



## ***2023 Sustainability Report***

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## Letter to Stakeholders

Dear Stakeholders,

We are pleased to present Digital Bros' 2023 Sustainability Report, which represents an additional step in our ongoing commitment to environmental, social, and governance (ESG) principles. After having adopted the Group's ESG Policy, Code of Conduct and the Shareholders Engagement policy, this Report summarizes the achievements and challenges occurred during the reporting period, while also highlighting Digital Bros' strategic objectives for its sustainable growth, ensuring transparency in its engagement with stakeholders.

The primary objective of this report is to provide a comprehensive view of our efforts in incorporating sustainability into our daily business operations. At Digital Bros, we believe that the evolution to adapt to the changing market conditions not only involves the activities within the different subsidiaries, but also how we work with all players along the value chain, as well as how we approach end consumers. All these activities inevitably embed ESG considerations into our business model and strategic decisions, always striving towards long-term value creation for all stakeholders. Through this Report, we aim to offer insights into how ESG principles have been taken into account in Digital Bros' decision-making process so far, as a starting point towards our sustainability journey, which will bring us to the first mandatory Sustainability Report pursuant to the Corporate Sustainability Reporting Directive (CSRD) at the next fiscal year-end.

During the reporting period, the Group generated €118 million in revenues, representing a 10.8% decrease compared to the previous fiscal year. The challenging competitive environment of the post-pandemic period, characterized by decreasing market liquidity, an oversupply of new releases and more selective consumers that tend to play the same games for longer, make it harder to drive consumers interest into new intellectual properties and meet revenue targets. Nonetheless, the Group maintained a good profitability, with EBIT at €19.3 million, despite some write-offs related to the lower-than-expected performance of new launches. On a more positive note, revenues from the Free to Play segment have more than tripled, increasing by €14.9 million, largely driven by the acquisition of the US-based publisher 505 Go Inc..

*Looking forward, we have been refocusing our strategy to align with current market conditions. Our future growth will be driven by owned and co-owned Intellectual Properties and a limited number of new launches within Digital Bros' key verticals, together with a cost saving process, always mindful of the ESG implications of these decisions. Digital Bros remains committed to transparency as it undergoes these changes, to ensure its resilience after more than thirty-five years in the industry.*

*These challenging few months highlighted how we should be ready for change, embracing flexibility to adapt and evolve our business. ESG principles will become crucial in the fiscal years to come to safeguard our sustainable development. The Group will work on its Sustainability plan, considering the strengths and weaknesses resulting from this Report. This will encompass the formalization of monitoring and due diligence processes across the entire value chain and the possibility to establish a new committee within the Board of Directors dedicated to developing and supporting ESG initiatives, aligning the Group's sustainable growth and the stakeholders' interests in long term value creation.*

*We would like to take this opportunity to express our gratitude to our shareholders, employees, partners, and all stakeholders for their continued trust and support. Your engagement has been instrumental in helping us navigate these challenging times, and together, we will continue to drive the Group forward toward sustainable success.*

## Methodological note

This document represents the first Sustainability Report of Digital Bros S.p.A. (hereinafter also “Digital Bros” or “Group”), presenting the Group’s approach to sustainability in its business operations, outlining its performance across environmental, social and governance areas with respect to Fiscal Year 2022-2023 (July 1, 2022, to June 30, 2023), hereinafter FY2023.

This document was drafted by reporting on a selection of the "Global Reporting Initiative Sustainability Reporting Standards" (hereinafter also "GRI Standards") defined by the Global Reporting Initiative (GRI), as outlined in the "GRI Content Index" table, which provides evidence of the coverage of GRI indicators associated with each sustainability topic reported in this document. Where available, figures related to the previous year (FY2022)<sup>1</sup> are provided for comparative purposes, enabling an assessment of the Group’s activities over a longer period.

In particular, the topics covered in this Report were selected based on the results of the 2023 materiality analysis, that allows for the identification of the main sustainability matters (referred to as “material topics”) for Digital Bros. The 2023 analysis represents an update from the first assessment conducted in 2022. For this first year of reporting, the Group’s Top Management validated the material topics, as described in the "Materiality Analysis" section of this document.

The reporting scope of data and information relating to governance, social and environmental aspects refer to the following companies consolidated on a line-by-line basis on the Group’s Consolidated Financial Statements as of June 30, 2023:

- Digital Bros S.p.A.
- 505 Games S.p.A.
- 505 Mobile S.r.l.
- Game Entertainment S.r.l.
- Hook S.r.l.
- AvantGarden S.r.l.
- Digital Bros Game Academy S.r.l.
- Kunos Simulazioni S.r.l.
- Supernova Games Studios S.r.l.
- DR Studios Ltd.
- 505 Games Ltd.
- 505 Games (US) Inc.
- 505 Games Interactive (US) Inc.
- 505 Go Inc.
- 505 Mobile (US) Inc.
- Chrysalide Jeux et Divertissement Inc.

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<sup>1</sup> 505 Go Inc. was acquired in FY2023, hence comparative information for the previous fiscal year (2022) is not available. All data presented herein reflect operations and performance from the date of acquisition, which is July 2022, onward.

- Ingame Studios a.s.
- 505 Games Australia Pty Ltd.
- Infinity Plus Two Pty Ltd.
- Infinite Interactive Pty Ltd.
- Digital Bros Asia Pacific (HK) Ltd.
- Digital Bros China (Shenzhen) Ltd.
- 505 Games Japan K.K.

The following companies consolidated on a line-by-line basis on the Group's Consolidated Financial Statements as of June 30, 2023, are excluded from the 2023 reporting scope of this report due to either the scope and the nature of their business activities, or because they were in the process of closing while the data collection exercise was being performed:

- 505 Games France S.a.s.
- 505 Games Spain S.l.u.
- 505 Games GmbH
- Rasplata B.V.

Moreover, the company Seekhana Ltd. has been excluded from the reporting scope as it has not run any operation during the reporting period.

Any exceptions to the reporting scope due to data unavailability are appropriately expressed in the text of this document.

To streamline the reporting process, data has been collected and aggregated by country or region. This approach was adopted because multiple legal entities operate from the same physical locations. This also reflects the operational structure of the Group, where companies within the same geographic area share resources and infrastructure.

Additionally, where required by GRI standards, quantitative data have been provided by geographic area, with the following categorization:

<b>Europe</b>	<b>Italy</b>	<ul style="list-style-type: none"> <li>• Digital Bros S.p.A</li> <li>• 505 Games S.p.A.</li> <li>• 505 Mobile S.r.l.</li> <li>• Game Entertainment S.r.l.</li> <li>• Hook S.r.l.</li> <li>• AvantGarden S.r.l.</li> <li>• Digital Bros Game Academy S.r.l.</li> <li>• Kunos Simulazioni S.r.l.</li> <li>• Supernova Games Studios S.r.l.</li> </ul>
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	<b>Czech Republic</b>	<ul style="list-style-type: none"> <li>• Ingame Studios a.s.</li> </ul>
	<b>UK</b>	<ul style="list-style-type: none"> <li>• DR Studios Ltd.</li> <li>• 505 Games Ltd.</li> </ul>
<b>North America</b>	<b>US</b>	<ul style="list-style-type: none"> <li>• 505 Games (US) Inc.</li> <li>• 505 Games Interactive (US) Inc.</li> <li>• 505 Go Inc.</li> <li>• 505 Mobile (US) Inc.</li> </ul>
	<b>Canada</b>	<ul style="list-style-type: none"> <li>• Chrysalide Jeux et Divertissement Inc.</li> </ul>
<b>Australia</b>	<b>Australia</b>	<ul style="list-style-type: none"> <li>• 505 Games Australia Pty Ltd.</li> <li>• Infinity Plus Two Pty Ltd.</li> <li>• Infinite Interactive Pty Ltd.</li> </ul>
<b>Asia</b>	<b>Asia</b>	<ul style="list-style-type: none"> <li>• Digital Bros Asia Pacific (HK) Ltd.</li> <li>• Digital Bros China (Shenzhen) Ltd.</li> <li>• 505 Games Japan K.K.</li> </ul>

To ensure the reliability of the data, the use of estimates has been limited as far as possible and, when necessary, they are based on the best available methodologies and are appropriately reported in the text.

It should also be noted that there were no significant changes in the Company's organisational structure, size, ownership structure and supply chain in FY2023.

The 2023 Sustainability Report of Digital Bros is not subject to external assurance.

On November 14<sup>th</sup>, 2024, the Board of Directors of Digital Bros discussed and approved this Sustainability Report.

For additional information and suggestions regarding Digital Bros Sustainability Report, please contact:

[Stefano Salbe - CFO](#)

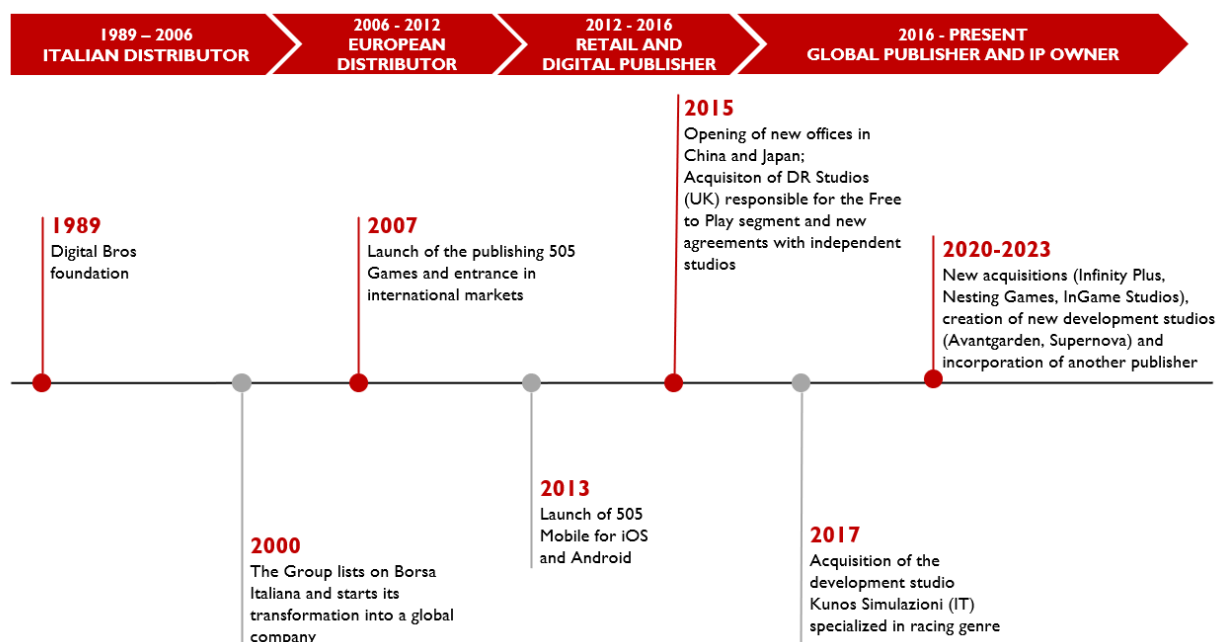
[Tel. + 39 02 413031 ir@digitalbros.com](mailto:ir@digitalbros.com)

This document is also available in the Sustainability section of the corporate website: [www.digitalbros.com](http://www.digitalbros.com).

# I. Digital Bros: who we are

## I.1. Our History

In 1989, driven by a shared passion for technology and entertainment, brothers Abramo (Rami) and Raffaele (Raffi) Galante founded Digital Bros. The company began by distributing video games from international publishers in Italy through the Halifax brand. Landmark titles such as Pro Evolution Soccer, Tomb Raider, and Resident Evil played a crucial role in establishing and expanding the video game market in Italy.



In 2000, the Group listed on Borsa Italiana to fund its international growth and its transformation into a global company. Today, Digital Bros is listed on the Euronext STAR Milan segment of Borsa Italiana.

As the company expanded to become a European distributor, its global publishing division, 505 Games, was established in 2006. Under the new label, Digital Bros further accelerated its evolution into a global publisher, opening offices in key international markets such as the US, UK, France, Spain and Germany.

Digital Bros expanded its business to meet the ever-changing world of digital gaming. As consumers started to enjoy entertainment products on Mobile platforms (iOS and Android), Digital Bros created a dedicated division, 505 Mobile.

The digitalization of the market drives the Group's internationalization process. In 2015, Digital

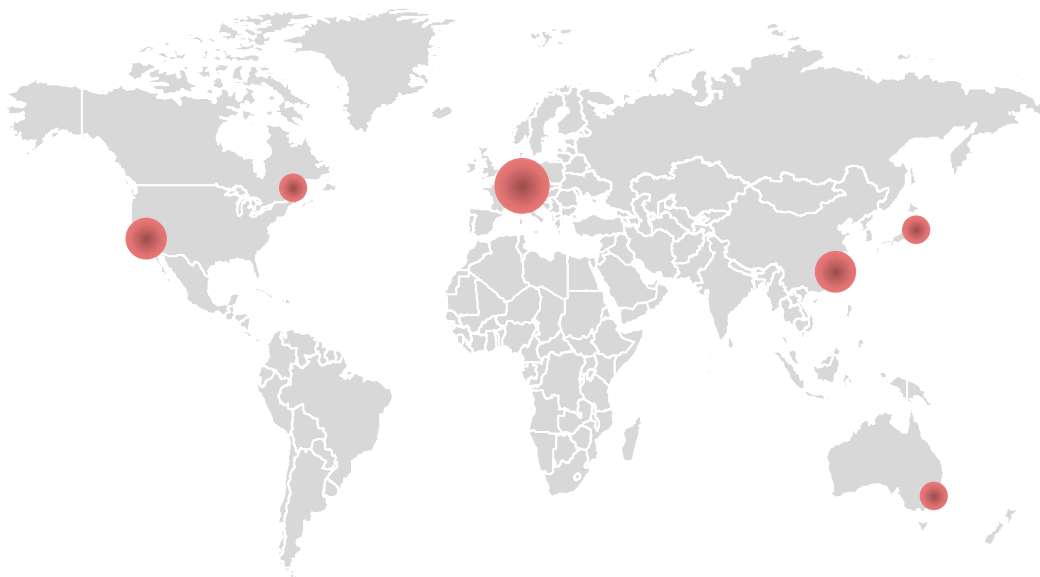


Bros strengthened its presence in the Far East by opening new offices in Hong Kong, Shenzhen and Tokyo.

In an ever-evolving video games market, a diversified product portfolio becomes an invaluable asset for the Group. In light of that, Digital Bros started expanding its intellectual property (IP) portfolio through both studio acquisition and long-term agreements with external independent studios. This marks the evolution into a global publisher and IP owner. Between 2015 and 2023 the Group acquired and established several development studios, both in the Premium and the Free to Play markets: DR Studios (UK), Kunos Simulazioni (ITA), AvantGarden (ITA, formerly known as Ovosonico), Nesting Games (“Chrysalide Jeux et Divertissement Inc.”, CAN), Infinity Plus Two (AUS), Supernova Game Studio (ITA), InGame Studios (CZE) and incorporated an US-based publisher, 505 Go Inc. (formerly D3 Go!).

### *1.2. Our Business model*

Digital Bros has grown into one of the most prominent players in the digital entertainment and hi-tech industry. As of today, it can count on a robust presence spanning Italy, UK, Czech Republic, United States, Canada, China, Japan and Australia.



Driven by innovation, technology, and creativity, Digital Bros has cultivated an intellectual property (IP) portfolio that reflects evolving consumer habits and industry trends. Collaborating with both external independent studios and internal teams, the company continuously expands its intellectual property offerings.

At the core of the Group's business model lies a comprehensive, three-pronged approach encompassing development, publishing, and distribution. This strategy optimizes every stage of the game creation and delivery process, ensuring quality, efficiency, and market reach.

### **Group's internal development studios**

#### **DR STUDIOS (UK)**

The team develops some internal IPs as well as supervises and coordinates the activities of the Group's Free to Play segment.

#### **KUNOS SIMULAZIONI (Italy)**

Italian studio with a extensive experience in the development of racing simulators. The studio develops the successful Assetto Corsa video games.

#### **INFINITY PLUS (Australia)**

Creator of the best-selling video games Gems of War and Puzzle Quest. The latter boasts a community of over 32 million gamers around the world.

#### **AVANTGARDEN (Italy)**

Previously known as Ovosonico, the Italian studio is the creator of critically acclaimed and award-winning titles such as Murasaki Baby and Last Day of June.

#### **SUPERNOVA GAMES STUDIOS (Italy)**

Recently established studio aimed at expanding some of the Group's strategic IPs through experimentation, technological innovation and cutting-edge, stimulating contents.

#### **NESTING GAMES (Canada)**

Canadian studio working on the creation of RPGs (role play games) that are focused on immersion, great characters, powerful storytelling, and strong gameplay.

#### **INGAME STUDIOS (Czech Republic)**

Focused on the creation and development of the best atmospheric and cooperative first-person shooter games for PC and consoles.

The **development** network includes internal studios that excel in cutting-edge technology and creative design. By investing in research and development, the Group consistently stays ahead of industry trends and seamlessly integrate the latest technological advancements into its games.

The teams of developers, designers, and engineers collaborate to produce high-quality, innovative games that captivate audiences globally.

**Publishing** activities are performed primarily through the subsidiaries 505 Games (Premium Games) and 505 Mobile (Free to Play games). The label Hook<sup>2</sup> is used to publish smaller budget games.

The Group works closely with independent developers to bring their creative visions to life, resulting in a dynamic portfolio that includes renowned titles such as "Bloodstained," "Death Stranding," and "Terraria," captivating millions of players worldwide. To ensure greater control over the IP, video games developed by external studios are usually either acquired through an exclusive license or assigned to the Group with long-term worldwide rights.

As a publisher, the Group not only finances the creation of the video game, but also oversees its development and production. It then follows the localization processes, designs, and implements the most suitable marketing and communication strategies to launch the game in the market. The Group leverages its extensive network and market knowledge to ensure games reach a wide audience.

Publishing activities are performed in two distinct market segments: Premium Games and Free to Play games:

- **Premium Games**, refers to products that involve an upfront payment to access the game, with the possibility to provide additional content after the launch through sequels, expansion packs or downloadable content (DLC). The Group's activity mainly consists of acquiring the IP rights from developers, entering publishing agreements or publishing games developed by its internal studios and distributing them through an international sales network both in leading digital marketplaces and in the traditional retail channel. A deep industry understanding and experience, consolidated partnerships with first parties i.e. Steam, Epic Games, Sony, Microsoft, Nintendo, Google, Apple and Amazon, and a direct presence in Asia, Europe and North America guarantee the total supervision of all distribution channels.

The key internal development studios under the Premium Games operating segment include:

- Kunos Simulazioni S.r.l. (Italy)
  - Ingame Studios a.s. (Czech Republic)
  - AvantGarden S.r.l. (Italy)
  - Supernova Games Studios S.r.l. (Italy)
  - Chrysalide Jeux et Divertissement Inc. (Canada, 75% owned by the Group)
- **Free to Play** refers to the development and publishing of video games that are free to access, but typically monetized by displaying ads and in-app purchases for virtual goods or to unlock additional content.  
Publishing activities in this operating segment are led by 505 Mobile (Italy and US), as well as the US-based 505 Go Inc.. The internal studios DR Studios in the UK, and Infinity Plus in Australia focus on Free to Play game development.

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<sup>2</sup> The label Hook was subject to rebranding and, starting from November 7<sup>th</sup>, 2024, it has been renamed 505 Pulse.

Beyond entertainment, Digital Bros is dedicated to sustainable and responsible business practices. The Group encourages diversity and inclusion within its workforce and upholds ethical standards across operations, aiming to minimize its environmental impact and create long lasting value for stakeholders and communities where it operates.

With a strategic presence in key global markets and a steadfast commitment to excellence and innovation, Digital Bros continues to lead as a prominent figure in the industry, entertaining and inspiring audiences around the world while upholding the highest standards of corporate responsibility.

### *1.3. Our philosophy and values*

***“We make games we like to play.”***

The Group is dedicated to creating innovative content for the digital entertainment market, stimulating players’ curiosity and imagination. Since its foundation in 1989, Digital Bros has always prioritized consumers’ needs, releasing several critically acclaimed products and offering immersive and original gaming experiences.

Creativity, innovation, passion, determination, internationalization, and teamwork are some of the core values that drive our daily activities.

#### ***Creativity***

We value creativity and inventiveness. Imagination, original ideas, and excitement are the foundations of each video game we create and allow us to build a particularly diversified product portfolio.

#### ***Innovation***

We welcome change, uniqueness and different ideas to ensure our video games are in line with consumers preferences and the constant technological advancements that characterize our industry.

#### ***Passion***

We love what we do, and we strive for excellence. The commitment and dedication that each team member brings to work every day, allow us to create video games that are able to captivate millions of players and make Digital Bros one of the industry’s key players.

#### ***Internationalization***

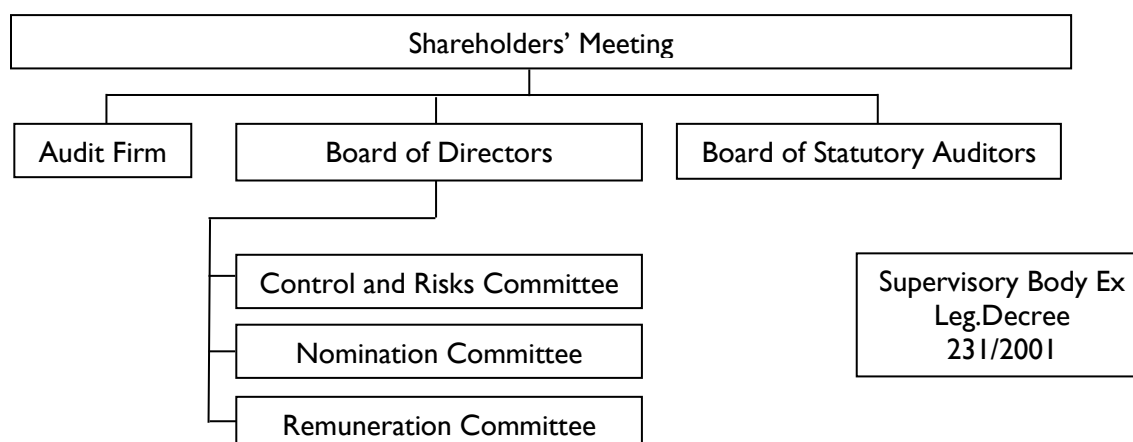
Our goal is to entertain players all over the world, while respecting the cultural peculiarities of each community. Our international offices give us deep insights into regional preferences while ensuring Digital Bros maintains a stable presence in every market.

## Teamwork

Collaboration, trust and motivation form the foundation of our work. Every day, our teams around the world work together, fostering constructive dialogue and creating an inclusive and sustainable environment where everyone can grow and have their talent recognized.

### 1.4. Governance structure

Digital Bros S.p.A., headquartered in Milan, is a publicly traded company listed on the Euronext STAR Milan and part of the FTSE Italia Small Cap index. The company has established its governance framework according to the **Corporate Governance Code** approved by the **Corporate Governance Committee**, adopting the traditional administration and control model with a Board of Directors and a Board of Statutory Auditors, both appointed by the Shareholders' Meeting.



As of June 30, 2023, the Board consists of nine members, of which five men and four women. The detailed composition of the **Board of Directors** as of June 30, 2023, is reported in the table below:

Charge	Name	Office	Tenure <sup>3</sup>	Other significant positions and commitments	Gender	Age group	Competencies relevant to the impacts of the organization
Chairman and CEO	Abramo Galante	Executive	2020-2023 (approval of the Financial Statements as of June 30, 2023)	Holds several offices as Director or Sole Director within the Group's subsidiaries	Male	>50	Founders of Digital Bros; +35y experience in the videogame industry
CEO	Raffaele Galante	Executive	2020-2023 (approval of the Financial Statements as of June 30, 2023)	Holds several offices as Director or Sole Director within the Group's subsidiaries	Male	>50	
Director	Davide Galante	Non-Executive	2020-2023 (approval of the Financial Statements as of June 30, 2023)	N/A	Male	>50	Founded Digital Bros S.p.A. with his sons, Abramo and Raffaele Galante, while continuing to carry out other entrepreneurial and commercial activities-
Director	Sylvia Anna Bartyan	Independent	2020-2023 (approval of the Financial Statements as of June 30, 2023)	Member of the <b>Control &amp; Risk Committee</b> and the <b>Remuneration Committee</b> ; President of the <b>Nomination Committee</b>	Female	30-50	Legal (commercial, corporate, real estate and construction Law)
Director	Lidia Florean	Non-Executive	2020-2023 (approval of the Financial Statements as of June 30, 2023)	N/A	Female	>50	Served the Group since 1990
Director	Susanna Pedretti	Independent	2020-2023 (approval of the Financial Statements as of June 30, 2023)	Member of the <b>Control &amp; Risk Committee</b> and the <b>Nomination Committee</b> ; President of the <b>Remuneration Committee</b>	Female	30-50	Legal. consultancy in governance compliance and sustainability, internal control and risk management system for industrial and commercial firms
Director	Stefano Salbe <sup>4</sup>	Executive	2020-2023 (approval of the Financial Statements as of June 30, 2023)	Group's CFO; Director in charge of internal control and risk management system, financial reporting manager. Holds several offices as Director or General Manager of the Group's subsidiaries.	Male	>50	Finance, internal control and risk management system; investor relations
Director	Laura Soifer <sup>5</sup>	Independent	2020-2023 (approval of the Financial Statements as of June 30, 2023)	Member of the <b>Remuneration Committee</b> and the <b>Nomination Committee</b> ; President of the <b>Control &amp; Risk Committee</b>	Female	30-50	Development, design and implementation of Management Control systems across several sectors

<sup>3</sup> The Shareholders' Meeting held on October 28, 2020, appointed the Board of Directors and the Board of Statutory Auditors. The terms of the Directors and the Statutory Auditors expired with the Shareholders' Meeting which approved the financial statements as of June 30, 2023.

<sup>4</sup> Financial Reporting Manager pursuant to Art. 154 bis of Legislative Decree 58/98.

<sup>5</sup> Lead Independent Director.

Director	Dario Treves	Executive	2020-2023 (approval of the Financial Statements as of June 30, 2023)	Group's General Counsel	Male	>50	Corporate affairs and legal activities (expertise in civil, procedural and bankruptcy law)
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Abramo Galante is the Chairman of the Board of Directors and serves as Chief Executive Officer together with Raffaele Galante. Pursuant to the Law and the Articles of Association, they hold the Group's power of attorney and the power of signature for all legal transactions.

The highest governance bodies and committees are selected based on the guidelines provided by the exiting Board of Directors, which outlines the professional and managerial skills required for the roles. Three Committees have been established by the Board: the Control and Risk Committee, the Nomination Committee and the Remuneration Committee. All of them are composed of three independent directors, one of which serves as Chairman.

The Shareholders' Meeting appoints the Board of Directors from a list of candidates that are presented and voted on. Ideally, candidates should possess one or more of the following qualifications: relevant sector expertise, entrepreneurial or managerial experience, international experience, and proficiency in control and risk management, particularly in accounting and finance. Additionally, expertise in sustainability, social responsibility, innovation, and corporate governance is highly valued.

The **Nomination Committee** ensures that the Board of Directors complies with the applicable gender-equality regulations. When the requirements are not met, the last elected candidate from the over-represented gender will be replaced by the first unelected candidate of the under-represented gender from the same list. This process continues until gender equality is achieved. If the Board still does not meet the gender-equality requirements, the Shareholders' Meeting will authorize the final replacement from a list of candidates of the under-represented gender by a relative majority.

The process to determine remuneration for the highest governance body and senior executives involves the Board of Directors working in conjunction with the **Remuneration Committee**, which analyses compensation schemes, submits proposals and monitors the implementation of the decisions adopted by the Board. The Shareholders' meetings establish the total annual remuneration for the corporate bodies at the time of appointment for the full term of office.

The **Remuneration Policy for Executive Directors and Managers with Strategic Responsibilities** was approved by the Shareholders' Meeting on October 28, 2020, with the aim of ensuring a compensation structure that recognizes the professional value of the individuals involved and allows for an appropriate balance between fixed and variable components, with the goal of creating sustainable value in the medium and long term while ensuring a correlation between compensation and specific performance objectives.

The Company's remuneration structure ensures a careful balance between fixed component and the variable component, aligning to its strategic objectives, while also considering the sector in which it operates, and the characteristics of the business activities performed. During the

reporting period, the remuneration for Executive Directors includes a fixed salary, a short-term **variable component** up to 30% of the fixed salary based on achieving performance targets, and a **medium/long-term incentive** tied to EBIT growth over three periods, with bonuses capped at 5% of EBIT. The medium and long-term objectives are linked to the sustainable growth of the Group, while the non-financial component of the short-term variable component is linked to ESG criteria (improvement of ESG ratings). Executives and managers also participate in a stock option plan with phased vesting and specific clauses addressing the exercise of options based on the conditions of departure, with Bad Leaver and Good Leaver clauses. Additionally, non-monetary benefits provided by the C.C.N.L. Commercio (National Collective Labor Contract) include welfare, health assistance, and insurance benefits, as well as the use of a company car for private purposes.

The Remuneration Policy does not provide for agreements that regulate in advance the economic aspects in the event of an early termination from the office as director or related to any early termination of the employment relationship or if the relationship is terminated due to a tender offer.,.

The remuneration of non-executive directors is determined as a fixed amount at the time of the Board resolution that allocates the compensation approved by the Shareholders' Meeting.

As part of the remuneration process, the Board establishes and reviews the Remuneration Policy, designs share-based incentive schemes, and submits these for approval at the Shareholders' Meeting. The Remuneration Committee assesses the achievement of the performance-based objectives included in the remuneration plans. The Remuneration Committee submits its proposals regarding the remuneration policy for Directors and key managers, including its variable portion (short and medium/long-term performance-based objectives).

The Shareholders' Meeting decides on the Board compensation, approves any incentive schemes, and reviews the annual Remuneration Report, while the Board of Statutory Auditors ensures adherence to the Remuneration Policy.

The second corporate body involved in the preparation and approval of the Remuneration Policy is the **Board of Statutory Auditors**, which oversees compliance with legal and corporate regulations and supervises the effectiveness of internal controls. As of June 30, 2023, the Board is composed of five members, with a gender distribution of 60% men and 40% women.

The governance model also comprises the audit firm EY S.p.A. appointed by the Shareholders' Meeting for the period 2022/2030 and the Supervisory Body (ex. Legislative Decree 231/2001).

The Board of Directors is responsible for defining and monitoring the Group's strategies with a focus on its sustainable development. In FY2022, the Board approved several key policies, including the Group's Code of Conduct, Shareholders' Engagement Policy, and ESG Policy. The Board oversees the implementation of these policies through the Chief Executive Officers and the Chief Financial Officer, who is also responsible for Investor Relations.

Although no formal Sustainability Committee was appointed during the reporting period, the CFO informally manages ESG procedures, reporting to the Board on the Group's economic, environmental, and social impacts. The CFO also proposes actions to mitigate these impacts and



improve the Group's ESG scores. In addition to these ESG responsibilities, the CFO, serving as Director in charge of the internal control system, identifies business risks and coordinates with relevant departments, regularly updating the Board and the Control and Risks Committee on any emerging issues. Ultimately, the Board is responsible for revising and approving the ESG-related information reported.

To strengthen oversight and support the Group's ESG efforts, the Board recognizes the need for an internal process to evaluate the performance of the Board and key managers regarding their impact on the economy, people, and the environment. While this assessment has yet to be implemented, it is planned for once the ESG processes are fully established. In line with this commitment, the outgoing Board of Directors has recommended the establishment of a Sustainability Committee with specific responsibilities. Although this proposal has not yet been executed, the Board will establish a Sustainability Committee to enhance ESG oversight after the approval of the 2023 Sustainability Report.

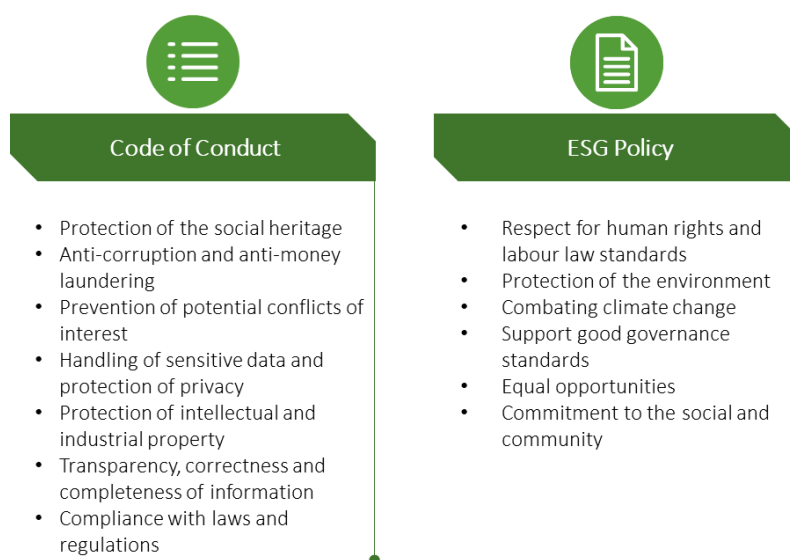
## 2. Our Sustainability path

Environmental, social and governance (“ESG”) principles are fundamental for Digital Bros sustainable development and the creation of long-term value for its stakeholders. Consequently, the Group has embarked on a sustainability journey to incorporate its values and ESG principles into its business strategy and daily operations.

As a first step, in FY2022 Digital Bros has adopted the ESG Policy, outlining the Group guidelines for corporate social responsibility and sustainability. The ESG Policy integrates the Code of Conduct, the Shareholders Engagement Policy and all other internal procedures and policies.

The principles contained in the ESG Policy are implemented by the individual Group companies in their own policies, in compliance with local regulations and international references on sustainability.

Digital Bros is committed to respecting human and labour rights, preserving the environment and combating climate change, fighting corruption and upholding the highest governance standards. The same requirements apply to the Group’s vendors. The ESG Policy is developed around the sustainability model outlined in the Code of Conduct, which identifies the principles considered as a priority and essential for the sustainable growth of the Group.



As the next step in its sustainability journey, Digital Bros has conducted a materiality assessment and a thorough analysis of its stakeholders. This process is essential for identifying the most significant environmental, social, and governance issues that impact the Group and its stakeholders. The insights gathered from this analysis have served as a foundation for the development of the current Sustainability Report, ensuring that it addresses the most relevant and aligns with stakeholder expectations.

## 2.1. Stakeholder map

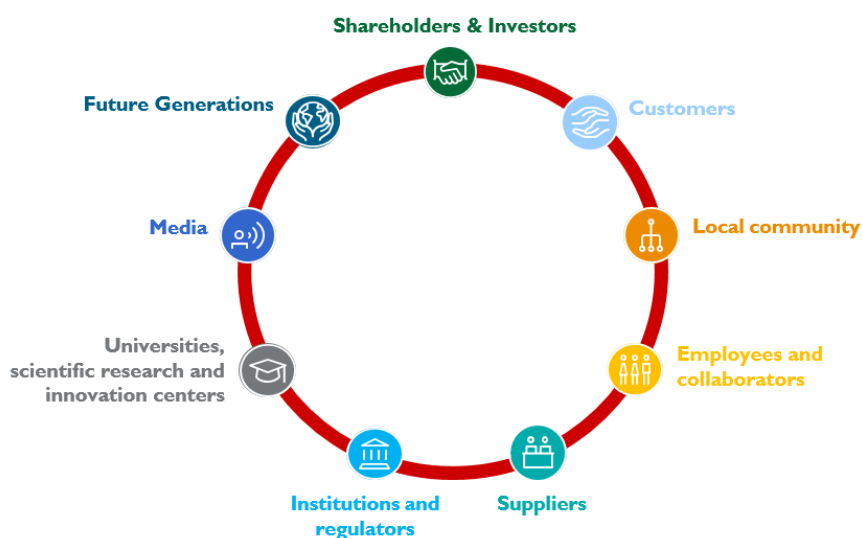
The process of identifying stakeholders, along with their expectations and interests, represents one of the key steps in defining the contents of the Sustainability Report. Indeed, a socially responsible company should assess and honor the concerns of every stakeholder, taking into consideration the economic, social, and environmental outcomes of its actions and operations.

In Digital Bros' journey towards growth and sustainable development, stakeholders play a fundamentally important role. Creating and consolidating relationships based on mutual trust, clarity, openness and attentiveness, represents a crucial opportunity for the Group. This approach enables the Group to understand and adapt to the changing expectations and needs of stakeholders who, directly or indirectly, impact the Group's operations and are, in turn, influenced by them.

According to the GRI Standards, **Stakeholders encompass all entities or individuals who could reasonably expect to be impacted by the organization's** products, services, or activities, or whose actions could reasonably be anticipated to influence the organization's ability to effectively execute its strategies and attain its goals.

In accordance with the GRI reporting guidelines, Digital Bros has conducted a **mapping** of relevant stakeholder categories, through an in-depth analysis of the context in which the Company operates and comparing the results of this analysis with what emerged from a benchmarking exercise that considered the practices of leading competitors in the industry and national and international best practices in sustainability. The stakeholder categories outlined as being of most interest to Digital Bros were then shared and confirmed by the Board of Directors, as depicted in the diagram below.

*Stakeholder Map of Digital Bros*



## 2.2. Materiality analysis

With the publication of this first Sustainability Report, Digital Bros takes a significant step towards the process of identifying the most relevant material topics for the Group, in accordance with the Reporting Standards set by the Global Reporting Initiative (GRI).

The first materiality analysis of Digital Bros, conducted in 2022, served as an initial pilot for the latest version, updated in FY2023 in conjunction with the drafting of the first Sustainability Report. In their most recent version of 2021, effective from January 1, 2023, **material topics** are defined as those aspects that represent the most substantial **impacts**, both positive and negative, of the Group **on the economy, environment and society**, included effects on **human rights**.

The methodology adopted to conduct the materiality analysis is based on a rigorous assessment of the topics (as well as stakeholder categories involved) and it is made of two main phases:

- Phase n.1: detecting significant sustainability topics within the company sector, through a **benchmark analysis**, considering the perspectives of peers, industry papers, applicable sustainability frameworks, and current sector trends. This process led to a ranking of material topics across three distinct areas (Environment, Social, and Governance), listed according to their frequency, calculated as the ratio between the number of occurrences of a specific theme found in the public sources consulted and the total number of such sources examined. These topics were subsequently aggregated and rationalized to best reflect Digital Bros' reality.  
It's worth noting that in this first year of reporting, external stakeholders were not involved in the material topics' identification.
- Phase n.2: from these identified topics, the main **positive and negative impacts generated or potentially generated** by the Group through its business activities and relationships were subsequently analyzed and mapped, considering their relevance to Digital Bros' specific circumstances and operational context. Indeed, in accordance with the updated GRI Standards, the relevant topics for reporting are those aspects that mirror the Group's most substantial positive and negative impacts on the economy, environment, and society, inclusive of the protection of human rights.

Below is the final list of ESG material topics, together with their associated impacts, which was shared and approved by the Board of Directors.

*Digital Bros' topics and impacts list*

Topic	Impact	Description	Nature
Emissions reduction and actions against climate change	Climate-changing emissions	Generation of negative environmental impacts in terms of climate-changing emissions <b>from production activities</b> and <b>direct/indirect GHG emissions</b> (from its own value chain).	<b>Negative</b> Actual
	Non-renewable energy sources consumption	Negative environmental impact and related GHG emissions due to the <b>consumption of energy from non-renewable resources</b> (especially buildings and data centers).	<b>Negative</b> Actual
Governance and business ethics	Creation of a business ethics company culture	Increased <b>awareness</b> and <b>culture</b> about ethics and human rights among managers, employees, business partners and others.	<b>Positive</b> Actual
	Compliance with laws and regulations	Compliance with laws and regulations by establishing a system of <b>corporate rules and procedures</b> , with <b>positive impact on the society</b> in which the organization operates.	<b>Positive</b> Actual
	Negative perception of the company governance values and ESG commitment	<b>Non-transparent and ineffective communication</b> regarding the values and actions for the well-being of the Group's stakeholders and community, causing potential damage to economic assets.	<b>Negative</b> Potential
Economic performance	Economic sustainability for stakeholders	Business strategy capable of <b>generating direct economic value</b> to be distributed among the stakeholders.	<b>Positive</b> Actual
	Economic impact on shareholders at large	<b>Erosion of shareholder dividends</b> due to low and <b>unstable economic performance</b> .	<b>Negative</b> Potential
HR management	Promotion of employee health and safety	Ensuring the safety of all workers, with <b>no occupational injuries and illnesses</b> within the organization (and/or along the value chain).	<b>Positive</b> Actual
	Employees' accidents and occupational illnesses	Occurrence of occupational injuries and illnesses with <b>negative consequences on the health of workers and contractors</b> , partly due to the failure to monitor and enforce health and safety management systems.	<b>Negative</b> Potential
	Improved communication and collaboration among employees	Healthy and <b>stimulating working environment</b> promoting employee welfare, <b>well-being programs</b> and <b>team-building activities</b> that creates bonds among employees, resulting in better communication, more <b>efficient collaboration and increased cohesion</b> .	<b>Positive</b> Actual
	Employees' skills development	Promotion of <b>ad personam training</b> that is centered on the needs of the employee, fostering a <b>challenging career path</b> and <b>increasing skills</b> within and outside the organization.	<b>Positive</b> Potential

	Lack of employee satisfaction and loss of know-how	Loss of personnel and key know-how/knowledge with negative impacts on business continuity and <b>competitiveness</b> of the organization.	<b>Negative</b> Potential
	Lack of attractiveness for new generations and talents	Low attractiveness of the organization as a workplace among new generations and talents due to <b>inadequate remuneration levels</b> and <b>unstructured HR policies</b> for professional growth and well-being.	<b>Negative</b> Potential
	Corporate culture focused on diversity and inclusiveness	<b>Enhanced well-being of employees</b> through a working environment founded on <b>principles of ethics, integrity and inclusiveness</b> , fostering a corporate culture that is <b>against any form of discrimination</b> , in and outside the workplace.	<b>Positive</b> Actual
	Incidents of discrimination/harassment /abuse	Non-inclusive working environment that generates <b>discrimination among staff</b> , including with reference to unfairness in terms of accountability, compensation and career advancement.	<b>Negative</b> Potential
Player satisfaction	Increased player engagement and loyalty to the brand	Looking for player satisfaction by meeting their <b>expectations, preferences and needs increases their engagement</b> and contributes to increasing their loyalty to the brand.	<b>Positive</b> Actual
Responsible supply chain	Creation of a sustainable, transparent and controlled supply chain	Improvement of the <b>ESG performance of suppliers</b> , by <b>raising awareness</b> and <b>requiring disclosure</b> on their own social and environmental impact. As a result, the overall responsibility across the supply chain improves.	<b>Positive</b> Potential
	Negative impacts on people where suppliers operate	Negative social impacts generated along the supply chain, <b>with disadvantages for workers</b> and related communities where suppliers operate due to <b>lack of their ESG criteria evaluation</b> .	<b>Negative</b> Actual
Value creation in local communities	Contribution to community-well-being	Charitable activities, donations <b>or territorial enhancement activities</b> that have a positive impact on the local community.	<b>Positive</b> Actual
	Negative community perception	Negative consequences within the community of operation due to the <b>company's actions</b> which can be <b>perceived as self-serving or insincere</b> .	<b>Negative</b> Potential
Human rights	Respect for human rights	The company's actions lead to the <b>respect of human rights within the organization</b> - among management and business partners - and <b>along the value chain</b> .	<b>Positive</b> Actual
	Violation of human rights	<b>Violation</b> of human rights along the value chain (e.g., the right to freedom of association and collective bargaining, child labour, forced or compulsory labour) <b>affecting human dignity and community development</b> .	<b>Negative</b> Potential

### 3. Economic performance and Governance

#### 3.1 Economic performance

The video game industry, which generated a turnover of 183.9 billion dollars in FY2023, is constantly evolving and expanding. This sector has been significantly increasing its investments in the last few years to better adapt and foster technological changes, contributing to the development and implementation of new technologies (such as virtual reality, artificial intelligence and so on) that have potential for wider applications in various other fields.

Digital Bros achieves its economic performance results by **developing video games across all platforms Console, PC, Mobile and Streaming**, distributing them globally on digital channels and retail.

The Group operates in both the Premium video games segment and in the Free to Play video games segment through two separate business units. Their primary focus is on technological innovation and the production of creative content, which has led to the creation of a **diverse portfolio of Intellectual Property (IP)** over the years. The IP portfolio is designed to cater to the evolving consumption habits and demands of gamers of all ages and skill levels and is developed either in cooperation with external partners or through the Group's own studios.

After the pandemic, the Group significantly invested to support the development of new, highly interactive video games across various regions (Italy, China, Spain, Czech Republic, Japan, Canada). In FY2022, it expanded its activities within the Free to Play segment by acquiring the American publisher D3 Go!. However, in calendar year 2023 the Group, as most of its peers and competitors, has encountered some challenges, such as a general market growth slowdown, rising development costs and a record number of new games that flooded digital platforms, which have made it harder to be able to reach the expected sales volumes. This has prompted to a rethinking of the publishing strategy, leading to a process of critical self-analysis aimed at reorganising the Group's activities.

The Group generates a positive impact for its stakeholders and the communities where it operates through job creation, the distribution of economic value along the supply chain and the payment of taxes and fees to the local authorities. The economic value generated and distributed highlights the Group's financial strength and showcases how this value is distributed to the key stakeholders and/or reinvested to promote business growth.

As of June 30, 2023, the **economic value directly generated**<sup>6</sup> by Digital Bros, obtained by reclassifying the items of the Consolidated Income Statement at the end of the FY2023, stood at

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<sup>6</sup> Information on the creation and distribution of economic value provides a basic indication of how the organization has created wealth for stakeholders. Several components of economic value generated and distributed (EVG&D) also provide an economic profile of the organization, which can be useful for normalizing other performance figures. EVG&D is calculated, as per GRI requirement, on an accruals basis, including the basic components of the organization's global operations as listed below:

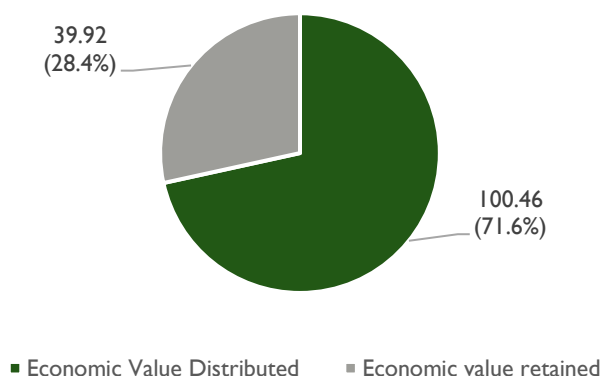
i. Direct economic value generated: revenue

**€140.38 million**, of which over €100 million distributed. However, this represented a slight decrease when compared to the previous year: the value generated was down by 7.4% (€151.54 million in FY2022) and the value distributed by 4.0% (€104.71 million in FY2022).

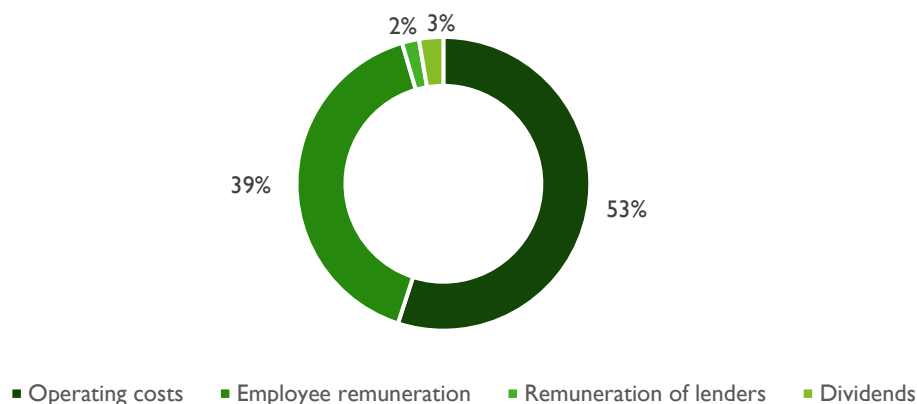
Based on GRI Standard definitions, the Group distributed 71.6% of its economic value, of which 52.7% is distributed for operating costs (including consumption of raw materials for the year, changes in inventories, costs for services and costs for the use of third-party assets and other management costs) and 38.7% is distributed among personnel in the form of remuneration for activities carried out during the year.

Finally, approximately 28% of the capital was retained by the Group (-15% compared to FY2022).

*Economic value generated in FY2023 (million€)*



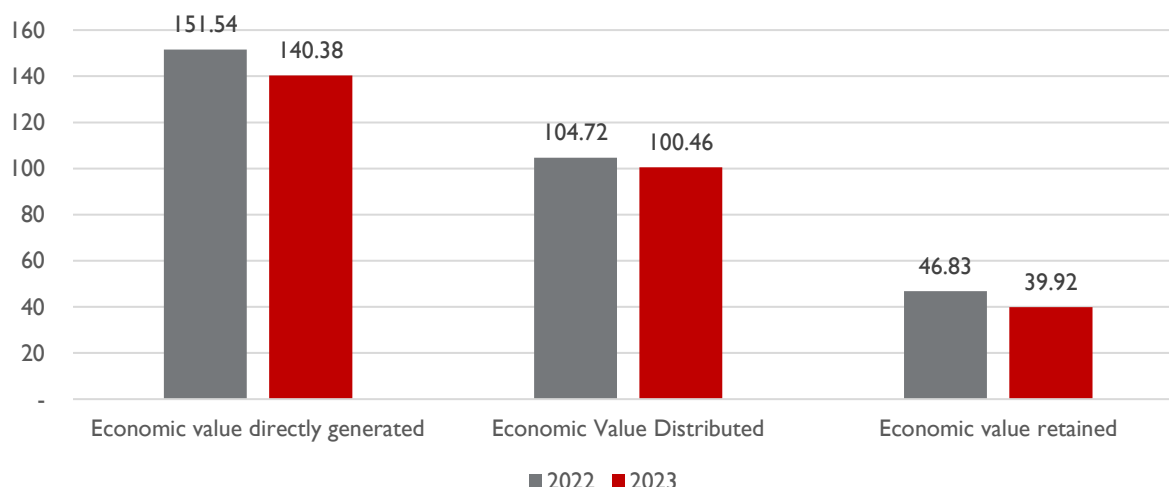
*Economic value distributed in FY2023 (%)*



- ii. Distributed economic value: operating costs, employee salaries and benefits, payments to capital providers, payments to governments by country and community investments iii. Undistributed economic value: 'direct economic value generated' minus 'distributed economic value'.



*Economic value generated and distributed in FY2022 and FY2023 (million€)*



The **growing digitalization** of the industry intensifies the competition within the sector. For Digital Bros the key challenge is to increase the revenues from games developed on wholly owned or co-owned IPs. In the coming years, the direct control over the products published and distributed by the Group will become even more crucial for its long-term growth.

This **focus on proprietary content**, in fact, allows to counteract the disintermediation of publishers and addresses the intense competition resulting from market-wide emerging challenges. This is also due to the fact that the Group's business model is such that true profitability from a particular game often comes with its second version. At the time of the first launch, in fact, a substantial part of the expected sales must be allocated to cover investments in development, production, promotion and advertising (marketing alone accounts for at least 10-15% on average of the expected turnover). These costs are usually significantly lower for second versions of video games, making sequels and spin offs more profitable.

In such a context, Digital Bros aims at eliminating any reliance on traditional distribution agreements in the next few years with the goal of generating revenue only from its own intellectual property or through co-ownership and long-term exclusive agreements. This ambitious goal requires significant investments, which the Group has been actively supporting over the past years.

Despite the challenges that the videogame market is facing, the Group feels confident that its strategy of strengthening its game portfolio by taking advantage of key market niches where it has a good potential to expand and leveraging well-established and loyal customer base across several regions will mitigate operational and financial risks.

### 3.2 Business ethics and compliance

Digital Bros' Code of Conduct, its ESG policy and its Shareholders' Engagement Policy outline the principles and values implemented or to be implemented by the Group to achieve sustainable growth and mitigate any negative impact. Indeed, the video game industry and its connected online communities, while providing numerous benefits (cultural impact, worldwide socialization and entertainment, technological and IT skills improvement of users) also have some negative impacts across social, psychological, and economic dimensions that Digital Bros is committed to minimize. As with any other online activity, users (especially younger players) might be exposed to explicit content, toxic behaviour, harassment and some form of mental health issues related to isolation and game addiction. Digital Bros, through its publishing labels as well as its development studios, addresses the above-mentioned concerns through moderation tools and strict community guidelines, to promote safe environments and communities.

Digital Bros is committed to respecting human and labour rights, preserving the environment and combating climate change, fighting corruption and upholding good governance standards. The same requirements apply to the Group's vendors. The **ESG Policy** is developed around the sustainability model outlined in the Code of Conduct, which identifies the principles considered a priority and essential for the sustainable growth of the Group.

These principles are:

- **Compliance** with the laws and regulations
- **Transparency**, correctness and completeness of information
- **Value of the person**, human rights protection and equal opportunities
- **Conflicts of interest**
- **Confidentiality**
- **Fair competition**

Each videogame goes through **rating processes**, carried out by international advisory boards, which identify the appropriate age-group for the game's content and features. The main advisory bodies in this framework are PEGI in Europe (Pan European Game Information), ESRB (Entertainment Software Rating Board) in North America and the CERO (Computer Entertainment Rating Organization) in Japan.

The Group is conscious of the specific requirements for each region it operates, tailoring its publishing activities according to these peculiarities. All marketing, advertising and communication materials clearly state whether the video game is appropriate for all age groups or specific restrictions apply.

Digital Bros' publishing label, 505 Games, set out a system of community rules for gamers to engage with one another in a respectful manner. Such guidelines do not tolerate any content that may be deemed offensive, spam, insults, advertisement, hack, cheats, fake identities, leaked content, unlawful or copyrighted material.

The Group provides the end-consumers with a **community support platform**, where they can report any technical issues, doubts or report any issues with the games. The Group also

monitors social networks to receive feedback and addresses concerns about transparency of pricing, avoiding misleading claims on all platforms.

In FY2023, as well as FY2022, there were **no incidents of non-compliance** with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship.

Digital Bros is committed to operating in an ethical and sustainable manner and asks and expects its administrators, employees, and collaborators (including suppliers, distributors, developers, consultants, and all partners across the Group's subsidiaries) to behave in accordance with the applicable laws and regulations, while also adhering with the values of the Group.

The Group ensures transparency and **compliance with legal provision** by publishing all corporate statements and company procedures to prevent corporate crimes, which could consist of false corporate communication (i.e. misleading or untrue information concerning the Company's financial results or other information, aiming at deceiving the shareholders or the general public, at the benefit of the Group), any unlawful activity on the Group's shares (there included the illegal return of contributions to reduce the overall share capital or the illegal allocation of earnings and reserves, the fictitious formation or increase of share capital), any illegal influence on the General Assembly, insider trading, bribery and incitement to corruption.

In terms of tax compliance, Digital Bros operates in accordance with current regulations regarding the calculation and payment of taxes, while also actively seeking to leverage legislative opportunities designed to encourage new investments.

Moreover, the Group performs **due diligence processes** to mitigate the risk of money laundering, in order to ensure the good faith of business partners and the absence of legal and regulatory barriers.

Employees, managers, Directors and business partners are prohibited from accepting, offering/promising anything of value to secure an improper benefit for himself or the Group.

Interactions with public officers are exclusively restricted only to authorized personnel. These authorized individuals are prohibited from accepting/offering/promising, either directly, indirectly, or through an intermediary, money, gifts, goods, services, benefits or favors to public officials (or related persons) in order to promote personal or the Group interests, or to remunerate their act or to receive a non-customary service or favor. It is important to highlight that in FY2022 and FY2023 there were **no confirmed incidents of corruption** within the whole Group.

On the financial transparency side, the Group strives to ensure all accounting systems are truthful and report a true and fair view of the Group's financial situation to prevent and mitigate financial and operational risk and to avoid possible fraud. To this end, the Group adopts a strict **financial accountancy and bookkeeping policy**, guaranteeing transparent, precise, exhaustive and verifiable accounting reporting in full compliance with applicable laws and international accounting standards and principles.

All the Group's employees are responsible for ensuring the completeness and accuracy of financial documentation, risk prevention, timely reporting and safeguarding the Group's assets.

The uniformity of the processes and the implementation of a unified ERP platform shared across all Group companies with automatic, advance processes of control of sales and service purchase processes allows for effective controls of the processes of the single units.

Additionally, internal and external auditors have complete access to the data, documents and information required to perform their functions and activities.

Digital Bros' management considers **Shareholders engagement** a key strategic factor, encouraging an open and transparent dialogue - on an ongoing basis. The most recurring topics during meetings held in FY2023 involved the short to medium term business outlook and the pipeline of Intellectual Properties under development, as well as the main trends within the video game market and its evolution from the pandemic period. The CFO, in its role as Investor Relations Manager, reports to the Board about his meetings held with shareholders, investors, analysts and brokers.

All press releases, quarterly and annual financial reports, as well as any relevant document are available on the corporate website in English and Italian as soon as they are approved by the competent corporate bodies to ensure promptly communication to anyone might be interested. The investor relations manager receives and collects any requests by shareholders and analysts, retail shareholders and the media. Other members of the Board of Directors (e.g. the chairman or the member of a committee) may be involved in the dialogue with the shareholders if the topic requires it.

Above all, Digital Bros implemented an **internal control and risk management system**, which consists of a set of processes aimed at monitoring the reliability of the Company's financial information, the compliance with laws and regulations and the protection of the Company's assets. This system involves:

- the Board of Directors, which provides general guidelines, approves the Group's financial statements and the internal audit plan;
- the CEO, responsible for the implementation of the guidelines set out by the Board;
- the Executive Director responsible for the internal control and risk management, who oversees the Group's activities aiming to reduce operational and financial risks;
- the Control and Risk Committee within the Board, with an advisory role, and
- the Head of the Internal Audit, which prepares a work plan and reports its main audit findings.

The **Control and Risk Committee**, composed of independent Directors only, periodically meets to discuss any risks (even potential risks) occurred at each period. In FY2023, the Committee met five times, with the attendance of all members of the Board of Statutory Auditors, together with the Director in charge of the internal control and risk management system, Stefano Salbe. The Audit firm, the Supervisory Body and the Internal Audit function were also invited from time to time to participate, given their involvement with the risk control and management process.

During the reporting period, the Head of the Internal Audit Department prepared its annual Audit Plan (approved by the Board of Directors), scheduled and performed the direct and specific control testing on the Company and the subsidiaries and, for each audit test, prepared a report with details on the activities assessed, the subject of the testing, the operating methods adopted,

the duration of the testing, the period to which the testing relates, the results obtained and recommendations made.

The Control and Risks Committee, in its role as Related Parties Committee, met two times during the year and no infringements were detected during the reporting period.

In order to ensure conditions of fairness and transparency in the conduct of business activities, in protection of its image and reputation, the expectations of its stakeholders, and the work of its employees, the Group has established an **Organizational, Management, and Control Model pursuant to Legislative Decree 231/2001** (hereinafter also referred to as "Model 231"), suitable for preventing illegal behaviours carried out by its directors, employees, and collaborators who are subject to the direction or supervision of the company. The Model 231 is shared and accepted by all employees. The Code of Conduct of Digital Bros is an integral and essential part of it. It thus serves as an additional tool for safeguarding legality and the proper management of environmental issues. This objective is pursued by providing the necessary resources and carefully managing all internal processes, monitoring their effectiveness, and maintaining robust control systems to achieve a level of risk prevention that aligns with the requirements of Legislative Decree No. 231/2001.

In compliance with the provisions of Article 6 paragraph 4-bis, the application of this Model is ensured by **the Supervisory Body** ("OdV"), a monocratic body identified in an external subject to the Company, with professional expertise in the field and decisive control ability, independence in judgement and moral integrity. The OdV must be promptly informed, through the dedicated email address [ODV@Digital-bros.net](mailto:ODV@Digital-bros.net), about any acts, behaviours, or events that may lead to a violation of the Model or that, more generally, are relevant for the purposes of Legislative Decree No. 231/2001.

The **Code of Conduct** expresses the set of values, duties, and responsibilities that have been pursued over the years in the conduct of business and activities of Digital Bros. The conduct standards outlined in the Code aims to guide the behaviours of the recipients so that they align with the principles of fairness, loyalty, and transparency, to align with Model 231 objectives. Compliance with the provisions of the Code of Conduct is considered an essential component of the contractual obligations for all Company employees and individuals engaged in commercial relationships with the Company.

Indeed, the Group ensures correct disclosures of the rules of conduct to all employees, collaborators and partners. Periodic **training and communication activities** for company staff and members of statutory bodies are documented by the OdV. Copies of the General Section and the Special Section of the Model as well as the Code of Conduct are made available to the new members of the corporate bodies, new hires and all business partners. The Group has also implemented an **internal control manual**, distributed to Directors, key managers, and employees with access to sensitive information, outlining the internal control and risk management requirements. This manual covers essential tools within the framework, including business planning and control processes, Legislative Decree 231/2001, the risk identification procedure, the accounting procedure, and the key operating procedures.

Specific training sessions, led by legal experts, covered various aspects of Legislative Decree 231/2001, including the legal framework, case study analyses, the organizational model, crimes and sensitive areas, risk management, the Supervisory Body (OdV), and communication protocols with this body. Each training session lasted four hours and concluded with a test for attendees. The training remains valid until significant changes are made to either the legislative decree or the organizational model in accordance with the decree.

The Board of Statutory Auditors, the Supervisory Body (OdV), and the external auditors have all been informed about the decree. Key executives have also received training under Legislative Decree 231/2001.

All **behaviours violating the provisions** of the Code of Conduct and Leg. Decree 231/2001 could result in a disciplinary proceeding for all the workforce and suppliers, with the application of the related penalties. For Italian employees, such penalties follow art. 227 of the *Confcommercio CCNL* (National Collective Bargaining Agreement). In cases of any breach committed by Managers, the penalty should follow the National Collective Bargaining Agreement for Managers and the procedures set out by Art. 7 of Law no.300 of May 30, 1970, following graduality and proportionality principles with respect to the severity of the breach. Penalties against Directors should be notified to the Board of Directors and the Board of Statutory Auditors and be compliant with Art. 2392 of the Italian Civil Code. If the breach is attributable to a Statutory Auditors, the OdV must inform the Board of Statutory Auditors and the Board of Directors, which should define the appropriate penalty.

Nevertheless, Digital Bros has implemented a **whistleblowing channel**, ensuring the possibility to report in good faith on any illegal activities and behaviours deemed inappropriate or contrary to company policies and the applicable laws. The Group has adopted the *EthicsPoint* IT platform managed by Navex Global Inc., a specialized third party, which can ensure professionalism, discretion, and compliance with local regulations to protect the confidentiality of the identity of the whistleblower, the reported party, any third parties mentioned, and the facts reported in the notification.

The whistleblowing Committee, who receives and assesses all the matters related to the platform, is composed by the Internal Audit body, the Company's General Counsel and the global head of HR. In the event that one of the members of the Committee is involved in the whistleblowing, the remaining members shall decide on the reported issue.

The Committee should provide feedback to the whistleblower within 3 months from the date of the acknowledgement of receipt or, in its absence, within 3 months from the expiry of the 7-day period from the submission of the whistleblowing, performing a preliminary assessment to evaluate whether the whistleblowing is relevant within the scope of the dedicated policy. If the reported issue concerns matter under legislative decree 231/2001, the Committee should investigate it together with the Supervisory Body. The whistleblowing could be deemed:

- non-material, if it does not relate to reportable breaches within the scope of the procedure;
- non processable, in case of absence of factual elements justifying investigation or too generic content;

- material and processable.

If the breach is confirmed, the process may result in disciplinary proceedings against the reported person (in compliance with the applicable laws and collective bargaining agreements).

Nonetheless, if the whistleblowing is performed using bad faith and/or defamatory intent, the Committee might pursue a disciplinary proceeding against the whistleblower.

The results of the assessments of all the whistleblowing received will be included in a report that will be periodically reported to the Board of Directors through the Control and Risk Committee. The reports and the related documentation and information are stored on the platform for up to 5 years from the final feedback provided by the Committee.

For the Italian Companies, whistleblowers and other protected persons who believe they are being subjected to retaliation may notify ANAC<sup>7</sup> for the sanctioning measures within its competence.

Since 2019, the Group has implemented a **Diversity Policy**, revised in September 2023. This policy aims to align with stakeholders' expectations by fostering the necessary conditions for the governing body to carry out its functions effectively and virtuously, through decision-making processes that reflect a plurality of qualified and diverse contributions.

This policy also aims to emphasize the enhancement of diversity as a cornerstone of medium- and long-term sustainability in its business activities, serving as a reference paradigm for employees and for the members of the company's administrative and supervisory bodies. The document reiterates the priority of maintaining and strengthening a collaborative, loyal, and synergistic working environment.

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<sup>7</sup> The National Anti-Corruption Authority, abbreviated as ANAC, is an independent Italian administrative authority with the tasks of safeguarding the integrity of public administration, combating illegality, fighting corruption, implementing transparency, and overseeing public contracts.

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## Privacy and data protection

Even though Digital Bros does not possess or access sensitive data regarding players, the Group recognized the critical importance of privacy and data protection. It has implemented a comprehensive training program for identified employees of the Group, which is held regularly both in-person and online, using materials circulated across the organization to ensure ongoing awareness and compliance.

Recognizing the critical importance of issues related to data protection and cyber security, the Group has also secured an insurance policy to mitigate the economic and financial impact caused by potential data losses, business interruptions, privacy violations, and data breaches.

The Group adopted a Privacy Policy that aims to describe the management practices of the website [www.digitalbros.com](http://www.digitalbros.com) concerning the use of cookies, tracking tools, and the processing of personal data of users who access it. The information is provided in accordance with Regulation 2016/679/EU<sup>8</sup>, Article 122 of the Personal Data Protection Code<sup>9</sup>, and the General Provision of the Guarantor of May 8, 2014, regarding cookies. The data will be retained for a period not exceeding what is necessary to achieve the purposes<sup>10</sup> or according to the deadlines set by legal provisions.

Digital Bros has also appointed a Data Protection Officer, who can be contacted via email at [dpo@digitalbros.com](mailto:dpo@digitalbros.com).

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<sup>8</sup> General Data Protection Regulation, GDPR

<sup>9</sup> Legislative Decree 196/03, Privacy Code

<sup>10</sup> Principle of data retention limitation, Article 5 of the EU Regulation



## 4. Social responsibility

People are central to Digital Bros' commitment to sustainability. The Group focuses on creating a healthy, inclusive, and merit-based work environment, ensuring equal opportunities across all HR practices, including recruitment, training, and development. Any form of discrimination is rejected, with a strong emphasis on maintaining a safe and respectful workplace. Employee well-being is further promoted through balanced working hours, leave entitlements, and remote work options, all while ensuring adherence to health and safety regulations.

This commitment also extends to players and local communities by delivering high-quality, safe products and promoting customer satisfaction through fair competition and regulatory compliance.

Moreover, Digital Bros monitors the impact of its activities to uphold fundamental human rights, ensuring that its products are not associated with child labor or any form of modern slavery, reinforcing ethical practices throughout its operations.

### 4.1. Human capital management and development

#### **FY2023 highlights**



### Digital Bros' people

People are at the core of Digital Bros' growth, bringing ideas, innovation, and development to life. Every individual plays a vital role in the Group's success. By prioritizing their well-being, professional development, and safety, the Group fosters an inclusive culture that values diversity and supports work-life balance. This approach empowers teams to deliver engaging experiences to millions of players worldwide, while encouraging both personal and collective growth.

As of June 30, 2023, Digital Bros employs a workforce of 462 people, 24% of whom are women, alongside 184 external contractors. Both figures have grown, with employee numbers increasing by 17% and external contractors by 5% compared to FY2022. This growth reflects the Group's expanding operations and its commitment to innovation and creativity in the gaming industry, highlighting its investment in talent and resources to drive new game development and enhance player experiences.

The proportion of permanent contracts remains steady at 92% of the total workforce, showing minimal variation from the previous year. This percentage is evenly distributed between men and women, with 93% of men and 91% of women holding permanent positions. In FY2023, part-time workers represent 6% of the workforce, with women accounting for 64% of that group, while employees on non-guaranteed hours only make up 2% of the workforce, 36% of whom are women.

Collective Bargaining Agreements (CBA) apply exclusively to the Parent Company and its Italian subsidiaries. Therefore, due to the company's global presence, including in countries where collective bargaining agreements are not mandatory, only 25% of the workforce is covered by a CBA. Specifically, these agreements include the *Contratti Collettivi Nazionali di Lavoro (CCNL)* for *Commercio Terziario - Distribuzione e Servizi* (Tertiary Sector – Distribution and Services) and *CCNL Metalmeccanici – Industria* (Metalworking Industry). In other countries, working conditions and employment terms are governed by local labor laws applicable in each territory, with guidance from local HR vendors who advise on best practices, particularly by benchmarking against comparable small and medium-sized multinational companies with offices in those regions.

The Group recorded a rate of 16% turnover. This figure aligns with industry trends and does not pose a significant challenge for Digital Bros, which operates in a highly competitive environment characterized by strong talent mobility, an inherent characteristic of the gaming industry.

## Recruitment

At the beginning of each year, the Group assesses local hiring needs and determines the budget required to fill open positions. These roles are reviewed annually by the CEOs to ensure alignment with the allocated budget.

The recruitment process is managed locally, with each region having autonomy in hiring decisions, while headquarters in Milan oversee the process to ensure consistency across all countries.

The onboarding process is centrally designed to ensure a consistent introduction experience for all new hires. Upon acceptance of an offer, the onboarding is automated through the central HR system, which also updates the organizational chart. This system is applied uniformly across all countries. New hires are required to sign a corporate code of ethics and, where available, receive an employee handbook prepared by the respective local entity.



Code of conduct

Contract management is handled independently by each legal entity, adhering to local regulations and practices. To safeguard sensitive information, access to the HR system is restricted, with few power users limited to Italy, the UK, and the US. This strategy minimizes unauthorized access while supporting effective and secure HR operations globally.



Employee Handbook

## Performance review

At Digital Bros, the performance review cycle is carefully structured within the company's HR management system, ensuring that sensitive data is safeguarded through a system of restricted access permissions. The process does not rely on a traditional ranking system, but instead focuses on nurturing individual potential by coaching and following the principle of "growth through leveraging strengths." This approach encourages employees to enhance their abilities by building on their unique skills and competencies, fostering both personal and professional development.

In FY2023, 57% of Digital Bros' employees received a performance review, spanning all employee categories. These reviews create a platform for open dialogue, allowing individuals to reflect on their achievements, set future goals, and align their efforts with the company's broader objectives. Even in Group entities where a formalized performance review procedure may not be established, local management ensures that employees receive attention through personalized one-to-one meetings. These meetings provide an opportunity to discuss career paths, address any challenges, and plan for growth, reinforcing the company's commitment to developing talent and maintaining open communication across the organization.

## Remuneration and well-being

Remuneration is structured to reflect the professional value of employees while maintaining a balanced mix of fixed and variable components. This approach aims to create sustainable value in the medium and long term by aligning remuneration with specific performance objectives.

The following principles guide the determination of remuneration:

- A balanced relationship between fixed and variable compensation, aligned with the strategic objectives of the Group, the industry context, and the characteristics of the business.
- Performance objectives are pre-defined, measurable, and focused on generating value for shareholders in both the short and medium-long term.

The bonus structure is as follows: 10% is linked to overall Group results, 10% to division performance, and 10% to individual performance. The individual component (10%) is usually awarded independently of corporate or divisional performance. Most employees have only the personal component; the divisional and corporate components are for employees with senior roles that impact results.

Salary reviews, distinct from performance reviews, are based on objective data. These reviews consider factors such as promotions, retention challenges, and disparities between internal and external compensation.

The Group's annual total remuneration ratio is 9.94<sup>11</sup>. This represents the ratio between the annual total remuneration of the highest-paid individual in the organization and the median annual total remuneration of all employees (excluding the highest-paid individual). Regarding the gender pay gap, in FY2023 the average remuneration of female employees was 73% of that of their male colleagues, marking an improvement of 7.4% compared to the previous year (68%).

In addition to remuneration, the Group offers a comprehensive range of well-being initiatives to support employees. While there is no formal hybrid working policy, the Group promotes significant flexibility, empowering business unit managers to create hybrid work models that balance company objectives with the specific needs of their teams, fostering a culture of collaborative creativity. The Group also ensures comprehensive policies for sickness leave beyond statutory requirements, alongside paid paternity and maternity leave. Moreover, individual entities regularly organize team-building activities and corporate events, strengthening company culture and fostering a sense of belonging among employees. Lastly, all employees enjoy a staff discount program that offers reductions on the purchase of published games.

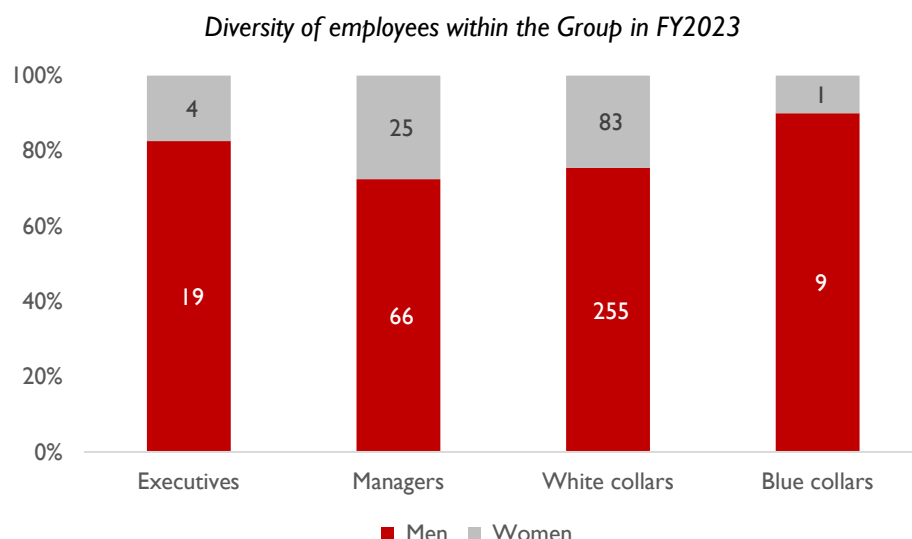
In the US and the UK, compensation packages are further enhanced with private healthcare options available after the completion of the probation period, reflecting the Group's commitment to supporting employees' health and well-being.

Although a formalized welfare policy is not yet established, these well-being initiatives are tailored within each entity based on the evolving needs and requests of employees, ensuring a responsive and supportive work environment.

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<sup>11</sup> For a more meaningful comparison, the ratio is calculated exclusively based on the salaries of Italian employees, specifically from 505 Games and Digital Bros SpA.

## Diversity and inclusion



Digital Bros is dedicated to fostering diversity and ensuring equal opportunities, where factors such as gender, age, ethnicity, culture, sexual orientation, nationality, religion, beliefs, disability, or union membership have no bearing on decisions regarding recruitment, training, or career progression. In both FY2023 and FY2022, the Group did not receive any reports of discrimination or harassment from employees, suppliers, or partners.

This commitment is further reinforced by policies such as the Harassment Policy and Complaint Procedure implemented by 505 U.S. and 505 UK, which exemplify the Group's proactive stance in preventing any form of harassment or violence, whether physical, sexual, psychological, or verbal.

Diversity is central to building an inclusive workforce. As of June 30, 2023, 8% of the workforce is comprised of individuals belonging to protected categories, underscoring our commitment to fostering an inclusive environment. Among these, a significant majority, 95% (36 people), are employees with non-local citizenship, highlighting the Group's global reach and diverse talent base. The remaining 5% (2 people) belong to other vulnerable or protected groups. In relative terms, the percentage of women in protected categories is 12%, compared to 7% for men.

## Training

Talent development is crucial for the future of Digital Bros and is closely aligned with the company's strategic vision. The organization invests in promoting professional growth and retention by providing access to various resources, skill-building opportunities, and both job-specific and general training. Within this framework, the Digital Bros Game Academy supports job placement initiatives within the Group subsidiaries for its most talented students, supporting their entry into the job market.

While a standardized corporate training program is not in place, employees complete mandatory training based on the legal requirements of their respective locations.

Most training for junior staff occurs on the job, supported by a strong mentoring culture that enhances their development and integration within both the local company and the Group. Given the nature of the gaming industry, the roles often require specialized on-the-job training due to the fast-paced and ever-evolving nature of technology, game development tools, and industry trends. While formal education provides a foundation, the skills required for game development, design, and production are highly technical and frequently updated. New platforms, software, and programming languages emerge regularly, meaning that employees must continuously adapt and learn through hands-on experience to remain competitive. This makes on-the-job training essential for maintaining the high level of expertise needed to succeed in the industry.

Besides, specific training needs are addressed through tailored, ad hoc programs driven by bottom-up requests. For example, in FY2023 people managers coaching groups were held to enhance skills into receiving feedback, team management, and public speaking.

In FY2023, total training hours reached 1,447.5, marking a 65% decrease from the 4,087.5 hours recorded in FY2022. This decline was primarily driven by Canadian data. In fact, 69% of the total training hours in 2023 came from the Canadian studio Nesting Games based in Quebec, where Law 90 mandates the reporting of on-the-job training during new employee integration, unlike in other countries where the Group operates. Since the majority of Canadian hires took place in 2022, the requirement to report these training hours resulted in a significantly higher figure that year, leading to the sharp drop observed in FY2023.

Founded in 2014, the Digital Bros Game Academy (DBGA) is a training and professional specialization academy dedicated to young talents aspiring to pursue a career in the gaming industry, whether by establishing their own development studio or joining major international publishers.

The DBGA combines theoretical training with practical methodologies that replicate the environment and dynamics of a development studio. This approach equips students with all the necessary skills to become video game developers. The academy offers courses in Game Design, Game Programming, Concept Art, and Game Art 3D, all taught by recognized industry professionals.

## Health and Safety

Although Digital Bros' working practices present minimal risk of serious injury, as most employees are engaged in screen-based tasks, the Group's subsidiaries ensure full compliance with local health and safety regulations (such as Legislative Decree 81/2008 in Italy). Digital Bros is committed to fostering a culture of safety and risk awareness in the workplace to protect staff and maintain safe and healthy working conditions. This includes strict adherence to accident prevention measures and encouraging employees to act responsibly to safeguard their own safety and that of their colleagues.

Where possible, risks are eliminated, and when that is not feasible, they are minimized to the greatest extent. Hazards and risks are systematically identified through an annual Risk Assessment process or sooner if concerns arise about the effectiveness of current safety measures or potential risks to employees. Employee inquiries and suggestions related to health and safety are promptly evaluated, addressed, and communicated back for further discussion. All employees are also required to complete mandatory Occupational Health and Safety assessments as part of their onboarding process.

At the Canadian subsidiary, heavy workloads were identified as the primary potential health risk for employees, which is a recurring issue with game development studios, especially when approaching video games launches. Management has addressed this by evenly distributing tasks across shifts to keep workloads manageable. This strategy has proven effective in reducing stress levels and preventing burnout. A November 2022 survey on workplace psychosocial risks revealed that while a significant majority of employees reported low or manageable stress levels, only 5% experienced high stress. This underscores the positive impact of the workload distribution strategy on employee well-being.

As a result of these comprehensive health and safety efforts implemented across all Group entities, no workplace injuries were recorded among employees or external workers during the FY2022-2023 period<sup>12</sup>.



**0**

Injuries at work



**763,481.5**

Worked hours

<sup>12</sup> The data includes all the Group's subsidiaries, except for the US subsidiaries due to data unavailability.

## Human Rights

Digital Bros is committed to respecting national and international regulations in terms of human rights and to making sure all its partners, vendors and suppliers follow the same values and policies. The Group aims to uphold the highest ethical standards in its activities, rejects any act of corruption, and operates in accordance with the main national laws and most relevant framework about social values and human rights.

The Board of Directors has approved a Code of Conduct designed to encourage best practices and responsible behavior in all activities, and all companies in the Group are committed to disseminating the Code internally and to significant business partners.

In relation to its suppliers, the Group does not engage in business with those who do not uphold its ethical values, particularly regarding compliance with laws and regulations, transparency, and respect for human rights.

Digital Bros complies with antitrust and anti-corruption regulations, in accordance with local laws. Moreover, any conflict of interest (even potential) must be assessed by the Board of Directors to mitigate its effects.

In daily operations, when working with external partners and collaborators, questions are made to assess company policies in terms of working hours, overtime, and/or "crunch" periods. For example, as described above, developers are not only selected for their technical capabilities but also based on their commitments to human rights, their social reputation and history and the themes presented in their games.



## 4.2. Local communities

Digital Bros places great importance on respecting the territories and populations it interacts with during its business activities and is committed to promoting virtuous initiatives that contribute to the socioeconomic development of the affected local communities. This commitment is realized through donations made directly by some branches of the Group, as well as through various initiatives led by its employees.

In the UK, for example, it happens that individual employees or groups of employees organize fundraising events, where the amount raised is then matched by the company. This is the case of the donation made in FY2022 in the UK for cancer research, or the sponsorship of Macmillan Cancer Support.

Another example of this practice is the contributions made to the Corporate Charity Special Effects in support of the event 'One Special Day': developers and publishers donated the proceeds from one day of sales of one or more of their games in support of Special Effect Charity, which creates bespoke control setups for hundreds of physically disabled gamers each year. The donations, amounting to £11,856 in FY2022 and £5,673 in FY2023, are used to develop and supply innovative technology that enables hundreds of gamers with physical disabilities to control and enjoy video games to the best of their ability.

As for Italy, notable contributions were made to charitable organizations, amounting to approximately 157,995 euros in FY2023. These donations supported a range of social and educational initiatives, with a particular focus on fostering community well-being and promoting cultural values through high-quality education.

Like other high-tech and digital sectors, the video game industry has various positive effects on the local economies in which it operates, such as revenue generation, job creation, and technological innovation. The environmental impact is minimal, mainly as a result of the increase in digitalization over the past two decades, and, consequently, the negative externalities that the areas where the Group operates must bear are negligible.

During its operations, Digital Bros aims to ensure fair recruitment processes, fair wages, safe working conditions, and to promote respect, equity, diversity, and inclusion. Such an approach fosters social cohesion within the communities involved, while the education and training initiatives supported by the Group provide targeted opportunities to enhance the skills of local workers.

Through the Digital Bros Games Academy, the Group contributes to the dissemination of valuable skills in local markets, training new generations of developers and providing crucial skills in programming, graphic design, storytelling, and project management, as well as cross-disciplinary skills in computer science and research and development.

The UK branches of the Group offer a work experience program to local schoolchildren, providing them with a unique opportunity to explore careers in the gaming industry. A limited number of students are selected (about 5-10 per year) to gain hands-on experience, mainly working in the Quality Assurance (QA) department, where they participate in bug testing

activities for both launched products and games still in development. This initiative not only helps them develop practical skills that are relevant at industry level, but also enhances their resumes and improves their future job prospects. Additionally, the program emphasizes the importance of balancing work commitments, giving students a deeper understanding of workplace responsibilities and time management. The program has been successfully running for more than 10 years now.

The Group is also trying to revive an initiative concerning meetings in schools, a series of visits aimed at raising awareness about the company and its activities, also intended to strengthen the relationships between the Group's branches and the territories in which they operate.

Ingame Studios a.s. (Czech Republic) actively supports the local gaming community through several initiatives. This includes paying membership fees and engaging in volunteer work for the Czech Game Developer Association, as well as participating in the Game Access conference, where team members give lectures and host an exhibition booth. The company also collaborates with local universities, such as VUT and MUNI, delivering guest lectures at the IT faculties. High school students in IT and technology fields are offered two-week unpaid internships, while university students can participate in paid internships lasting one semester.

Additionally, the company conducts interviews and studio tours to provide students with deeper insights into game development and hosts public focus testing sessions for ongoing projects.

Digital Bros (through its publishing label, 505 Games) is a member of the IIDEA Association, a professional association of the video game industry in Italy, which in turn is part of a number of international professional bodies and member of the Video Games Europe and the European Game Developers Federation. IIDEA works to strengthen the development of the sector in Italy and enhance the role of video games in the economy, society and culture of the country.

Digital Bros is also member of Confcommercio and Ebiter.

505 Games Us Inc. is a member of the Entertainment Software Association (ESA), trade association in the United States.

505 Games Ltd belongs to UK Interactive Entertainment (Ukie), trade body for the UK games and interactive entertainment industry.

The Group, through its subsidiaries operating in the Asian market, participates to the China Audio-video and the Digital Publishing Association (CADPA) and the Japanese Computer Entertainment Supplier's Association (CESA).

The Group is a supporting member of the Italy China Council Foundation, and the Vice President for the APAC region was a Board member all along FY2022 and FY2023. The Foundation allows for direct and indirect accreditation to Chinese institutions (such as the Ministry of Commerce and of Foreign Affairs, as well as Italian Embassies in China and Chinese Embassies in Italy).

### *4.3. Player satisfaction*

The Group seeks the satisfaction of its customers and conducts its activities with integrity and fairness. Customer relationships are built on collaboration and transparency to strengthen lasting bonds.

Together with its business partners and suppliers at all levels, Digital Bros is committed to providing safe and high-quality products to the end consumer, enhancing their satisfaction through effective and fair competition, in full compliance with the law and applicable local regulations. Through its efforts to extend the lifecycle of existing products and its investments in internally developed video games, the Group has gained greater control over all necessary activities to meet customer expectations. The decreasing obsolescence of the products, resulting from the digitalization of the market and the introduction of new business models with recurring additional content, contributed to increasing customer satisfaction.

The Group also complies with the regulations in force in each area in which it operates and the best market practices regarding the health and safety of end consumers. Every game undergoes a national and international evaluation process conducted by independent bodies to assess whether its content is appropriate for all age groups or should be reserved for older players. The main advisory bodies in this context are PEGI in Europe (Pan European Game Information), ESRB (Entertainment Software Rating Board) in North America, and CERO (Computer Entertainment Rating Organization) in Japan.

As confirmed by the Legal Department, regarding the period FY2022-2023, no violations of the regulations concerning the health and safety of the Group's video games were recorded during the reference period.

Quality and safety controls are then further examined by conducting rigorous tests before the official game release and throughout its lifecycle. Each game comes with a dedicated website, where consumers can provide feedback on gameplay or report on any bugs and technical issues encountered.

The 505 Games support website (<https://support.505games.com/support/home>) is dedicated to providing information and technical guides, replying to FAQs and collecting the support tickets submitted by players on all the games published by the subsidiary.

The ratings and infographics that define the content of games are clearly communicated on every distribution platform, so that players (and parents) can make an informed choice. The Group relies on marketplaces and gaming platforms to establish the correct requirements and labels.

Most of the video game industry is now digital, so there are no major concerns regarding health and safety related to physical discs.

Since the Group has almost full control over the social media platforms and forums related to its video games, community management also includes certain moderation activities to quickly address toxic behaviors and harassment, ensuring a safe environment for players. The websites and social media channels of publishing labels, studios, and video games are constantly monitored to receive, collect, and analyze any feedback from players and customers. Additionally, on some

occasions, developers and community managers participate in Q&A sessions with players to address any concerns.

Community feedback is then used to improve the game after its launch, during the active support phase, providing bug fixes, additional content, and new features.

The Group is committed to responsible marketing and advertising campaigns, delivering transparent messages that do not compromise the players' awareness or harm in any way their psychological and physical integrity. Clear and accurate information regarding the prices, content, and features of the video game is provided in accordance with the appropriate rating assigned by the relevant international bodies.

The Group ensures that the marketing materials and the media channels chosen for its products are age-appropriate and that restrictions are applied, when necessary, in order to protect user privacy and not mislead younger players through ambiguous communications.

In this context, it is worth noting that no instances of non-compliances with regulations and/or voluntary codes regarding product information, services, and labeling, and no incidents related to marketing communications, including advertising, promotion, and sponsorship, were reported nor in FY2022 or in FY2023.

#### **505 Games acknowledgments**

In 2020, the international publisher 505 Games, a subsidiary of Digital Bros, ranked first in Metacritic's tenth annual list of the best video game publishers of 2019, a reference site for aggregating reviews and critiques on entertainment.



#### **- Raffaele Galante. CEO of Digital Bros -**

*"The important recognition from Metacritic attests to the work and constant commitment of the Group, which has developed, in recent years, a diversified and well-balanced portfolio of titles, creating new video games of high quality that are highly appreciated by critics."*



#### 4.4. Responsible supply chain

The ability to adapt to the changing conditions of the industry is one of the key strengths that has allowed Digital Bros to master its supply chain management and maintain a strong competitive positioning over the decades, with a consistent attention on the sustainability of its activities, even during the challenging years of the pandemic.

Thanks to the Group's expansion over more than thirty-five years, its relational network, and its transnational relationships, Digital Bros has established a presence in all major continents and markets worldwide.

The Group maintains and fosters fruitful exchange relationships with all collaborators, contractors, and suppliers based on synergy and mutual improvement. Such business relationships are usually long-lasting and governed by ad hoc agreements.

The Group's primary purchases during its normal operations primarily involve software and hardware related to the game development and publishing and, to a lesser extent, stationery and technical instrumentation. The number of key suppliers for software procurement and license purchases is approximately 20-25, primarily located in the United States. Most suppliers (about 90%) are licensees.

The Group's most significant business relationships involve marketplaces and console manufacturers, through which it sells its products. These consist of PC platforms (Steam and Epic Games Store), digital stores for consoles (such as the PlayStation Store or Xbox Live), subscription platforms (like Xbox Game Pass or PlayStation Plus), where consumers can access games by paying a monthly fee, and mobile platforms, such as the App Store and Google Play.

At the local supply level, the main expenditures pertain to consulting services and some specific R&D projects initiated in collaboration with selected partners. Digital Bros applies the Code of Conduct to all its suppliers at a consolidated level<sup>13</sup>.

The Group conducts technical and financial due diligence processes when evaluating video game suppliers, primarily focusing on assessing the project's specifics and, its technical and economic feasibility, considering the different costs and timing considerations involved with game development. A preliminary check concerns the game brand and its marketing potential, ensuring that there are no sensitive topics that the Group cannot or chooses not to address. Once the business development and the management teams confirm their interest in a new project, its pitch is first evaluated in terms of monetary costs, followed by an assessment of the timing of the deliverables. Such verification and preliminary study processes are also conducted through visits to the developer's offices and interviews with the relevant staff, in order to assess the work environment, working conditions, and the operational personnel.

As sustainability becomes increasingly relevant in the video games industry and issues such as D&I and human rights now permeate the entire sector, the Group is committed to constantly monitoring the level of regulatory compliance and the policies held by the suppliers it collaborates

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<sup>13</sup> The Code of Conduct is generally not applied to suppliers from Canada due to their low relevance and the volume of their supply.

with. Among its suppliers, the largest and most established companies already adhere to all compliance standards, considering that they mostly consist of virtuous players active in the European market and significant listed groups based in the United States. While Digital Bros also has some software and game development suppliers in the Asian market, their number and significance are of secondary importance.

If the due diligence process results in approval, the contract, along with all the collected documentation and accompanying reports, is submitted to the Group's management.

For other categories of suppliers related to the video game production, such as localization, dubbing and QA testing, there is not a formal due diligence process in place, but rather different technical checks are implemented. Most of these service providers are screened and evaluated based on references from their previous works, given that most of them are very well-known in the industry and benefit from high reputation.

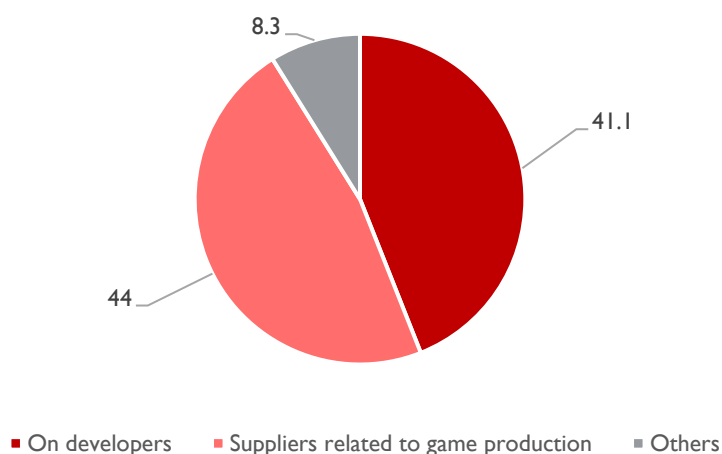
As part of its commitment to the sustainability of its operations, the Group is considering implementing some changes and improvements to the due diligence process, such as the inclusion of a specific section on human rights, and a disclaimer addressing the social impact of potentially sensitive-themed video games.

To date, the assessment of social criteria related to suppliers is carried out only informally alongside the due diligence process. Reasonably, during the on-site due diligence visits, as well as when evaluating the suppliers' brand and image, specific attention is given to safeguards and human rights concerns.

An additional aspect set to be further implemented concerns the monitoring process following the signing of the contract: Digital Bros aims to gain better remote oversight of its suppliers and ongoing projects. To achieve this, the Group is reflecting on new systems that can complement the occasional on-site visits already in place. These measures are intended to further strengthen the Group's identity and uphold its credibility, built in over thirty-five years in the industry.

The total procurement expenditure in FY2023 has reached 93.4 million euros, an increase of 9% compared to the same expenditure in FY2022 on a consolidated basis.

*Total procurement expenditure in FY2023 (million euros)*



The largest portion of expenses related to suppliers involved in game production (47% of the total). These costs include expenses for products and services intended for resale, copyright fees, marketing, and advertising. Conversely, the expenses for developers are calculated as the amortization of intangible assets related to video game production for the reporting period. A smaller share, around 9% of total procurement expenditure, includes payments for services (transportation, general services such as insurance, consulting fees, travel costs, postal expenses, utilities), rent, leasing, and other operational costs.

## 5. Environment and Climate Change

Digital Bros is committed to maintaining high standards of environmental, social, and governance (ESG) practices, conscious that ESG principles are fundamental for sustainable development and the creation of long-term value for all its stakeholders. The Group is at the early stages of its sustainability journey but strives to identify and mitigate any potential negative impacts associated with activities and business relationships.

The environmental footprint of the digital gaming market is relatively low compared to traditional industries. Most of the products are sold through digital marketplaces and the Group is progressively shifting away from physical sales. This transition to digital distribution eliminates the need for physical manufacturing, packaging, and transportation, which in turn significantly lowers carbon emissions and waste. Additionally, cloud gaming and digital platforms reduce the environmental impact associated with the production of gaming consoles and physical media. While it is true that the video game industry can be considered an energy-intensive industry considering that data centers for online games consume significant amounts of energy, this does not apply to Digital Bros as the Group is not involved in hardware production and therefore does not contribute to E-Waste (from frequent upgrading of gaming hardware) or the substantial energy consumption necessary for hardware production.

Although the video game industry has a relatively low environmental impact, the Group is committed to minimizing its environmental footprint and actively considers its implications in its decision-making process to ensure sustainable and responsible business practices are adopted where possible. To this end, Digital Bros continues to explore ways to reduce energy consumption and emissions, recognizing the impact of climate change and the critical need for sustainable development: it promotes responsible resource use among employees, encourages paperless offices, and favours digital communication (i.e. video conferencing) whenever possible to improve sustainability both from an environmental and a cost reduction standpoint. In FY2023 digital sales accounted for 92% of the Group's net revenue and the Groups aims to progressively reduce physical sales.

In line with a precautionary approach, Digital Bros seeks to optimize the direct and indirect effects of its activities on the environment. The Group adheres to national and international environmental standards, encouraging stakeholders to address relevant sustainability issues such as climate change and carbon footprint reduction.

These actions underscore Digital Bros' commitment to sustainability and the ongoing reduction of its environmental impact.

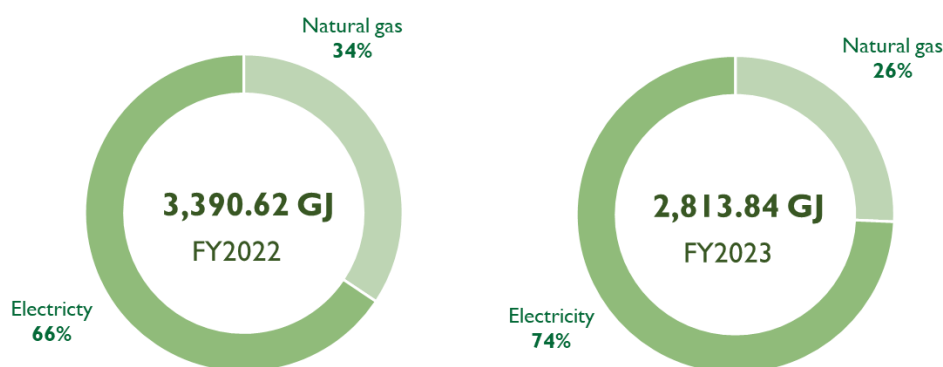


## 5.1 Energy consumption and emissions

The energy consumed by Digital Bros – natural gas and purchased electricity - is exclusively dedicated to office operations, which includes running computers, servers, lighting, heating, and cooling systems for employees. Unlike companies with hardware production or data centers, the Group relies entirely on third-party cloud providers for game hosting, further limiting its direct energy footprint to office-related activities.

In FY2023, the Group<sup>14</sup> consumed a total of **2,813.84 GJ of energy**, marking a **17% reduction** from the 3,390.62 GJ used in FY2022. Of this, 26% is attributable to fuel consumption (natural gas for heating), while the remaining 74% is attributable to purchased electricity, as shown in the graph below:

*Energy consumption within the Group broken down by fuel type*



Energy intensity defines energy consumption in the context of an organization-specific metric; Digital Bros chose the value of revenues as specific metric to be compared to energy consumption. This disclosure helps to contextualize the organization's efficiency, in relation to other organizations. Specifically, in FY2023 there has been a 7% decrease in energy intensity related to the reduction of energy consumed.

Although the specific business activities of Digital Bros have a relatively lower impact on climate change as much as other productive industries, the Group initiated efforts to monitor its emissions.

The GHG (GreenHouse Gases) Protocol Corporate Standard classifies emissions into Direct Scope 1 Emissions, Indirect Scope 2 Emissions, and Indirect Scope 3 Emissions.

<sup>14</sup> The reported energy consumption pertains to the Group, excluding the regions of Asia and Canada. Additionally, the data for the United States is incomplete due to the unavailability of certain records prior to the relocation to new offices.

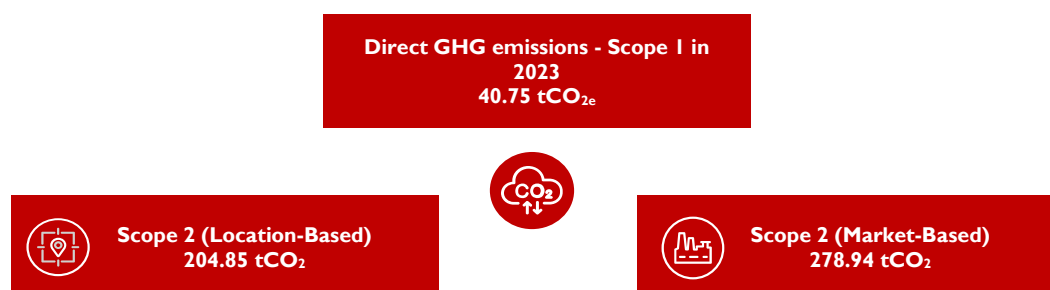
- **Scope 1 emissions:** direct emissions from sources owned or controlled by the organisation.
- **Scope 2 emissions:** indirect emissions from sources not directly controlled by the Group but associated with the generation of purchased electricity.
- **Scope 3 emissions:** indirect emissions from other sources not directly controlled by the Group, such as those resulting from the energy used in the production of purchased goods and materials and from fuel used for business travel.

For Digital Bros the most significant emissions reported in this document are Scope 1 and Scope 2 emissions. For the calculation of Scope 2 emissions, two separate calculation<sup>15</sup> approaches are used: Location-Based and Market-Based.

The Location-Based approach reflects the emissions intensity of electricity consumption, based on the average emissions from the electrical grid in the regions where the Group operates through its different subsidiaries. This approach accounts for the local grid's energy mix, including both renewable and non-renewable sources, regardless of any specific energy procurement contracts. It offers an emissions profile that aligns with the regional or national electricity generation landscape.

The Market-Based approach reflects the emissions intensity associated with the electricity consumed by the Group, considering the specific characteristics of energy supply contracts. This approach considers factors such as the source of the electricity (renewable or non-renewable), contractual agreements for energy procurement, and any green energy certificates or guarantees of origin that may influence the emissions profile of the purchased electricity.

#### *Energy direct and indirect GHG emissions*



<sup>15</sup> The GRI Sustainability Reporting Standards provide two methodologies for calculating Scope 2 emissions, the Location-based method and the Market-based method. For the calculation of Scope 2 emissions, in line with the GRI Sustainability Reporting Standards, both calculation methodologies were used. The Market-based is based on the CO<sub>2</sub> emissions emitted by energy suppliers from which the organisation purchases, through a contract, electricity and can be calculated considering Energy Guarantee of Origin certificates and direct contracts with suppliers, supplier-specific emission factors, emission factors related to the "residual mix". The location-based method is based on average emission factors related to energy generation for well-defined geographical boundaries, including local, sub-national or national boundaries. Scope 2 emissions are expressed in tons of CO<sub>2</sub>; however, the percentage of methane and nitrous oxide has a negligible effect on total greenhouse gas emissions (CO<sub>2</sub> equivalents) as inferred from the technical literature.



In FY2023, the Group's Scope 1 emissions amounted to 40.75 tCO<sub>2e</sub>, representing a 36% reduction compared to FY2022. Scope 2 emissions from purchased energy totaled 204.85 tCO<sub>2</sub> based on the Location-Based Method, a 4% decrease from the previous year, while the Market-Based Method reported emissions of 278.94 tCO<sub>2</sub>, reflecting a 2% reduction.

For the calculation of the GHG Emissions intensity ratio, the value of revenues was used as the denominator, with the same methodology applied for the energy intensity disclosure. GHG emissions intensity, being a normalized environmental impact data, expresses the amount of GHG emissions per millions (M) € of revenues value.

## 5.2 Waste management

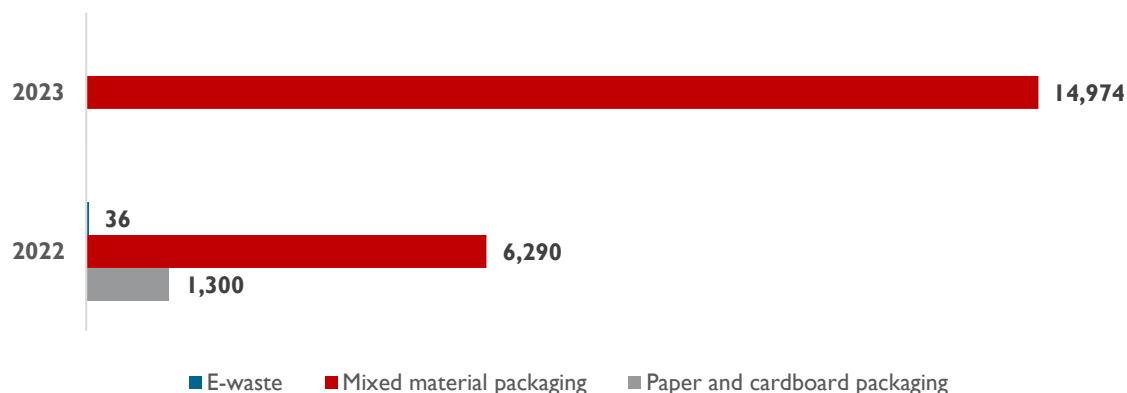
Although the environmental impact is negligible, Digital Bros actively monitors any solutions that may reduce the environmental impacts of its activities to date and in the future. As an example, it updates obsolete equipment as much as possible and, in accordance with current environmental regulations, the Group is committed to effective waste management and correct disposal through third parties. Everything is stored in a digital format and documents are printed only if required by the Law or if the scope of a specific task requires it. Consumables such as printer toners and similar waste are returned to the supplier for correct recycling.

Most of the waste is generated from logistics activities associated with the traditional retail channel. However, as the industry continues to digitalize, the volume of waste is expected to further decline. Key waste categories include paper and cardboard packaging, mixed material packaging, and e-waste (such as laptops/computers, monitors, printers, phones, batteries), all of which are classified as non-hazardous.

As shown in the chart below, the Group<sup>16</sup> generated 14,974 kg of waste in FY2023, primarily composed of mixed material packaging. While no paper and cardboard packaging, or e-waste was reported compared to FY2022, the total waste volume doubled. This significant increase was driven by the disposal of a large quantity of mixed material packaging from unsold games in FY2023, a process that had been postponed from the previous year.

<sup>16</sup> The waste production data presented pertains exclusively to information provided by Italy (excluding Kunos Simulazioni) and the UK. For all the other entities, data are not available due to a lack of waste tracking systems.

Waste generated within the Group broken down by type (kg)



### Environmental compliance

Digital Bros fully complies with all environmental laws and regulations in the regions where it operates, rigorously adhering to the necessary permits, standards, and guidelines that govern its facilities. The Group is committed to maintaining the highest levels of environmental stewardship and regulatory compliance across its operations. As a result, no significant environmental disputes have arisen from the Group's activities, and there have been no fines, penalties, or charges related to environmental violations.

## 6. Appendix

### 6.1. Performance indicators

#### Governance

#### GRI 2-27: Compliance with laws and regulations<sup>17</sup>

Cases of non-compliance		As of June 30, 2022	As of June 30, 2023
<b>Number of significant instances of non-compliance with laws and regulations during the reporting period</b>			
Instances for which non-monetary sanctions were incurred during the reporting period	n.	-	-
Instances for which fines were incurred during the reporting period	n.	-	-
<b>Number and the monetary value of fines for instances of non-compliance with laws and regulations that were paid during the reporting period</b>			
Number of fines for instances of noncompliance with laws and regulations that occurred in the current reporting period	n.	-	-
Number of fines for instances of noncompliance with laws and regulations that occurred in previous reporting periods	n.	-	-
Monetary value of fines for instances of noncompliance with laws and regulations that occurred in the current reporting period	€	-	-
Monetary value of fines for instances of noncompliance with laws and regulations that occurred in previous reporting periods	€	-	-

<sup>17</sup> For this GRI disclosure, the Group considered to be significant any incident that may occur, whose impact requires specific provision, write offs of the Group's assets or, more broadly, all incidents deemed as significant by external auditors, requiring a dedicated comment in the Directors' report of the Group's Financial statements.

## GRI 201-I: Direct economic value generated and distributed

	As of June 30, 2022		As of June 30, 2023	
	€/M	%	€/M	%
<b>Direct economic value generated</b>	<b>151.54</b>	<b>100%</b>	<b>140.38</b>	<b>100%</b>
<b>Economic Value Distributed</b>	<b>104.72</b>	<b>69.1%</b>	<b>100.46</b>	<b>71.6%</b>
Remuneration of suppliers and partners	55.65	36.7%	52.92	37.7%
Employee remuneration	33.87	22.3%	38.92	27.7%
Remuneration of lenders	0.95	0.6%	1.80	1.3%
Investor remuneration (dividends)	2.57	1.7%	2.57	1.8%
Donations and liberalities	0.18	0.1%	0.17	0.1%
Remuneration of public administration	11.51	7.6%	4.09	2.9%
<b>Economic value retained</b>	<b>46.83</b>	<b>30.9%</b>	<b>39.92</b>	<b>28.4%</b>

## GRI 205-3: Confirmed incidents of corruption and actions taken

Confirmed corruption incidents and actions taken		
Number of cases/episodes	As of June 30, 2022	As of June 30, 2023
Total number and nature of confirmed incidents of corruption	-	-
Total number of confirmed incidents in which employees were dismissed or disciplined for corruption	-	-
<b>Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption</b>	-	-

## GRI 405-Ia: Diversity of governance bodies and employees

Percentage of members of the organization's governance bodies (Board of Directors) by gender and age group	
Percentage (%)	As of June 30, 2023
<b>Gender</b>	
Men	55.6%
Women	44.4%
<b>Age Group</b>	
<30 years old	-
30-50 years old	33.3%
>50 years old	66.7%

Environmental <sup>18</sup>

**GRI 302-I: Energy consumption within the organization<sup>19</sup>**

Types of consumption	U.o.M	As of June 30, 2022	As of June 30, 2023
<b>Non-renewable fuels</b>			
Natural gas	GJ	1,132.87	723.40
LPG	GJ	-	-
Diesel (for heating or production processes)	GJ	-	-
Diesel (for company owned or leased/leased vehicles)	GJ	-	-
Petrol (for company owned vehicles or on long term lease/rental)	GJ	-	-
<b>Total non-renewable fuels</b>	<b>GJ</b>	<b>1,132.87</b>	<b>723.40</b>
<b>Electricity</b>			
<b>Electricity purchased</b>	<b>GJ</b>	<b>2,257.76</b>	<b>2,090.45</b>
of which, from renewable sources (certified)	GJ	-	-
<b>Electricity self-produced</b>	<b>GJ</b>	<b>-</b>	<b>-</b>
of which, from renewable sources (certified)	GJ	-	-
<b>Total energy consumption within the organization</b>			
<b>Total energy consumption</b>	<b>GJ</b>	<b>3,390.62</b>	<b>2,813.84</b>
<b>Renewable energy</b>	<b>GJ</b>	<b>-</b>	<b>-</b>
<b>%</b>	<b>%</b>	<b>-</b>	<b>-</b>

<b>Conversion factors</b>			
Unit	U.o.M	2022	2023
Natural gas	GJ/Smc	0.0359	0.0362
LPG	GJ/l	0.0243	0.0244
Gas Oil	GJ/l	0.0360	0.0359
Diesel (Average biofuel blend)	GJ/l	0.0359	0.0356
Petrol (100% mineral petrol)	GJ/l	0.0331	0.0332
Petrol (Average biofuel blend)	GJ/l	0.0325	0.0323
Energy	GJ/KWh	0.0036	0.0036
<b>Source of conversion factors</b>		<b>DEFRA 2022</b>	<b>DEFRA 2023</b>

<sup>18</sup> The environmental data reported do not include data of Asian subsidiaries.

<sup>19</sup> The reported energy consumption covers the entire Group perimeter, excluding Asia, where data is unavailable, and Canada, where data is missing as utility bills are paid by the landlord. Furthermore, data for the United States is incomplete due to the unavailability of certain records prior to the relocation of 505 Go to new office premises.

### GRI 302-3: Energy intensity<sup>20</sup>

Energy intensity	U.o.M	As of June 30, 2022	As of June 30, 2023
Revenues	M€	132.24	118.93
Energy consumed within the organization	GJ	3,390.62	2,813.84
<b>Energy intensity</b>	<b>GJ/M€</b>	<b>25.64</b>	<b>23.86</b>

### GRI 305-1 & 305-2: Direct (Scope 1) GHG emissions & Energy indirect (Scope 2) GHG emissions<sup>21</sup> <sup>22</sup>

Direct (scope 1) GHG emissions and Energy indirect (scope 2) GHG emissions			
GHG emissions – tCO <sub>2</sub>		As of June 30, 2022	As of June 30, 2023
Scope 1	Total scope 1	63.64	40.75
Scope 2	Location-based	212.92	204.85
	Market-based	283.71	278.94
Total	Scope 1 and scope 2 (Location-based)	276.56	245.60
	Scope 1 and scope 2 (Market-based)	347.35	319.68

Emission factors – Scope 1			
Unit	U.o.M	2022	2023
1 m <sup>3</sup> Natural gas	tCO <sub>2e</sub>	0.0020	0.0020
1 L LPG	tCO <sub>2e</sub>	0.0016	0.0016
1 L Gas Oil	tCO <sub>2e</sub>	0.0028	0.0028
1 L Diesel (Average biofuel blend)	tCO <sub>2e</sub>	0.0026	0.0025
1 L Petrol (100% mineral petrol)	tCO <sub>2e</sub>	0.0023	0.0023
1 L Petrol (Average biofuel blend)	tCO <sub>2e</sub>	0.0022	0.0021
Source of conversion factors		DEFRA 2022	DEFRA 2023

<sup>20</sup> See note n.18.

<sup>21</sup> The GRI Sustainability Reporting Standards provide two methodologies for calculating Scope 2 emissions, the Location-based method and the Market-based method. For the calculation of Scope 2 emissions, in line with the GRI Sustainability Reporting Standards, both calculation methodologies were used. The Market-based is based on the CO<sub>2</sub> emissions emitted by energy suppliers from which the organisation purchases, through a contract, electricity and can be calculated considering Energy Guarantee of Origin certificates and direct contracts with suppliers, supplier-specific emission factors, emission factors related to the "residual mix". The location-based method is based on average emission factors related to energy generation for well-defined geographical boundaries, including local, sub-national or national boundaries. Scope 2 emissions are expressed in tons of CO<sub>2</sub>, however, the percentage of methane and nitrous oxide has a negligible effect on total greenhouse gas emissions (CO<sub>2</sub> equivalents) as inferred from the technical literature.

<sup>22</sup> See note n.18.



Emission factors – Scope 2						
Country	U.o.M	2022		2023		Source
		Location-based	Market-based	Location-based	Market-based	
Italy	tCO <sub>2</sub> /KWh	0.000315	0.000457	0.000315	0.000457	AIB Residual Mix (Europe) - Terna 2019
Czech Republic	tCO <sub>2</sub> /KWh	0.000475	0.00055	0.000475	0.000697	Terna 2019
UK	tCO <sub>2</sub> /KWh	0.000261	0.000351	0.000261	0.000365	AIB Residual Mix (Europe) - Terna 2019
USA	tCO <sub>2</sub> /KWh	0.000374	0.000374	0.000374	0.000374	Terna 2019
Australia	tCO <sub>2</sub> /KWh	0.000625	0.000625	0.000625	0.000625	Terna 2019

#### GRI 305-4: GHG emissions intensity<sup>23</sup>

GHG Emission intensity	U.o.M	As of June 30, 2022	As of June 30, 2023
Revenues	M€	132.24	118.93
Total GHG Emissions (Scope I and Scope II - Location-based)	tCO <sub>2</sub>	276.56	245.60
Total GHG Emissions (Scope I and Scope II - Market-based)	tCO <sub>2</sub>	347.35	319.68
GHG Emission intensity (Location-based)	tCO <sub>2</sub> /M€	2.09	2.08
GHG Emission intensity (Market-based)	tCO <sub>2</sub> /M€	2.63	2.71

#### GRI 306-3: Waste generated<sup>24</sup>

Waste composition	U.o.M	As of June 30, 2022	As of June 30, 2023
Hazardous	Kg	-	-
Non-hazardous	Kg	7,626.00	14,974.00
<b>Total</b>	<b>Kg</b>	<b>7,626.00</b>	<b>14,974.00</b>

<sup>23</sup> See note n.18.

<sup>24</sup> The waste production data pertains exclusively to information provided by Italian subsidiaries (excluding Kunos Simulazioni) and the UK. For all the other entities, data are not available due to a lack of waste tracking systems.

Social<sup>25</sup>

## GRI 2-7: Employees

Total number of employees by gender and by region						
Region	As of June 30, 2022			As of June 30, 2023		
	Men	Women	Total	Men	Women	Total
Europe	193	73	266	226	76	302
North America	75	15	90	94	20	114
Asia	4	7	11	6	8	14
Australia	20	7	27	23	9	32
<b>Total</b>	<b>292</b>	<b>102</b>	<b>394</b>	<b>349</b>	<b>113</b>	<b>462</b>

Total number of employees by type of contract, gender and region								
Region	As of June 30, 2022				As of June 30, 2023			
	Type of contract	Men	Women	Total	Type of contract	Men	Women	Total
Europe	Fixed-term contract	15	11	26	Fixed-term contract	24	7	31
	Permanent	178	62	240	Permanent	202	69	271
North America	Fixed-term contract	-	-	-	Fixed-term contract	1	-	1
	Permanent	75	15	90	Permanent	93	20	114
Asia	Fixed-term contract	-	3	3	Fixed-term contract	1	3	4
	Permanent	4	4	8	Permanent	5	5	10
Australia	Fixed-term contract	-	-	-	Fixed-term contract	-	-	-
	Permanent	20	7	27	Permanent	23	9	32
<b>Total</b>	<b>Fixed-term contract</b>	<b>15</b>	<b>14</b>	<b>29</b>	<b>Fixed-term contract</b>	<b>26</b>	<b>10</b>	<b>36</b>
	<b>Permanent</b>	<b>277</b>	<b>88</b>	<b>365</b>	<b>Permanent</b>	<b>323</b>	<b>103</b>	<b>426</b>

<sup>25</sup> Please note that employees of 505 Mobile S.r.l. and Game Entertainment S.r.l. in Europe region are excluded from the employees counting.

Total number of employees broken down by full-time/part-time, gender and region								
Region	As of June 30, 2022				As of June 30, 2023			
	Full time/ Part time	Men	Women	Total	Full time/ Part time	Men	Women	Total
Europe	Full-time	184	49	233	Full-time	212	54	266
	Part-time	3	19	22	Part-time	7	18	25
North America	Full-time	75	15	90	Full-time	93	20	113
	Part-time	-	-	-	Part-time	1	-	1
Asia	Full-time	4	7	11	Full-time	6	8	14
	Part-time	-	-	-	Part-time	-	-	-
Australia	Full-time	18	7	25	Full-time	21	9	30
	Part-time	2	-	2	Part-time	2	-	2
<b>Total</b>	<b>Full-time</b>	<b>281</b>	<b>78</b>	<b>359</b>	<b>Full-time</b>	<b>332</b>	<b>91</b>	<b>423</b>
	<b>Part-time</b>	<b>5</b>	<b>19</b>	<b>24</b>	<b>Part-time</b>	<b>10</b>	<b>18</b>	<b>28</b>

Number of non-guaranteed hours employees, broken down by gender and region						
Region	As of June 30, 2022			As of June 30, 2023		
	Men	Women	Total	Men	Women	Total
Europe	6	5	11	7	4	11

## GRI 2-8: Workers who are not employees

Number of external workforce (HC) by occupational category and gender						
Occupational category	As of June 30, 2022			As of June 30, 2023		
	Men	Women	Total	Men	Women	Total
External Collaborators	91	11	102	92	11	103
Self-employed workers	60	9	69	69	9	78
Interns	3	1	4	3	-	3
<b>Total</b>	<b>154</b>	<b>21</b>	<b>175</b>	<b>164</b>	<b>20</b>	<b>184</b>

## GRI 2-21: Annual total compensation ratio<sup>26</sup>

Annual total compensation ratio			
Country	Ratio of the annual total compensation for the organization's highest-paid individual to the median annual total compensation for all employees (excluding the aforementioned person)		Ratio of the percentage increase in total annual remuneration of the highest paid person and the average percentage increase in total annual remuneration of all employees (excluding the aforementioned person)
	As of June 30, 2022	As of June 30, 2023	2022-2023
Italy	10.94	9.94	4.37

## GRI 2-30: Collective bargaining agreements

Percentage of the total number of employees covered by collective bargaining agreements		
	As of June 30, 2022	As of June 30, 2023
Total number of employees	394	462
Number of employees with collective bargaining agreements	104	116
<b>Total (%)</b>	<b>26%</b>	<b>25%</b>

<sup>26</sup> For a more meaningful comparison, the ratio is calculated exclusively based on the salaries of Italian employees, specifically from 505 Games and Digital Bros S.p.A.

Regarding the methodology of calculation, the remuneration for the highest-paid individual included fixed and variable compensation as a Director, along with fixed remuneration for employment and a bonus. Staff also received bonuses in FY2022.

However, no variable remuneration was disbursed in 2023, neither for the highest-paid individual nor for the staff.

The Long-Term Incentive (LTI) portion allocated to Executive Directors and key managers in FY2022 has not been included in this calculation.

The calculation for the median is based on the total cost to the company for each employee: basic annual compensation for all employees as of June 30, any bonuses received (with no bonuses awarded in FY2023), and social contributions. For staff recruited during the year, both the basic annual compensation and the annual timetable have been adjusted proportionately.

**GRI 401-I: New hires and employee turnover**

Total number and rate of new employee hires by age group, gender and region											
Region	Gender/ Age group	As of June 30, 2022					As of June 30, 2023				
		<30 years	30-50 years	>50 years	Total	Rate	<30 years	30-50 years	>50 years	Total	Rate
Europe <sup>27</sup>	Men	31	34	1	66	34%	26	39	3	68	30%
	Women	13	15	-	28	38%	10	10	-	20	26%
	<b>Total</b>	<b>44</b>	<b>49</b>	<b>1</b>	<b>94</b>	<b>35%</b>	<b>36</b>	<b>49</b>	<b>3</b>	<b>88</b>	<b>29%</b>
	<b>Rate</b>	<b>75%</b>	<b>29%</b>	<b>3%</b>	<b>35%</b>	<b>--</b>	<b>60%</b>	<b>25%</b>	<b>7%</b>	<b>29%</b>	<b>--</b>
North America	Men	6	40	2	48	64%	9	17	1	27	29%
	Women	2	7	-	9	60%	2	8	-	10	50%
	<b>Total</b>	<b>8</b>	<b>47</b>	<b>2</b>	<b>57</b>	<b>63%</b>	<b>11</b>	<b>25</b>	<b>1</b>	<b>37</b>	<b>32%</b>
	<b>Rate</b>	<b>89%</b>	<b>64%</b>	<b>29%</b>	<b>63%</b>	<b>--</b>	<b>55%</b>	<b>29%</b>	<b>11%</b>	<b>32%</b>	<b>--</b>
Asia	Men	-	-	-	-	0%	1	2	-	3	50%
	Women	1	-	-	1	14%	-	2	-	2	25%
	<b>Total</b>	<b>1</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>9%</b>	<b>1</b>	<b>4</b>	<b>-</b>	<b>5</b>	<b>36%</b>
	<b>Rate</b>	<b>17%</b>	<b>0%</b>	<b>0%</b>	<b>9%</b>	<b>--</b>	<b>25%</b>	<b>44%</b>	<b>0%</b>	<b>36%</b>	<b>--</b>
Australia	Men	3	2	-	5	25%	1	3	-	4	17%
	Women	1	1	-	2	29%	1	1	-	2	22%
	<b>Total</b>	<b>4</b>	<b>3</b>	<b>-</b>	<b>7</b>	<b>26%</b>	<b>2</b>	<b>4</b>	<b>-</b>	<b>6</b>	<b>19%</b>
	<b>Rate</b>	<b>67%</b>	<b>17%</b>	<b>0%</b>	<b>26%</b>	<b>--</b>	<b>25%</b>	<b>19%</b>	<b>0%</b>	<b>19%</b>	<b>--</b>
<b>Total</b>	Men	40	76	3	119	41%	37	61	4	102	29%
	Women	17	23	-	40	39%	13	21	-	34	30%
	<b>Total</b>	<b>57</b>	<b>99</b>	<b>3</b>	<b>159</b>	<b>40%</b>	<b>50</b>	<b>82</b>	<b>4</b>	<b>136</b>	<b>29%</b>
	<b>Rate</b>	<b>71%</b>	<b>37%</b>	<b>6%</b>	<b>40%</b>	<b>--</b>	<b>54%</b>	<b>26%</b>	<b>7%</b>	<b>29%</b>	<b>--</b>

<sup>27</sup> The turnover figures of Czech Republic subsidiary are based on estimates due to the absence of a system for tracking new hire and exit rates over the reporting periods.

Total number and rate of employee turnover by age group, gender and region											
Region	Gender/ Age group	As of June 30, 2022					As of June 30, 2023				
		<30 years	30-50 years	>50 years	Total	Rate	<30 years	30-50 years	>50 years	Total	Rate
Europe <sup>28</sup>	Men	11	20	-	31	16%	11	19	5	35	15%
	Women	13	6	-	19	26%	9	8	-	17	22%
	<b>Total</b>	<b>24</b>	<b>26</b>	<b>-</b>	<b>50</b>	<b>19%</b>	<b>20</b>	<b>27</b>	<b>5</b>	<b>52</b>	<b>17%</b>
	<b>Rate</b>	<b>41%</b>	<b>15%</b>	<b>-</b>	<b>19%</b>	<b>--</b>	<b>33%</b>	<b>14%</b>	<b>12%</b>	<b>17%</b>	<b>--</b>
North America	Men	-	9	1	10	13%	2	9	2	13	14%
	Women	-	4	1	5	33%	-	8	-	8	40%
	<b>Total</b>	<b>-</b>	<b>13</b>	<b>2</b>	<b>15</b>	<b>17%</b>	<b>2</b>	<b>17</b>	<b>2</b>	<b>21</b>	<b>18%</b>
	<b>Rate</b>	<b>-</b>	<b>18%</b>	<b>29%</b>	<b>17%</b>	<b>--</b>	<b>10%</b>	<b>20%</b>	<b>22%</b>	<b>18%</b>	<b>--</b>
Asia	Men	-	1	-	1	25%	-	-	-	-	-
	Women	-	-	-	-	-	2	-	-	2	25%
	<b>Total</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>9%</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>14%</b>
	<b>Rate</b>	<b>-</b>	<b>25%</b>	<b>0%</b>	<b>9%</b>	<b>--</b>	<b>50%</b>	<b>-</b>	<b>-</b>	<b>14%</b>	<b>--</b>
Australia	Men	-	2	-	2	10%	-	1	-	1	4%
	Women	2	-	-	2	29%	-	-	-	-	-
	<b>Total</b>	<b>2</b>	<b>2</b>	<b>-</b>	<b>4</b>	<b>15%</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>3%</b>
	<b>Rate</b>	<b>33%</b>	<b>11%</b>	<b>-</b>	<b>15%</b>	<b>--</b>	<b>-</b>	<b>5%</b>	<b>-</b>	<b>3%</b>	<b>--</b>
<b>Total</b>	Men	11	32	1	44	15%	13	29	7	49	14%
	Women	15	10	1	26	25%	11	16	-	27	24%
	<b>Total</b>	<b>26</b>	<b>42</b>	<b>2</b>	<b>70</b>	<b>18%</b>	<b>24</b>	<b>45</b>	<b>7</b>	<b>76</b>	<b>16%</b>
	<b>Rate</b>	<b>33%</b>	<b>16%</b>	<b>4%</b>	<b>18%</b>	<b>--</b>	<b>26%</b>	<b>14%</b>	<b>13%</b>	<b>16%</b>	<b>--</b>

<sup>28</sup> The turnover figures of Czech Republic subsidiary are based on estimates due to the absence of a system for tracking new hire and exit rates over the reporting periods.

**GRI 403-9: Work-related injuries<sup>29</sup>**

Work-related injuries - Employees				
Number of incidents	As of June 30, 2022	Rate	As of June 30, 2023	Rate
Total number of fatalities as a result of work-related injury	-	-	-	-
Total number of high-consequence work-related injuries (excluding fatalities)	-	-	-	-
<b>Total number of recordable work-related injuries</b>	-	-	-	-

Time data - Employees		
Hours	As of June 30, 2022	As of June 30, 2023
Hours worked	626,289	763,482
Multiplier for calculation	200,000	200,000

Work-related injuries – External workers				
Number of incidents	As of June 30, 2022	Rate	2023	Rate
Total number of fatalities as a result of work-related injury	-	-	-	-
Total number of high-consequence work-related injuries (excluding fatalities)	-	-	-	-
<b>Total number of recordable work-related injuries</b>	-	-	-	-

Time data – External workers		
Hours	As of June 30, 2022	As of June 30, 2023
Hours worked	186,014	211,374
Multiplier for calculation	200,000	200,000

<sup>29</sup> The data includes all the Group's subsidiaries, except for the US subsidiaries due to unavailability of data on worked hours.

**GRI 404-1: Average hours of training per year per employee<sup>30</sup>**

Average hours of training by gender		
Gender	As of June 30, 2022	As of June 30, 2023
Men	11.37	3.03
Women	7.50	3.45
<b>Total</b>	<b>10.37</b>	<b>3.13</b>

Average hours of training by employee category		
Employee category	As of June 30, 2022	As of June 30, 2023
Executives	1.08	1.43
Managers	8.59	1.15
White Collars	12.08	3.87
Blue Collars	1.00	0.20
<b>Total</b>	<b>10.37</b>	<b>3.13</b>

**GRI 404-3: Percentage of employees receiving regular performance and career development reviews<sup>31</sup>**

Percentage of employees receiving regular performance and career development reviews by gender and by employee category						
Employee category	As of June 30, 2022			As of June 30, 2023		
	Men	Women	Total	Men	Women	Total
Executives	26%	20%	25%	47%	25%	43%
Managers	60%	61%	60%	55%	52%	54%
White Collars	72%	65%	71%	60%	60%	60%
Blue Collars	0%	100%	10%	0%	100%	10%
<b>Total</b>	<b>65%</b>	<b>62%</b>	<b>64%</b>	<b>57%</b>	<b>58%</b>	<b>57%</b>

**GRI 405-1b: Diversity of governance bodies and employees**

Percentage of employees by employee category and gender						
Employee category	As of June 30, 2022			As of June 30, 2023		
	Men	Women	Total	Men	Women	Total
Executives	79%	21%	6%	83%	17%	5%
Managers	73%	27%	22%	73%	27%	20%
White Collars	74%	26%	70%	75%	25%	73%
Blue Collars	90%	10%	3%	90%	10%	2%
<b>Total</b>	<b>74%</b>	<b>26%</b>	<b>--</b>	<b>74%</b>	<b>26%</b>	<b>--</b>

<sup>30</sup> Training hours reported by Czech Republic are based on estimates due to the absence of a system for tracking training hours over the reporting periods.

<sup>31</sup> Reported data does not include information of the Italian subsidiaries, as no system for tracking and monitoring performance and career development had been implemented during the reporting periods, and there was no HR Director in place at the time. Czech Republic employees receive feedback during 1:1 meeting with their leads. For disclosure purposes, it was assumed that each employee had at least one meeting during the reporting periods where performance may have been discussed, thus the reported data is based on estimates and assumptions.



Percentage of employees by employee category and age group								
Employee category	As of June 30, 2022				As of June 30, 2023			
	<30 years old	30-50 years old	>50 years old	Total	<30 years old	30-50 years old	>50 years old	Total
Executives	0%	46%	54%	6%	0%	43%	57%	5%
Managers	1%	81%	18%	22%	2%	81%	16%	20%
White Collars	29%	66%	5%	70%	27%	67%	7%	73%
Blue Collars	0%	60%	40%	3%	0%	60%	40%	2%
<b>Total</b>	<b>20%</b>	<b>68%</b>	<b>12%</b>	<b>--</b>	<b>20%</b>	<b>68%</b>	<b>12%</b>	<b>--</b>

Percentage of employees belonging to protected categories by employee category and gender						
Employee category	As of June 30, 2022			As of June 30, 2023		
	Men	Women	Total	Men	Women	Total
<b>Executives</b>	<b>11%</b>	<b>-</b>	<b>8%</b>	<b>11%</b>	<b>-</b>	<b>9%</b>
Non-local citizenship	100%	-	100%	100%	-	100%
Vulnerable (Protected) categories	-	-	-	-	-	-
<b>Managers</b>	<b>5%</b>	<b>9%</b>	<b>6%</b>	<b>5%</b>	<b>8%</b>	<b>5%</b>
Non-local citizenship	100%	100%	100%	100%	100%	100%
Vulnerable (Protected) categories	-	-	-	-	-	-
<b>White Collars</b>	<b>6%</b>	<b>14%</b>	<b>8%</b>	<b>6%</b>	<b>14%</b>	<b>8%</b>
Non-local citizenship	92%	90%	91%	94%	92%	93%
Vulnerable (Protected) categories	8%	10%	9%	6%	8%	7%
<b>Blue Collars</b>	<b>33%</b>	<b>0%</b>	<b>30%</b>	<b>33%</b>	<b>0%</b>	<b>30%</b>
Non-local citizenship	100%	-	100%	100%	-	100%
Vulnerable (Protected) categories	-	-	-	-	-	-
<b>Total</b>	<b>7%</b>	<b>12%</b>	<b>8%</b>	<b>7%</b>	<b>12%</b>	<b>8%</b>
Non-local citizenship	95%	92%	94%	96%	93%	95%
Vulnerable (Protected) categories	5%	8%	6%	4%	7%	5%

**GRI 405-2: Ratio of basic salary and remuneration of women to men<sup>32</sup>**

Ratio of basic salary of women to men				
Employee category	As of June 30, 2022		As of June 30, 2023	
	Basic salary	Remuneration	Basic salary	Remuneration
Executives	0.36	0.32	0.36	0.41
Managers	0.81	0.84	0.91	0.92
White Collars	0.74	0.73	0.74	0.74
Blue Collars	0.48	0.48	0.47	0.49
<b>Total</b>	<b>0.69</b>	<b>0.68</b>	<b>0.73</b>	<b>0.73</b>

**GRI 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services**

Incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services		
Number of incidents	As of June 30, 2022	As of June 30, 2023
Incidents of non-compliance with regulations resulting in a fine or penalty	-	-
Incidents of non-compliance with regulations resulting in a warning	-	-
Incidents of non-compliance with voluntary codes	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**GRI 417-2 Incidents of non-compliance concerning product and service information and labeling**

Incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labeling		
Total number of incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labeling	As of June 30, 2022	As of June 30, 2023
Incidents of non-compliance with regulations resulting in a fine or penalty	-	-
Incidents of non-compliance with regulations resulting in a warning	-	-
Incidents of non-compliance with voluntary codes	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

<sup>32</sup> The data includes all the Group's subsidiaries, except for the US subsidiaries due to partial unavailability of comprehensive data.

**GRI 417-3 Incidents of non-compliance concerning marketing communications**

<b>Incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship</b>		
<b>Total number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by:</b>	<b>As of June 30, 2022</b>	<b>As of June 30, 2023</b>
- incidents of non-compliance with regulations resulting in a fine or penalty	-	-
- incidents of non-compliance with regulations resulting in a warning	-	-
- incidents of non-compliance with voluntary codes	-	-
<b>Total</b>	-	-

## 6.2. GRI Content Index

<b>Statement of use</b>	Digital Bros. has presented a report in accordance with the GRI Standards for the period from July 1, 2021, to June 30, 2023.
<b>GRI standard used</b>	GRI 1 - Foundation – 2021 version

GRI STANDARD	DISCLOSURE	LOCATION	NOTES
<b>General disclosures</b>			
<b>GRI 2: General disclosures 2021</b>	2-1 Organizational details	1.2 Our Business model 1.4 Governance structure	
	2-2 Entities included in the organization's sustainability reporting	Methodological note	
	2-3 Reporting period, frequency and contact point	Methodological note	
	2-5 External assurance	Methodological note	The report is not subjected to external assurance
	2-6 Activities, value chain and other business relationships	1.2 Our Business model 4.4 Responsible supply chain	
	2-7 Employees	4.1 Human capital management and development 6.2 Performance indicators	
	2-8 Workers who are not employees	4.1 Human capital management and development 6.2 Performance indicators	
	2-9 Governance structure and composition	1.4 Governance structure	
	2-10 Nomination and selection of the highest governance body	1.4 Governance structure	

	2-11 Chair of the highest governance body	1.4 Governance structure	
	2-12 Role of the highest governance body in overseeing the management of impacts	1.4 Governance structure	
	2-13 Delegation of responsibility for managing impacts	1.4 Governance structure	
	2-14 Role of the highest governance body in sustainability reporting	1.4 Governance structure	
	2-15 Conflicts of interest	3.2 Business ethics and compliance 4.1 Human capital management and development	
	2-16 Communication of critical concerns	3.2 Business ethics and compliance	
	2-17 Collective knowledge of the highest governance body	1.4 Governance structure	
	2-18 Evaluation of the performance of the highest governance body	1.4 Governance structure	
	2-19 Remuneration policies	1.4 Governance structure	
	2-20 Process to determine remuneration	1.4 Governance structure	
	2-21 Annual total compensation ratio	4.1 Human capital management and development 6.2 Performance indicators	
	2-22 Statement on sustainable development strategy	Letter to Stakeholders	
	2-23 Policy commitments	3.2 Business ethics and compliance	
	2-24 Embedding policy commitments	3.2 Business ethics and compliance	
	2-25 Processes to remediate negative impacts	3.2 Business ethics and compliance	
	2-26 Mechanisms for seeking advice and raising concerns	3.2 Business ethics and compliance	
	2-27 Compliance with laws and regulations	3.2 Business ethics and compliance 6.2 Performance indicators	

	2-28 Membership associations	4.2. Local communities	
	2-29 Approach to stakeholder engagement	2.1 Stakeholder map	
	2-30 Collective bargaining agreements	4.1 Human capital management and development 6.2 Performance indicators	
<b>Material topics</b>			
<b>GRI 3: Material topics 2021</b>	3-1 Process to determine material topics	2.2 Materiality analysis	
	3-2 List of material topics	2.2 Materiality analysis	
<b>Emissions reduction and actions against climate change</b>			
<b>GRI 3: Material topics 2021</b>	3-3 Management of material topics	5. Environment and climate change	
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	5.1 Energy consumption and emissions 6.2 Performance indicators	
	302-3 Energy intensity	5.1 Energy consumption and emissions 6.2 Performance indicators	
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	5.1 Energy consumption and emissions 6.2 Performance indicators	
	305-2 Energy indirect (Scope 2) GHG emissions	5.1 Energy consumption and emissions 6.2 Performance indicators	
	305-4 GHG emissions intensity	5.1 Energy consumption and emissions 6.2 Performance indicators	
<b>GRI 306: Waste 2020</b>	306-3 Waste generated	5.2 waste management 6.2 Performance indicators	

Economic performance			
<b>GRI 3: Material topics 2021</b>	3-3 Management of material topics	3.1 Economic performance	
<b>GRI 201: Economic performance 2016</b>	201-1 Direct economic value generated and distributed	3.1 Economic performance 6.2 Performance indicators	
Governance and business ethics			
<b>GRI 3: Material topics 2021</b>	3-3 Management of material topics	3.2 Business ethics and compliance	
<b>GRI 205: Anticorruption 2016</b>	205-3 Confirmed incidents of corruption and actions taken	3.2 Business ethics and compliance 6.2 Performance indicators	
Responsible supply chain			
<b>GRI 3: Material topics 2021</b>	3-3 Management of material topics	4.4 Responsible supply chain	
HR Management			
<b>GRI 3: Material topics 2021</b>	3-3 Management of material topics	4.1 Human capital management and development	
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	4.1 Human capital management and development 6.2 Performance indicators	
<b>GRI 403: Occupational Health and Safety 2018</b>	403-9 Work-related injuries	4.1 Human capital management and development 6.2 Performance indicators	
<b>GRI 404: Training and Education 2016</b>	404-1 Average hours of training per year per employee	4.1 Human capital management and development 6.2 Performance indicators	
	404-3 Percentage of employees receiving regular performance and career development reviews	4.1 Human capital management and development 6.2 Performance indicators	
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	4.1 Human capital management and development 6.2 Performance indicators	

	405-2 Ratio of basic salary and remuneration of women to men	4.1 Human capital management and development 6.2 Performance indicators	
<b>GRI 406: Non-discrimination 2016</b>	406-1 Incidents of discrimination and corrective actions taken	4.1 Human capital management and development	
<b>Human Rights</b>			
<b>GRI 3: Material topics 2021</b>	3-3 Management of material topics	4.1 Human capital management and development	
<b>Value creation in local communities</b>			
<b>GRI 3: Material topics 2021</b>	3-3 Management of material topics	4.2 Local communities	
<b>Specific KPI</b>	Initiatives and donations	4.2 Local communities	
<b>Player satisfaction</b>			
<b>GRI 3: Material topics 2021</b>	3-3 Management of material topics	4.3 Player satisfaction	
<b>GRI 416: Customer health and safety 2016</b>	416-2 Incidents of non-compliance regarding health and safety impacts of products and services	4.3 Player satisfaction 6.2 Performance indicators	
<b>GRI 417: Marketing and Labeling 2016</b>	417-2 Incidents of non-compliance concerning product and service information and labeling	4.3 Player satisfaction 6.2 Performance indicators	
	417-3 Incidents of non-compliance concerning marketing communications	4.3 Player satisfaction 6.2 Performance indicators	