency rating: < 12%	Insufficiency rating: < 10%

COMBATTING DISORDERED GAMBLING

While gambling is an entertainment product for most, for some, it can lead to substantial financial, social, and emotional harm. As a consequence, the prevention of gambling-related issues is part of our strategy.

A gambling environment can be understood as safe if potential problem gamblers can be detected early enough to prevent them from causing harm to themselves. Early enough in this context means that the mitigation becomes effective before the behavior can lead to manifest harm. As a consequence, Tipico is tracking the percentage of turnover generated by

players who would later self-exclude or be excluded for reasons related to the prevention of addiction.

If that percentage is lower than the percentage of disordered gamblers in the total population, this means that either Tipico has a lower percentage of problem gamblers than the total population or, alternatively, that problem gamblers can be detected fast enough to prevent them from betting more than the average customer.

Tipico's target was to reduce the impact of problem gambling on turnover to 1.5% by 2025 and subsequently keep it below that level.



KEEPING CUSTOMER DATA SAFE

Tipico only collects personal data for the purpose of offering bets and games. Data is being shared with third parties in order to comply with legal obligations and improve our service. Reasons for data processing are explained to customers in the privacy policy, which is publicly available and is accepted explicitly upon registration.

Since selling customer data is not part of Tipico's business model, the only threat to customer data is data breaches caused by insufficient data security. To address this, Tipico introduced ISO 27001 in 2021 and, as part of the standard, is consistently striving to further improve data security.

ACTIONS

SCIENCE-BASED PLAYER PROTECTION

Tipico's player protection concept is a science-based action plan on how to create a safe gambling environment for our customers. Since 2020, it has been part of our regulatory submissions and is an approved part of all our licenses.

Since then, we have also started conducting annual scientific evaluations of its effectiveness and are reporting the results publicly.

This ensures that our findings are shared and accessible for all operators, allowing them to improve their own practices based on our experiences.



IMPROVING OUR NPS AND ACCEPTANCE OF REGULATORY MEASURES

In 2024, we have a variety of plans that we feel, once implemented, will help deliver an even better playing experience to our customers and thus help drive our NPS results to our desired target.

On the Games side, we plan to launch a brand-new platform by the end of July that we hope will give our customers a unique look and feel, along with advanced features to enhance their experience online. In addition, we hope to launch a host of new games to give our customers an extensive variety. For Q1 2024, we plan to get regulatory

approval for another batch of 150+ additional new games to be launched.

We also have a number of initiatives, both already delivered and in the process of being launched, specifically focussed on improving some of the most significant online player journeys. Whether those journeys relate to onboarding, Customer Services, promotional marketing, or handling transactions, we believe removing friction points and providing clear and explicit flows for our customers will remove complexity and

misunderstandings and greatly increase customer satisfaction, allowing them to focus on the fun!

In 2024, we will also actively start to promote responsible gaming messages on prime-time TV. We expect this move not only to actually create more awareness about gambling-related risks but also believe this awareness will create more understanding about the necessity of some protection measures that might instinctively feel overburdening for some customers.

SUPPORTING RESEARCH & TREATMENT

Although the desire to create a safe environment is at the center of how we operate, there are elements we are unable to action, necessitating the need for experienced partners. This is especially true when it comes to offering help to people who might have developed gambling-related problems. Therefore, Tipico supports the research projects of leading German institutions with financial funding, access to de-identified data, and signposting of their projects to our customers. In 2023, EUR 110,000 were dedicated to research into gambling addiction prevention and player counseling programs in Tipico's markets in Germany and Austria.

It is central to the prevention of addiction that gambling operators like Tipico aim to identify gambling issues as early as possible and intervene appropriately. Although an exclusion can be an important first step for a person to overcome gambling-related issues, it cannot replace counseling and treatment. Therefore, Tipico not only signposts contact data of counseling and treatment providers but also actively supports them in the markets in which we operate.



GERMAN SOCIETY FOR GAMBLING RESEARCH

Together with other state-owned and private operators, Tipico founded the German Foundation for Gambling Research. Although there has been an active regulatory push for safer gambling and the prevention of gambling-related issues in the last 15 years, the actual consumer had next to no say in this, often resulting in consumer protection measures that were not accepted as an advantage by consumers. The mission of the foundation is to foster research that takes the extra step not only to explore prevention and player protection measures to make gambling safer but also to investigate customer acceptance of such measures.

Based on this mission, the foundation will conduct an annual call for submissions and award outstanding scientific publications based on the judgment of an international jury of leading experts.⁶

Tipico will support the endeavor in 2024 with at least EUR 550,000.

⁶ <https://deutsche-stiftung-gluecksspielforschung.de/en/>

MITIGATING MATERIAL IMPACTS

CLEAN SPORTS: OUR COMMITMENT TO SPORTS INTEGRITY IS KEY FOR OUR BUSINESS MODEL

We love sports, and we stand for fair play. So, we join sports associations in their efforts to protect the integrity of sport and the associated betting offerings. Tipico is committed to the fight against the manipulation of sporting events and fosters clear and evidence-based regulation.

Manipulation of sporting events not only tarnishes the reputation of sports but also impacts the business model of betting operators and creates an unfair disadvantage for legitimate customers. Consequently, the goals of sports associations,

consumer protection proponents, and betting operators are well aligned in combating this form of crime.

Aggregated data from betting operators is a valuable source of data for tracking down potential incidents. Therefore, we support sports federations by participating in early warning systems. A specially dedicated department painstakingly investigates any indication of potential criminal activities by working closely with relevant authorities and security organizations.

Associations and event organizers are contacted as soon as suspicious betting behavior is detected. To combat match-fixing, we collaborate with the International Olympic Committee, the Tennis Integrity Unit of the International Tennis Federation, Sportradar's integrity department, Betgenius, and authorities.

Tipico is valued as a reliable sports partner. Besides the collaborations that focus mainly on sports integrity, we are an official partner of the Bundesliga and 2. Bundesliga, and a platinum partner of FC Bayern München.

PROTECTION OF MINORS

Account-based gambling tracks all transactions and assigns them to an identity-verified customer. As a consequence, participation in our offers generally requires identity and age checks, ensuring there are effective measures in place to prevent harm to underage persons.

A customer card registration always involves an age and identity check. A minor can, therefore, not register a customer card. An online account registration always

involves a check against identity databases and, subsequently, an identity verification using a strong method like video identification within three days of the registration. During this period, a maximum of EUR 100 can be deposited, and no winnings will be paid out.

This setting leaves no room for minors to register and verify a customer card or an account successfully and no incentive to even try.



PERFORMANCE INDICATOR

NO REVENUE FROM MINORS

Lastly, all transactions made by minors would be considered invalid and rolled back. Any losses would consequentially be refunded.

As a consequence, Tipico's products have minimal exposure to minors, and no revenue is derived from minors.



REVENUE FROM UNDERAGE GAMBLING

PROTECTION OF VULNERABLE CUSTOMERS

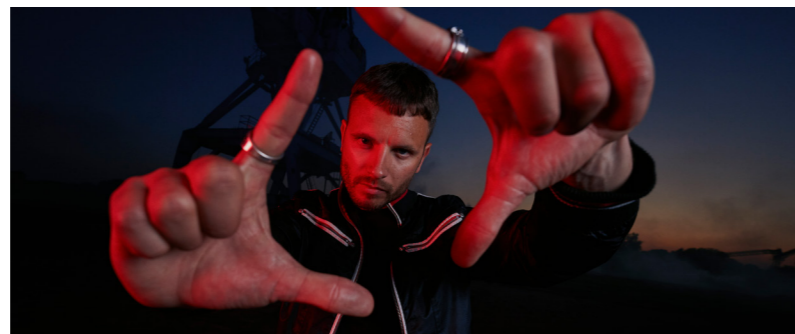
Traditionally, responsible gambling is defined as providing customers with all the information they need to make responsible, informed decisions. However, this approach leaves the ultimate responsibility for individual decisions with the customer. Although this approach may be sufficient for the vast majority of customers, we believe it is insufficient for the most vulnerable. In those cases, it is our responsibility to impose measures to protect them.

Studies show that within the last 12 months, around 37% of the adult German population participated in gambling offers, with around 1% suffering from gambling-related problems.⁷

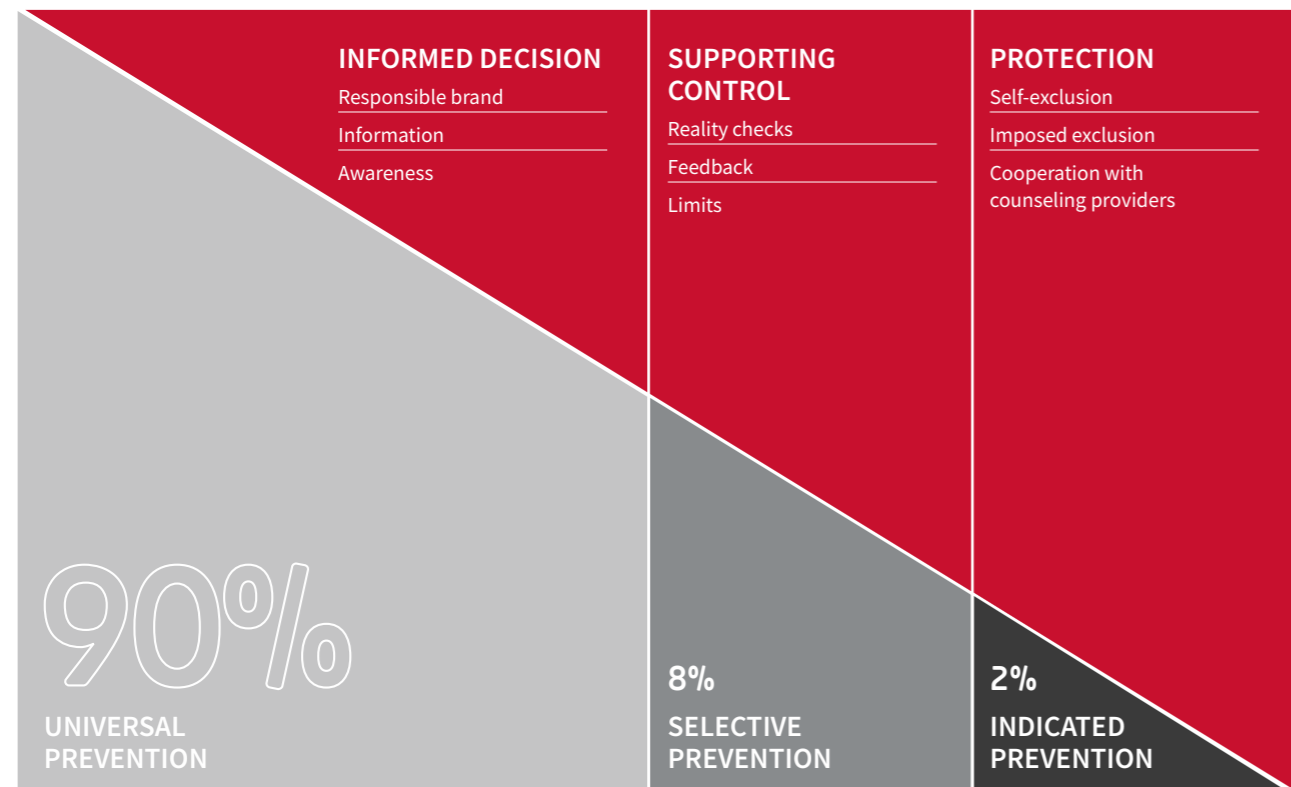
» **90% of customers need universal prevention**
Tipico responds to that need by providing transparent information, awareness, and responsible advertising.

» **8% of customers need selective prevention**
Tipico responds to that need by offering feedback, limits, and reality checks.

» **2% of customers need indicated prevention**
such as self-exclusion, imposed exclusion or counseling. Tipico supports customers by offering various possibilities, making sure exclusions are strictly enforced, and establishing contact with counseling providers.



TIPICO RESPONSIBILITY



CONSUMER RESPONSIBILITY

⁷ The Federal Centre for Health Education (BZgA) quote

PERFORMANCE INDICATOR

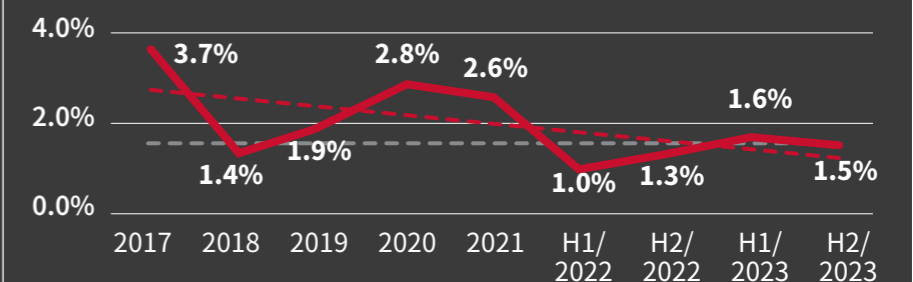
REVENUE FROM PROBLEMS

To measure the protection of vulnerable customers, Tipico has defined a KPI that consists of the turnover conducted by customers who would later self-exclude or be excluded before they were identified and given the protection they require. German prevalence surveys indicate that 1.5% of the general population develops problems (dashed line). Also, it is discussed that those who develop problems would likely spend much more than average gamblers. As a consequence, if this KPI is below the dashed line, this indicates that potential problem gamblers are tracked and excluded fast enough to prevent them from spending more than an average customer would.

In 2022, we switched to monitoring this KPI on a half-yearly basis to capture the effects of regulatory change better and faster. Also, the downturn that started in 2021 could be continued and extended in 2022. Therefore, in 2022, Tipico reached the lowest-ever turnover contribution from players who would later self-exclude or be excluded.

Although the estimate is relatively noisy, we seem to be on track to achieve the target and stay consistently below 1.5% by 2025.

FIGURE 30. PERCENTAGE OF TURNOVER IN THE OBSERVATION PERIOD, WHICH IS DERIVED FROM CUSTOMERS WHO SELF-EXCLUDED OR WERE EXCLUDED IN THE OBSERVATION PERIOD



Note: Dotted regression line indicates the expected linear trend

EARLY DETECTION OF GAMBLING ISSUES

In order to individualize a prevention strategy to each customer's individual need for protection, it is important to distinguish between customers with the need for different levels of protection. In practice, this is achieved by monitoring the transactional behavior of customers and identifying potentially harmful trends before they can lead to manifest impacts on the customer.

The model applied by Tipico is based on early-detection markers identified through research. These variables, their patterns, and trends over time are monitored:

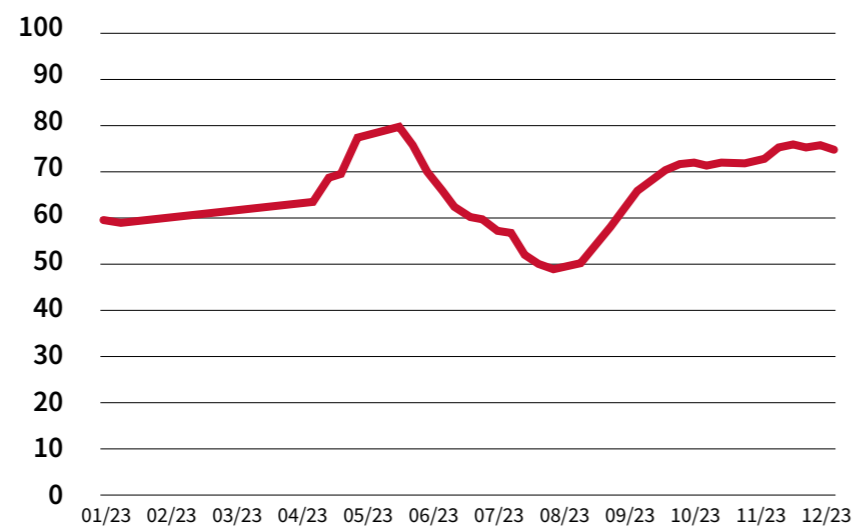
- >> customer age
- >> duration of exposure to gambling (time since registration)
- >> breadth of involvement (number of different types of gambling used)
- >> depth of involvement (days of gambling activity per month)

- >> gambling intensity (stakes per day)
- >> gambling volume (average stake amount)
- >> reactivity (variance of stakes)
- >> risk-taking (average odds)
- >> chasing tendency (frequency of deposits)

This model has been validated to predict future exclusion. As a consequence, a high predicted risk is a good starting point for an investigation.

Since there has not been a recalibration of the model, the number of identified cases remains largely constant over the course of the year with slight seasonal changes, which are due to the seasonality of sports betting.

FIGURE 31. NUMBER OF WEEKLY PREDICTIVE MODEL ALERTS BECAUSE OF HIGH GAMBLING-RELATED RISK, WHICH LEAD TO PLAYER SAFETY INVESTIGATIONS



AFFORDABILITY & LIMITS

Preventing excessive gambling expenses is a straightforward way to reduce the risk of gambling-related harm dramatically. However, that was traditionally a difficult task because an amount that is relatively moderate for one customer could be excessive for another. For this purpose, a global limit of EUR 1,000 per month for online gambling deposits across all operators was introduced. Customers can only increase their spending beyond that limit after proving sufficient income and wealth.

After providing this proof, an affordable limit for this specific customer is written into the government-hosted cross-operator limits database, LUGAS.

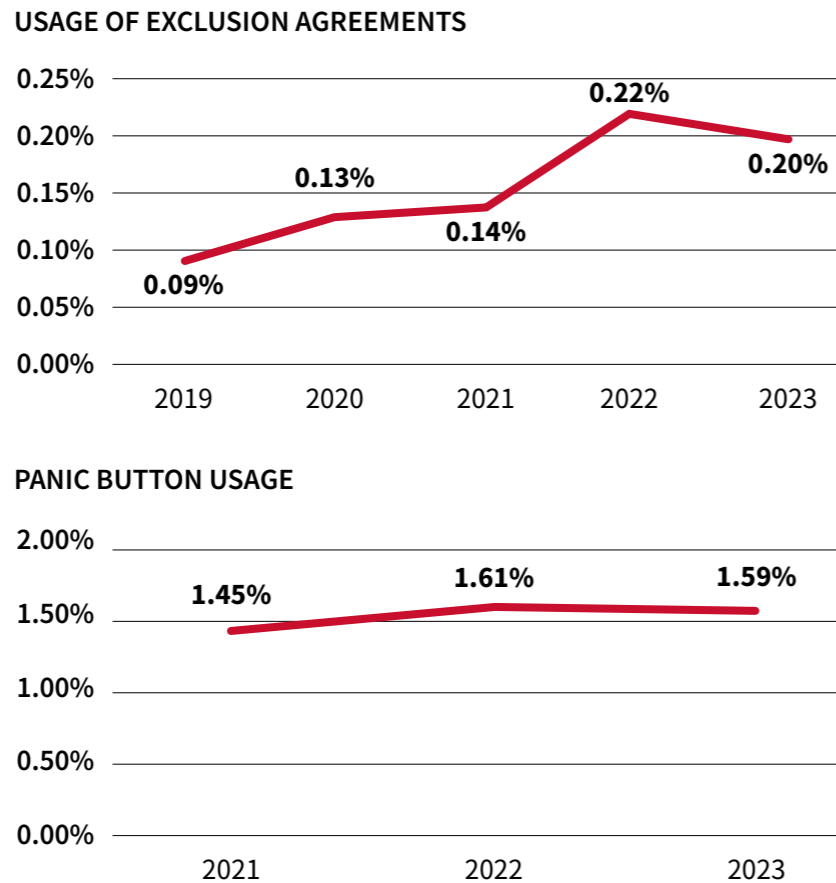
In 2023, Tipico conducted about 50 million deposits, which were checked against LUGAS, of which 92% led to successful deposits.

EXCLUSIONS

Exclusions are used to prevent persons affected by a gambling disorder from getting access to gambling offers. They take the form of self-exclusion agreements (where the customer asks for an exclusion) or imposed exclusions (where an operator imposes the protective measure on a customer) based on credible reports from third parties or evidence collected by the operator.

Since 2021, there has also been a 24-hour panic button, which allows for an unbureaucratic brief break from access to any gambling offers. This supports customers in maintaining control over their gambling.

FIGURE 32. EXCLUSION AND PANIC BUTTON EVENTS AS A PERCENTAGE OF AVERAGE MONTHLY ACTIVE CUSTOMERS



To be effective, an exclusion must be irrevocable – for the agreed minimum period, which is one year by default but can be up to 99 years. Otherwise, customers would revoke their exclusion in the case of a lapse. In order to prevent circumvention of an exclusion, all operators in a jurisdiction are connected to a government-hosted exclusion database. In Germany, this database is called OASIS.

Tipico has been participating in OASIS since 2018, and now, OASIS covers the entirety of the German gambling market, except for the state monopolist's lottery offers.

IN 2023, TIPICO HAS:

- >> requested new exclusions in OASIS for about 13,000 customers
- >> requested 24-hour short breaks from gambling for about 130,000 customers
- >> queried OASIS more than 450 million times, preventing a total of about 28,000 excluded persons from accessing our offers
- >> queried OASIS almost 300 million times to filter targeted marketing and thereby prevented the sending of about 1,500,000 marketing materials to excluded customers

KEEPING CUSTOMER DATA SAFE

Tipico only collects personal data for the purpose of offering bets and games. Data is being shared with third parties in order to comply with legal obligations and in order to improve our service. Reasons for data processing are explained to customers in the privacy policy, which is publicly available and is accepted explicitly upon registration.

Also, customer data is secure against intrusion and unauthorized access. Tipico complies with ISO 27001 information security management and is audited accordingly on an annual basis.

Following the highest standards in terms of data protection means caring for our customers and employees. All Tipico-owned websites and landing pages have a cookie consent management solution implemented and a data subject access request (DSAR)

process is set up along with an updated privacy policy section where customers can find transparent information on their data subject rights.

In 2023, our customers experienced equally high demands for information related to DSARs. Thanks to a specialized Player Safety team, they can be handled in a timely manner and to our customers' satisfaction. Furthermore, we continuously monitor new

legislation impacting GDPR (e.g., European Data Protection Board (EDPB) Guidelines, local DPAs) and communicate requirements and action points to the business if needed.

To continuously embed the topic within the company, various GDPR awareness and training sessions were also carried out in 2023:

SELLING CUSTOMER DATA

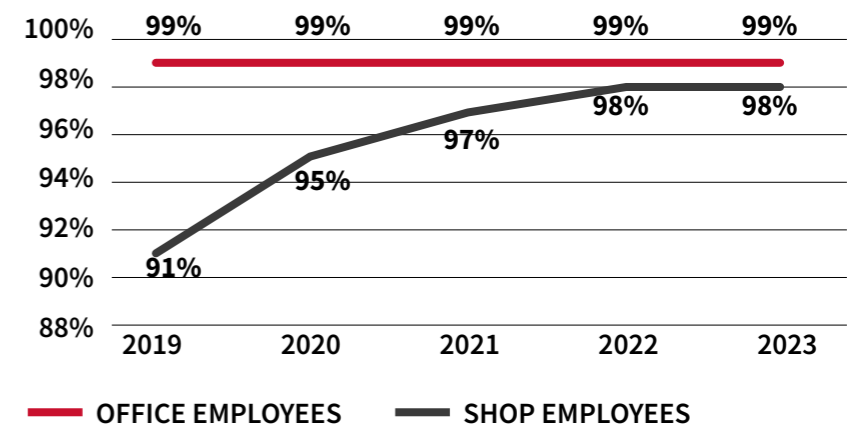
IS NOT

PART OF OUR BUSINESS MODEL

More than
33k
DSARs in 2023

More than
150k
DSARs since 2018

FIGURE 33. PERCENTAGE OF OFFICE AND SHOP EMPLOYEES WHO HAVE CONDUCTED AND COMPLETED GDPR TRAINING / REFRESHER IN 2023



More than 99% of Tipico Office employees and 98% of Tipico Retail employees completed the annual GDPR training (refresher and awareness) in 2023.

PERFORMANCE INDICATOR

DATA PROTECTION INCIDENTS AND POTENTIAL DATA BREACHES

TABLE 25. DATA PROTECTION INCIDENTS SINCE 2019

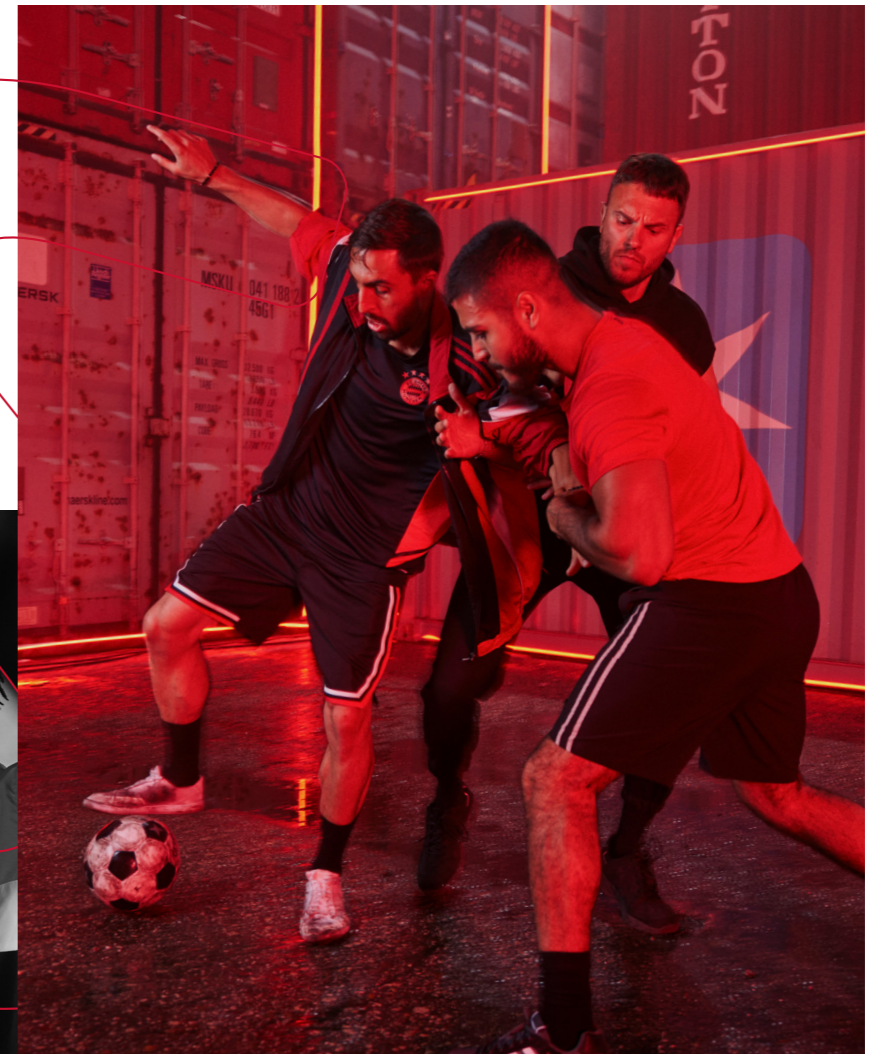
DATA PROTECTION INCIDENTS	2019	2020	2021	2022	2023
Observations reported to DPO (internal)	28	23	27	27	34
Incidents reported to IDPC by DPO	0	0	0	0	0
Within 72 hours	N/A	N/A	N/A	N/A	N/A

As a result of the excellent training level, employees are highly sensitive to risks. Tipico appointed a Data Protection Officer (DPO) who monitors compliance with all data protection standards and ensures that all laws and regulations, for example, in accordance with the European GDPR, are adhered to. This applies to both Tipico’s online and stationary business. The DPO (Office) is an independent body within the company whose tasks are precisely defined by law.

In 2023, our DPO was made aware of 34 potential data breaches. Those reports were investigated, and none of

them signaled a potential (high) impact on the rights or freedom of the data subjects. Consequently, no data breaches were reported to the Information and Data Protection Commissioner (IDPC) in 2023.

Further to the above, we followed up on two official requests for investigation from outside parties/regulatory bodies, which were received in 2023. The Tipico DPO cooperated fully in these investigations. There were no substantiated data protection incidents in 2023.



On an uninterrupted basis, in close collaboration with the Chief Information Security Officer (CISO), IT Security, and Digital teams, we continuously improve our Technical and Organizational Measures (TOMs) to stay ahead of security threats. We were able to cope successfully with all cyber-attacks we encountered during 2023 and will continue to enhance our performance. In addition, our high standards were again verified by licenses

and certification, including the certification for the International Standard for Information Security Management Systems ISO/IEC 27001:2013 (certified by TÜV Rheinland CERT), for which we passed the recertification audit in 2023. We continued our annual audits based on the European Gaming and Betting Association’s (EGBA)⁸ CoC for the Online Gambling Sector and conducted our physical annual GDPR Audit for Tipico Shops.

⁸ EGBA (2020). Retrieved from: <https://www.egba.eu/news-post/egba-demonstrates-commitment-to-gdpr-with-sectoral-code-of-conduct-for-data-protection/>

05



RESPONSIBLE BUSINESS OPERATIONS

OUR APPROACH

WE ARE COMMITTED TO:

- » operating only in regulated markets and meeting all applicable laws and regulations
- » lobbying for competitive, thriving and safe, regulated gambling markets
- » working against corruption in all its forms, including extortion and bribery
- » continuously strengthening our framework for the prevention of money laundering
- » actively monitoring risks in our value chain and supporting our partners in establishing effective mitigations

COMPLIANCE CULTURE

The gambling industry is a highly regulated market. Tipico processes the personal data of a million customers per year and conducts financial transactions for just as many. As a consequence, on top of gambling-specific regulation, AML and data protection are regulatory topics that require our greatest attention. As a regulated operator and obliged entity for the prevention of money laundering, failure is not an option in our approach to compliance.

In order to enable the business to focus on achieving its strategic objectives and sustainable long-term growth, the identification and active management of both existing and emerging financial and non-financial risks is paramount.

The Group recognizes both the threats and opportunities arising from these risks. This drives a better understanding of risk appetite, tolerance, and management across the Group's entities and locations.

RISK GOVERNANCE AND RESPONSIBILITIES

THE BOARD'S RESPONSIBILITY

- » overall responsibility for the risk management framework
- » assess the scope and effectiveness of the risk management systems established by management

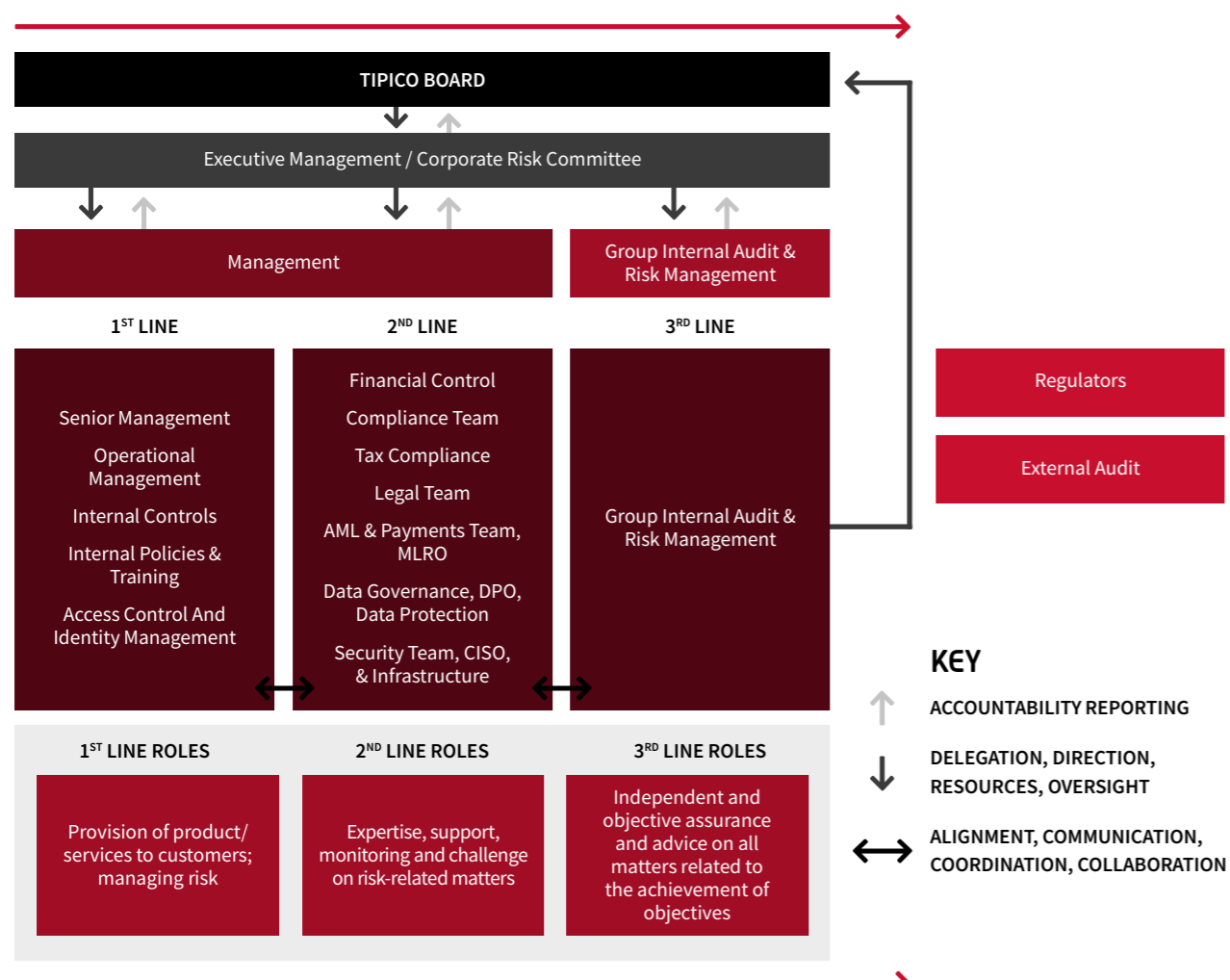
THE GROUP RISK COMMITTEE'S RESPONSIBILITY

- » ensure management and lines of defense are performing their roles in managing risk
- » maintain the risk register, ensuring it's updated and risks are managed
- » ensure the risk appetite is reviewed and understood
- » properly address material risks
- » identify, measure and monitor emerging risks

EXECUTIVE MANAGEMENT RESPONSIBILITY

- » identify, assess, monitor, manage and mitigate risk within the agreed risk appetite and exploit opportunities
- » embed risk management as business as usual
- » ensure appropriate internal controls are in place and operating effectively
- » identify all key risks, including emerging risks, and implement actions to mitigate risks

LINES OF DEFENSE AND RESPONSIBILITIES



LICENSED AND COMPLIANT BUSINESS

We focus on running our business in a transparent, fair, and compliant way. Ever since Tipico was founded in 2004, our offers and services have been based on licenses issued by an EU Member State. It has always been Tipico’s pronounced goal to obtain a German license once the legal framework allows applying for one. In this light, 2022 was a busy and successful year.

Existing German sports betting licenses were extended, and one German license for virtual slot machine games was acquired. Furthermore, several Maltese B2C gaming licenses were attained. In the same vein, licensing in the USA progressed further.

The German shop licensing process continued based on the applications already submitted up until 2021, according to specific state regulations. From those licensing documents, a further 200 individual shop permits were issued by authorities in 2023, bringing the shop permission process largely to completion.

Tipico continues to be confident that the highly complex regulatory situation favors operators who, like Tipico, have a proactive approach to compliance. It is our goal to offer the best solution for the customer within the regulated and licensed market.

Our expertise in compliance management guides the company

towards adapting to the newly regulated environment in a quicker, smarter, and thus better way than our competitors. On top of managing the compliance framework regarding obligations associated with our licenses, our compliance department manages AML, responsible gambling, and the dialogue with regulatory authorities. The team also analyzes regulatory risks and consults all business areas concerning the implementation of regulatory requirements, providing relevant Group guidelines and training content. It is, therefore, an important goal to be a trusted partner of the regulatory authorities and our external partners.

RISK MANAGEMENT FRAMEWORK AND PROCESS

The Group’s risks are managed through detailed processes that emphasize the importance of achievement of strategic objectives, regulatory and license compliance, integrity, trustworthiness, public accountability and operational excellence.

The Group’s risk management framework seeks to ensure that there is an effective process in place to manage risk across all the Group’s entities and locations. Risk management is integral to all aspects of the Group’s activities and is the responsibility of all staff.

Management has a responsibility to evaluate the risk environment, put appropriate controls in place, and monitor the effectiveness of those controls. The risk management culture emphasizes careful analysis and management of risk in all business processes in order to make risk-informed decisions.

Risks are identified, assessed, and managed at both the business level (‘bottom-up’) and the Corporate Risk Committee level (‘top-down’) through annual stress testing. This process takes into account material environmental, social,

and governance risks. As part of this, new emerging risks are identified, examined regarding their impact, described, and mitigations developed. Existing risks are reviewed and re-assessed on an annual basis. The CR Committee oversees these processes.

Tipico’s Annual Report provides a full description of these principal risks, their mitigation strategy, and their expected development. As part of the Annual Report, the corporate risk register is subject to external audit.

TABLE 26. VALID TIPICO LICENSES

LICENSES	ISSUED/ EXTENDED ON	GOVERNED BY	VALID UNTIL
Sports betting online and retail	09/12/2022	German Joint Gambling Authority	31/12/2027
Virtual slot machines	06/10/2022	German Joint Gambling Authority	31/12/2027
Corporate group gaming services B2C	07/11/2022	Malta Gaming Authority	06/11/2032
Gaming services B2C	01/08/2018	Malta Gaming Authority	23/07/2028
Critical supply B2B	17/11/2020	Malta Gaming Authority	16/11/2030
E-Money	04/02/2021	Malta Financial Services Authority	n/a

INCENTIVIZING COMPLIANCE WITH STRATEGY AND TARGETS

Flawless compliance and effective efforts to mitigate environmental, social, and governance risks can only be assured if every single employee strives to minimize risks on a daily basis. And while training and good processes can be a viable fundament, there also needs to be a very personal incentive. Therefore, the “must-win battles” of Tipico’s strategy heavily feature projects to

assure compliance. In the same vein, every Tipico employee, independent of role or level in the company, has a compliance and risk mitigation target, which is directly linked to potential annual bonuses. Our ability to mitigate our principal risks successfully and effectively prevent compliance breaches directly affects each employee’s individual bonus.

INCIDENTS, RULINGS AND FINES

Transparent documentation of issues is a useful indicator of the effectiveness of a compliance management system. The table below provides a breakdown of all rulings and fines regarding several compliance topics in 2023.

There was one ruling relating to the German prohibition of

marketing virtual slot games with the term ‘casino.’ The case dealt with the fact that the term “casino” had been used in a blog post. The case ended with a fine of EUR 500 being imposed on Tipico.

Specifically, there were no rulings or fines against Tipico for violation of anti-corruption or anti-bribery

laws. No new anti-corruption or anti-bribery cases were brought against Tipico in that period. No Tipico employees were dismissed or disciplined in relation to corruption or bribery. Tipico also has no knowledge of incidents of corruption or bribery relating to contracts with business partners.

TABLE 27. FINES AND ADVERSE RULINGS AGAINST TIPICO IN RELATION TO SEVERAL COMPLIANCE TOPICS

	ANTI-CORRUPTION	ANTI-TRUST	CONFLICTS OF INTEREST	ANTI-MONEY-LAUNDERING	DATA PROTECTION	ADVERTISING REGULATION	GAMBLING REGULATION
Number of rulings against Tipico	0	0	0	0	0	0	1
Amount of fines in T EUR	0	0	0	0	0	0	0.5

POLICY FRAMEWORK

Business ethics are covered by a high-level Ethics Code, which covers the following topics:

- >> Tipico values
- >> anti-corruption
- >> hospitality & gifts
- >> conflicts of interest
- >> anti-competitive behavior
- >> political engagement

All employees accept the Ethics Code as part of their onboarding phase. In 2024, anti-corruption training will be developed and rolled out to all employees.



TABLE 28. ETHICS CODE ACCEPTANCE AND RELATED TRAINING

	TOP MANAGEMENT	PROCUREMENT TEAM	OTHER OFFICE EMPLOYEES	SHOP EMPLOYEES
Ethics Code acceptance	40 (95%*)	7 (100%)	792 (93%)	1,165 (100%)
Anti-corruption training completed	**	**	**	100%
Anti-corruption training format	1hr mandatory online training			Part of 4hr in-person onboarding
Anti-corruption training frequency	Bi-annually			Onboarding

* This is a cross-sectional perspective. Deviations from 100% acceptance are temporary and typically caused by policy updates, new hires or maternity leave.
 ** To be rolled out in 2024

INTERNAL AND EXTERNAL GRIEVANCE MECHANISMS

The Grievance process is described in the Group Equity, Diversity and Inclusion Policy. Grievances reported through the grievance mailbox for employees are treated as a HR topic and managed by the Director of Human Resources. Grievances reported through the grievance mailbox for externals are managed by the Head of Group Compliance.

Unrelated requests like spam, business proposals, and advertising are closed, and customer contacts are redirected to the standardized complaints process. All remaining cases are investigated within 30 days, and the original contact is informed about the status and potential resolution of their grievance report.

After initial investigation, HR grievance cases are discussed between HR and the employee representative, where available, and a resolution for the issue is sought. The proposed solution will be discussed with all involved parties, and alignment will be sought where possible. In such cases, non-retaliation against the employee filing the grievance is assured.

After initial investigation, external grievance cases are forwarded to the topic owner. They analyze the case and evaluate whether a solution for the grievance can be found. Eventually, attempts to resolve the issue are discussed with the initial contact, and a resolution is sought where possible.

The Board is informed annually about the number, topic, and outcome of all internal and external grievance cases. The Board update also includes learnings from the cases and potential process or policy changes to improve the handling of grievance reports.

2023

22

Unrelated requests

8

Customer requests

1

Grievance (employee)

0

Grievance (external stakeholder)



WHISTLEBLOWING & INVESTIGATION

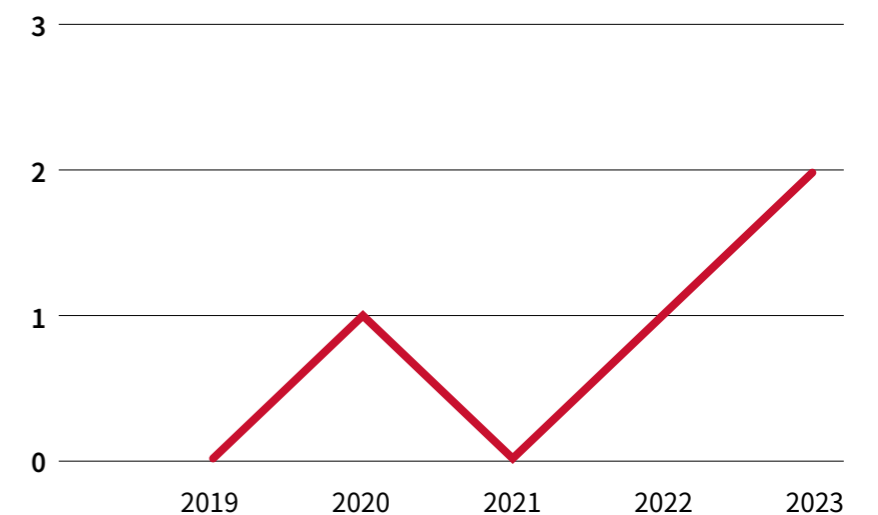
To provide specific increased protections to colleagues and externals who might have observed violations, Tipico has established a whistleblower process, which is governed by the Group Whistleblower Policy. Internal stakeholders are informed about the whistleblower portal through the intranet, whereas external stakeholders are informed through the Group website. Both are directed to the same whistleblower portal, and their reports are indistinguishable from each other. The whistleblower platform is managed by an external provider to assure independence.

To reduce perceived risks for whistleblowers to a minimum, the whistleblower portal is anonymous by default, but whistleblowers can provide contact data should they wish to be contacted. The Head of Group Compliance, who is independent of the line organization, conducts an in-depth investigation of the reported allegations and reports the results to the Board. If the whistleblower has provided contact information, they will be informed about the status of their report within 30 days. On top of the anonymity-by-default mechanism, Tipico assures non-retaliation against whistleblowers without any

conditions. Even though this could potentially encourage abuse of the mechanism, so far, there have not been any issues.

In 2023, there were two reports relating to the same employee. After investigation, the allegations could not be substantiated sufficiently with evidence. Some of the evidence found, indeed, contradicted the allegations. As a consequence, the cases had to be dropped.

FIGURE 34. ANNUAL TOTAL NUMBER OF WHISTLEBLOWER REPORTS



RELATIONSHIP WITH SUPPLIERS AND PAYMENT PRACTICES

Being a provider of digital services, our supply chain is not complex as we do not rely on raw materials but rather purchase products and services supporting our daily operations.

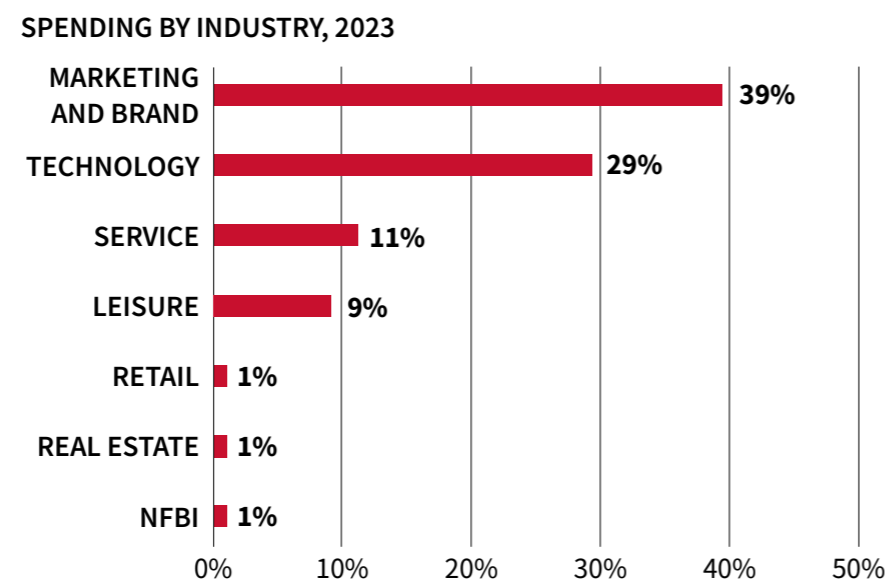
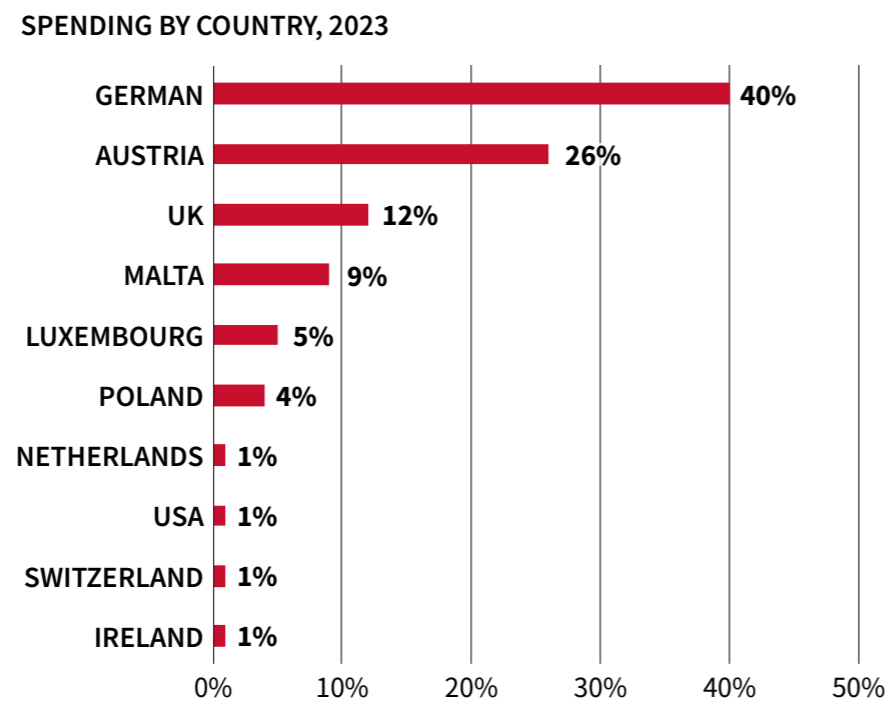
In 2023, we purchased most of our products and services from EU Member States and the UK, focusing mainly on services from the following business areas (see figure 35).

In 2023, 89% of our total procurement spend was on critical (significant) suppliers in Tier-1 that are deemed to contribute significantly to Tipico's business, and are crucial due to their strategic importance, their impact on business continuity, and their difficulty to replace due to the limited sourcing options available.

DESCRIPTIVE STATISTICS OF THE SUPPLIER NETWORK

Total number of suppliers in Tier-1	557
Number of critical suppliers in Tier-1	100
Number of critical suppliers in non Tier-1	0
Spend on critical suppliers in Tier-1	89%

FIGURE 35. SUPPLIER ORIGIN AND INDUSTRY SECTOR (TRUNCATED AT 1%)



WORKING WITH TRUSTED BUSINESS PARTNERS

Tipico's approach to business is based upon a core set of values. Trust, transparency, and reliability are crucial for us when choosing new business partners. Tipico's Vendor Selection Process (VSP) outlines the procedure to be adopted by the business areas within Tipico that need to engage with vendors for the purchase of goods or services. The VSP prioritizes fair treatment by incorporating environmental, social, and governmental considerations, in addition to the technical and economic criteria used during vendor selection. In particular, Tipico aims to select suppliers who are able to guarantee:

a) Compliance with applicable regulations, avoiding any conduct of a corrupt nature

b) Responsible environmental protection

c) Promotion of, and compliance with, health and safety working conditions

d) Prohibition of forced labor and exploitation of minors

e) Compliance with applicable regulations and safety requirements

f) Compliance with security standards (ISMS)

Tipico conducts a risk assessment for each of our potential business partners. The screening is based on parameters such as the country of operation, type of service, or monetary value of the contract. Based on the results, Tipico carries out specific due diligence checks in line with the territory's

regulatory requirements. We use an established compliance-checking engine to screen individuals and organizations as part of these checks.

In the case that any suspicious result is encountered during the checks, enhanced due diligence (EDD) is triggered in accordance with and agreed upon by the Money Laundering Reporting Officer (MLRO). Extended EDD assessments are effective means for identification, verification, and investigation of all natural and legal persons involved with Tipico's regulated activity and ensure that all steps are taken so that a person and/or entity is not appointed or does not continue to hold an 'approved person' position or a license for which they are not fit and proper.



MANAGING RISKS IN THE SUPPLY CHAIN

The management and reporting of ESG risks in our supply chain is governed by our Supply Chain Policy and operationally managed by a team reporting to the Director of Procurement.

Towards suppliers, our [Supplier Code of Conduct \(CoC\)](#) sets up the high standards that we require from all our suppliers, business partners, and/or external contractors (hereinafter “suppliers”) to uphold our business integrity. The CoC reflects our commitment to the Ten Principles of the UN Global Compact and the UN Guiding Principles on Business and Human Rights. This Code is the foundation of all contractual relationships with Tipico since it outlines the requirements needed to protect human rights and ensure sustainable development. Prior to entering a business relationship with Tipico, we expect our suppliers to acknowledge their adherence to this CoC or to provide us with a copy of their own CoC, which demonstrates equal or similar requirements to the ones found in this Code.

Our Supplier CoC is a living document which evolves in line with changing compliance requirements, emerging ESG risks and stakeholder expectations. In 2023, we have updated our CoC and started the process of acknowledgment of the new version by our suppliers. 382 suppliers were contacted, among which 143 accepted it and four provided their own CoC as equivalent to Tipico’s Code.

We aim for full supplier coverage and CoC acceptance by the end of 2024.

Tipico has implemented processes and guidelines that are aligned with the requirements of the [Supply Chain Due Diligence Act](#) as well as meet the principles and rules defined in all Tipico procedures in terms of protection and preservation of Tipico’s assets and interests.

Our procurement team conducts an ESG risk assessment with all suppliers using internal resources, publicly available information, and 3rd party tools. It is initially conducted before contract signing and reassessed upon significant changes to the contract or the situation of the supplier, or annually, whichever happens earlier.

The risk assessment is conducted twofold: for environmental risks and for social risks. In the first step of the risk assessment, every supplier is rated based on a geographic risk matrix and a risk matrix by industry. An annual process reviews the underlying data on risks (environmental risks by country and industry, social risks by country and industry) and updates them where necessary. Based on perceived risks, a mitigation scheme is applied. If, during the risk mitigation, findings are made that would exacerbate the perceived risks, an incident management process will be launched, based upon the identified issues.

TABLE 29. RISK MITIGATION PROCESSES FOR SUPPLIERS

	SOCIAL RISKS LOW	SOCIAL RISKS MODERATE	SOCIAL RISKS MEDIUM	SOCIAL RISKS HIGH
Environmental risks low	CoC acceptance	CoC acceptance	CoC acceptance + social risks self-assessment	CoC acceptance + desk audit
Environmental risks moderate	CoC acceptance	CoC acceptance	CoC acceptance + social risks self-assessment	CoC acceptance + desk audit
Environmental risks medium	CoC acceptance + environmental risks self-assessment	CoC acceptance + environmental risks self-assessment	CoC acceptance + full self-assessment	CoC acceptance + desk audit
Environmental risks high	CoC acceptance + desk audit	CoC acceptance + desk audit	CoC acceptance + desk audit	CoC acceptance + desk audit

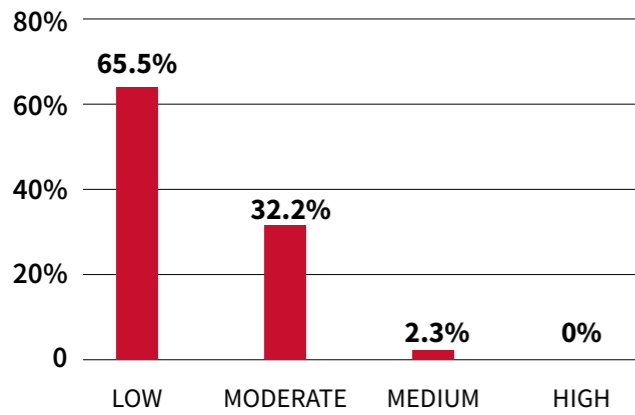


The unmitigated and mitigated risks for each supplier are included as part of the supplier scorecard and are thereby considered in the business decision whether to onboard, keep or offboard a supplier. If the supplier is being kept, a risk mitigation process is started. This process aims to achieve more awareness of the suppliers’ processes to actively address risks with the supplier and propose adequate measures.

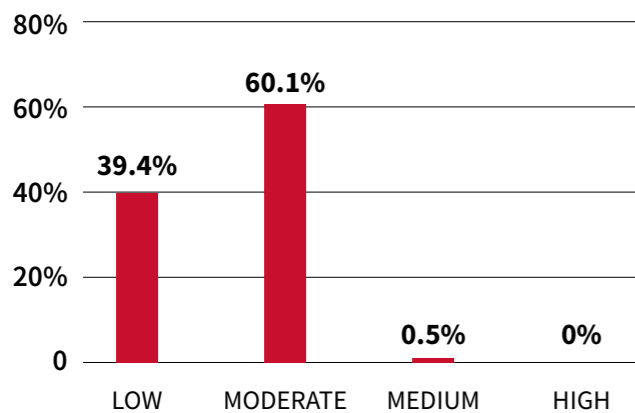
In 2023, we identified 31 suppliers with medium social, environmental, or both risks. None of them were required to implement corrective actions after submission of the self-assessment questionnaire due to the lack of findings. There were no high-risk suppliers based either on geography or industry in 2023.

FIGURE 36. COMBINED SOCIAL AND ENVIRONMENTAL RISK LEVEL IN 2023

PERCENTAGES BASED ON NUMBER OF SUPPLIERS, 2023



PERCENTAGES BASED ON NUMBER OF SUPPLIERS, 2023

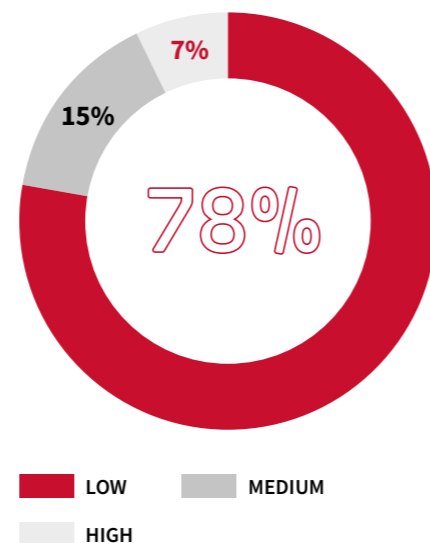


MANAGING RISKS IN THE FRANCHISE NETWORK

Our franchise network, which encompasses 282 individual franchise partners, is a part of the value chain that's especially close to us. After all, they are wearing our brand, and any issues – regulatory or reputational – can spill over directly to Tipico.

As a consequence, for every prospective partner and their ultimate beneficial owners, on top of the processes for business partners described earlier, an extensive EDD investigation focusing on reliability and the source of funds is conducted by an independent third party. Based on this investigation, a risk level is assigned. Generally, Tipico does not accept franchise partners with a greater than medium risk score – however, in exceptional cases, this is possible based on Board approval.

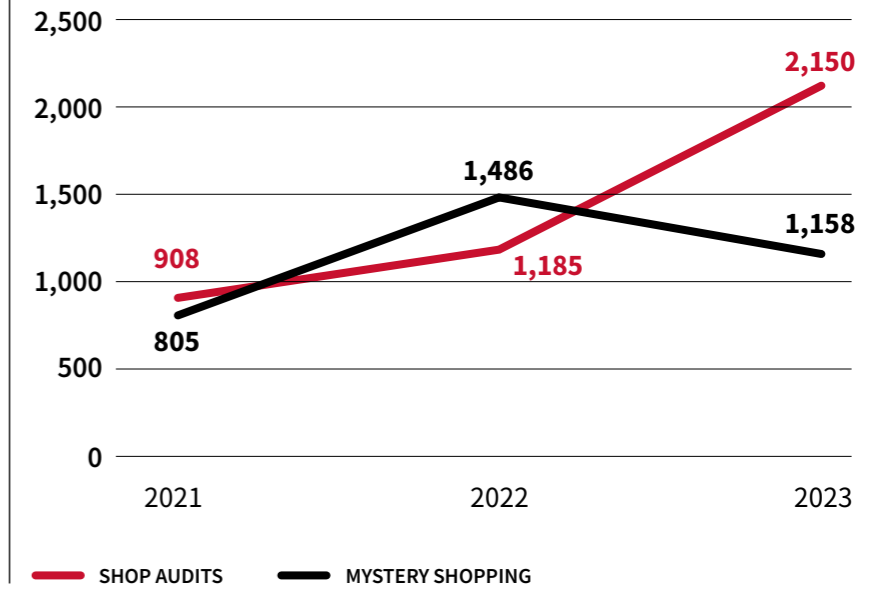
FIGURE 37. DISTRIBUTION OF RISK LEVELS AFTER EDD IN THE FRANCHISE NETWORK



To ensure continuous due diligence, adverse media monitoring covers all franchise partners on an ongoing basis, where incidents would trigger a reassessment of the EDD risks. At the latest, however, the EDD for each franchise partner is updated every two years.

Also, all franchise partners are subject to shop audits and mystery shopping exercises, both focusing on compliance and consumer protection topics. In 2023, a total of more than 3,300 controls were conducted. Shop audits focus on an assessment of formal compliance criteria and providing consultancy to the partner about how to improve. Mystery shopping exercises often confront shop employees in difficult situations, which could have a compliance impact. Failure to adhere to compliant processes in such an exercise can lead to contractual fines, additional mandatory training for the involved employees, and contract termination with the franchise partner. The pass rate of the mystery shopping exercises in 2023 was 92%.

FIGURE 38. NUMBER OF CONTROLS CONDUCTED IN THE FRANCHISE NETWORK



PAYMENT OF INVOICES

At Tipico, we are committed to timely payments to all business partners, resulting in all internally authorized invoices being settled within 30 days from the date of receipt, which finds

alignment with the payment terms and conditions of our suppliers. This practice reflects our dedication to fostering strong and transparent partnerships with our suppliers.

2023

30

Standard contractual payment goal in days

100%

Payments within payment goal

20

Average time until payment in days

0

Nr. legal proceedings because of late payments



LICENSED AND COMPLIANT BUSINESS

Tipico is a gambling operator whose revenue originates 100% from regulated markets.

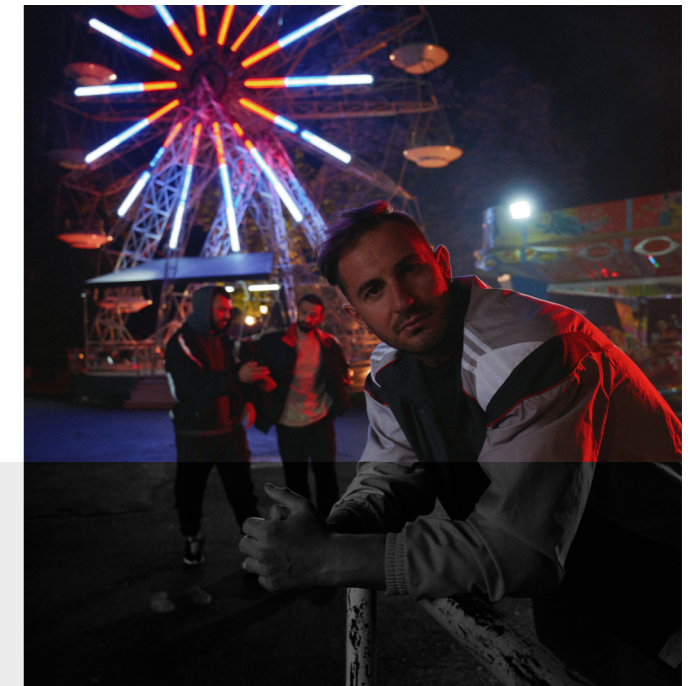
100%

Revenue from regulated markets

Tipico will not establish any revenue streams from so-called gray markets, where there is no transparent regulatory regime or licensing system.

We also strive for operational excellence and effective control frameworks, which are necessary when operating in highly regulated markets. As a consequence, we aim at full compliance with applicable laws and regulations.

No fines: Our recurring annual goal is flawless compliance and not to make any mistakes for which we could deserve a fine.



TARGETS FOR

2024

AND BEYOND

- » Tipico's revenue stems 100% from regulated markets. Tipico will not establish any revenue streams from so-called gray markets, where there is no transparent regulatory regime and licensing system
- » based on the goals of the German Supply Chain Act, Tipico will roll out a risk management framework for all suppliers
- » Tipico conducts biannual audits of our money laundering prevention framework. Starting from the point of full compliance, we have set out on a roadmap of continuous improvement



SUPPLY CHAIN RISK MANAGEMENT

From 2024 onwards, Tipico will be subject to the German Supply Chain Act and, therefore, required to monitor social and environmental risks in the supply chain and report transparently on the topic. As planned with the end of 2023, our Supply Chain policy was released, and all related processes were launched.

EFFECTIVE PREVENTION OF MONEY LAUNDERING

As an obliged entity, Tipico is at the forefront of combating money laundering and assuring that our processes are robust and uninviting for money launderers. We are using bi-annual external audits to assess our progress towards this goal. The latest AML audit was carried out by BDO Austria GmbH in 2022, and the next one is planned for 2024. According to the report, BDO has not become aware of any facts that lead them to believe that Tipico Group has not set up an adequate concept of its AML Framework. However, certain potential improvement was identified, which led to 20 minor improvement suggestions. Following the audit, the AML Compliance Team started remediating them in 2022 and 2023.

TABLE 30. ROADMAP FOR CONTINUOUS IMPROVEMENT TOWARDS ACTIVE RISK MANAGEMENT AND RISK MITIGATION IN OUR VALUE CHAIN

	SHORT-TERM (2024)	SHORT-TERM (2026)	MID-TERM (2028)
Major findings	0	0	0
Minor improvement suggestions	16 or less	12 or less	8 or less

ACTIONS

IMPLEMENTING COMPLIANCE

Tipico’s mission requires us to identify and implement the appropriate practical application of regulatory requirements that both enforce the goals of the regulation and are accepted by consumers.

In 2022, Tipico invested a total of 7,900 developer days to bring such implementations, often in the field of consumer protection, to life. This effort has a value of about M EUR 8.7. This estimate does not even include additional efforts for planning and evaluation.

Tipico queried the exclusion database OASIS almost 700 million times and the limits database LUGAS almost 50 million times in 2023. Both databases are hosted by regulatory authorities and aim to assure the protection of vulnerable customers. These queries resulted in a cost of almost M EUR 3 for Tipico.

This is relevant because finding the optimal implementation for our product is the key component in ensuring demand is channeled into regulated markets, where consumers are adequately protected.

ROADMAP TOWARDS ACTIVE RISK MANAGEMENT AND RISK MITIGATION IN OUR VALUE CHAIN

SHORT-TERM (2024)

Apply processes related to the German Supply Chain Act to all suppliers and start mitigation processes

Supplier CoC acceptance: > 60%

SHORT-TERM (2025)

Publish first annual reporting in line with the German Supply Chain Act

Supplier CoC acceptance: > 90%

Successful risk-mitigation for medium-risk suppliers: > 60%

Successful risk-mitigation for high-risk suppliers: 100%

MID-TERM (2028)

Establish projects for capacity building in our value chain and report first results

Supplier CoC acceptance: > 100%

Successful risk-mitigation for medium-risk suppliers: > 85%

Successful risk mitigation for high-risk suppliers: 100%

ANTI-BRIBERY TRAINING

To strengthen our prevention of corruption, online training was developed to give employees the legal backgrounds and practical examples to explain the requirements of our Ethics Code. The training will be rolled out in 2024 to all office employees to match the face-to-face training that shop employees receive.



EXTERNAL ASSURANCE

Tipico aims for external assurance of our core business processes, where possible. This serves as guidance for our improvement roadmap just as well as an objective benchmark for external stakeholders.

TABLE 31. EXTERNAL AUDITS CONDUCTED SINCE 2021

TOPIC	YEAR	CONDUCTED BY	RESULT
Player Protection	2021	Malta Gaming Authority	The findings confirm that the internal policies and procedures are robust and in line with the requirements set out by law, specifically the Regulations and the Player Protection Directive.
AML	2022	BDO Austria GmbH	The audit team has not become aware of any facts that lead them to believe that Tipico has not set up an adequate concept of its AML Framework.
ISO 27001	2023	TÜV Rheinland Cert GmbH	The audit team confirms that the organization's ISMS complies with the audit objectives and adequately maintains and implements the requirements of the ISO/IEC 27001:2013 standard.

Tipico is currently preparing an environmental management framework, which will enable an audit according to ISO 14001, which is planned to take place in 2024.

MITIGATING MATERIAL IMPACTS

PREVENTION AND DETECTION OF CORRUPTION OR BRIBERY

INVESTIGATION PROCESSES

Investigation processes for corruption or bribery can have their starting point in different compliance processes. In the most direct manner, they can be mandated by the Group Risk Committee as an example based on internal or external audit findings. Another starting point

would be information reported through the whistleblower portal. The investigation processes for corruption or bribery are led by the Head of Internal Audit. This prevents investigations from potentially being hampered by the company's line organization. Additional internal experts

(e.g., the Director of Human Resources) may be added to the investigation on a case-by-case basis, dependent on a need-to-know principle. The Group Risk Committee is updated on the progress and outcome of all investigations.

POLITICAL INFLUENCE AND LOBBYING ACTIVITIES

Based on our Ethics Code, Tipico is unpolitical and does not make any financial contributions to politicians, political organizations or political parties.

TABLE 32. POLITICAL CONTRIBUTIONS SINCE 2019

	2019	2020	2021	2022	2023
Political contributions provided (financially or in-kind) in T EUR	0	0	0	0	0

However, since the regulation of gambling and betting is still new and dynamic throughout Europe, actively reaching out to stakeholders and exchanging positions about important topics is very important for Tipico. In this dialogue, the following topics are most relevant:

ECONOMIC EFFICIENCY

In order for regulated markets to become a successful model, it is necessary to shape the economic framework conditions in such a way that licensees can operate profitably and pay appropriate taxes. This requires, among other things, a further development of advertising opportunities and the taxation system.

COMPETITION

We are committed to a competitive and demand-driven market. The mandate to channel customer demand into the regulated market will only succeed if the permitted range of sports betting offers reflects consumer demands. The equal treatment of state and private providers of sports betting must be guaranteed.

FAIR PLAY

Safeguarding the integrity of sports competition is in the best interest of sports betting providers, as we – along with the sport – are the main victims of match-fixing. That is why we are working together with organized sports, the relevant state institutions, and specialized companies hand in hand against match-fixing.

PLAYER PROTECTION AND THE PREVENTION OF ADDICTION

A safe gambling market is a top priority for us and the only way to run a sustainable gambling business for a licensed operator. After all, customer trust can only be gained by guaranteeing safe and trustworthy products. We, therefore, actively promote the prevention of gambling addiction, provide information about measures such as voluntary limits and self-blocks, and inform players of the counseling centers and help available. We advocate science-based regulation and continuous monitoring of effectiveness with the goal of providing consumers with player protection measures, which they recognize as useful and an advantage of the regulated market.

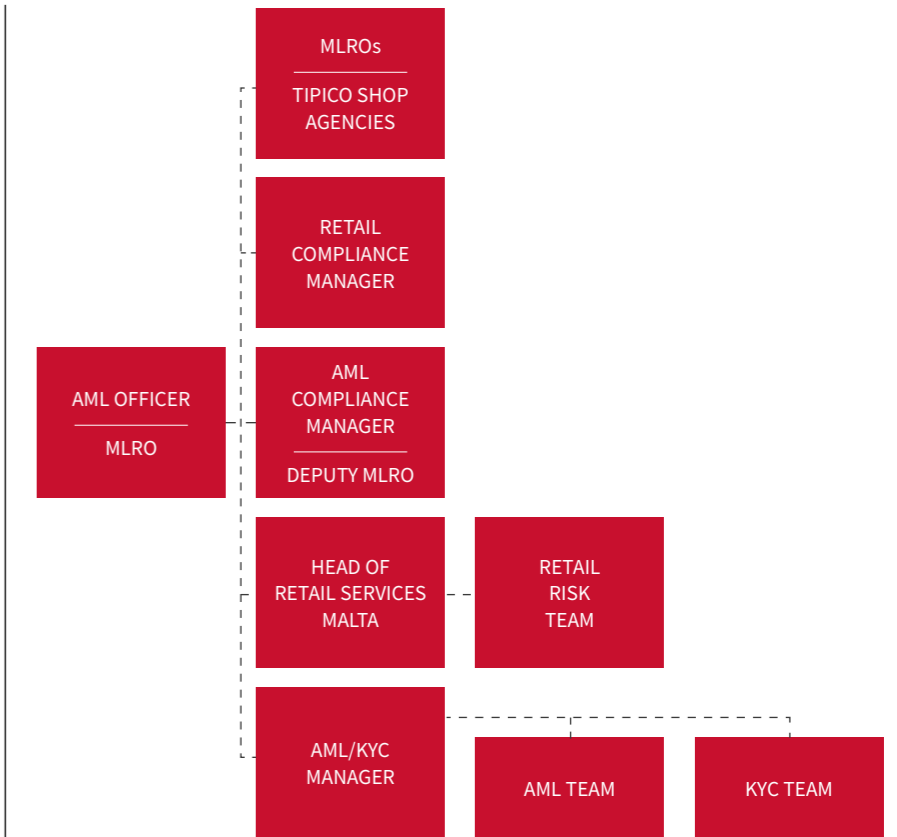
COMBATING ILLEGAL OPERATORS AND CHANNELING CUSTOMER DEMAND INTO THE REGULATED MARKET

Illegal gambling markets can only be dried up efficiently if the alternatives – from the customer’s point of view – are attractive and can be advertised accordingly. In the same vein, effective enforcement action must be taken against unlicensed operators.

ANTI-MONEY-LAUNDERING

In 2022, Tipico continued strengthening its internal AML and Countering the Financing of Terrorism (CFT) framework.

AML Governance & Framework: The Group MLRO, as well as the Deputy MLRO, is certified by DEKRA (Zertifizierter Geldwäschebeauftragter) and is supported by several teams across the company, as shown in the following graphic:



As of August 2023, the MLRO is supported by an AML Monitoring Manager whose main responsibility is the carrying out of internal controls. Several controls are performed on a regular basis, the frequency of which depends on the respective risk.

The basis of all AML/CFT efforts is laid out within the AML/CFT policy, which is required to be read and accepted by every employee of the Tipico Group. Whereas the policy defines the regulatory requirements and responsibilities, there are several subordinated procedures that provide detailed guidance to the operational teams on how to:

- >> carry out customer due diligence
- >> investigate potential matches for politically exposed persons and sanctioned individuals
- >> carry out enhanced due diligence
- >> assess unusual/suspicious behavior and prepare suspicious transaction/activity reports

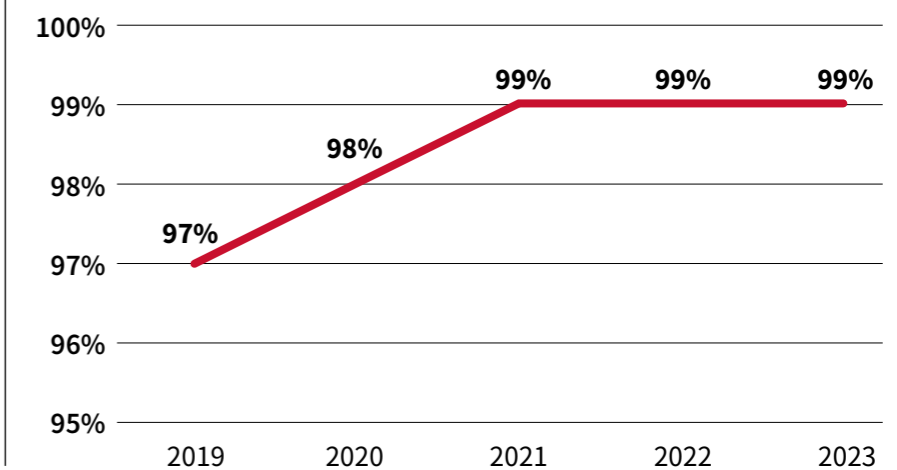
TABLE 33. SPENDING ON LOBBYING ACTIVITIES SINCE 2019

	2019	2020	2021	2022	2023
Lobbying, interest representation or similar in T EUR	1,100	1,800	600	960	960
Trade associations or tax-exempt groups (e.g., think tanks) in T EUR	84	63	67	68	93
Other (e.g., spending related to ballot measures or referendums) in T EUR	0	0	0	0	0
Total contributions and other spending in T EUR	1,184	1,863	667	1,028	1,053

Tipico is listed in the German transparency register. The entry can be found [here](#).

No member of the Tipico Board ([see the Tipico Board’s professional experience](#)) held a position in public administration at any point in their career.

FIGURE 39. COMPLETION OF ANNUAL AML TRAINING



All Tipico Group employees are required to complete internal AML/CFT online training. At the end of this training, the employees must successfully complete an assessment. Furthermore, the online training is to be repeated on an annual basis.

All cashiers need to repeat the eLearning course on an annual basis. In 2023, a total of 2,009 cashiers attended the classroom training, and 4,333 completed the eLearning. Consequently, 92%/98.5% of all cashiers have completed the classroom training and eLearning.

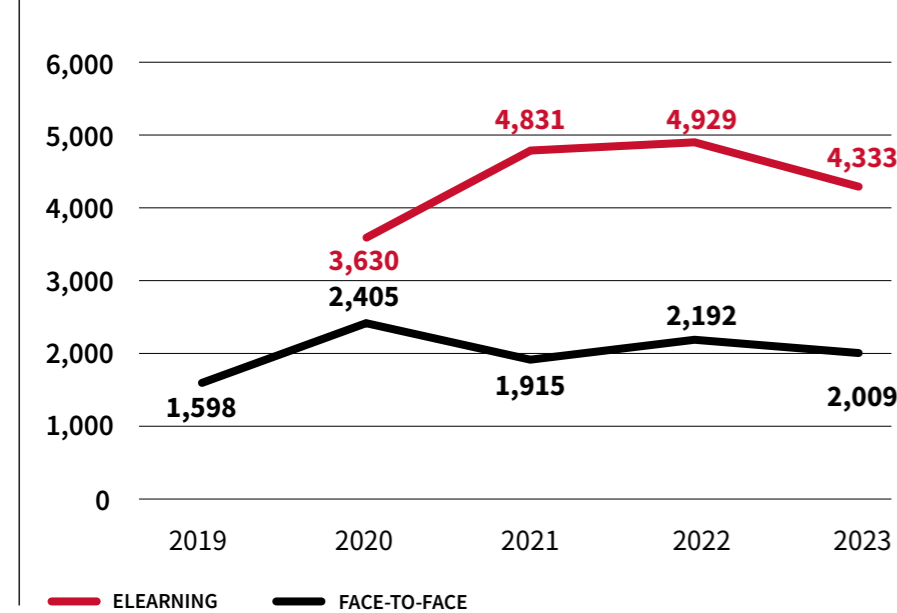
Since 2021, there has been ongoing full coverage of AML training and refreshers for all office employees. The cashiers in the Tipico betting shops are also required to receive AML/CFT training. New cashiers need to attend classroom training as well as complete eLearning, which covers both AML/CFT-related matters.

In 2023, the MLRO and Deputy delivered 12 AML Compliance training sessions to the AML operational Team comprising the following topics: suspicious transaction report (STR), EDD, customer due diligence (CDD), politically exposed persons (PEPs), and AML Introduction for new starters.

92% / 98.5%

OF ALL CASHIERS HAVE COMPLETED THE CLASSROOM TRAINING AND ELEARNING RESPECTIVELY

FIGURE 40. RETAIL SERVICE STAFF TRAINED



SUSPICIOUS TRANSACTION REPORTS

Over the last five years, all internal suspicious transaction reports (STRs) were reviewed by the responsible MLRO and, in those cases where the suspicion could be corroborated, reported externally to the responsible authorities.

With the help of the operational teams and systematic controls, the number of investigated cases and the number of suspicions reported to the authorities remained at a high level. The quality of internal STRs improved significantly due to the employee's increased awareness and a better understanding of typologies that are relevant for AML/CFT and, therefore, need to be reported internally.

FIGURE 41. SUSPICIOUS TRANSACTION REPORTS

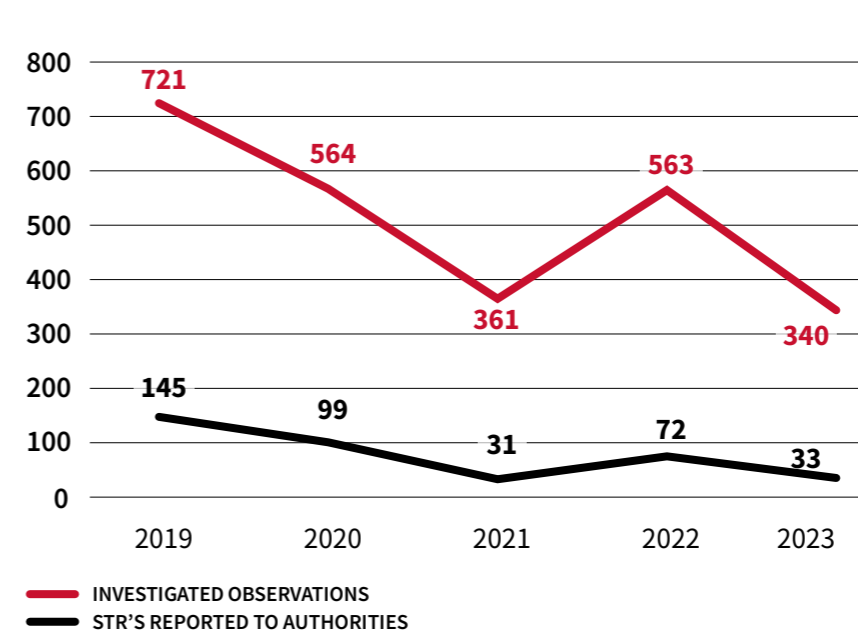
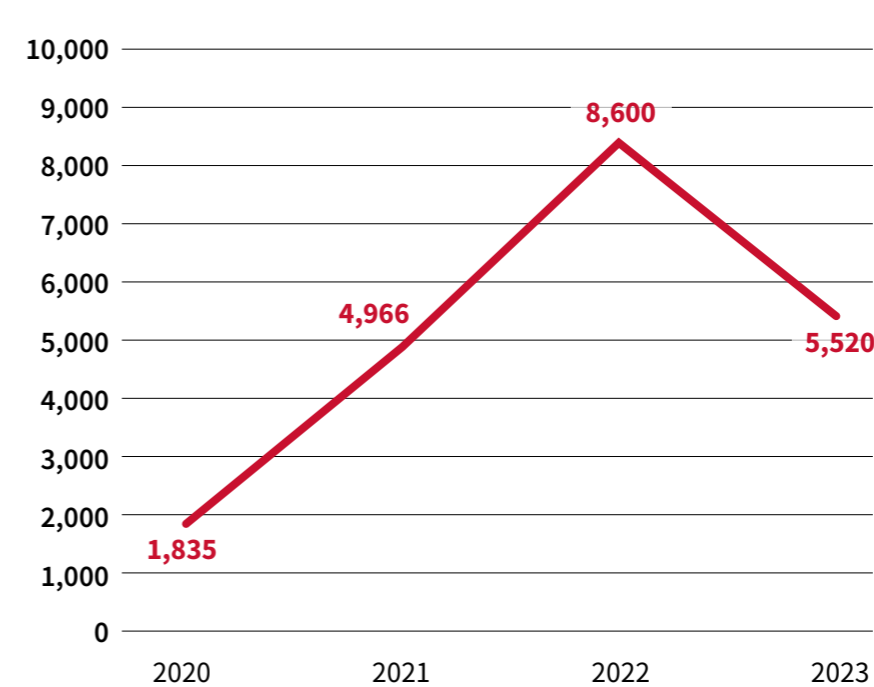


FIGURE 42. CUSTOMER EDD INVESTIGATIONS



Note: Introduction of new processes led to a backlog of additional investigations, which were conducted in 2022. After that, the number of investigations fell back to the expected level.

EDD investigation were revised, aligning them even more with the risk-based approach. Consequently, the EDD procedure was comprehensively updated, and the AML team was equipped with new tools, allowing them to conduct more accurate investigations and document the observations and decisions accordingly.

Each EDD investigation includes an in-depth investigation of customers concerning the different risk areas applicable for betting customers, such as betting and payment behavior, but also the customer's background (source of wealth/funds, social media, adverse media, etc.) as well as the geographical and channel risk associated with the customer.

In 2023, an average of 460 were carried out each month by the AML team. Depending on the risk detected for each customer, actions, and measures are applied to mitigate said risks, e.g., account closures, ongoing monitoring, deposit limits, document requests for the source of wealth/funds, etc.

Plans for 2024 include the implementation of new controls in addition to the continuous improvement of the existing AML framework.

EDD: As per regulatory requirement, whenever any high-risk situation is identified, EDD is to be applied.

While Tipico has always carried out EDD investigations in the previous years, in 2021, the trigger events that lead to an

APPENDICES



APPENDIX 1: BACKGROUND ON ESG REPORTING

CONTENT

This is the sixth time Tipico has published an annual ESG report, and we are proud to present the impacts of the Tipico Group covering the reporting year 2023. All data provided in this report is for the period from 01.01.2023 to 31.12.2023. The report is published as a stand-alone document and is renewed on an annual basis. We use the standards of the CSRD and the GRI as the framework for structuring the content of this report.

The scope of this report excludes Tipico's US operations. As Tipico is not the sole holder of the B2C license in the US business, a transfer of data relevant to regulatory requirements (especially in relation to ESG S4 and ESG G1) outside the license holder would be complex and, in some cases, not possible. Also, Tipico's US operations are very small in terms of financial and headcount. As a consequence, this report covers 98% of Tipico's revenue and 94% of Tipico's

headcount. In the Chapter "Our People," we calculated 100% of the headcount unless other information was specified in the tables or figures.

This year's report focuses on the topics that have the greatest impact on Tipico stakeholders based on our double materiality assessment. Our goal is to address these topics transparently and outline a path to continuous progress, assuring the trust of all stakeholders. The report covers Tipico's operations and its upstream and downstream value chain, as mentioned in the materiality assessment and environmental chapters. Unless stated that it is estimated, the majority of the data provided in the report is measured.

The reporting of carbon emissions is influenced by the GHG Protocol. Scope 1, Scope 2, and Scope 3 emissions in the categories of business travel, employees commuting, and use of sold products are calculated with the UK

Government Conversion Factors for GHG reporting (year 2023). Environmental consumption was estimated for Tipico locations in Colombia and Vienna, where bills were issued either for the whole building where Tipico is renting an office space or where Tipico is paying a fixed rent including electricity, heating, water, and waste without specification of actual consumption. In such cases, we estimated consumption based on floor space or consumption per headcount of similar setups in other Tipico offices.

Tipico publishes annual financial statements in a separate report. The consolidated financial statements include information about the Tipico Group Limited and its subsidiaries. The statements are prepared in accordance with International Financial Reporting Standards as adopted by the EU. Financial statements are further independently audited and confirmed by the PwC.

APPENDIX 2: MATERIALITY ASSESSMENT

DESCRIPTION OF THE BUSINESS

INTRODUCTION

Tipico Group is a multinational gaming provider specializing in sports betting and online gambling services, offering its services in markets where regulation ensures the highest standards of consumer protection. The Group's origins can be traced back to its founding in Malta in 2004, and since then, Tipico has evolved into a leading international player in the gaming industry. The company places a strong emphasis on ensuring a safe and responsible gambling experience underpinned by continuous investment in cutting-edge technologies.



OPERATING ENVIRONMENT AND STRATEGY

Our company's success is driven by our deep commitment to providing innovative and holistic entertainment services. As of the reporting year, we employ close to 2,000 personnel at our global headquarters in St. Julian's, Malta, as well as our worldwide subsidiaries and more than 6,000 people through our affiliated franchise network in Germany and Austria. Our two primary distribution channels, online platforms hosted in the Cloud and physical bet shops, cater to the diverse needs of our customer base, ensuring a seamless and engaging gaming experience. Payment providers are essential for online service providers, so Tipico has established its own payment provider, "Zastrpay" (a trademark of C2D Payment Solutions), holding an e-money license issued by the Malta Financial Services Authority.

PERFORMANCE HIGHLIGHTS

In terms of revenue, the Tipico Group generated a total of M EUR 686.5 during the 2023 financial year. Our digital services continue to grow, with a robust infrastructure allowing dynamic scaling to accommodate fluctuating demand, ensuring a remarkable 99.9% service availability. We have strategically expanded our franchise chain in Germany, securing our position as the second-largest in the country.

MARKET EXPANSION AND LICENSING

We operate exclusively in markets where strict licensing regulations are in place, ensuring compliance with the highest standards of safety and security for our customers. Tipico holds licenses in the regulated markets of Germany, where it is the undisputed market leader, and Austria, with plans to extend these licenses in 2027. Additionally, we have expanded our presence in the United States through a venture, securing licenses in several states.

STRATEGIC PARTNERSHIPS AND SPONSORSHIPS

We are proud of our partnerships and sponsorships in the sports world, which highlight our commitment to the integrity and success of the industry. Since 2015, Tipico has been an official platinum partner to FC Bayern München, one of the most recognizable football clubs globally. Our partnership with the Bundesliga and 2. Bundesliga, which commenced in January 2018, is a testament to our dedication to the core of our services. Furthermore, our exclusive partnership with the Easy Credit Basketball Bundesliga showcases our unwavering support for the continued growth and success of basketball in Germany.



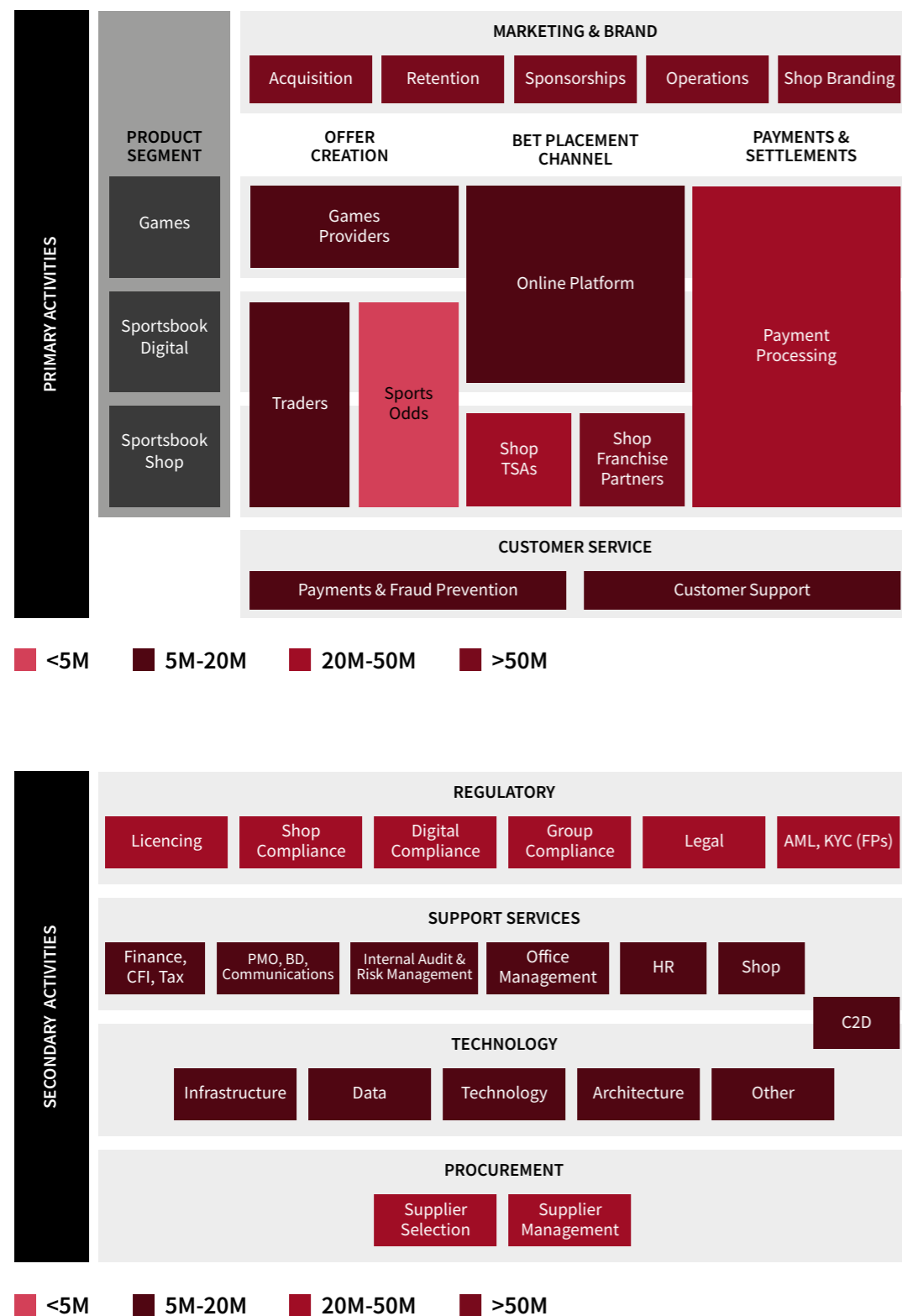
LOOKING AHEAD

As we move forward, Tipico remains committed to providing innovative and entertaining gaming experiences while upholding the highest standards of safety and integrity. We will continue to explore opportunities for growth in regulated markets and expand our network of strategic partnerships. With a dedicated focus on technology and responsible gaming practices, we are poised to continue our growth trajectory and deliver outstanding results in the years to come.

VALUE CHAIN MAPPING

The value chain serves two purposes: as a map of Tipico’s relevant business activities and as a map of its relevant business partnerships. Involved costs can be considered as a rough indicator of relevance.

FIGURE 43. SCHEMATIC OF TIPICO'S VALUE CHAIN



STAKEHOLDER IDENTIFICATION AND ENGAGEMENT

To receive further input about the potential impacts of our business operations, in November and December 2023, a stakeholder outreach was conducted. In the process of this outreach, stakeholder groups and representative informants were identified as described in table 34.

In addition to generic stakeholder mapping, the following stakeholder groups were deemed specifically informative for our sector:

- >> regulatory authorities
- >> academia
- >> treatment providers

TABLE 34. STAKEHOLDER OUTREACH

INFORMANT	STAKEHOLDER GROUP	FORMAT
CVC	Financial	Interview
ELFA	Financial	ESG Fact Sheet for the Gambling Sector
S&P Sustainable1	Financial	Benchmarking weights for gambling sector
Ecovadis	Financial	Benchmarking weights for gambling sector
Malta Gaming Authority	Authorities	ESG Code of Good Practice
Deutscher Sportwettenverband	Industry Associations	Interview
Düsseldorfer Kreis	Industry Associations	Interview
AWS	Business Partners	Interview
Franchise partners	Business Partners	Questionnaire (N=21)
Technical University Dresden	Academia	Interview
Institut für Therapieforschung Munich	Treatment Providers	Interview
Glücksfall	Treatment Providers	Interview
Technisches Hilfswerk	Local Communities	Interview
Nature Trust	Local Communities	Interview
Employees	Employees	Questionnaire (N=292)
Customers	Customers	Questionnaire (N=2787)



IDENTIFICATION OF APPLICABLE SUSTAINABILITY TOPICS

Based on the corporate risk register and opinions derived from the stakeholder engagement process, the following potentially relevant sustainability topics were identified.

ENVIRONMENTAL

- >> emissions in own operations
- >> emissions through business travel
- >> emissions through franchise network
- >> emissions through commuting
- >> emissions through customer use of services
- >> water usage in water stress areas (Malta, Gibraltar)
- >> paper usage and waste in shop network

SOCIAL

- >> consumer protection, minor protection and prevention of addiction
- >> customer satisfaction in a difficult regulatory framework
- >> responsible marketing
- >> information management, privacy and data protection
- >> diversity of workforce
- >> loss of talent
- >> training of workforce
- >> health & safety incidents
- >> workers in the franchise network

GOVERNANCE

- >> regulatory compliance
- >> sports integrity
- >> whistleblower
- >> anti-corruption
- >> anti-money laundering
- >> management and supervision of franchise network
- >> risk of political influencing

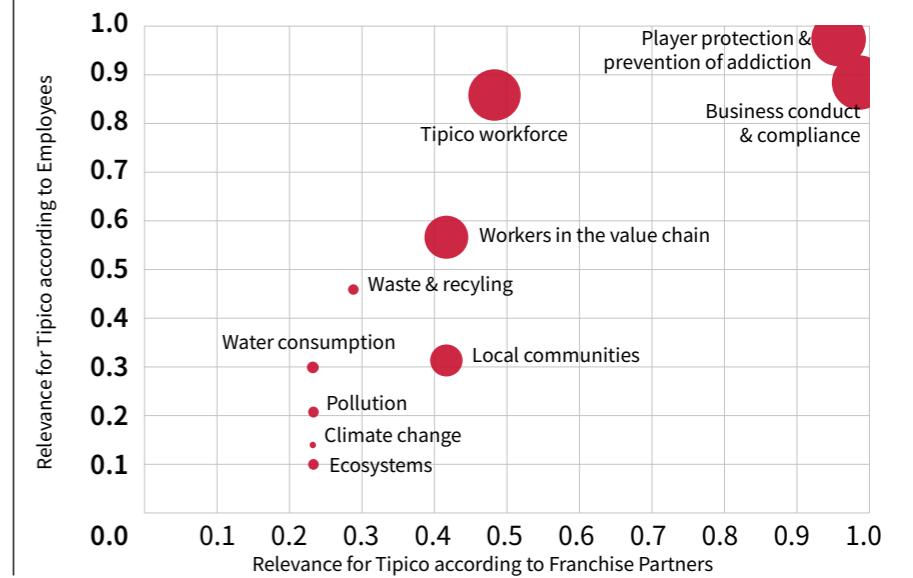
RESULTS OF STAKEHOLDER SURVEYS

As part of the materiality analysis, surveys of customers, employees, and franchise partners were conducted. Due to the size of the stakeholder groups, surveys were chosen as the method to achieve optimal representativity. The surveys relied on a simplified categorization of topics and requested the participant to assess the relevance of the topic, specifically for Tipico.

The exercise showed that the three stakeholder groups surveyed were largely aligned in their assessment. However, the topic areas were relatively stratified, with environmental topics on the bottom, social topics mostly in the middle and governance on top. This might be an indicator that respondents have internally further simplified and clustered the topics.

While this approach can provide initial ideas, such as where to look for impacts, it is likely not detailed enough. For this reason, further analyses were conducted.

FIGURE 44. ASSESSMENT OF RELEVANCE OF ESG TOPICS FOR TIPICO BY FRANCHISE PARTNERS (X AXIS), EMPLOYEES (Y AXIS) AND CUSTOMERS (BUBBLE SIZE).



ANALYSIS OF FINANCIAL RISKS

The source of truth for Tipico’s financial risks is the corporate risk register. The register contains information from experts and topic owners throughout the company and is updated on at least an annual basis. It captures the total of all known potential risks for Tipico and is, therefore, the underlying framework for Tipico’s disclosure of Principal Risks and Uncertainties disclosure.

In order to connect external input with this internal knowledge base, each ESRS sub- and sub-sub-category, as well as all identified applicable sustainability topics, were compared to the corporate risk register. Risk register entries that could relate to those sustainability topics were entered into the analysis process.

The analysis process focused on whether an incident based on the noted risk would cause a possible disruption in business continuity. The impact was defined as the greatest interruption of our abilities to draw from resources:

» continuation of use of a resource

- > financial
- > manufacturing
- > natural
- > intellectual
- > human
- > social, relationships and regulatory

(ranging from “without consequence in the short term / medium in the long term” to “impossible, very costly or unavailable in the short term”).

» reliance on relationships

- > financial
- > manufacturing
- > natural
- > intellectual
- > human
- > social, relationships and regulatory

(ranging from “neutral / no reaction currently and likely in the future” to “strong adverse reaction currently or very likely in the future”).

Note that in this exercise, due to the nature of Tipico’s business, manufacturing and natural resources were found to not be relevant drivers of impact severity. Conversely, financial and social resources were often the main drivers.

The likelihood of the risk materializing was assessed based on the scales of the corporate risk register.

For financial risks, the denomination of risk is calculated as the product out of impact and likelihood.



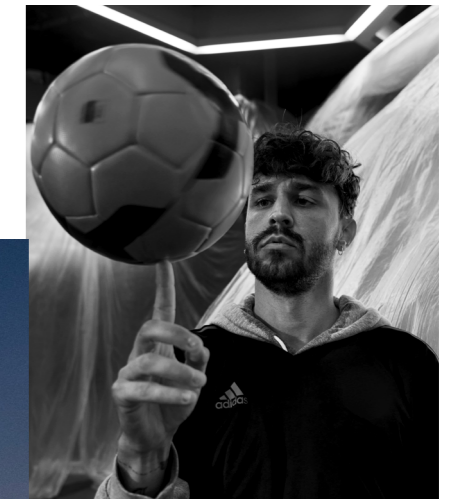
ANALYSIS OF IMPACT RISKS

Impact risks were scored according to the scale of impact (ranging from “none” to “absolute”), scope of impact (ranging from “none” to “global”), and remediability of the impact (ranging from “very easy to remedy” to “irreversible”). Total impact was defined as the sum of these three factors. It shall be noted that due to the strongly

localized nature of Tipico’s operations (e.g., only very few markets), the variable scope was typically relatively low. However, due to the very specific nature of the gambling business, the scale of impact could end up very high for some topics.

While likelihood is not always clearly defined for impact risk, we attempted to operationalize

likelihood as ‘likelihood per user’ instead of ‘likelihood over time’ (e.g., when it comes to consumer risks related to gambling disorders). For impact risks, the denomination of risk is calculated solely based on the impact. Likelihood is only used as valuable supporting information.



MATERIALITY DECISIONS

Based on the above analyses, risks and impacts were bundled by the ESRS category and provided to the Group Risk Committee for decision about materiality.

ESRS E1 CLIMATE CHANGE

As a provider of digital services, Tipico’s environmental impacts are generally very moderate in comparison to other sectors. However, the data centers that power online gambling have a notable consumption.

The same goes for our retail network, which is based on a relatively energy-hungry shop concept (e.g., video walls) and requires heating.

DECISION OF THE GROUP RISK COMMITTEE

While we did not identify any major risks to our business continuity based on climate change, we are aware that our emissions – even if small in absolute quantity – are part of the problem and that our efforts are needed. As a consequence, Tipico subscribes to the goals of the Paris Agreement and is actively working towards providing transparent reporting on our journey towards reducing our footprint.

Therefore, ESRS E1 shall be considered material for Tipico.

INTERNAL RISK ASSESSMENT

Generally, energy costs are a minor factor in Tipico’s value chain. The company is largely resilient against increases in energy prices or increased environmental regulation. Neither would directly affect the viability of our business model. However, we believe that sharp increases in energy pricing could affect the living situation of our customers and their disposable income for entertainment.

INPUT RECEIVED FROM EXTERNAL STAKEHOLDERS

Climate change is an environmental topic that has been brought up by many stakeholders. Possible impacts that were noted were data centers, the many locations of the shop network, and business travel.

FIGURE 45. ASSESSMENT OF FINANCIAL RISKS RELATED TO ESRS E1 – CLIMATE CHANGE

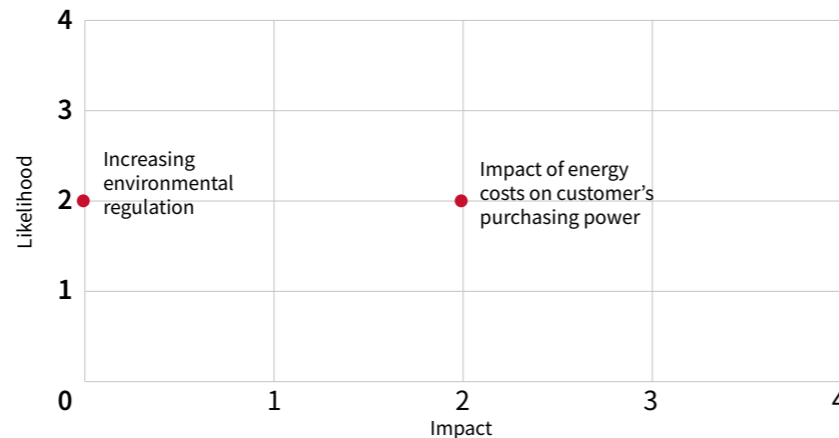
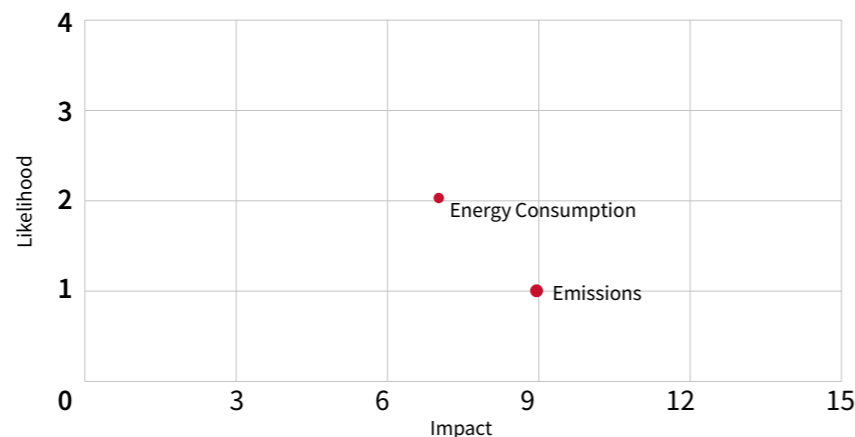


FIGURE 46. ASSESSMENT OF IMPACT RISKS RELATED TO ESRS E1 – CLIMATE CHANGE



ESRS E2 POLLUTION

No part of our business operations causes substantial pollution. The same is true for all relevant parts of our value chain.

INTERNAL RISK ASSESSMENT

Tipico’s corporate risk register does not track any risks related to ESRS E2.

INPUT RECEIVED FROM EXTERNAL STAKEHOLDERS

No impacts related to ESRS E2 were mentioned by external stakeholders.

DECISION OF THE GROUP RISK COMMITTEE

The topics related to ESRS E2 do not relate to any financial risks tracked by Tipico. In the same vein, no stakeholder mentioned impacts related to ESRS E2.

Therefore, ESRS E2 shall not be considered material for Tipico.



ESRS E3 WATER AND MARINE RESOURCES

Water plays no role in our business processes. Although two Tipico locations are in water stress areas (Malta and Gibraltar), water consumption is very low, as these are only office locations where water usage is restricted to kitchens and restrooms. In the same vein, water discharge in our office and shop location is comparable to private households.

INTERNAL RISK ASSESSMENT

Tipico’s corporate risk register does not track any risks related to ESRS E3.

INPUT RECEIVED FROM EXTERNAL STAKEHOLDERS

No impacts related to ESRS E3 were mentioned by external stakeholders.

DECISION OF THE GROUP RISK COMMITTEE

The topics related to ESRS E3 do not relate to any financial risks tracked by Tipico. In the same vein, no stakeholder mentioned impacts related to ESRS E3.

Therefore, ESRS E3 shall not be considered material for Tipico.

ESRS E4 BIODIVERSITY AND ECOSYSTEMS

As a provider of digital services, Tipico does not require raw materials, has no manufacturing facilities, and has thereby no impact on ecosystems. Tipico’s shop business is a purely urban phenomenon. Tipico shops can be found in city centers or along main lines of commuting traffic. As a consequence, the shop business itself is no risk to ecosystems.

In the same vein, major parts of our supply chain are services themselves, which typically have minimal environmental impact.

INTERNAL RISK ASSESSMENT

Tipico’s corporate risk register does not track any risks related to ESRS E4.

INPUT RECEIVED FROM EXTERNAL STAKEHOLDERS

No impacts related to ESRS E4 were mentioned by external stakeholders.

DECISION OF THE GROUP RISK COMMITTEE

The topics related to ESRS E4 do not relate to any financial risks tracked by Tipico. In the same vein, no stakeholder mentioned impacts related to ESRS E4.

Therefore, ESRS E4 shall not be considered material for Tipico.

ESRS E5 RESOURCE USE AND CIRCULAR ECONOMY

Tipico is not a producing business, and as a consequence, resource use and waste are very low. Notwithstanding this, there are areas where Tipico is already actively working towards reducing our resource consumption and prolonging our infrastructure’s lifetime, where it is realistically possible (e.g. transition to the paperless shop or donation of electronic equipment).

INTERNAL RISK ASSESSMENT

Tipico’s corporate risk register does not track any risks related to ESRS E5.

INPUT RECEIVED FROM EXTERNAL STAKEHOLDERS

No external stakeholders discussed impacts related to ESRS E5, but some Tipico staffers addressed the topics of electronic waste and paper consumption in shops.

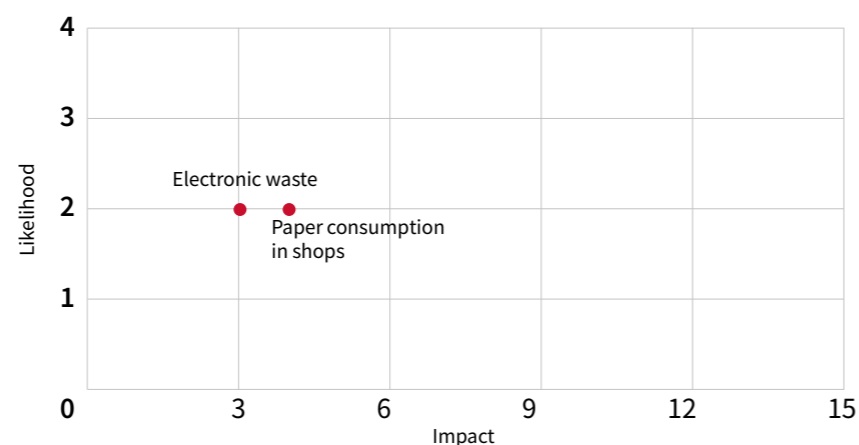
DECISION OF THE GROUP RISK COMMITTEE

The topics related to ESRS E5 do not relate to any financial risks tracked by Tipico. There were some impacts mentioned in relation to ESRS E5 by employees. This could, however, also be the result of internal awareness campaigns.

Therefore, ESRS E5 shall not be considered material for Tipico.



FIGURE 47. ASSESSMENT OF IMPACT RISKS RELATED TO ESRS E5 – RESOURCE USE AND CIRCULAR ECONOMY



ESRS S1 OWN WORKFORCE

Tipico acts as ‘One Team’ across departments and business pillars, and as such, our success depends on every single employee. At the intersection of technology and gambling, we are a niche, where it might be difficult to attract the whole talent pool. Similarly, sector-specific experience can be very important, so employee turnover might affect Tipico more than companies from other sectors. This makes Tipico somewhat vulnerable towards loss of talent, while it is not always easy to attract new talent.

INTERNAL RISK ASSESSMENT

Gambling is a highly regulated business. As a consequence, mistakes can lead to considerable compliance issues, which can have a serious impact on the business. Therefore, maintenance of talent and knowledge, as well as proper training for new talent, are very important to successfully mitigate these risks. Also, personal data related to employees and applicants poses a certain risk of data breaches.

INPUT RECEIVED FROM EXTERNAL STAKEHOLDERS

Some stakeholders mentioned topics revolving around their own workforce. However, they play an important role in written guidelines (e.g., MGA ESG CoC) and in the sector-specific weighting of rating agencies.

Stakeholders voiced concerns that diversity issues, as seen in many parts of the technology sector, could apply to Tipico as well. While stakeholders assumed relatively high salary levels throughout all roles in Tipico, there were concerns about a potential gender pay gap or potential discrimination of female applicants and employees.

DECISION OF THE GROUP RISK COMMITTEE

ESRS S1 is related to relevant financial risks and, to a lesser degree, impact risks. Employees can be a pivotal differentiating factor when it comes to operating better than competition in a highly regulated environment.

Therefore, ESRS S1 shall be considered material for Tipico.

CONTINUED: ESRS S1 OWN WORKFORCE

FIGURE 48. ASSESSMENT OF FINANCIAL RISKS RELATED TO ESRS S1 – OWN WORKFORCE

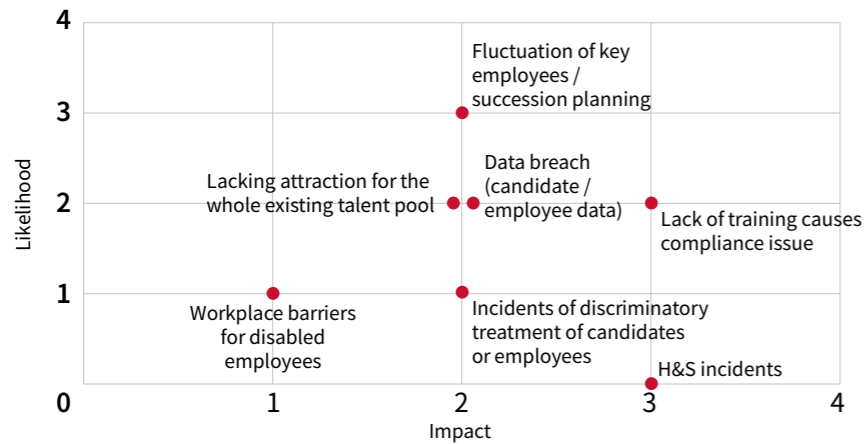
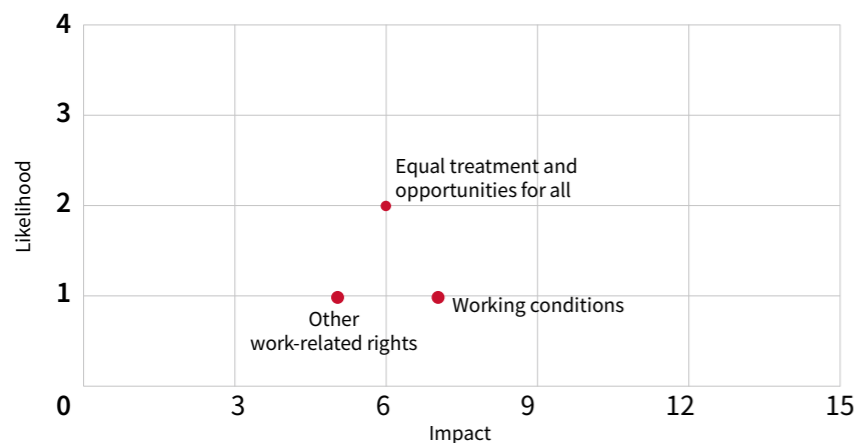


FIGURE 49. ASSESSMENT OF IMPACT RISKS RELATED TO ESRS S1 – OWN WORKFORCE



ESRS S2 WORKERS IN THE VALUE CHAIN

As a provider of digital services, our value chain is relatively compact. It is centered around sectors with a highly qualified and well-paid workforce. 80% of our spending is related to marketing, sponsoring, legal and regulatory, licensing costs, and technology.

91% of our suppliers and 55% of our spending can be considered less than medium risk from both environmental as well as social perspectives according to the risk management system introduced for the German Supply Chain Act.⁹ Driving factors for risk are mainly social risks associated with media.

INTERNAL RISK ASSESSMENT

Financial risks related to the value chain are similar in type to risks in our own workforce. However, their effect on Tipico would typically be more moderate. The reason is that they do not only exist to supply Tipico, but Tipico is also one of many business partners.

This is different for the franchise network. Franchise partners are perceived as Tipico, and their failings would be attributed to Tipico, with – at the very least – reputational impacts that affect Tipico just as much as the franchise partner.

⁹ Tipico Supply Chain Policy

INPUT RECEIVED FROM EXTERNAL STAKEHOLDERS

Technically, the impacts on workers in the value chain should be largely similar to the impacts on the workforce and were depicted accordingly in the risk matrix.

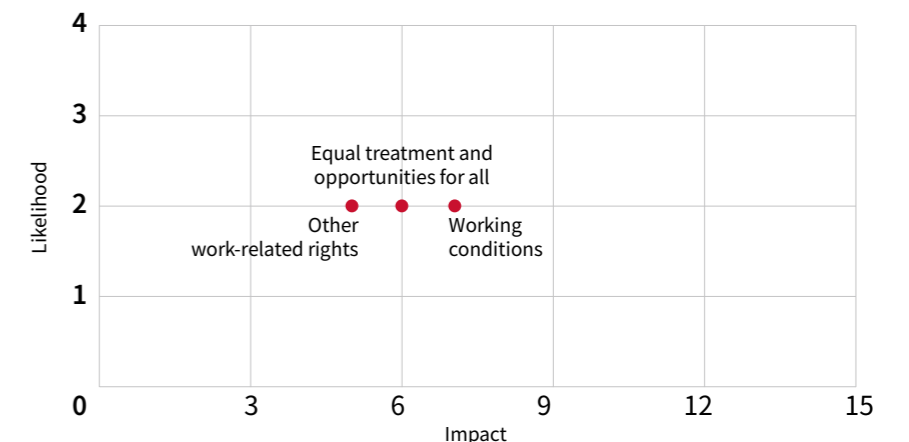
However, in practice, external stakeholders largely did not stress the topic of workers in the value chain for Tipico. For external stakeholders, this topic seems to be relatively immaterial.

91%
of our suppliers can be considered low and moderate risk.

FIGURE 50. ASSESSMENT OF FINANCIAL RISKS RELATED TO ESRS S2 – WORKERS IN THE VALUE CHAIN



FIGURE 51. ASSESSMENT OF IMPACT RISKS RELATED TO ESRS S2 – WORKERS IN THE VALUE CHAIN



CONTINUED: ESRS S2 WORKERS IN THE VALUE CHAIN

DECISION OF THE GROUP RISK COMMITTEE

Social impacts in the value chain are a topic of quickly increasing regulation. Although, technically, impacts could be identified, they seem to be perceived as far less material to stakeholders than, as an example, the own workforce.

Disclosure beyond what Tipico is already reporting based on applicable legislation (e.g., the German Supply Chain Act) appears not justified by the level of materiality.

Therefore, ESRS S2 shall not be considered material for Tipico.



ESRS S3 AFFECTED COMMUNITIES

99% of Tipico locations, with 97% of the workforce, are in the European Union; 94% of the locations and 69% of the workforce are in Germany. Based on the applicable regulation, the rights of local communities in the EU and especially in Germany are well protected, and Tipico is in no position to impact them negatively.

INTERNAL RISK ASSESSMENT

Tipico's corporate risk register does not track any risks related to ESRS S3.

INPUT RECEIVED FROM EXTERNAL STAKEHOLDERS

No impacts related to ESRS S3 were mentioned by external stakeholders.

DECISION OF THE GROUP RISK COMMITTEE

The topics related to ESRS S3 do not relate to any financial risks tracked by Tipico. In the same vein, no stakeholder mentioned impacts related to ESRS S3.

Therefore, ESRS S3 shall not be considered material for Tipico.

99%
of Tipico locations are in the European Union

94%
of Tipico locations are in Germany

ESRS S4 CONSUMERS AND END-USERS

Gambling-related disorders lead to manifest financial, emotional, and social harm to affected persons. In Germany, 0.7% of the adult population is suffering from gambling-related problems. Given that about 38% of the population uses some form of gambling somewhat regularly¹⁰, this indicates that the risk of problems among gamblers is about 2%.

Underage participation in gambling offers can increase the risks of developing problems. Among betting and gambling products, the risks of underage usage, which is prohibited, are 1.7%, and 0.4%, respectively.

INTERNAL RISK ASSESSMENT

The economic conditions of disordered gamblers are typically dire, and even though they spend everything they have on gambling, they are not valuable long-term customers.

With a relatively small and clearly defined target group for gambling offers (2.2% for sports bets and 4.1% for Casino and Games¹¹), having and keeping a sustainable customer base is of great importance. To do so, gambling-related risks must be mitigated, and customer spending needs to be kept within boundaries that the individual customer can afford without causing harm to themselves. Therefore, risks related to ESRS S4 are directly related to topic #4 (Responsible

& safer betting & gaming (RG)) of Tipico's Principal Risks and Uncertainties disclosure. Also, a large fraction of gambling regulation deals directly with risks related to ESRS S4, namely the protection of minors and vulnerable customers, the safety of customer accounts, funds and personal data, as well as responsible marketing practices. As a consequence, incurring risks related to ESRS S4 will also lead to substantial regulatory risk.

Therefore, risks related to ESRS S4 are indirectly related to topic #1 (compliance with existing and changing regulations, licensing, and laws) of Tipico's Principal Risks and Uncertainties disclosure.

¹⁰ BZgA (2020)



INPUT RECEIVED FROM EXTERNAL STAKEHOLDERS

External stakeholders univocally consider harm to minors and vulnerable persons among the most relevant impacts the gambling industry has on society. Further mentions related to risks for the customer's funds and the customer's personal data, held by the gambling operator. Finally, irresponsible advertising was indicated as a facilitator that can create additional risks for minors and vulnerable persons.

DECISION OF THE GROUP RISK COMMITTEE

ESRS S4 is related to relevant financial risks and impact risks. Managing topics related to ESRS S4 better than the competition can lead to a sustainable customer base and advantages in a highly regulated market environment.

ESRS S4 shall be considered material for Tipico.

FIGURE 52. ASSESSMENT OF FINANCIAL RISKS RELATED TO ESRS S4 – CUSTOMERS AND END-USERS

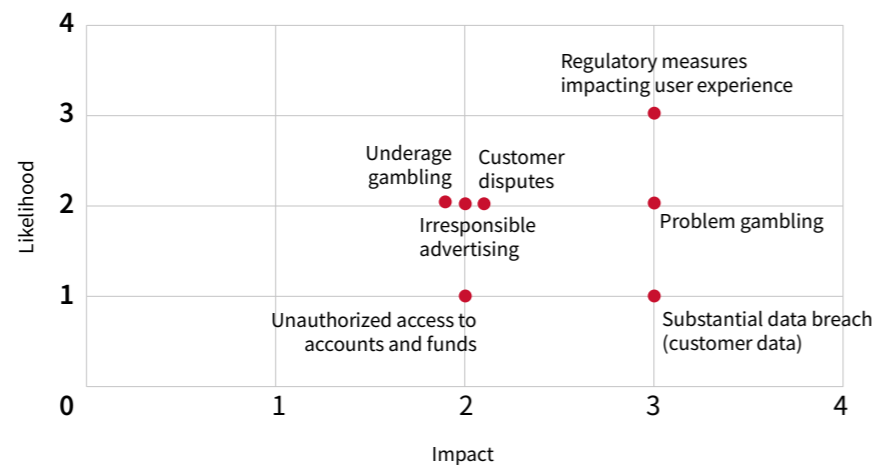
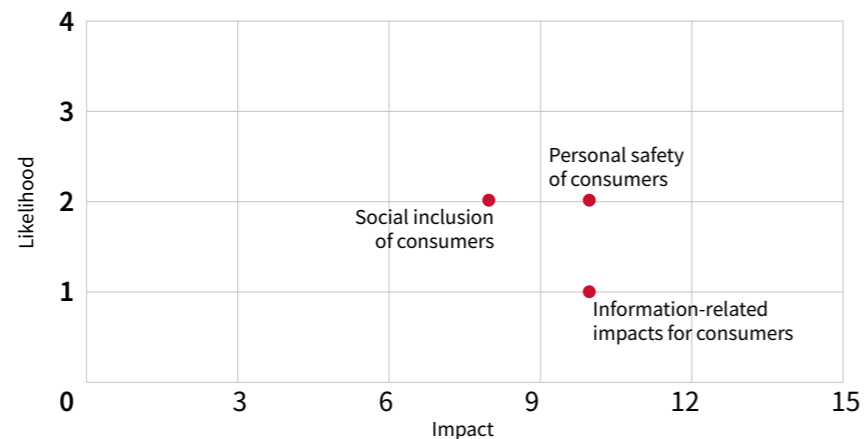


FIGURE 53. ASSESSMENT OF IMPACT RISKS RELATED TO ESRS S4 – CUSTOMERS AND END-USERS



ESRS G1 BUSINESS CONDUCT

Gambling has become a highly regulated sector. On top of applicable anti-bribery and anti-corruption legislation, gambling operators have obliged entities in AML frameworks. Lastly, there is largely unharmonized gambling regulation at the federal or state level. Having attained local licenses everywhere where the product is offered (point-of-consumption regulation) has become a necessity for lawful gambling operations. Monitoring by enforcement authorities captures and stores every single transaction to identify potential issues (safe server architecture).

In order to thrive in such an environment, an operator needs a strong, internalized compliance culture, because every mistake could have an impact on the safety of the regulated market and our business.

INTERNAL RISK ASSESSMENT

Regulation creates additional complexity, which must be successfully navigated. As a consequence, it is generally a strong differentiator, which creates make-or-break situations. The complexity and fragmentation of regulation in the gambling sector pose serious challenges, but mastering them can result in business advantages and market leadership. For Tipico, compliance is a must-win topic.

FIGURE 54. ASSESSMENT OF FINANCIAL RISKS RELATED TO ESRS G1

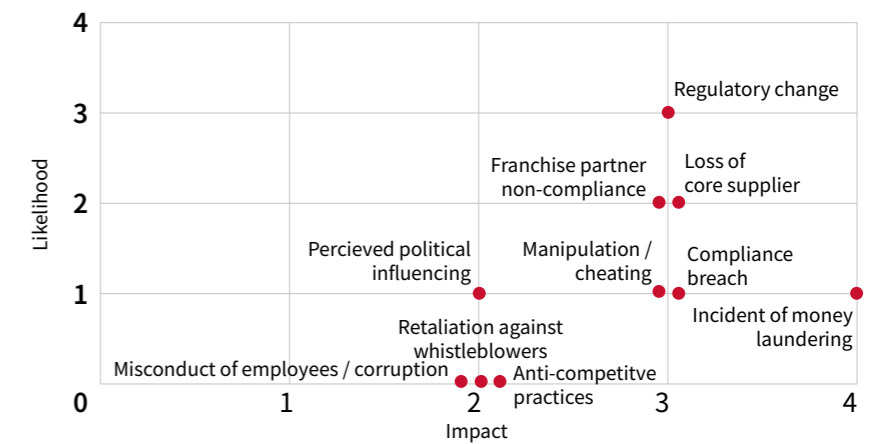
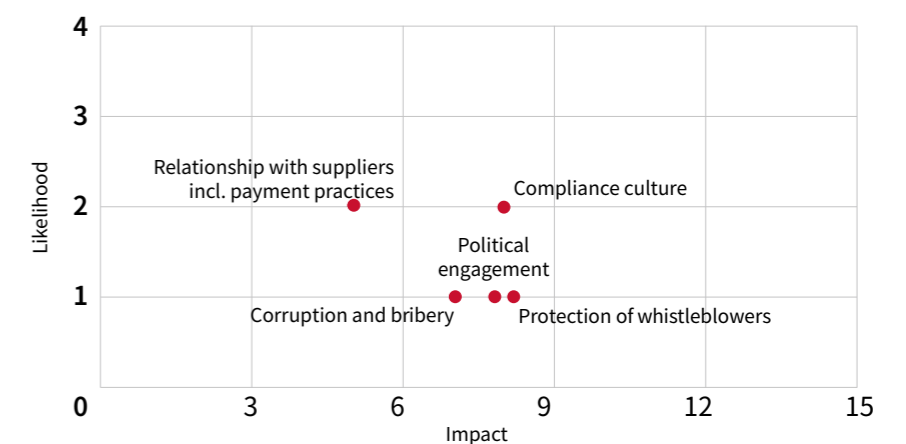


FIGURE 55. ASSESSMENT OF IMPACT RISKS RELATED TO ESRS G1



DECISION OF THE GROUP RISK COMMITTEE

ESRS G1 can be a relevant differentiator for gambling businesses. Conversely, an insufficient compliance culture can have severe impacts on stakeholders. Therefore, ESRS G1 shall be considered material for Tipico.

INPUT RECEIVED FROM EXTERNAL STAKEHOLDERS

All external stakeholders indicated the importance of compliance, often highlighting specifically gambling regulations, the fairness of the offer, and the prevention of money laundering.



DOUBLE MATERIALITY CHART

The Materiality Charts plot the highest financial risks of each ESRS category against the highest impact risks of the same category. The diagonal line depicts the proposed materiality decision, where all categories above the line shall be considered material.



FIGURE 56. DOUBLE MATERIALITY CHART FOR ENVIRONMENTAL CATEGORIES

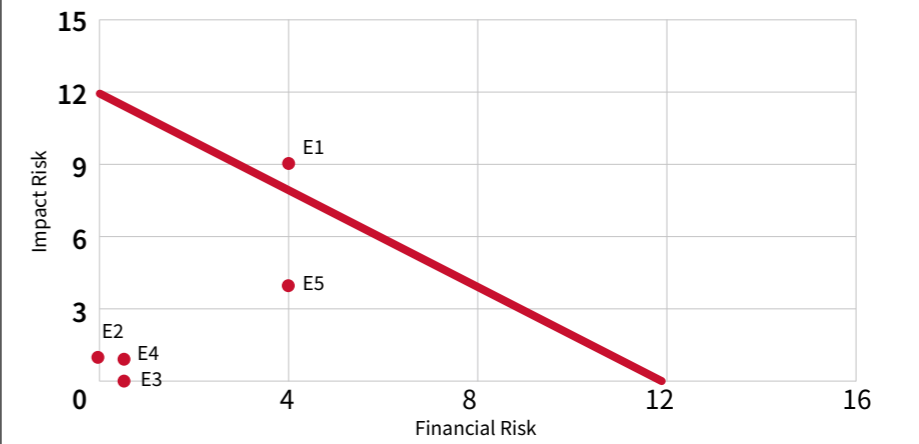


FIGURE 57. DOUBLE MATERIALITY CHART FOR SOCIAL CATEGORIES

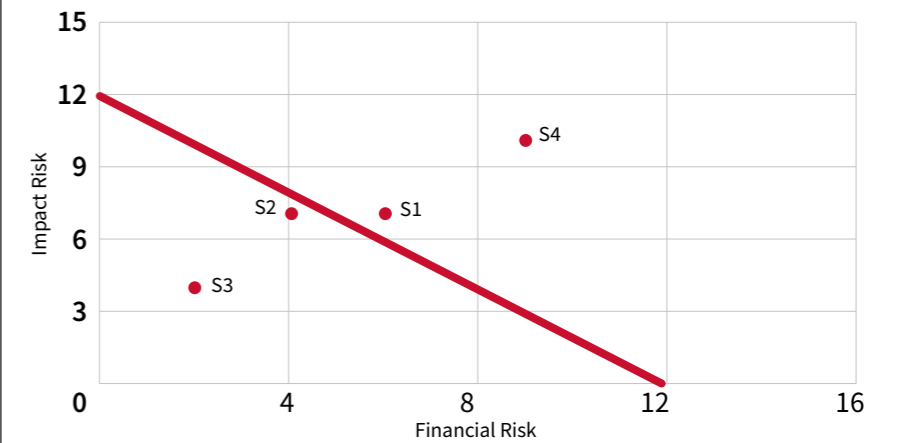
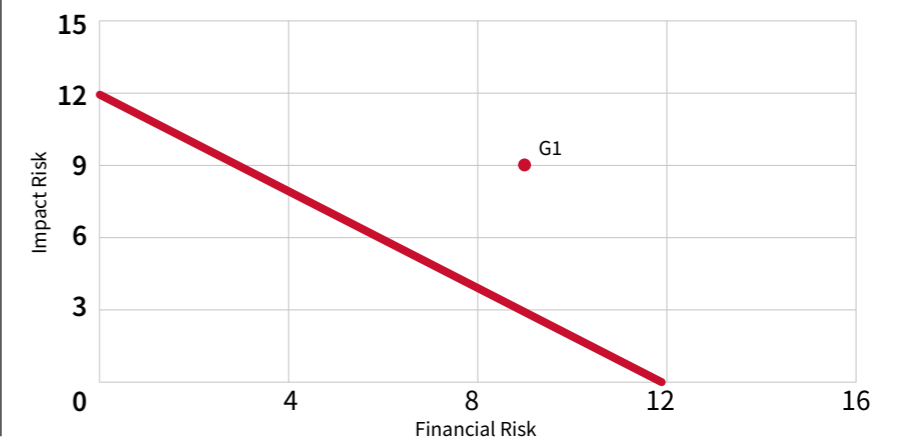


FIGURE 58. DOUBLE MATERIALITY CHART FOR GOVERNANCE CATEGORIES





APPENDIX 3: ENVIRONMENTAL DATA

TABLE 35. HEATING CONSUMPTION AND CO₂E EMISSIONS IN 2023 IN ALL TIPICO LOCATIONS

ENTITY	CONSUMPTION [MWH]		GROSS EMISSIONS [METRIC TONNES CO ₂ E]
	DISTRICT HEATING	STATIONARY COMBUSTION (OIL, GAS, WOODEN PALLETS)	
Sports Services South America (Colombia)	0	0	0
Tipico Group Limited (Malta)	0	0	0
Tipico Retail Services (Branch Austria)	15	0	3
Tipico Retail Services (Karlsruhe)	7	0	1
Tipico Technology Services (Karlsruhe)	291	26	55
Tipico Services Ltd. (Gibraltar)	0	0	0
Tipico Shop Agency Austria	0	143	26
Tipico Shop Agency East	345	723	198
Tipico Shop Agency North	454	1,111	290
Tipico Shop Agency South	122	452	106
Tipico Shop Agency South-West	0	536	101
Tipico Shop Agency West	0	680	126
Tipico Sports Services (Croatia)	0	852	156
Tipico Technology Services (Munich)	31	0	5
Total	1,265	4,523	1,067

TABLE 36. ENERGY CONSUMPTION, INCLUDING ELECTRICITY AND HEATING, SPLIT BY RENEWABLE AND NON-RENEWABLE SOURCES IN 2023

ENTITY	CONSUMPTION OF RENEWABLE ENERGY IN MWH	CONSUMPTION OF NON-RENEWABLE ENERGY IN MWH
Sports Services South America (Colombia)	105	0
Tipico Group Limited (Malta)	776	0
Tipico Retail Services (Branch Austria)	18	0
Tipico Retail Services (Karlsruhe)	13	16
Tipico Technology Services (Karlsruhe)	111	398
Tipico Services Ltd. (Gibraltar)	0	6
Tipico Shop Agency Austria	266	143
Tipico Shop Agency East	496	1,111
Tipico Shop Agency North	1,351	1,565
Tipico Shop Agency South	672	1,022
Tipico Shop Agency South-West	406	796
Tipico Shop Agency West	606	680
Tipico Sports Services (Croatia)	19	870
Tipico Technology Services (Munich)	14	41
Total	4,853	6,648

TABLE 37. CO₂E EMISSIONS FROM COMPANY CARS IN 2023 IN ALL TIPICO LOCATIONS

ENTITY	GROSS EMISSIONS [METRIC TONNES CO ₂ E]
Sports Services South America (Colombia)	
Tipico Group Limited (Malta)	
Tipico Retail Services (Branch Austria)	19
Tipico Retail Services (Karlsruhe)	230
Tipico Technology Services (Karlsruhe)	
Tipico Services Ltd. (Gibraltar)	
Tipico Shop Agency Austria	1
Tipico Shop Agency East	86
Tipico Shop Agency North	91
Tipico Shop Agency South	89
Tipico Shop Agency South-West	27
Tipico Shop Agency West	88
Tipico Sports Services (Croatia)	
Tipico Technology Services (Munich)	
Total	631

TABLE 38. CO₂E EMISSIONS FROM COOLING IN 2023 IN ALL TIPICO LOCATIONS

ENTITY	AMOUNT OF REFRIGERANT REFILLED IN KG	TYPE OF REFRIGERANT	GROSS EMISSIONS [METRIC TONNES CO ₂ E]
Sports Services South America (Colombia)	5	R-410A	10
Tipico Group Limited (Malta)			
Tipico Retail Services (Branch Austria)			
Tipico Retail Services (Karlsruhe)			
Tipico Technology Services (Karlsruhe)			
Tipico Services Ltd. (Gibraltar)			
Tipico Shop Agency Austria	3.69	R-32	3
Tipico Shop Agency East			
Tipico Shop Agency North			10
Tipico Shop Agency South	13	R-410A	
Tipico Shop Agency South	5.3	R-32	9
Tipico Shop Agency South-West	0.5	R-410A	0.5
Tipico Shop Agency West			
Tipico Sports Services (Croatia)			
Tipico Technology Services (Munich)			
Total	27		32

TABLE 39. ELECTRICITY CONSUMPTION, RAW AND EFFECTIVE CO₂E EMISSIONS FROM ELECTRICITY CONSUMPTION IN 2023

ENTITY	TOTAL CONSUMPTION [MWH]	GROSS EMISSIONS [METRIC TONNES CO ₂ E]	GUARANTEES OF ORIGIN CERTIFICATE / GREEN CERTIFICATE [MWH]	RENEWABLE ENERGY [%]	NET EMISSIONS [METRIC TONNES CO ₂ E]
Sports Services South America (Colombia)	105	22	0	100	0
Tipico Group Limited (Malta)	777	161	800	100	0
Tipico Retail Services (Branch Austria)	3	0.5	0	100	0
Tipico Retail Services (Karlsruhe)	22	4	0	58	2
Tipico Technology Services (Karlsruhe)	192	40	0	58	17
Tipico Services Ltd. (Gibraltar)	7	1	0	0	1
Tipico Shop Agency Austria	266	54	0	100	0
Tipico Shop Agency East	539	106	0	92	8
Tipico Shop Agency North	1,351	267	0	100	0
Tipico Shop Agency South	1,120	230	0	60	92
Tipico Shop Agency South-West	666	138	0	61	53
Tipico Shop Agency West	606	126	0	100	0
Tipico Sports Services (Croatia)	46	10	0	41	6
Tipico Technology Services (Munich)	24	5	0	60	2
Total	5,724	1,165	800	84	181

TABLE 40. SCOPE 1 AND SCOPE 2 CO₂E EMISSIONS IN METRIC TONNES SINCE 2021

	2021	2022	2023
Scope 1	1884	1801	1511
Scope 2	395	592	400
Compensations	0	0	800
Scope 1 (after offsets)	1884	1801	861
Scope 2 (after offsets)	395	592	250
Total (Scope 1 and 2)	2279	2393	1911
Total (Scope 1 and 2) after offsets	2279	2393	1111

TABLE 41. SCOPE 1 AND SCOPE 2 CO₂E EMISSION TARGET IN METRIC TONNES

	2021	2022	2023	2024	2025	2026	2027	2028	2030
Scope 1 target	1884	1801	1827	606	1382	1194	928	329	0
Scope 2 target	395	592	355	266	177	88	0	0	0
Total (Scope 1 and 2) target	2279	2393	2182	1872	1559	1282	928	329	0

APPENDIX 4: RISK MANAGEMENT FRAMEWORK

The Group’s risk management framework seeks to ensure that there is an effective process in place to manage risk across all the Group’s entities and locations. Business risk management is integral to all aspects of the Group’s activities and is the responsibility of all staff. Management has a responsibility to evaluate the risk environment, put appropriate controls in place, and monitor the effectiveness of those controls. The risk management culture emphasizes careful analysis and management of risk in all business processes to make risk-informed decisions.

Risks are identified, assessed and managed at both business level (‘bottom-up’) and Group Risk Committee level (‘top-down’) or in the 12 Sub-Risk Committees (‘top-down’). The Group Risk Committee has oversight of these processes. Emerging or topical risks are examined to understand the significance to the business.

A detailed list of these risks can be found [here](#).



APPENDIX 5: MEMBERSHIP IN ASSOCIATIONS

ASSOCIATION OF CERTIFIED ANTI-MONEY LAUNDERING SPECIALISTS (ACAMS)

(member since 2019)

ACAMS is the largest international membership organization dedicated to enhancing the knowledge and expertise of financial crime detection and prevention professionals from a wide range of industries in both the public and private sectors.

DEUTSCHER SPORTWETTENVERBAND (DSWV)

(board member since 2014)

The German Sports Betting Association (DSWV) is the association of leading German and European sports betting providers. It is committed to a modern and competition-oriented regulation of sports betting in Germany. This includes clear, legally secure rules for providers and consumers. Equally important to DSWV are effective measures to protect players and the integrity of sporting competition.

DÜSSELDORFER KREIS (DK)

(member since 2017)

The Düsseldorfer Kreis (DK) is an initiative of responsible individuals from gambling operators, addiction assistance, and science who develop suggestions for a strictly consumer-protection-oriented gambling regulation for Germany in open discourse. The initiative defines itself as a forum for qualified technical exchange and the common development of new concepts of consumer protection.

DEUTSCHER ONLINE CASINOVERBAND (DOCV)

(member since 2023)

The German Online Casino Association (DOCV) is an association of companies that are active in the development and operation of online casinos. The DOCV member companies all hold a German license or are in the process of applying. Since the association was founded in 2017, the DOCV has been committed to sustainable and legally secure regulation of online casino games, virtual slot games, and online poker in Germany.

IGAMING EXECUTIVES NETWORK ASSOCIATION (IGEN)

(board member since 2018)

The iGaming Executives Network Association (iGEN) is an association of Malta’s leading iGaming companies operating in the European and international markets, which was set up in 2018. The main issues addressed are specific to the iGaming industry, such as staff shortages with specific competencies, as well as problems in the banking sector. General country-specific challenges are also addressed. For instance, Malta’s rental prices have gone up dramatically in recent years. These topics will be addressed in further collaboration with the Maltese government and the public sector, as well as other stakeholders such as Gaming Malta, the Bankers’ Association, the Real Estate Association, and other key organizations in this field.

ÖSTERREICHISCHER SPORTWETTENVERBAND (OSWV)

(member since 2016; board Member since 2018)

The Austrian Bookmakers Association (OSWV) aims to safeguard the professional interests of bookmakers and totalizers in accordance with its statutes. Additionally, the association creates the basis for its members to be able to carry out their activities in a secure, legal, and economic environment. The OBMV does not pursue its own economic interests; it is politically and denominationally neutral.

THE MALTA CHAMBER OF COMMERCE

(member since 2017)

The Malta Chamber of Commerce, Enterprise, and Industry is the independent voice of the private sector in Malta. Its principal mission is to actively represent companies from all economic sectors and ensure that entrepreneurs enjoy the best competitive environment and regulatory conditions possible for the conduct of business.

The Chamber constantly champions the need for competitiveness, enhancing measures with the pertinent authorities in Malta as well as in Brussels.

UN GLOBAL COMPACT

(participant since 2018)

The UN Global Compact is a non-binding initiative with the goal of encouraging businesses to work together towards reaching sustainable and responsible business practices. It thereby acts as the world's largest corporate sustainability initiative. The UN Global Compact enables companies to align strategies and operations with universal principles of human rights, labor, environment, and anti-corruption, and takes actions in these areas. Businesses are asked to report on their progress in these areas on a regular basis.

WIRTSCHAFTSKAMMER STEIERMARK (WKO)

(member since 2018)

Tipico is a member of the Styrian Chamber of Commerce, and its operations are based in Austria. The Austrian Chambers of Commerce represents more than 540,000 member companies. As the strong voice of businesses, they advocate future-oriented and business-friendly policies, e.g., tax relief, reduction of bureaucracy, and subsidies, and promote the economy through a wide range of services.

APPENDIX 6: REQUIREMENT MAPPING ESRS, GRI AND SDG

ESRS CONTENT INDEX

Tipico has reported the information cited in this ESRS content index for the period 01.01.2023-31.12.2023 with reference to the ESRS Standards.

ESRS DATAPOINT	MANDATORY OR SUBJECT TO MATERIALITY ASSESSMENT	PAGE NUMBER
ESRS 2 BP-1	Mandatory	p. 131
ESRS 2 BP-2	Mandatory	p. 131
ESRS 2 GOV-1	Mandatory	p. 13, 20
ESRS 2 GOV-2	Mandatory	p. 13
ESRS 2 GOV-3	Mandatory	p. 110
ESRS 2 GOV-4	Mandatory	p. 14
ESRS 2 GOV-5	Mandatory	p. 107-109, Appendix 4
ESRS 2 SBM-1	Mandatory	see Tipico's financial statements
ESRS 2 SBM-2	Mandatory	p. 15-16, Appendix 2
ESRS 2 SBM-3	Mandatory	p. 15-16, Appendix 2
ESRS 2 IRO-1	Mandatory	p. 15-16, Appendix 2
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ESRS 2 DC-P	Mandatory	p. 20-22, 39-43, 83-85, 111-114
ESRS 2 DC-A	Mandatory	p. 25-29, 53-69, 93-96, 123-125
ESRS 2 DC-M	Mandatory	p. 31, 32, 34, 61, 87, 99, 104
ESRS 2 DC-T	Mandatory	p. 22, 52, 90, 121
ESRS 2- GOV 3 – E1	Mandatory	not disclosed
ESRS E1-1	Mandatory	p. 23-25
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ESRS 2- IRO 1 - E1	Mandatory	p. 15-16, Appendix 2
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ESRS 2- IRO 1 - E2	Mandatory	p. 15-16, Appendix 2
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ESRS E2-3	Not material	
ESRS E2-4	Not material	
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ESRS 2- IRO 1 - E3	Mandatory	p. 15-16, Appendix 2
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ESRS E3-2	Not material	
ESRS E3-3	Not material	
ESRS E3-4	Not material	
ESRS E3-5	Not material	
ESRS E4-1	Not material	
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ESRS2 - SBM-3 - S3	Mandatory	p. 15-16, Appendix 2
ESRS S3-1	Not material	
ESRS S3-2	Not material	
ESRS S3-3	Not material	
ESRS S3-4	Not material	
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GRI CONTENT INDEX

GRI 1 USED GRI 1: FOUNDATION 2021

Tipico Group Ltd. has reported the information cited in this GRI content index for the period 01.01.2023-31.12.2023 with reference to the GRI Standards.

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	2-3 Reporting period, frequency and contact point	p. 131, 170
	2-4 Restatements of information	p. 131
	2-6 Activities, value chain and other business relationships	p. 6, 134
	2-7 Employees	p. 69-74
	2-8 Workers who are not employees	p. 69
	2-9 Governance structure and composition	p. 7-9
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	2-11 Chair of the highest governance body	p. 8-9
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	3-3 Management of material topics	Appendix 2
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	201-2 Financial implications and other risks and opportunities due to climate change	p. 21
	201-3 Defined benefit plan obligations and other retirement plans	p. 78
GRI 202: Market Presence 2016	202-2 Proportion of senior management hired from the local community	p. 74
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	p. 114
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	p. 40
	205-2 Communication and training about anti-corruption policies and procedures	p. 111
	205-3 Confirmed incidents of corruption and actions taken	p. 110
GRI 207: Tax 2019	207-1 Approach to tax	in Tipico's financial statements
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GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	p. 37
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GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	p. 31
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GRI 401: Employment 2016	401-1 New employee hires and employee turnover	p. 75-77
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	p. 78, 80
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COMMITMENT TO SDGs

The UN SDGs provide a framework for collective action to tackle global issues, such as poverty, inequality or climate change. We recognize that each business has an important role to play in contributing to achieving the SDGs, and Tipico is no exception. Through a materiality analysis, we review which goals are applicable for our business and how we contribute to them. Selected SDGs in the areas of human rights and the environment have been used for ESG due diligence for Tipico's locations and supply chain. Most activities contribute to multiple SDG goals, as these are interconnected.



ENSURE INCLUSIVE AND EQUITABLE QUALITY EDUCATION AND PROMOTE LIFELONG LEARNING OPPORTUNITIES FOR ALL

At Tipico, we inspire and support employees to have the ambition and opportunity to develop themselves professionally, using a creative and collaborative approach to learning. In 2023, we have introduced new learning sessions in online and face-to-face formats, which allowed us to increase the number of training hours per employee by 14%.



TAKE URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS

We are reducing GHG emissions caused by Tipico. For instance, we aim to reduce our CO₂e emissions to zero in Scope 1 and Scope 2 by 2030.

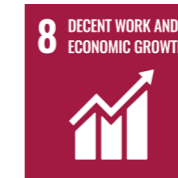
As a digital-first business, we implement digital solutions across the business, even in our physical shops. These measures resulted in a more than 60% reduction in printing and paper consumption in 2023.



ENSURE HEALTHY LIVES AND PROMOTE WELLBEING FOR ALL AT ALL AGES

Tipico ensures that every customer receives the level of protection they need to play safely and well within their financial means. We aim to maintain a low impact of problem gambling at 1.5% or less.

We offer our employees competitive salaries and a wide range of additional benefits contributing to their well-being.



PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL

As a market leader, customers trust us not only with their personal data but also with their money. To ensure this trust is justified, Tipico has established a leading policy framework in these areas.

A gender pay gap does not exist in Tipico and we aim to keep its level below 5% in the long-term.

IMPRINT AND CONTACT

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Tipico Group

All information in this report is prepared with the utmost care and help of various individuals from Tipico and its partners. Information is rechecked and presented to the best of our knowledge. Nevertheless, we cannot assume liability for the correctness and completeness of all information. For better readability, the numbers used in this report are rounded and might therefore differ slightly.

This report includes forward-looking statements based on current information. These do not solely rely on historical facts, but on expectations and plans for the future. Unexpected circumstances might, therefore, lead to deviations from these expectations. For this reason, forward-looking statements speak only as of the date they are made. Even though expectations might change in light of new information or altered circumstances, Tipico undertakes no obligation to update any of these statements publicly.

The corporate responsibility team would be pleased to receive feedback or suggestions.

Please contact: corporate.responsibility@tipico.com

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