

ANTI-CORRUPTION POLICY
SNAITECH GROUP

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1. SNAITECH S.p.A. AND THE COMPANIES OF THE SNAITECH GROUP

SNAITECH S.p.A. is one of the most important Concessionaires for the management of authorised games in Italy: through its physical and online network, it offers bets on sports and other events, horseracing bets, betting on virtual events, *video lotteries*, *new slots* and exclusively online casino games, online slots, *skill games* and bingo.

At the same time, SNAITECH S.p.A. acts as the head of a group of subsidiaries, which operate in the same sector of legal gaming, albeit with different functions and through different activities from those of the parent company, integrating and completing the services offered through the coordination of a retail network active throughout the country, the management of proprietary platforms (including satellite television channels) and the well-known racetracks of Milan and Montecatini Terme.

Also part of our Group is the iZilove Foundation - established in 2013 - which, as a non-profit association with legal personality, pursues exclusively social solidarity purposes in the fields of social assistance and charity, education and training, as well as the promotion of culture, art and scientific research.

In turn, the parent company SNAITECH S.p.A. is a company of the PLAYTECH Group, a global market leader among suppliers of *gaming software*.

2. PURPOSE AND SCOPE OF APPLICATION

The purpose of this *policy* is to define the duties and responsibilities of SNAITECH S.p.A. and of the other Companies making up the SNAITECH Group in pursuing a corporate policy oriented towards legality, to be implemented also through the prevention of and fight against corruption.

In conducting its *business*, each company of the SNAITECH Group is required to operate in full compliance with the rules and principles of conduct defined in the Group's Code of Ethics, adopting an approach based on the prevention and repression of all corrupt practices.

The SNAITECH Group, which is part of the wider PLAYTECH Group - an international leader in the legal gaming sector - complies with all national, EU and/or supranational legislation in force on preventing and combating corruption and corrupt practices in general (*Anti Bribery and Corruption - ABC*) in every territory in which the Group's companies operate.

The scope of application of this *policy* extends to all the companies making up the SNAITECH Group, i.e:

1. SNAITECH S.p.A.;
2. each of the subsidiaries of SNAITECH S.p.A.;
3. the iZilove Foundation.

This *policy* is addressed to all those who - for various reasons - perform their activity in the interest of SNAITECH S.p.A., of each of its subsidiaries or of the entire SNAITECH Group (members of the administrative and control bodies, managers, employees, collaborators, consultants, etc).

3. DEFINITIONS

For the purposes of this Policy, the terms listed shall have the meaning specified below:

SNAITECH: the company SNAITECH S.p.A.

Snaitech Group (or Group): the group of companies headed by SNAITECH S.p.A.

Subsidiary companies (or Subsidiaries): the companies in direct or indirect control of SNAITECH S.p.A.

Code of Ethics: Snaitech Group Code of Ethics

Addressees: the staff of SNAITECH S.p.A. and its subsidiaries (governing and control bodies, executives and employees), as well as anyone, for any reason, who provides work for the Group or one or more of its component companies (e.g. consultants, external collaborators, etc).

Civil servant: anyone who acts in the exercise of a public function, as such holding the position of public official or public service officer

Public official: as defined by Article 357 Italian Criminal Code, anyone who exercises a public legislative, judicial or administrative function, also through the typical powers of the same (e.g. for the administrative function, authoritative and certifying powers)

Public Service Officer: a person who, for whatever reason, performs a public service without, however, having the powers proper to the function which pertain to a public official.

Public Administration: term with a double meaning: in a functional sense, it indicates the set of functions exercised for the pursuit of public interests; in an organisational sense, it indicates the set of bodies and apparatuses through which the aforementioned functions are exercised (the State, Ministries, local authorities such as Regions, Provinces and Municipalities, University Institutions, Local Health Authorities, etc).

Anti-Corruption Legislation: national and international legislation applicable in Italy and in the countries in which the Snaitech Group operates (laws, regulations, secondary legislation, etc.), as well as Conventions of international law (e.g. the United Nations Convention on Corruption of 31 October 2003 known as the "Merida Convention" and the Criminal Law Convention on European Council Corruption of 27 January 1999 (Strasbourg Convention))

Reporting: the *reporting* activity through which corruption phenomena involving the activity of the Snaitech Group, of the companies comprising it, or of one or more persons who, for whatever reason, perform activities in the interest of the Group or of each of its companies, are reported.

Reporter: any person (internal and external to the Snaitech Group) who makes a Report.

Reported: any person to whom the facts subject to a report are referred or referable.

4. THE CONCEPT OF CORRUPTION

4.1 What is corruption?

Rather than an unambiguous and well-defined phenomenon, the term 'corruption' is used to define a varied and heterogeneous set of behaviours, united by a matrix of illegality and danger for the entire socio-economic context: In these terms, it is universally recognised that corruption constitutes *"a threat to the rule of law, democracy and human rights, undermines the principles of good administration, equity and social justice, distorts competition, hampers economic development and undermines the stability of democratic institutions and the moral foundations of society"* (Convention pénale sur la corruption, Strasbourg, 27 January 1999).

In its narrowest and most traditional meaning, the term refers to the behaviour of the person who performs a public function by exercising powers of an authoritative or certifying nature (the "Public Official") or, in any event, of the person who performs a public service despite the absence of such powers (the person "in charge of a public service"), who asks and/or accepts to be remunerated by a third party for performing his functions: in this sense, it is considered that the values of impartiality and good performance of the Public Administration (enshrined in the Italian legal system by Article 97 of the Constitution) are infringed not only where the Public Official is remunerated for committing an act contrary to his duties, but also where the Public Official's willingness to carry out his duties – albeit in accordance with his duties – is not free, but is conditioned by a desire to pursue an undue private interest at the same time.

However, understood in a more modern and up-to-date sense, corruption is shown to be a more complex phenomenon, to be assessed more and more frequently not as the single act of an unfaithful Public Official but rather as a much more dangerous phenomenon insofar as it is widespread, systemic: what scholars point out, in fact, is that corruption tends to take root and become a "system", a "practice", transforming itself into an institutionalised network of relationships and unlawful exchanges; not only that. Moreover, it is now well known that in practice it is less and less frequent to witness a single corrupt episode that occurs in exchange for the more traditional "bribe" or "kickback", since today it is much more frequent to see a continuous commodification of the office, often remunerated by forms of utility that are less and less evident and recognisable (think of the practice of disguising the exchange of money with the payment of "consulting services" by the corruptor to a third party indicated by the corrupt Public Official). Such sweeping and widespread corruption is capable of undermining the integrity of the entire socio-economic system of a State, since it is capable of causing considerable damage to the health of the public economy, to the quality of public service and – not least – of undermining the confidence of the citizens residing there and of the economic operators operating within its territory.

Over the course of time, the term corruption has also taken on a broader connotation, of an extra-criminal nature, increasingly overlapping with the Anglo-Saxon concept of "*maladministration*", meaning all those behaviours which, although not criminally relevant, are considered odious and destabilising for the proper functioning of the public apparatus: this refers to conflicts of interest,

nepotism, patronage, occupation of public offices, absenteeism or waste of public resources. Today, in this sense, we speak of a notion of corruption in the "administrative" sense.

4.2 The difference between "*Bribery*" and "*Corruption*"

As we have seen, the term "corruption" encompasses a number of heterogeneous behaviours, although they share a common matrix of malpractice and danger for the entire socio-economic context.

It may be useful, in this regard, to make a first distinction using Anglo-Saxon terminology:

- the term ***bribery*** refers to what we more commonly define as bribery in the traditional sense, i.e. the promise or payment – or, on the other hand, the acceptance – of a sum of money (or other form of advantage, such as a service, a discount, preferential or favourable treatment, particularly advantageous contractual conditions, etc.), for the purpose of influencing a person in the exercise of his functions (possibly, but not only, to induce that same person to commit an act contrary to the duties of his office);
- the term ***corruption***, on the other hand – even if this may appear less intuitive – includes any other form of abuse of power, other than the commodification in the strict sense of the term, carried out in order to obtain any undue personal advantage (this includes everything that has been defined above as "*maladministration*", i.e. activities carried out in a situation of conflict of interest, clientelism, etc).

4.3 Foreign and supranational legislation

In recent years, aware of the seriousness of the proliferation of corruption and the inextricable link between it and organised crime and the tools it uses to secure its profits (first and foremost, money laundering), states have responded by adopting legislation to combat corruption: Examples of the main foreign legislation include the *Foreign Corrupt Practices Act (FCPA)* of 1977, aimed at preventing international corruption, and the UK *Bribery Act*, in force since 2011.

Moreover, States, demonstrating a common will to combat the spread of corruption, have over time signed numerous international conventions and set up dedicated bodies. The initiatives undertaken include:

- the signing in Paris on 17 December 1997 of the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions;
- the signing in Strasbourg, on 27 January 1999, of the Criminal Law Convention on Corruption within the Council of Europe, with the establishment, again within the same international organisation, of the *Groupe d'Etats contre la Corruption - GRECO*, with the function of monitoring the level of compliance of the legislation of each of its member states with the organisation's anti-corruption *standards*;
- the signing in Merida, on 9-11 December 2003, of the United Nations Convention against Corruption – UNCAC.

4.4 Italian legislation – Crimes of corruption

Under Italian law, acts of corruption - in its narrow concept and, in certain forms, in its extended concept of abuse of a function for the pursuit of a private interest - constitute a criminal offence and as such are liable to prosecution.

In these terms, it is possible to distinguish between:

- **traditional corruption**, which occurs in the public service and affects the activities of Public Officials (Civil Servants and Public Service Employees). The repression of corruption of a traditional nature is entrusted to the provisions of Title II – Chapter I of the Criminal Code, Articles 314 and following. In the context of traditional corruption phenomena, special mention should be made of the phenomenon of **international corruption**, i.e. corruption involving persons who perform functions or activities corresponding to those of Italian public officials within international organisations: such conduct, from the point of view of its criminal relevance and treatment of sanctions, is equated – under Article 322**bis** Italian Criminal Code – with acts of corruption involving Italian public officials (in this regard, the aforementioned Article contains a long list of international officials to whom the national rules on corruption apply, including: representatives of European institutions, such as members of the European Commission, the European Parliament or the European Union Court of Justice; persons performing activities similar to those of public officials/public service employees in other EU Member States or within international public organisations, etc). The conduct defined by the legislator as **trafficking in unlawful influence** deserves a separate mention, although it has considerable similarities with the traditional corrupt phenomenon: this offence – introduced within the Italian criminal legislation by Law 190 of 6 November 2012 (so-called "Severino Law") and reformulated by means of Law 3 of 9 January 2019 (so-called "Sweeping Law") – penalises both the conduct of a person who, by exploiting or boasting of existing or alleged relations with a Public Official or a Public Service Employee, or one of the other persons referred to in Article 322-bis Italian Criminal Code, unduly causes to be given or promised, to himself or to others, money or other benefits, as the price of his own unlawful mediation with the public official or as remuneration for the official himself, and - likewise - the person who unduly gives or promises the money or other benefits.
- **Bribery among private individuals** – already defined as '*disloyalty following the giving or promising of benefits*' – is instead regulated by Articles 2635 and 2635 *bis* of the Italian Civil Code. This expression indicates – on the passive side – the conduct committed by a person holding an apical or control position within a company (Director, General Manager, member of the Board of Statutory Auditors, etc.) who receives or accepts the promise to receive money or another form of benefit, for himself or others, in order to perform or omit an act in breach of his obligations of loyalty or, in any case, of the obligations inherent in his office;

at the same time – on the active side – the conduct of a person who, in order to induce the aforementioned persons to commit acts in breach of their obligations of conduct, gives or promises them money or other benefits, constitutes bribery between private individuals.

For a complete examination of the above-mentioned cases, please refer to the contents of the Organisation, Management and Control Models *pursuant to* Legislative Decree 231/2001 of each Snaitech Group company.

4.5 The Italian Legislation - The new approach adopted by Law 190 of 6 November 2012

In Italy, the traditional way in which legislators have approached the phenomenon of corruption has been to counteract corruption through repression, a way of tackling the problem that is – obviously – downstream from the occurrence of corrupt episodes.

An important innovation, in this regard, occurred with the entry into force of Law 190 of 6 November 2012 (*'Provisions for the prevention and repression of corruption and illegality in the public administration'*, also known as the 'Severino Law') which, if on the one hand intervened by modifying the types of offences against the Public Administration (often introducing more serious punishments for the repression of the conduct contemplated therein) on the other hand – by implementing the commitments made by Italy through its accession to the United Nations Convention on Corruption of 31 October 2003, known as the 'Merida Convention', and above all to the Criminal Law Convention on Corruption of the Council of Europe of 27 January 1999 (Strasbourg Convention) – for the first time it intended to pursue a different approach, pursuing the fight against corruption through the prevention of phenomena of a corrupt nature,

Some of the main innovations within the legal system introduced through the Severino Law must be read in this sense, including:

- the identification of a National Authority expressly in charge of combating the phenomenon of corruption within the Public Administration (formerly called the Commission for the Evaluation, Integrity and Transparency of Public Administrations – CIVIT and now renamed the National Anti-Corruption Authority – ANAC following the entry into force of Decree Law 101/2013);
- the introduction of the Authority's duty to draw up a National Anti-Corruption Plan – of a three-year nature, updated annually – as a guideline for Public Administrations for the purpose of adopting their own 'Three-year Corruption Prevention Plans';
- the introduction of the duty for each Public Administration or Entity or in public control, to draw up a three-year Corruption Prevention Plan - PTPC, through which to identify the degree of exposure to the risk of corruption and to indicate the organisational measures aimed at preventing the same risk.

5. PREVENTING AND COMBATING CORRUPTION WITHIN THE SNAITECH GROUP

The Snaitech Group pursues the values of honesty and legality, referring not only to national regulations, but also to the legislation in force in each country in which it operates, to EU regulations, as well as to any applicable international principles or conventions for its sector of reference.

This *policy* defines the general principles and rules of conduct on preventing and combating corruption that must be complied with within each Snaitech Group company. In view of the Group's position within the Playtech Group – an international company based in the United Kingdom – the contents of this document comply with the '*Anti-Bribery and Corruption Policy*' adopted internally within the Playtech Group and with the contents and provisions of the *Bribery Act* in force in the United Kingdom.

The *policy*, in its contents, complements what has already been defined:

- the Snaitech Group's Code of Ethics, which gathers together and defines the set of values and principles of conduct that must characterise the operations of the entire Snaitech Group and each of the companies that make it up;
- the Organisation, Management and Control Model *pursuant to* Legislative Decree 231/2001 adopted by each company of the Snaitech Group;
- the procedures, guidelines and operating manuals adopted internally by each company to govern the conduct of its business.

Each company in the Snaitech Group adopts this *policy* and complies with the principles and rules of conduct it establishes. Anyone working on behalf of the Snaitech Group (or of one or more of the companies that make it up) is required to be familiar with the contents of the *policy* and to behave in compliance with the principles and rules of conduct defined therein; the recipients of this *policy* expressly include all members of the administrative, supervisory and control bodies of the Snaitech Group companies, managers, employees, collaborators in any capacity, partners and suppliers.

6. GENERAL PRINCIPLES

Generally speaking, the set of values and ethical principles with which anyone who, for any reason, works in favour of the Snaitech Group or the companies belonging to it must comply are defined within the Snaitech Group's Code of Ethics.

Within the aforementioned code – to which full and express reference is made – the following ethical principles among others are defined:

- **Honesty and legality**
- **Loyalty and fairness**
- **Responsibility**
- **Diligence and professionalism**
- **Segregation of roles**
- **Traceability and archiving**

These principles, within the framework of this *policy*, can be applied with a view to preventing and combating corruption in the aforementioned terms:

6.1 Honesty and legality

The Snaitech Group, in the context of the general principles of honesty and legality, requires all the addressees of this document to act with integrity, repudiating easy compromises and categorically refusing to resort to practices of a corruptive nature in order to pursue or facilitate the performance of business activities, complying with national and international sector regulations with conviction.

Compliance with the law is particularly important in every area and sector of the company where corruption, money laundering, fraud, and violations of *privacy* laws may occur. In this regard, all Group companies undertake to prevent the occurrence of unlawful or criminal conduct in defiance of these values, also through the adoption, implementation and periodic updating of specific *governance* documents (procedures, operating manuals, etc.), which dictate the guidelines in the performance of the various corporate activities, as well as in business relations established with third parties (customers, suppliers, *partners*).

6.2 Loyalty and fairness

The Snaitech Group operates on the market in full respect of the values of free competition, competition and *fair trading*, in absolute fairness and in full compliance with national and supranational *antitrust* regulations in force in Italy and in all the countries in which the Group's companies operate. These principles, with a view to preventing corruption, entail the need for all the addressees of this *policy* to refrain from conducting negotiations or defining agreements that, qualifying as bribery between private individuals, are aimed at influencing in their own favour the actions of senior management of competing companies (for example, by offering or promising them

money or undue advantages) or, in any case, from engaging in misconduct contrary to good faith or the principle of free competition.

Moreover, the addressees of the Policy are required to promptly report any situation from which a conflict of interest may arise, refraining in this condition from carrying out any activity that may unduly facilitate themselves, the Group or any of its member companies.

6.3 Responsibility

The Snaitech Group is committed to operating on the market in a responsible manner, while at the same time demanding equal responsibility from every employee, collaborator or consultant acting in its name or on its behalf. Each Group company is obliged to demand responsible behaviour from every person acting in its name or on its behalf, whether they are employees, collaborators or consultants.

With a view to preventing corruption, this implies that each addressee of this *policy* is required to perform his or her role responsibly, avoiding any improper use of the instruments, economic means and resources entrusted to him or her to attempt to pursue his or her own interests or those of the company by resorting to corrupt practices.

6.4 Diligence and professionalism

The Snaitech Group encourages all personnel to perform their assigned duties with the diligence, accuracy and professionalism required, in compliance with shared directives and, in general, with the company's quality standards. From the point of view of preventing corruption, this means that the addressees of this *policy* are required to carry out their duties in pursuit of the company's interest by having exclusive recourse to their own competence, preparation and *skill* accomplishments to that end, and to strictly avoid resorting to corrupt practices in order to unlawfully achieve the intended results.

6.5 Segregation of roles

The segregation of roles and powers within the company is a fundamental means of corporate governance, established in order to involve individuals with different powers in the management of the company, so that no one person can assume unlimited powers that are not subject to the control of others.

This tool makes it possible to distribute powers and responsibilities according to the competences of each subject involved in the company's activity: if the phases into which a process is divided are traced back to different subjects, then none of them can be endowed with unlimited powers. Furthermore, by dividing up the powers within the company, control action over the most sensitive phases of each process is also increased.

6.6 Traceability and archiving

The persons, functions or areas concerned and/or the information systems used must guarantee the identification and reconstruction of the sources, information and controls implemented that

support the formation and implementation of the Company's decisions and the way in which economic and financial resources are managed.

The Group's companies operate in compliance with the regulations on the traceability of financial flows pursuant to Law 136 of 13 August 2010, the Group's Code of Ethics and the internal procedures and instructions introduced for the purpose of fighting organised crime and infiltration in public procurement, resorting to the use of dedicated current accounts for financial movements concerning gaming concessions and carrying out transactions on the same current accounts exclusively using the permitted methods.

7. RULES OF CONDUCT FOR AREAS OF ACTIVITY MOST EXPOSED TO THE RISK OF CORRUPTION

Each of the companies in the Snaitech Group has adopted and implemented its own Organisation, Management and Control Model pursuant to Legislative Decree 231/2001 and the attached *risk assessment* document, to identify the areas of activity (and, within these, the individual activities) most exposed to the risk of corruption. These areas of activity are listed below:

- Management of relations with the Public Administration;
- Active cycle;
- Passive cycle;
- Administration, Finance and Control (AFC);
- Human resources management;
- Management of sponsorships, gifts, donations and entertainment expenses;
- Litigation management;
- Management of occupational health and safety (OSH).

Specifying that, within each of the aforesaid Models, each Snaitech Group company has defined specific protocols for each activity to prevent the risk of offences being committed – including, clearly, protocols to prevent the occurrence of episodes of corruption to which, herein, we intend to make full reference – the rules of conduct applicable to each of the areas of activity listed above are set out below.

7.1 Management of relations with the Public Administration

Within each company of the Snaitech Group, the possibilities of having relations with representatives of the Public Administration are many and varied: in this sense, relations with public officials for the purpose of obtaining authorisations and licences, those with public officials in charge of carrying out checks, controls or inspections, as well as the management of any communication or fulfilment towards Authorities (including international) or public bodies including, taking into account the sector of activity in which Group companies concretely operate, the management of relations with the Customs and Monopolies Agency ("ADM") and the Ministry of Agricultural, Food and Forestry Policies ("MIPAAF").

In this respect, in the context of this area of risk, it is necessary for anyone dealing with the Public Administration in the interest of the Group or of one or more of its member companies to adopt appropriate instruments to ensure that the relationship is always managed in a transparent, documented and verifiable manner.

The possibility of engaging in relations with representatives of the Public Administration must be reserved exclusively to persons expressly authorised to do so. It is also necessary for the same

persons to appropriately report to the hierarchical level each occasion of a meeting, indicating any relevant data or information that emerged on those occasions.

Documents, declarations and information to be transmitted to the Public Administration must be submitted for prior approval to persons who, on the basis of internal rules, are expressly authorised to do so. Documents, declarations and information to be transmitted to the public administration must contain complete and truthful information.

The persons authorised to access the information systems for communicating data to the public administration must be fully identified.

With regard to the management of the process of participation in tenders (e.g., for obtaining gaming concessions), it is necessary that the roles, activities, responsibilities and controls related to the management of participation be regulated, ensuring the necessary segregation between the functions involved in the process and that management staff be kept constantly informed of developments in the tender process.

With regard to relations with public officials during inspections, audits or checks, the persons authorised to deal with the Public Administration, in relation to the requirements laid down, must be formally identified and, where critical issues emerge at the outcome of the aforesaid checks, provision must be made for the systematic definition of the corrective actions to be implemented. The Supervisory Board established pursuant to Legislative Decree 231/2001 must be informed of the start and end of the inspection and of any critical issues that emerge during its course.

Payments to the public administration that are not traced, justified and proportionate to the value of an established counter-performance in order to speed up, enable and generally facilitate the performance of a *routine* activity are not permitted.

Unless otherwise provided for by law, no form of contribution, direct or indirect, to political parties, movements, committees and trade union organisations is allowed, even if made in connection with activities carried out abroad or to foreign entities. Indeed, such contributions may constitute a bribery offence and therefore carry the risk of consequent liability.

7.2 Administration, Finance and Control (AFC)

Within the framework of the internal administrative process, the treasury cycle and the cycle of keeping accounts and registering and filing invoices are particularly exposed to corruption risks: as regards the former, it is clear that the price of a bribe can be paid through the most common means of a payment order; as regards the latter, it can be instrumentally affected by corrupt dynamics accrued in the context of the subsequent process of purchasing goods and services (passive cycle).

In this respect, it is first of all advisable that there be sufficient segregation of duties between those who commit the Company to third parties and those who authorise or arrange for the payment of sums due based on the commitments entered into.

The Governing Body of each Group company must precisely define quantitative expenditure thresholds in order to impose limits on the possibility of autonomous use of financial resources by persons authorised to do so, possibly defining – for purchases above a reasonable minimum threshold – joint signature procedures.

Financial movements relating to services carried out in the capacity of State concessionaire or entrusted entity of a public service – in accordance with the regulations on the traceability of financial flows and the Procurement Code (Legislative Decree 50/2016 as amended) – must pass exclusively through dedicated accounts and in the manner permitted by Law 136/2010. Cashflows, both incoming and outgoing, must be prohibited, except for minimum types of expenditure (petty cash) expressly authorised by the heads of the competent functions.

The invoicing process for the acquisition of goods and services is constructed based on authorisation and control levels in application of the principles of separation of duties, roles and responsibilities so that it is able to ascertain that the services are actually received by the company and at the same time comply with the reason stated on the invoice.

7.3 Active cycle

Considering the reference sector in which the Snaitech Group companies operate – that of public gaming – it is possible that episodes of corruption may also occur in the performance of their respective *business* activities: in this sense, it is possible, for example, that public officials may be bribed to obtain licences and concessions (authorisation to open a point of sale, licence *pursuant to* Article 86/88 TULPS, etc.) or that agents and/or commercial partners (e.g. venue managers) may be contracted on the instructions of a Public Official as the price of a bribe. At the same time, it should be borne in mind that similar risks can also be found with regard to the management of bonuses towards customers (e.g. *digital* customers) or commercial partners (e.g. Managers, Agents, etc.): in this regard, think of the case in which sums formally disbursed to third parties for the pursuit of commercial purposes were used, on the other hand, to constitute hidden reserves to be used for the pursuit of corrupt purposes.

Sufficient segregation of duties must therefore be provided for between persons directly involved in business activities and persons authorised to access the current accounts of Group companies and make payments.

It is necessary to identify exactly who is responsible for managing the relationships, communications and fulfilments required towards the Conceding Bodies (ADM, Ministry of Economic Development, MIPAAF, etc.), including for obtaining authorisations and licences for the exercise of *business* activities.

In addition, periodic inspections should be carried out at points of sale in order to verify that gaming within them is being conducted in a regular manner in full compliance with sector regulations.

7.4 Passive cycle

The procurement cycle of goods or services is an area of operation that is particularly sensitive to the risk of corruption, with regard to both traditional corruption and bribery between private individuals: first of all, it should be borne in mind that the contracting of a specific supplier or consultant may constitute the price of a bribe; at the same time, the sum of money paid to a third party for the purpose of corruption may be justified as payment for a supply of goods and services; finally, with regard to bribery between private individuals, it is conceivable that a senior person of a third supplier company (CEO, commercial area manager, etc.) may be given or promised money or other undue advantages in exchange for obtaining better contractual conditions may be given or promised money or other undue advantages in exchange for obtaining better contractual conditions.

In this respect, sufficient segregation of duties should always be ensured between those who make the request for the purchase of goods or services (RDA), the persons in a position to authorise it, and the persons responsible for verifying the proper execution of the supply.

The purchase order must be made - unless this is not possible for well-founded reasons – by first evaluating a suitable number of offers; the order must take the form of a written purchase contract or order, in which the price of the goods or services or, in the absence thereof, the criteria for determining it are clearly set forth in advance.

It is advisable for the purchasing department to provide for the prior qualification of suppliers, by setting up and punctually updating a special internal register and periodically checking that suppliers continue to meet the requirements to enable them to remain on the register.

It is prohibited for all addressees of this *policy* involved in the procurement process of goods and services to unduly give or promise to third parties (or, on the contrary, to receive or accept the promise by third parties of) money or undue advantages of any other nature; at the same time, it is the duty of the same addressees to report to their hierarchical superior any anomaly occurring within the procurement process, also by promptly informing the Supervisory Body thereof.

7.5 Human resources management

Just as the process of procuring goods and services, the process of managing human resources also lends itself to being instrumentalised in the context of corrupt dynamics: in this sense, it is possible that the recruitment or promotion of a new resource on the recommendation of a public official may constitute the price of a possible traditional bribery; similarly, the recruitment or promotion of a new resource may constitute the price of bribery between private individuals where this takes place on the recommendation of a third party who, invested with an apical role in the governing or control bodies of a commercial company (e.g. director, manager, member of the board of auditors, member of the board of auditors, etc.), offers or promises in exchange an undue benefit that can

be qualified, for that person, as a breach of the obligations inherent in his office and/or as a breach of the duty of loyalty to his company.

With this in mind, it is incumbent on us to always ensure sufficient segregation of duties between those who request the selection and hiring of a new resource and those responsible for the subsequent identification, selection and hiring.

The request to hire or promote an employee must be formalised by the applicant by filling in specific forms and within the limits of the *budget* allocated to the relevant operational area (requests for hiring/promotion outside the *budget* must be justified and duly authorised in compliance with the procedures, authorisations and internal controls adopted by the Company).

It is also advisable for candidates to undergo assessment interviews to ascertain their ethical-behavioural aptitudes, and for relations - direct or indirect - between candidates and members of the public administration to be ascertained and assessed.

It is also advisable to verify whether the candidates have ceased all public employment relationships with the public administration for at least three years and, if so, whether in the context of such relationships they were in a position to exercise authoritative or negotiating powers over the Company: this verification is advisable in order to avoid that, where the Company is the recipient of public activities carried out through the same powers, the same candidates may find themselves in the condition of incompatibility defined by Article 53, paragraph 16-ter of the Legislative Decree 165 of 30 March 2001 on the subject of the so-called "*pantouflage*".

7.6 Management of sponsorships, donations, gifts, and entertainment expenses

These are all operational areas of a particularly sensitive nature, as they lend themselves to instrumentalisation in the context of corrupt dynamics. As a matter of fact, it is well known that companies are used to investing resources to carry out promotional initiatives, such as sponsoring social, artistic or cultural events; donating to *non-profit* and charitable associations of various kinds; promoting the company to business partners through corporate giveaways or organising representative events.

All the aforesaid promotional initiatives, where they comply with the general and sector regulations, are, per se, lawful and permitted as long as they are put in place for the exclusive pursuit of the promotional purpose; at the same time, where the purpose actually pursued through those same initiatives is to unduly condition the conduct of the beneficiary (e.g. the sponsorship of an event through the disbursement of resources disproportionate to the nature of the event itself, or the giving of gifts that far exceed the 'modest value' allowed for customary donations), it is clear that the same initiatives take on the guise of "disguised bribery".

In this regard, it is essential that all sponsorships - whether they are carried out in the interest of the Group through the "iZilove Foundation" or related to value-added products/services other than the offer of paid gaming - are designed for the exclusive purpose of enhancing and promoting the

image of the Snaitech Group. It is imperative to carry out all appropriate checks on the amount of expenditure incurred, as well as to ensure the traceability and verifiability of transactions carried out through the archiving of supporting documentation.

Gifts for promotional purposes are permitted only on condition that they can be classified as gifts of modest value and only within the expressly provided budget limits and always in accordance with internal procedures and the Group Code of Ethics. Where gifts are offered to public officials - pursuant to the provisions of Article 4, paragraph 5 of Presidential Decree 62 of 16 April 2013 – Regulation containing the code of conduct for public employees, as well as taken over by the National Anti-Corruption Authority in its Code of Conduct – they may never exceed the value of €150.00. All gifts must be registered and supported by appropriate documentation. The gift must never consist of a cash payment and must never be motivated by a desire to exert undue influence or an expectation of reciprocity.

As far as entertainment expenses are concerned, these must be adequately documented and may only be reimbursed following appropriate checks.

7.7 Litigation management

The management of litigation presents corrupt risks in two respects: first of all, it is conceivable that individuals associated with the Snaitech Group and/or the companies belonging to it could bribe magistrates or officials of the administration of justice in order to alter the outcome of a legal proceeding (civil, criminal or administrative) to which they are party alternatively, it should be considered that, when settling settlement agreements (e.g. those aimed at recovering debts), the same persons could engage in bribery between private parties towards counterparty representatives for the purpose of unduly obtaining more favourable clauses.

In order to prevent such eventualities, it is necessary that, for the management of disputes, whether judicial or extrajudicial, a manager is always identified, endowed with the necessary powers to represent the Company and/or to coordinate the action of any external professionals.

Any relationship with the judicial authorities in the context of litigation (or with the counterparty, in the case of a settlement agreement) must be characterised by the principles of honesty, fairness and transparency, even when handled through an external lawyer.

7.8 Occupational Health and Safety Management

The process of managing health and safety in the workplace, although primarily exposed to the risk of culpable injuries and culpable homicide committed in breach of the rules for the prevention of accidents, may be an occasion for the occurrence of episodes of a corruptive nature, where the offer or giving of money or other forms of benefits takes place, for example, during inspections by public

bodies responsible for ascertaining compliance with health and safety regulations in the workplace in order to avoid the imposition of sanctions.

To this end, in order to prevent this corruptive risk, it is necessary to formally identify the persons authorised to have relations with public officials during inspections or controls aimed at ascertaining compliance with the regulations for the prevention of accidents in the workplace.

Should any criticalities emerge during the aforementioned inspections or checks, the aforementioned persons must immediately report them to the Administrative Body of the company concerned, so that the corrective actions to be implemented can be defined. It is appropriate that the Supervisory Board established pursuant to Legislative Decree 231/2001 be informed of the start and end of the inspection and of any critical issues that emerge during its course.

8. DUTIES IMPOSED ON ALL RECIPIENTS (EMPLOYEES, COLLABORATORS, CONSULTANTS, ETC.)

The addressees of this *policy* are bound by the strict and rigorous observance of the duties set out below:

- each addressee must be aware of the rules of conduct and general principles on combating corruptive phenomena contained in this document, of the situations entailing particular exposure to risk, and of the responsibilities of each individual in preventing and combating corruptive phenomena;
- the addressees must always and in any case refrain from resorting (or submitting through acquiescence) to corrupt practices of any kind and gravity: it is not tolerable that the business objectives of the Group and/or its member companies are pursued by resorting to corruption. Any breach of this prohibition will be prosecuted as described in the following section, 'Sanctions System';
- It is strictly forbidden to retaliate (intimidation, *bullying*, etc.) against the addressees of this *policy* who have refused to resort to corrupt practices or against those who, having become aware of a corrupt act committed by a third party, have duly reported it to their hierarchical superior and/or to the Supervisory Board in compliance with this *policy*: the same persons, by virtue of the report made, benefit from all the protection granted to them under paragraphs *2bis*, *2ter* and *2quater* of Article 6 Italian Legislative Decree 231/2001;
- each addressee is required, for the purposes of implementing this *policy*, to comply with the internal regulations drawn up by the Group or by each of the companies that make it up as part of its own internal organisational system (Company Code of Ethics, Organisation, Management and Control Model *pursuant to* Legislative Decree 231/2001, procedures, guidelines, operating manuals, etc).

8.1 Reporting requirements

Recipients of this *policy* who have evidence - or have a well-founded suspicion - that they are in the presence of an act of a corrupt nature (for example, because they are offered an undue advantage in exchange for a breach of their duties, or because they are asked to make an offer of an undue advantage to a public official) must immediately report what has occurred to the Supervisory Body set up within each company of the Snaitech Group, in accordance with the procedures defined within the relevant Organisation, Management and Control Model *pursuant to* Legislative Decree 231/2001 and using the reporting tools made available to each company.

At the same time, the addressees of this *policy* who consider that they have been subjected to retaliatory conduct (e.g. a threat of dismissal, demotion, etc.) for refusing to participate in acts whose corrupt nature they have acknowledged, must send a similar report bringing what happened to their attention to the attention of the same Supervisory Board.

The Supervisory Board set up at each Snaitech Group company has the task of assessing the legitimacy of and handling any report concerning alleged episodes of a corrupt nature occurring within the company (which, moreover, is what the organisational system of Snaitech Group companies provides for in terms of *whistleblowing* and reporting irregularities).

To this end, the Supervisory Board is obliged:

- to assess in the abstract the seriousness of the irregularities or offences reported;
- planning and carrying out inspections to ascertain the validity of the report received, while protecting the confidentiality of the reporter;
- once the legitimacy of the report received has been ascertained, to inform the Governing Body of the Company and any competent corporate function so that any appropriate action may be taken to put an end to the irregularity detected and/or to repress the offence ascertained.

9. DUTIES IMPOSED ON THE SNAITECH GROUP AND ITS MEMBER COMPANIES

The Snaitech Group and its member companies, each with reference to its own sphere of operations, must carry out a reconnaissance and assessment of the corruption risk and, where necessary, provide for specific rules of conduct for the reference company through the adoption of specific internal regulatory documents (procedures, *policies*, operating manuals, etc). Each company is obliged to provide adequate assistance so that the recipients of this *policy* are enabled to comply with its provisions.

9.1 Delivering training to staff

As part of staff training programmes, training sessions on preventing and combating corruption must be provided, to be delivered either through in-person training sessions or, alternatively, by using *e-learning* technologies.

The training programme must cover:

- the corruption risks to which the Snaitech Group, its member companies and each of the addressees of this *policy* are exposed;
- the corruption prevention policy adopted internally within the Group;
- preventive actions to be taken and reports to be made in relation to the risk or suspicion of the occurrence of corrupt phenomena.

It is necessary to save the training programmes and attendance *reports* relating to these training sessions.

9.2 Prevention of corruption in external relations

The Snaitech Group and its member companies ensure that their business *partners* pursue anti-corruption policies that are in line with the principles set out in this *policy*.

Third parties, suppliers and consultants must be informed of the adoption of this *policy* and they must be required, in their dealings with the Snaitech Group and/or with each of the companies belonging to it, to comply scrupulously with its provisions.

10. SANCTION SYSTEM

The Organisation, Management and Control Model adopted pursuant to Legislative Decree 231/2001 by each company belonging to the Snaitech Group provides that any breach of the general principles and rules of conduct contained in the Model – including, of course, any breaches of rules and principles aimed at preventing acts of a corrupt nature – shall be repressed through the application of sanctions against those recipients who are responsible for them.

Each Model, in this respect, defines a system of sanctions, in compliance with the principles of gradualness and proportionality of the sanction with respect to the actual gravity of the fact ascertained, by means of which consequences of different kinds are envisaged depending on the type of addressee. Sanctions are provided for in this respect:

- staff – i.e. employees, middle managers and executives – against whom sanctions such as verbal or written warnings, fines, suspension of salary up to dismissal are applicable;
- members of governing or control bodies – such as members of the Board of Directors, the Board of Statutory Auditors – in respect of whom it is possible to order, inter alia, the revocation of proxies, disqualification from office, etc.
- third parties – such as consultants and suppliers – for whom a breach of the general principles and rules of conduct constitutes a breach of contract and may lead to termination of the contract, possibly accompanied by a claim for compensation for the damage caused to the Company or the Group.

This *policy*, with specific regard to preventing and combating corruptive phenomena, is adopted by each company of the Snaitech Group to supplement and complete the provisions of its Organisation, Management and Control Model. For this reason, upon the occurrence of breaches of the provisions of this *policy*, each Group company is required to consider adopting sanctions against the authors thereof, in the manner provided for by the sanctions system defined within its own Model.

A contractual clause (the so-called '231 clause') is provided for with regard to contractual subjects –customers/suppliers/processors/informers– that obliges them to comply with the principles listed in the Group Code of Ethics and the Model. In the event of non-compliance, the Snaitech Group companies have the right to terminate the existing contractual relationship pursuant to Article 1456 Italian Civil Code.