

NOVOMATIC AG COMPANY REPORT 2023

ENGLISH





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SUCCESS

SUCCESS
NOVOMATIC
AT A GLANCE

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Organizational Chart
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6 NOVOMATIC ORGANIZATIONAL CHART



NOVOMATIC AG GROUP*

(Austria) holding, R&D, production, sales

AUSTRIA

- ADMIRAL Casinos & Entertainment AG**
(100%) gaming facility operator
- ADMIRAL Sportwetten GmbH**
(100%) sports betting provider
- Österreichische Lotterien Gesellschaft m.b.H.**
(9.45%) lottery operator
- Greentube GmbH**
(100%) R&D, operation and sales of online and mobile casino solutions as well as server-based terminal solutions
- Funstage GmbH**
(100%) sales online

GERMANY

- LÖWEN ENTERTAINMENT GmbH**
(100%) R&D, production, sales
- ADMIRAL ENTERTAINMENT GmbH**
(100%) gaming facility operator
- Spielbank Berlin GmbH & Co. KG**
(60%) casino operator

EASTERN EUROPE

- LATVIA**
 - Alfor SIA**
(60%) gaming facility operator
- ROMANIA**
 - Novo Investment RO SRL**
(100%) sales
 - Admiral Leisure SRL**
(100%) gaming facility operator
 - Novo VLTech Solutions SRL**
(100%) video lottery terminal operator
- NORTH MACEDONIA**
 - HTL Makedonija DOOEL**
(100%) sales
 - MA Gaming DOOEL**
(100%) gaming facility operator
 - Makoten DOOEL**
(100%) casino operator
- SERBIA**
 - Novo Investment d.o.o.**
(100%) sales
 - Admira d.o.o.**
(100%) gaming facility operator
 - ZBET.RS d.o.o.**
(70%) betting operator
- POLAND**
 - NOVOMATIC Technologies Poland Sp. z o.o.**
(100%) R&D
 - Estrada Polska Sp. z o.o.**
(100%) casino operator

GREAT BRITAIN

- NOVOMATIC Gaming UK Ltd.**
(100%) sales
- RAL Ltd.**
(100%) gaming facility operator
- Luxury Leisure Ultd.**
(100%) gaming facility operator

SPAIN

- NOVOMATIC Gaming Spain S.A.**
(100%) R&D, production, sales
- Admiral Slots S.A.**
(100%) gaming facility operator

ITALY

- NOVOMATIC Italia S.p.A.**
(100%) R&D, production, sales
- Allstar S.r.l.**
(100%) gaming facility operator
- Admiral Gaming Network S.r.l.**
(100%) concessionaire, networking technology
- HBG Entertainment S.r.l.**
(80%) bingo operator

NETHERLANDS

- NOVOMATIC Netherlands B.V.**
(100%) R&D, production, sales
- Casino Admiral Holland B.V.**
(100%) gaming facility operator

AFRICA

- NOVOMATIC Africa (PTY) Ltd.**
(100%) sales

AUSTRALIA

- Ainsworth Game Technology Ltd.**
(52.90%) R&D, production, sales

USA

- NOVOMATIC Americas Sales LLC**
(100%) R&D, sales

* Section of main subsidiaries.
The NOVOMATIC AG Group is represented by 211 fully consolidated subsidiaries around the world.

8 365 DAYS OF THE NOVOMATIC AG GROUP OUR HIGHLIGHTS IN 2023

The NOVOMATIC AG Group can look back on a successful year due to the positive business developments in the Gaming Operations and Gaming Technology sectors. NOVOMATIC's high level of innovation and targeted investments in product developments and technologies led to a further improvement in quality and increased demand from international business customers.



February 7 to 9 Largest and most successful ICE trade fair of all times

With over 40,000 visitors, NOVOMATIC was able to generate a sustainable footprint in London at the most important gaming fair in Europe. The company showcased the new BLACK EDITION II cabinet series as well as a comprehensive range of land-based casino and AWP products and systems, casino management systems and biometric technologies for modern access solutions, sports betting and iGaming solutions at the largest stand under its trade fair motto "BLACK IS BACK".



February 7 Awards at the European Casino Awards

At the ICE London 2023, the revolutionary NOVOVISION™ casino management system from NOVOMATIC emerged as the proud winner in the "Best CMS/Software Product" category at the European Casino Awards. The software package is used to operate 40,000 gaming terminals, 3,000 sports betting terminals and 1,300 automated pay stations worldwide. In addition, CASH CONNECTION Charming Lady's BOOM™ was honored as the best slot game.



April 28 Reopening of Spielbank Berlin

After undergoing a year of renovation work, the Spielbank Berlin at Potsdamer Platz was ceremoniously reopened in April. On a total area of 8,500 m², it now offers 500 gaming terminals and 40 gaming tables with roulette, blackjack and poker and is the most modern casino in Germany. Following its renovation, Spielbank Berlin is also the most environmentally friendly casino in Germany, as the focus of the construction work was on sustainability.



June 28 Largest increase in brand value across Austria

With a brand value of EUR 3.446 billion, NOVOMATIC ranks second among the most valuable brand companies in the country in the latest Austrian Brand Value Study conducted by the European Brand Institute (EBI), and recorded the largest increase in brand value in just one year with an increase of +13.6 %. The company also came in at an outstanding 4th place in the Sustainable Brand Ranking.



October 24 Premiere for V.I.P. X at the G2E trade fair in Las Vegas

At this year's G2E gaming trade fair in Las Vegas, NOVOMATIC caused quite a stir among both US operators and international trade fair visitors with the launch of the exclusive V.I.P. X series. The exclusive premium line presented together with NOVOMATIC Americas delivers a particularly intense gaming experience and exclusive gaming enjoyment with extra high and wide gaming screens and an impressive sound system.



November 16 Player Protection Symposium with a long tradition

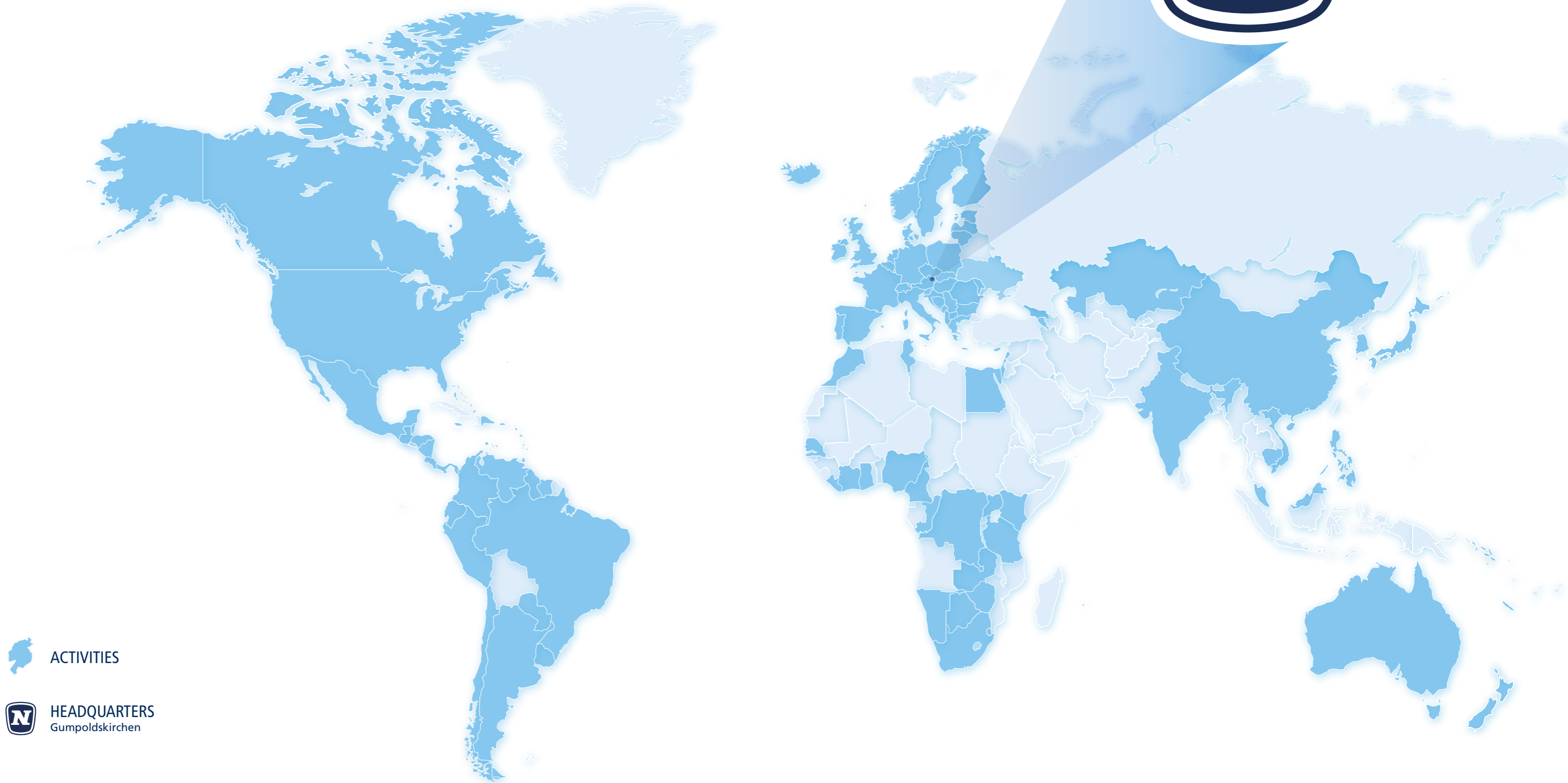
What was now the 9th Stakeholder Dialogue at NOVOMATIC's head office in 2023 was dedicated to Responsible Gaming. In addition to an international panel of experts, which presented the latest developments in this area, around 100 participants were present to discuss player protection and prevention and to present their international best practice examples.



December 5 ISS ESG rating upgrade 2023

The sustainability rating agency ISS ESG has raised NOVOMATIC AG's rating to level "C" for the first time, making it one of the top performers in the electronics industry alongside industry-leading companies such as Apple, Dell and HP. ESG has been an integral part of NOVOMATIC AG's corporate strategy for a number of years now as the company strives for continuous improvement as part of its comprehensive sustainability program.

10 NOVOMATIC AG GROUP WORLDWIDE ACTIVITIES



 ACTIVITIES

 HEADQUARTERS
Gumpoldskirchen

12 GROWTH OF THE NOVOMATIC AG GROUP

The NOVOMATIC AG Group has grown steadily in the course of its more than 40-year history. Meanwhile the company has more than 25,300 employees.

1980

ESTABLISHMENT
NOVOMATIC Automatenhandelsgesellschaft m.b.H.
by Prof. Johann F. Graf, Austria
Production of the first "ADMIRAL" gaming terminals

ALL EVENTS to 2018 can be found in
detail on our website:

www.novomatic.com/history



2019

ESTABLISHMENTS
Greentube USA LLC, USA
NOVOMATIC TECHNOLOGIES RS d.o.o, Serbia
BRAND AMBASSADOR
David Hasselhoff becomes ADMIRAL brand ambassador, Austria
INAUGURATIONS
Casino FlaminGO Skopje, North Macedonia
Casino ADMIRAL Waalwijk, Netherlands

2020

ANNIVERSARY
NOVOMATIC celebrates its 40th company anniversary
INAUGURATION
Spielbank Rostock, Germany
LICENSE
ADMIRAL Sportwetten GmbH receives sports betting
license in Germany

2021

ESTABLISHMENTS
Greentube Netherlands B.V., Netherlands
NOVOMATICCUADOR S.A.S., Ecuador
ADMIRAL GAMING/ONLINE/GASTRO UKR TOV, Ukraine
Greentube Luxembourg S.à r.l., Luxembourg
ADMIRALBET SPAIN S.A., Spain
INAUGURATION
Casino ADMIRAL Helmond, Netherlands
ACQUISITIONS
ZBET.RS d.o.o., Serbia
ADRIA GAMING d.o.o. Beograd, Serbia
ADMIRAL Extremadura S.L., Spain
Amutron Automaten B.V., Netherlands

2022

ACQUISITIONS
HBG Group, Italy
Grand Casino d.o.o., Serbia
TECHNOLOGY PARTNERSHIP
Casino Campione, Italy
INAUGURATION
New Showroom Headquarters, Austria
BRAND AMBASSADOR
Ilie Nastase becomes ADMIRAL brand ambassador, Romania
ESTABLISHMENT
Ski Challenge GmbH, Austria

2023

INAUGURATION
Reopening Spielbank Berlin, Germany
ACQUISITIONS
Alteatec Group, Malta
Ineor d.o.o., Slovenia



FOREWORD BY THE FOUNDER

Dear Ladies and Gentlemen,

The 43rd fiscal year since NOVOMATIC was founded exceeded our expectations: Group revenue increased by 13.6 percent, reaching the highest level in our company's history. It is particularly pleasing that this positive development was recorded both in all regions and in all revenue items.

This means that we have finally managed to overcome the most difficult three years since the Group was founded, namely the consequences of the COVID-19 pandemic. It goes without saying, of course, that NOVOMATIC must also face the challenges of global economic development, which is characterized by high inflation and rising energy and material costs. However, we are well-equipped for these tasks and have taken timely measures to optimize our costs and increase efficiency. I would like to express my particular thanks to the members of the NOVOMATIC AG Group's Executive Board, the management and, of course, each and every employee who has made our Group fit for the future in recent years.

I would also like to thank our partners, customers and guests for their loyalty and the trust they placed in us during difficult times. I firmly believe that we will continue writing our success story together in the future. As an innovative developer of gaming technology and provider of high-quality gaming and sports betting services, we will continue to ensure satisfied customers and guests in the premium segment of the entertainment industry with our technological edge and first-class service as well as our unreserved commitment to quality, creativity and innovation.

Our most important factor behind our success has allowed me to look to the future with confidence, even at the height of the economic challenges of the past few years. I was firmly convinced that together – driven by our legendary NOVOMATIC spirit – we would ultimately emerge from the crisis even stronger than before, because since its foundation, NOVOMATIC's success has always been closely linked with people. My philosophy is that the well-being of our employees is always more important than merely maximizing profits.

Our more than 25,300 employees around the world are and will therefore remain our most valuable asset – a fact demonstrated impressively every day with their knowledge, skills and commitment. I would like to sincerely thank each and every member of our large NOVOMATIC family for this.

Prof. Johann F. Graf
Founder



FOREWORD BY THE EXECUTIVE BOARD

Dear Ladies and Gentlemen,

Despite high inflation and a restrictive monetary policy, the 2023 fiscal year offered opportunities for innovation and progress, which we were able to successfully take advantage of. Targeted investments in product development and state-of-the-art technologies were once again key success factors for NOVOMATIC this year. We were able to successfully continue our international growth strategy of recent years thanks to the high quality of our products and their excellent performance.

As a result of these positive developments, the revenues of the NOVOMATIC AG Group increased from EUR 2,859.9 million in the previous year to EUR 3,248.0 million (+13.6 percent) in the year under review, the highest level ever in the company's history. Both the Gaming Operations division, which operates casinos, electronic casinos and betting stores, and the Gaming Technology division, which develops, produces, rents and sells gaming equipment, recorded positive growth. The NOVOMATIC AG Group's strong operational presence in the Italian market was responsible for the largest increase in revenue. The company also recorded positive developments in Germany, in particular due to the strong operating performance of the casinos. The Group achieved the third-largest growth in the online segment.

We were also able to press ahead with our international expansion strategy with great success, further consolidating and expanding our position as a leading global gaming technology group and full-service provider in the entertainment industry with more than 50 locations and activities in over 120 countries. The acquisition of several companies in various markets has increased the number of consolidated subsidiaries in the Group to a total of 216 companies and the number of self-operated gaming facilities to around 2,200 locations. In this dynamic environment and despite challenges such as higher personnel costs and price increases in the supply chain, we were able to increase our international workforce to more than 25,300 employees in view of our expanding business activities.

As an international gaming facility operator and supplier of technology, we have a considerable responsibility towards our employees, customers and society. We firmly believe that success and responsibility go hand in hand and therefore pursue a comprehensive Environmental, Social & Governance (ESG) program, in which the alignment of our business activities with the Group-wide sustainability goals has the highest priority. Player and youth protection is a top priority for us in particular. We are therefore proud that our subsidiaries with the highest turnover have already been certified in accordance with the internationally highly recognized G4 standard. Our strong commitment to ESG is also confirmed by our top rankings in international assessments by leading rating agencies. For many years, NOVOMATIC has also been committed to the principles of the UN Global Compact and to achieving the Sustainable Development Goals (SDGs) of the United Nations.

Looking back on the 2023 fiscal year, we can say that it was not only characterized by successful international growth but also by innovative strength and outstanding product performance. This once again confirms the success of our dual strategy and our excellent international cooperation. We would therefore like to take this opportunity to express our thanks to each and every one of our employees for their dedication, commitment and loyalty. We look forward to continuing the NOVOMATIC success story together with them.

The Executive Board of NOVOMATIC AG

Stefan Krenn

Ryszard Presch

Johannes Gratzl

INNOVATION

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20 THE WORLD OF NOVOMATIC

With a 360-degree portfolio and around 211 fully consolidated international subsidiaries, the gaming technology group from Gumpoldskirchen in Lower Austria is one of the world's largest and leading companies in the industry. With increased revenues in the Gaming Technology and Gaming Operations sectors, strategic acquisitions as well as an increase in the number of international employees to more than 25,300, the 2023 fiscal year was clearly characterized by growth.

With passion and a clear vision, company founder Prof. Johann F. Graf laid the foundations for the gaming technology group in 1980, which is known for developing high-quality and innovative technologies and products for the land-based, online, mobile and social gaming segments. The consistent success enjoyed by the full-service provider in the gaming sector, with locations in more than 50 countries, is based on its dual strategy as a producer and operator. The innovative strength of Europe's leading gaming technology group is based on a total of 32 technology centers in 18 countries, which demonstrate the particular importance attached to research and development at NOVOMATIC. The products of the NOVOMATIC AG Group, which has 14 production locations in eleven countries and exports innovative high-tech gaming equipment, system solutions and services to more than 120 countries worldwide, are characterized by the highest quality, perfect workmanship, top-quality materials and precision workmanship.

The NOVOMATIC AG Group itself runs a total of around 2,200 electronic casinos, casinos and sports betting outlets in Germany, Italy, Spain, the UK, the Netherlands, Latvia, and Serbia, among other countries. The number of gaming terminals leased and operated itself in the 2023 fiscal year is more than 220,000. The subsidiary ADMIRAL Casinos & Entertainment AG (ACE), considered a pioneer when it comes to player protection and responsible gaming, currently operates 2,256 gaming terminals in a total of 150 electronic casinos (as of: December 2023) in Austria. ADMIRAL Sportwetten GmbH, the Austrian market leader in the branch betting business, operates around 200 locations and was able to record substantial revenue growth again in the 2023 fiscal year. The NOVOMATIC AG Group is recording steady growth in the sports betting segment,

particularly in the US market, as more and more US states are legalizing the offering and many operators are opting for NOVOMATIC technologies in this segment.

The high quality of the new products and their good performance are largely responsible for the growth in the 2023 fiscal year. The core markets of Italy, Germany, Spain, the United Kingdom and the USA were the main contributors to this growth.

The online, mobile and social gaming sector in particular is seeing consistently strong growth. NOVOMATIC's Digital Gaming and Entertainment Division, Greentube, is one of the leading international providers of online gaming content and platforms and is not only a pioneer in the development of state-of-the-art gaming solutions, but also an operator in the field of social casino gaming. Greentube successfully expanded its international portfolio in 2023, particularly in the areas of software development and system- and platform technology. At the key industry trade shows, ICE 2023 in London and G2E in Las Vegas, NOVOMATIC was once again able to impress with an innovative portfolio for the terrestrial and online segments.

NOVOMATIC will continue to evaluate other potential opportunities to secure and further expand its position as the market leader in core European markets, such as Germany, Italy, Spain, the UK, the Netherlands, and numerous countries in Eastern and Southeastern Europe. Particular attention is also given to gaining additional market share in the growth markets of the USA, Australia, Latin America, and Africa. All the while, NOVOMATIC AG Group remains true to its principle of offering products and services exclusively in regulated markets with clear regulatory and legal frameworks. As responsible gaming is a top priority across the Group, not only



NOVOMATIC AG, but also its subsidiaries with the highest sales in Austria, Germany, the United Kingdom, the Netherlands, Italy, and Spain, are certified in accordance with the internationally recognized and stringent standard for player and youth protection of the *Global Gambling Guidance Group (G4)*. In addition, NOVOMATIC is ranked second among the most valuable brand companies in the country in the current Austria Brand Value Study by the European Brand Institute (EBI) and also recorded the largest increase in brand value within one year.

In light of its strong commitment to *environmental, social and governance (ESG)* issues, NOVOMATIC 2023 once again received numerous awards in this area. With the upgrade

in the *ISS ESG* sustainability rating to level "C", the gaming technology group is currently one of the top performers in the electronics industry. In this year's Environmental, Social, Governance study by PwC Austria, NOVOMATIC is also ranked first in the industry in terms of sustainability performance and fourth in the Sustainable Brand Ranking of the *European Brand Institute (EBI)*.

22 RESEARCH & DEVELOPMENT

Research and development contribute significantly to the innovative power and success of the NOVOMATIC AG Group. Thanks to its 32 technology centers in 18 different countries, the company is an international pioneer in the development of innovative gaming products and systems solutions.

The global development activities of the NOVOMATIC AG Group focus on the areas of distributed gaming solutions, game content and application software. The NOVOMATIC software system solutions include, for instance, access systems, management information systems, ticketing and smartcard systems, video lottery systems, biometric player recognition, links to government regulators, player protection programs, gaming as a service as well as online and mobile gaming system solutions.

An open platform architecture and teams specialized in different submarkets create the condition for the development for homogeneous markets as well as market niches. The possibility of integrating third-party providers and their game applications also enables a quick response to market demands. The NOVOMATIC Software Development Kit (novoSDK) enables third-party games created using novoSDK to be integrated. NOVOMATIC's extensive gaming portfolio is also growing steadily thanks to the fact that many companies around the world are now using the novoSDK.

The NOVOMATIC portfolio creates over 200 new game variants every year in its ongoing efforts to develop new products and derivations thereof.

The self-developed Linked Progressive Jackpots were also expanded. The *CASH CONNECTION™* Jackpot-systems have been expanded with other excellent such as *Superia GOLDEN LINK™* and *NOVO LINE™ GOLDEN LINK™*. All these Jackpot-systems can of course also be linked together to form a large Jackpot-family.

Another particular highlight is the *XTENSION LINK™ Volume 2*, which serves as a successor or add-on to the already very successful *XTENSION LINK™ Volume 1* with additional top games. The jackpot games families *CASH FLOOD™ Link* und *GODS & LEGENDS™ Link* were also developed. Expectations are high

for the latter two, as they have already shown a high level of player-acceptance in test set-ups.

In the multiplayer area, the *Novo Unity Lucky Lady's™ Roulette*, with a maximum win multiplier of 210 times the original stake, has also proven to be a highlight, particularly in the UK market. For Spanish customers, this was also implemented on the *LOTUS ROULETTE™* as the *RIVER QUEEN™* roulette. This means that the players have the option to play either game on the same system.

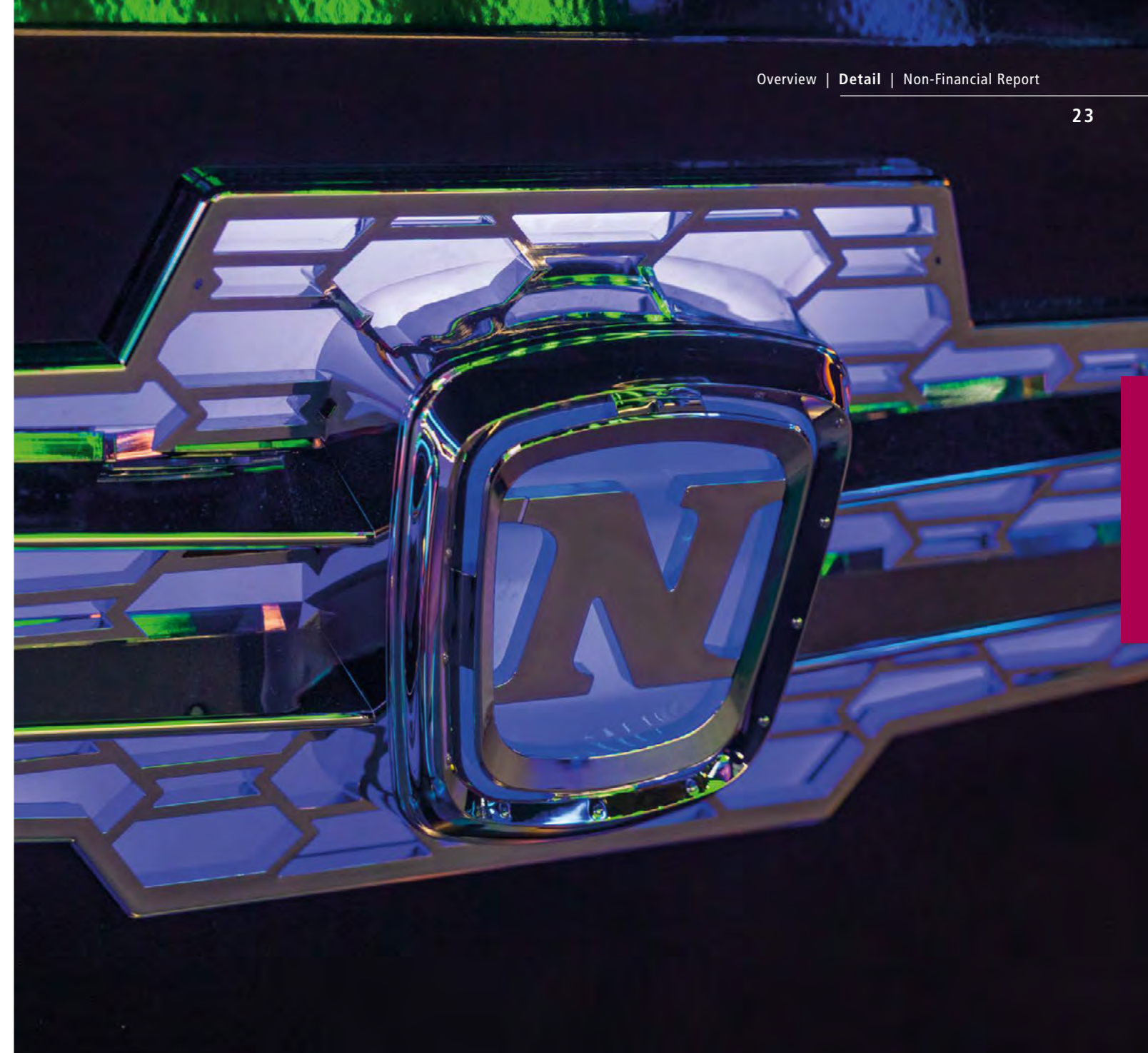
When developing state-of-the-art generations of cabinet types and models, NOVOMATIC also sets new, international trends thanks to their appealing industrial design.

Design innovations in terms of hardware include new and ergonomic cabinet designs for casino, video lottery and AWP (Amusement With Prizes) gaming markets with control of up to four monitors.

The *DIAMOND X™* family is, for example, supplemented by unique VIP cabinet designs:

The *V.I.P. X Galaxy™ 2.65* offers players a complementary new gaming experience with two 65" screens and a VIP chair with adjustable backrest and footrest. In addition the *V.I.P. X Royal™ 1.85* is equipped with a portrait 85" monitor and a V.I.P. "Mamba" chair, and the *V.I.P. X Dream™ 3.43* with three 43" monitors and a V.I.P. "Mamba" chair.

The *BLACK EDITION II* cabinet series was also further developed. New cabinet designs included the *BLACK EDITION II 1.49J* with a curved screen and *BLACK EDITION II XL 3.32* with three 32" monitors.



A particular highlight is also the new sports betting terminal NOVOMATIC ActionBook™ Edge 1.43J with a 43" J-Curved monitor. There is also the NOVOMATIC ActionBook™ Plus 2.27 available as the standard design with two 27" monitors.

The PANTHERA™ series was expanded to include a new cabinet design, the PANTHERA™ Curve 1.43 which has a 43" J-Curve monitor.

In-house and affiliated hardware and software development teams in Austria, Germany, the UK, the Netherlands, Spain, Serbia, Argentina, Canada and Poland, among others, are behind these developments, which are also being given additional and continuous impetus from exclusive partnerships

with developers in Slovenia, Greece, the USA and Australia. Protecting intellectual property is also particularly important in research and development activities. The company had around 5,000 registered IP trademark rights at the end of 2023 and more than 100 applications are generally added each year.

The JIRA project and time recording system successfully introduced at the start of the year resulted in NOVOMATIC achieving ISO certification for research and development activities in 2023 again. This process was fully integrated into the IMS and ICS, and by establishing control variables within R&D, it will be possible to react even more quickly to any market changes in the future.

24 GAMES & GAMING MACHINES

As a leading international gaming technology group, NOVOMATIC also looks back on a very successful year in terms of product innovations. The highly diversified product range comprising hardware, software and system solutions was supplemented in 2023 by new product highlights and an exclusive cabinet series for the premium segment.

The year began for NOVOMATIC AG with an impressive appearance at the largest international trade fair, ICE 2023 in London: The largest stand at the exhibition, more than 40,000 visitors and an extremely positive response to the new products presented, this industry trade show marked a great success for NOVOMATIC.

The focus of the new stand was this year's NOVOMATIC ICE motto - "BLACK IS BACK" - under which the brand-new *BLACK EDITION II* cabinet series was launched. As the successor to the popular "*Black Edition*", this cabinet series now offers increased flexibility with three new cabinet designs: the smaller *BLACK EDITION II 3.27*, the extra-large *BLACK EDITION II XL 2.32/3.32*, and the single-screen version *BLACK EDITION II 1.49J*. All three showcase a sophisticated cabinet design with perfectly angled screens and razor-sharp graphics set against the backdrop of the "Black Metro" finish and contrasting LED lighting concept. The *BLACK EDITION II 1.49J*, at the heart of the casino area, showed another highlight of this year's ICE: the *Candelas de los Muertos™* games with *Señorita Suerte* and *Señor Muerte*. The two colorful titles are available both as stand-alone games and as part of the new linked progressive mix *NOVO LINE CASH CONNECTION™ Edition 4* - and they were also a main highlight of Greentube's presentation for the iGaming segment.

Another innovation at ICE was the new video slot slant top *MASTER SL™* in versions 2.32 and 3.32, which offers operators a new way to add variety to the design of their slot floor. It was presented in London with the *NOVO LINE™ Interactive Editions X3* and *X4* as well as the *NOVO LINE™ CASH CONNECTION™ Editions 3* and *4*, with the latter including the title *CASH CONNECTION™ Charming Lady's BOOM™*: On the first day of the ICE trade fair, this blockbuster game was the proud winner in the "Best Slot Game" category at the European Casino Awards.

Another first place at the European Casino Awards went to the *NOVOVISION™ casino management system* in the "Best CMS/Software Product" category. The powerful system was presented at the center of the NOVOMATIC stand and demonstrated its extensive range of tools for efficient casino management. The functionalities include a wide range of options for automation, detailed analysis and sophisticated performance optimization, which take into account all the responsibilities and requirements of modern casino operations in terms of player protection, responsible gaming and reporting obligations, as well as modern biometric access solutions and innovative player tracking, even for live gaming tables.

After ICE, the 2023 trade fair calendar was again packed with numerous other trade fairs and international industry events. From the GAT Expo in Cartagena, the IGA in San Diego, the G2E Asia in Singapore, the BFG in Belgrade and the PGS in Lima to the EAE in Bucharest and the BEGE in Sofia - NOVOMATIC presented its exceptional portfolio of market-specific innovations and the most exciting products for the relevant international markets worldwide.

"Gaming above and beyond" was the name of the game in October: the most important industry exhibition in North America, the G2E in Las Vegas, NOVOMATIC caused quite a stir with an impressive product portfolio presented in an elegant new stand design. The inspiring exhibition of gaming highlights was aimed at both US operators and international trade fair visitors.

NOVOMATIC Americas showcased outstanding cabinet versions of the *DIAMOND X™* series with a special focus on linked progressive gaming content. The impressive cabinets in the *DIAMOND X™ 1.55J* and *DIAMOND X™ 2.32/3.32* versions with gripping content were explored by visitors with overwhelmingly positive feedback.



As a brand new linked progressive offer, *THUNDER CASH™ GOLD* launched into the market with a series of new tracks including *Irish Locks™* and *Irish Grace™*. *MONEY PARTY™ Fresh!* guarantees a refreshingly fruity gaming entertainment experience. The pharaoh duo of *RISING TREASURES™* takes you on mystical progressive adventures to discover hidden jackpot treasures. In addition, the *Diamond Link™* progressives product line from APEX for the US land-based market was put on display for the first time at G2E. NOVOMATIC Americas holds the distribution rights for North America for APEX gaming products, such as the *Clover Link™* and *Clover Link Extreme™* progressive product lines.

Next-level sports betting technology was presented with the brand new *NOVOMATIC ActionBook™ Edge 1.43J*. It offers a unique betting experience as the perfect sports betting kiosk for any environment with state-of-the-art graphics and fast response times. NOVOMATIC Americas' leading sports betting terminals are experiencing steady growth in the US market as a growing number of states legalize sports betting, and many casino operators expand their offerings to include NOVOMATIC products.

The ETG area of NOVOMATIC's stand also featured a first for the US market: In addition to the ETG platform *NOVO UNITY™ II* with simultaneous betting options and the latest slant top cabinets *EXECUTIVE SL™ 1.27* and *LOTUS SL™ 1.27*, the breathtaking, fully automated *TITAN ROULETTE™* from FAZI was shown - with four player stations, a fully automated roulette wheel and an integrated display solution.

With the world premiere of NOVOMATIC's *V.I.P. X series*, visitors to the G2E 2023 in Las Vegas could experience the introduction of a sophisticated new product line, which is aimed at the discerning player segment - and of course at operators who want to welcome their gaming guests with a correspondingly high-caliber gaming entertainment offering. The impressive *V.I.P. X Royal™ 1.85*, the *V.I.P. X Dream™ 3.43* and the *V.I.P. X Lounge™ 2.32* offer exceptional luxury with exquisite V.I.P. comfort.

26 OMNI-CHANNEL GAMING ENTERTAINMENT

M&A activities and license acquisitions are constantly driving the international success of Greentube, the digital gaming and entertainment division of NOVOMATIC. The ongoing development of high-quality omni-channel technologies ensures a unique gaming experience.

Greentube's year has been one in which technological advancement has been coupled with continued expansion in regulated markets across the world, as the company continues to future-proof its offering.

The first month of 2023 saw Greentube engage successfully in two high-profile, strategically important M&A transactions. The first was the acquisition of a controlling shareholding in market-leading iGaming management system and platform provider Alteatec. The acquisition, which saw Greentube Austria acquire a majority 65% stake in the Malta-based IT company, allows Greentube to significantly bolster its B2B offering by utilising Alteatec's leading iGaming management system and platform technology Olympus One. Further benefits brought to Greentube through the deal include Alteatec's key live dealer streaming and voiceover technology, which will help to further improve the supplier's award-winning content portfolio.

The second major transaction was Greentube's acquisition of international software development specialist Ineor, with the strategic objective of obtaining and integrating critical software development capabilities and resources for the benefit of the entire Greentube group worldwide. Greentube purchased 80% of the shares in Slovenia-based Ineor, a long-term technology partner of Greentube, in the areas of online gaming and sports betting, securing specialised know-how from within the company ranks.

In terms of regulated markets, Greentube's attention continues to be firmly focused on opportunities within North America. In 2023, Greentube continued its expansion by rolling out its content in new US states with leading operators such as DraftKings and BetRivers. Furthermore, two new supplier licences could be acquired for Pennsylvania and Connecticut. The licences became Greentube's third and fourth in the country, following on from New Jersey and Michigan. As a result of the M&A activity with Pres-

ent Creative and Flamingocatz, Greentube is planning to develop content specifically for players in all four of those states.

The burgeoning iLottery sector across North America is also of great interest for Greentube. Its specialised regional subsidiary, Greentube US, launched its first iLottery game this year, *Drop the Balls*. Designed as a cross between pinball, pachinko and bagatelle, the game has been specifically designed to appeal to a wide audience.

Working closely with partner EQL's RGS aggregation platform, Greentube US recognizes the potential of iLottery games in the US and beyond in Latin America and Europe, and further releases of this type of content of this type could follow in the future. The Washington DC Lottery was the first state lottery to offer the innovative game to its players.

Greentube's rich heritage and resonance with players in Europe continues to bear fruit in terms of operator partnerships. In the home market Austria, the growth with exclusive Austrian platformholder Win2Day could be strengthened. A debut in Slovakia was another particular highlight with content now live with Nike, OlyBet, MonacoBet, and DoubleStar in the country.

In the Netherlands, the company continued to expand with existing partners such as Toto, Unibet and Carousel while launching its games catalogue with leading operator bet365. Digital conversions of AWP titles which have long proven popular in the local market, including Random Runner 15, Simply Wilder and Super Random Flashback, perform particularly well in the country, offering Greentube a competitive advantage.

In Germany, new partnerships were struck with SlotMagie, Rabbit, and Rootz, a testament to the demand of Greentube's games in the region. A number of blue-chip titles from



NOVOMATIC was rolled out for the first time, including *Book of Ra™ deluxe*, *Lucky Lady's Charm™ deluxe* and *Sizzling Hot™*. Additionally, strong growth came from existing partnerships with key players in the market.

Greentube's own real money B2C operations saw great traction in key markets including the UK, Spain and Italy. Strongest growth came from its flagship brand Stargames in Germany, AdmiralBet in Italy and Admiral Casino in UK. This was achieved by a combination of increased marketing activities and increased efficiencies in operation.

In the Social Casino space Greentube's brands achieved above market growth rates. This is a result of continued success on established apps such as Slotpark but also from recently launched products.

Apart from the success in its core markets Greentube further ventured into casual gaming where the company also hit a key milestone this year. *Ski Challenge*, its fast-paced esports game has officially surpassed 20 million races and 870,000 downloads following its official launch a year ago.

OPERATIONS

The international growth strategy in NOVOMATIC's gaming operations at around 2,200 locations continued impressively in the reporting period.

In the reporting period, the Gaming Operations sector contributed a significant share to the highest total revenue in the history of the NOVOMATIC AG Group. For example, revenue with gaming terminals increased. This pleasing development in revenue was recorded in the four largest gaming markets in Europe – Germany, Italy, Spain and the United Kingdom – as well as in the other markets.

The highest growth in revenue was achieved in the Italian market. This positive development is driven by the Group's high operating visibility, which was given a further boost in the 2022 reporting year with the acquisition of the HBG Group. The foundation for this success is based on the deep trust of licensed business customers in the innovative products and services of the NOVOMATIC AG Group, thereby securing the latter's technological leadership in Europe's largest market for video lottery terminals (VLTs). HBG Gaming is one of the leading operators on the Italian market and is active both as a concessionaire of VLTs and AWP (Amusement with Prizes) as well as in the areas of online gaming, sports betting and the operation of bingo sites.

Germany recorded a positive trend in revenues despite challenging market conditions. The increase in this market also stems from the operating segment, where revenue with gaming terminals rose. This growth is also due to the strong performance of the casinos in Germany, which were able to increase their revenue. Germany's largest casino, Spielbank Berlin at Potsdamer Platz, resumed full operations in the second quarter of 2023 after extensive renovations over a total area of 8,500 square meters with live gaming and 500 gaming machines.

The Eastern Europe region remains an important growth market for NOVOMATIC, where there is still potential for growth in several markets in the region. For example, a ca- NOVOMATIC AG Annual Report 2023 sino was acquired in North Macedonia in May 2023, which is expected to

reopen under the new name Casino ADMIRAL in the second quarter of 2024 once planned renovations have been completed.

The Greentube Group, which bundles the Group's online business, achieved the third-highest growth in the Group. B2C e-business in particular developed positively for all of the Group's providers. The Greentube Group was able to further expand its international portfolio through several acquisitions.

Betting revenues also recorded a positive development. The increase was driven in particular by the Italian companies due to their greater presence in the online sports betting market.

In the home market of Austria, ADMIRAL Casinos & Entertainment AG (ACE) successfully applied in the first instance to renew its license for gaming with gaming machines in Upper Austria. According to the notice of June 2023, which is not yet final, the corresponding permit has been issued by the Province of Upper Austria. ACE has also applied to renew its license for provincial gaming with gaming machines in Burgenland.





SPORTS BETTING

All of the Group's sports betting activities in the international B2B segment can be found in NOVOMATIC Sports Betting Solutions GmbH (NSBS). The portfolio is strong with innovative, state-of-the-art solutions.

International sports betting operators receive professional and comprehensive omni-channel solutions from a single source with NOVOMATIC Sports Betting Solutions offers. NSBS has a full range of services on offer including management of an unlimited number of Self-Service Betting Terminals (SSBTs) and checkouts in the terrestrial segment, as well as secure online and mobile sports betting solutions via responsive web design and platform independent applications.

Operators benefit from the scalable solutions adjusted for their specific market as well as individual customer requirements, which make their mark through excellent ease of use. NSBS also delivers a reliable module for comprehensive sports betting offered in various currencies and languages including an excellent reporting system, which can be easily and quickly integrated into all common payment systems. NSBS also supports providers with product-specific expertise and first-rate advice, and is a reliable partner from market observation and analysis to selection and configuration of suitable hardware and software systems, and including operational training, professional 24/7 customer service, and support for marketing activities.

NOVOMATIC has a presence in markets such as Austria, Germany, Italy, Spain, Romania, Montenegro, and Serbia with various brands and market-specific sports betting offers both as an operator of betting shops and with its own sports betting areas in casinos.

As the Austrian market leader, ADMIRAL Sportwetten offers an extensive range of betting offers for customers with around 2,000 self-service betting terminals and some 330 cash desks in over 200 facilities throughout Austria. The company also has a range of attractive online and mobile offers.

Since being established over 30 years ago, ADMIRAL has remained true to its corporate philosophy of "building trust through bookmaking competency, payment security and respectability" and styles itself as being a competent and reliable provider of sports betting services. As a result, ADMIRAL was able to become the clear number one within the Austrian sports betting facilities business. The betting specialist's recipe for success is based on an innovative range of betting offers and the latest technology in an inviting café-style setting. The betting systems are updated on an ongoing basis to adapt them to regional requirements in order to offer customers the most attractive betting experience possible.

NOVO INTERACTIVE (formerly ADMIRAL Sportwetten) has been operating in Germany since 2014 and offers online sports betting. NOVO INTERACTIVE's license to offer sports betting in Germany was extended until December 31, 2024 when the German State Treaty on Gaming came into force. In keeping with licensing conditions, NOVO INTERACTIVE offers betting in compliance with German law, including a comprehensive system for the protection of players and minors.

The company is continuing its international strategy of expansion, with the focus here being on developing its already strong position in Europe and to expand its sports betting activities in the USA.

32 REGULATORY ENVIRONMENT

Since the company was founded, NOVOMATIC has offered its comprehensive portfolio of products and services exclusively in regulated markets with a clear regulatory and legal framework. For NOVOMATIC, this is the basis for secure and continuous international growth.

The gaming industry's highly dynamic international regulatory environment requires providers to continuously develop their products and services and adapt to new framework conditions, not least as a result of ever-changing legislation, particularly in the areas of money laundering prevention, and player and youth protection.

Within the single European market, gaming remains the only market segment for which the regulations have still not been harmonized among the member states. As a leading technology provider, NOVOMATIC demands modern and uniform technical framework conditions for market participants in Europe, not only for the classic casino and slot machine segment, but also for the online sector.

Clear legal frameworks, systematic and coherent gaming legislation, transparent licensing processes, as well as implementing player and youth protection measures in accordance with scientific and appropriate market measures all constitute fundamental conditions for NOVOMATIC's business activities. In addition, taking measures to combat crime, such as taking clear action against illegal gaming activities and preventing money laundering, also forms one of the international Group's fundamental principles.

Excessive regulation that does not conform with the market or unsuitable taxation, such as gradual tax increases and those specifically related to gaming and betting, can have negative effects. Experience clearly shows that excessive taxation or even total bans on gaming simply encourage illegal operations; operations which are not monitored and which provide no protection for players and minors.

National and international tenders in various segments of the gaming sector are regularly sources of new market opportunities for NOVOMATIC. In this context, regulated gaming operators must be able to rely on the relevant au-

thorities conducting tenders for gaming services in a transparent, legally compliant and expeditious manner so as to ensure applicants have legal certainty.

Particularly from the perspective of protection of players and minors, and also for the legal interests of market participants, it is therefore necessary that licensing procedures are carried out quickly and in accordance with the law. The global coronavirus pandemic has also had a material impact on the regulatory environment, with regulators closing terrestrial gaming operations nationally and internationally, and demand for gaming activities shifting to other segments, especially online. In many jurisdictions around the world, the new market situation – especially in the online segment – prompted a rapid response and the introduction of regulated market liberalization. However, experience also shows – such as due to the very strict legal framework in the regulated online sector in Germany – that the rules are very challenging for the regulated operators and that illegal gaming has not yet been fully eradicated.

In addition to NOVOMATIC's existing activities, dynamic developments in the sports betting and online markets are opening up new market opportunities as a result of these new regulatory approaches, which are being evaluated on an ongoing basis and having even been harnessed in some cases, NOVOMATIC is therefore taking important steps in its efforts to consistently pursue its international growth strategy. The company is also already licensed in the USA in many states with the strictest regulatory frameworks, including Nevada. This is why, for example, it is only possible to transfer shares in NOVOMATIC AG with the approval of various regulatory authorities, in particular those in the USA.



In addition to NOVOMATIC's global alignment, the primary objective remains to expand or maintain its market leadership in the core markets of Europe, and to address the ongoing, non-harmonized, regulatory changes and the associated challenges. Due to its leading market position in multiple countries, antitrust law remains a relevant regulatory area for NOVOMATIC. In strict compliance with these laws, NOVOMATIC notifies relevant antitrust authorities of any transactions, if legally required to do so.

RESPONSIBILITY

RESPONSIBILITY	36	Non-Financial Management
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NON-FINANCIAL REPORT	46	Always Compliant
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	52	Going Green
	54	Active in the Community

NON-FINANCIAL MANAGEMENT

ESG management at NOVOMATIC is based on five strategic pillars.

“Winning Responsibly” (success can only be achieved by assuming responsibility) is at the heart of NOVOMATIC AG Group’s ESG activities as our conviction. Our vision is to become the most innovative and most responsible provider of responsible entertainment in the world. The five strategic action areas “Responsible Entertainment,” “Always Compliant,” “Enjoy Working with Us,” “Going Green” and “Active in the Community” form the pillars of this vision. Company values “do – enjoy – respect” are taken into account for all activities. The foundation for this is the trust and support of all stakeholders of the company.

Transparent and open dialog with all company stakeholders is a central element of NOVOMATIC’s ESG activities. Stakeholders include any and all natural persons and legal entities who are affected in some way by the company’s activities or who themselves exert an influence on NOVOMATIC. NOVOMATIC communicates with its stakeholders across a variety of channels, for example direct conversation, working groups, workshops, at events, through reports or the Intranet, via the website, and social media. NOVOMATIC is aware that not all stakeholders share its perspective, and that there are some critical elements. Transparency is therefore an important corporate value that helps maintain an open and constructive dialog.

In November 2023, NOVOMATIC organized a Responsible Gaming Symposium for the ninth time now. This stakeholder dialog at NOVOMATIC’s head office was attended by an international panel of experts along with more than 100 participants who discussed the topics of player protection and prevention as well as NOVOMATIC’s extensive responsible gaming measures. The Responsible Gaming Symposium took place as a “Green Event”, having been certified in accordance with the criteria of the Austrian Ecolabel for the first time this year.



Value chain



Strategic fields of action	Material topics	Action principles	Control indicators	Strategic Objective
Responsible Entertainment 	<ul style="list-style-type: none"> • Player protection and gaming addiction prevention • Responsible Marketing 	<ul style="list-style-type: none"> • NOVOMATIC offers responsible entertainment, and ensures that our products and services are used conscientiously. • NOVOMATIC ensures that our employees are well trained in player protection and pay close attention to identifying problematic behavior and act accordingly. • We prevent minors and other vulnerable groups from using our products or services. 	<ul style="list-style-type: none"> • Degree of implementation for Responsible Entertainment (RE) measures • RE certifications within the Group • Implementation of the RE policy 	<ul style="list-style-type: none"> • Prevent problematic gaming and protect vulnerable groups • Obtain and safeguard licenses using RE measures • Implementation of the RE policy by all Group companies • Certification of at least 70 percent of Group revenue in accordance with the G4 player protection standard
Always Compliant 	<ul style="list-style-type: none"> • Corruption & Money Laundering Prevention • Risk Management • Data protection • Avoiding Abusive Product Consumption • Supplier Responsibility • Human rights • Fair Competition & Public Affairs 	<ul style="list-style-type: none"> • NOVOMATIC implements systems that support compliance with legal requirements and acts in accordance with the standards set out in the Code of Conduct. • Everyone at NOVOMATIC is required to make every effort to prevent any and all criminal behavior within the company. • We ensure continuous monitoring and adjustment in a dynamic risk landscape through proactive risk management. • NOVOMATIC ensures that Group customers' and stakeholders' data protection rights are always taken care of. 	<ul style="list-style-type: none"> • Degree of implementation of training on Code of Conduct and corporate guidelines • Reported violations of legal requirements, Code of Conduct and corporate policies • Effective risk management indicators significantly improve the identification and management of risks 	<ul style="list-style-type: none"> • 100 percent of Group subsidiaries comply with legal requirements and the Code of Conduct • Prevent corruption and money laundering • Ensure sustainable corporate success through proactive and Group-wide risk management • Protection of personal data belonging to customers and other stakeholders
Enjoy Working with Us 	<ul style="list-style-type: none"> • Training and Further Education • Occupational Safety & Employee Health • Employee Diversity & Equality • Innovation 	<ul style="list-style-type: none"> • NOVOMATIC supports employee development and offers training and continued education opportunities. • NOVOMATIC considers its employees an important source of innovation to be specifically encouraged. • NOVOMATIC values the diversity of its staff and stakeholders and treats all of them equally. • NOVOMATIC creates safe and healthy working conditions in order to avoid accidents and illness. 	<ul style="list-style-type: none"> • Proportion of women overall and in management positions • Proportion of employee terminations • Sick leave rate • Accident rate • Training and further education hours per employee 	<ul style="list-style-type: none"> • Positioning in the market as an attractive employer • Creation of a safe and healthy work environment that supports diversity and innovation • Continuous reduction of accident rate and 0 deaths
Going Green 	<ul style="list-style-type: none"> • Energy & Emissions • Resource Use & Waste Reduction 	<ul style="list-style-type: none"> • NOVOMATIC minimizes its environmental footprint through efficient handling of energy and resources, as well as by reducing the waste and emissions that it produces. • NOVOMATIC strives to make positive contributions to environmental protection using both production and operational measures. 	<ul style="list-style-type: none"> • Energy consumption in MWh • CO_{2e} emissions in tons • Water consumption in m³ • of waste in tons 	<ul style="list-style-type: none"> • Continuous reduction of absolute and relative energy use as well as Scope 1, Scope 2 and Scope 3 CO₂ emissions • Continuous increase in electricity from renewable sources • Continuous reduction of absolute and relative water consumption and waste generated • Contribution to environmental protection in the manufacturing and operational segments • Evaluation of the necessary measures according to EU taxonomy
Active in the Community 	<ul style="list-style-type: none"> • Sponsorship activities and partnerships • Donations and volunteer work 	<ul style="list-style-type: none"> • NOVOMATIC makes an important contribution to society through sponsorships, donations and volunteering. • NOVOMATIC sees itself as an active and responsible member of society, investing in the community. • NOVOMATIC fosters valuable partnerships and sustainable initiatives. 	<ul style="list-style-type: none"> • Social effect of sponsoring activities, donations, and volunteer work 	<ul style="list-style-type: none"> • Sustainable contribution to social responsibility via sponsorship activities, donations, and volunteer work.

ESG Ratings and Rankings



ISS ESG Corporate Rating

ISS ESG rates NOVOMATIC AG 2023 with a very high transparency level and has raised the rating to level "C" for the first time, making the company one of the top 30 percent in the electronics industry. NOVOMATIC is well above the industry average, especially in the area of working conditions and standards.

www.issgovernance.com/esg



Sustainalytics ESG Risk Rating

Sustainalytics evaluated NOVOMATIC AG's ESG profile in 2023, judging it to have a "Medium risk of material financial impacts driven by ESG factors." NOVOMATIC received a specific ESG risk rating of 22.6 points, putting it among the top 30 percent of international gaming companies rated by Sustainalytics.

www.sustainalytics.com



V.E ESG Rating

Moody's ESG Solutions (previously Vigeo Eiris) sees the company in 2022 ranked 22nd out of 39 in the technology hardware peer group comparison. V.E awarded particularly high scores in the areas of corruption prevention and health & safety, among others.

<https://esg.moody's.io/>



Sustainable Brand Rating Austria

In the Sustainable Brand Rating Austria 2023 compiled by the European Brand Institute, NOVOMATIC achieved an excellent fourth place and a AAA rating, valuable recognition for its commitment to sustainability.

<https://www.europeanbrandinstitute.com>



PwC Austria ESG Ranking

In the 2023 ESG Performance Ranking compiled by PwC Österreich GmbH Wirtschaftsprüfungsgesellschaft, NOVOMATIC's sustainability performance puts it in first place in the "Other" sector.

<https://www.pwc.at>

United Nations Global Compact and Sustainable Development Goals



NOVOMATIC is committed to the ten United Nations Global Compact (UNGC) principles. The NOVOMATIC AG Group Annual Report serves as Communication on Progress in line with the UNGC principles. This Communication on Progress is also available online on the United Nations Global Compact website.

United Nations Global Compact Profile NOVOMATIC AG: www.unglobalcompact.org/what-is-gc/participants/36511



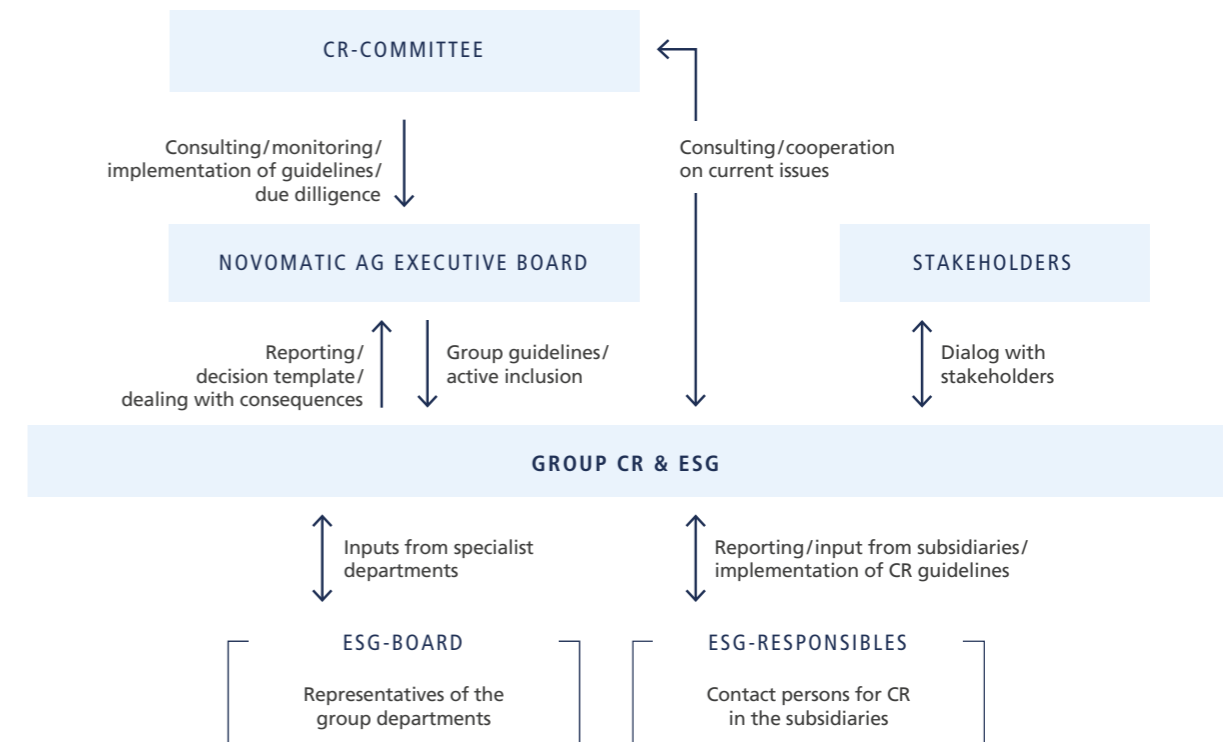
NOVOMATIC supports the globally valid Sustainable Development Goals (SDGs) since their publication by the UN General Assembly in 2015 and uses the SDGs as a basis for its strategic orientation.

United Nations Sustainable Development Goals: <https://sdgs.un.org/>



Anchoring within the organization

The Group CR & ESG department is responsible for ESG management at NOVOMATIC, maintains regular dialog with stakeholders and reports directly to the Executive Board of NOVOMATIC AG. Regular meetings are held with the CR Committee of the Supervisory Board of NOVOMATIC AG, the Executive Board of NOVOMATIC AG, the ESG Board and the international ESG officers.



(GRI) 2-3, 2-6, 2-9, 2-12, 2-13, 2-14, 2-17, 2-23, 2-24, 2-28, 2-29, 3-1, 3-2

AT A GLANCE

RESPONSIBLE ENTERTAINMENT

TAKING ON RESPONSIBILITY

Material topics

- Player Protection and Gaming Addiction Prevention
- Responsible Gaming

Action principles

- We offer responsible entertainment, and ensure that our products and services are used conscientiously.
- We ensure that our employees are well trained in player protection and pay close attention to identifying problematic behavior and act accordingly.
- We prevent minors and other vulnerable groups from using our products or services.

A total of 17 important Group companies certified in accordance with the G4 player protection standard (represents 65.2 percent of Group revenue)

17

Introduction of the NOVOMATIC Biometric System™ (NBS) in 21 countries of the Group

21

GRI INDEX AND REFERENCES

GRI 3-3, 416-1, 417-1

www.novomatic.com/responsible-entertainment

RESPONSIBLE ENTERTAINMENT

We offer responsible gaming with appropriate framework conditions.

NOVOMATIC is only active where there are clear framework conditions and regulated gaming. The company is constantly implementing measures designed to make further improvements in the area of player protection, some of which go far beyond what is required by law,

Group Responsible Entertainment Policy



The Group Responsible Entertainment policy defines the minimum standard applicable throughout the Group in the area of responsible gaming and betting. The responsible handling of NOVOMATIC products and services includes the following principles, which are mandatory throughout the Group:

- NOVOMATIC always acts in accordance with the law.
- NOVOMATIC does not allow minors access to our offer.
- NOVOMATIC values informed customers.
- NOVOMATIC advertises responsibly.
- NOVOMATIC educates and trains its employees.

G4 Certifications Within the Group

The Group is committed to improving player protection and preventing gaming addiction on an ongoing basis. The majority of Group sales to the main Group companies are certified in accordance with the international player protection standard of the Global Gambling Guidance Group (G4). This exceeds legal requirements and is considered to be the world's most recognized and stringent standard in the field of player protection. Not only NOVOMATIC AG itself, but also its subsidiaries with the highest sales in Austria, Germany, the United Kingdom, the Netherlands, Italy, and Spain, are G4 certified.

Certification level according to G4 player protection standard

G4 Player Protection Certification Pillars

Responsible Gaming Code of Practice:

Code of conduct regarding player protection

Training:

Training plan for Responsible Gaming training courses

Corporate Standards:

Minimum standards for licensing, auditing, playing on credit, money laundering prevention, data protection, dealing with complaints, research, engaging stakeholders, guidelines

Operational Code of Practice:

Rules regarding age verification, information on player protection, advertising and marketing, rewards and incentives, risk management, free games, customer registration, VIP policy

Player Protection Tools:

Implementation of reality checks, information on the game, self-suspension and limits, identification of problematic player behavior, alcohol and drug policy for players

Staff and Problem Gambling:

Implementation of an employee assistance program, offer of external support

Player Protection Framework:

Documentation of all player protection measures

Responsible Technology

In addition to casino software and hardware components, - NOVOMATIC also develops management systems for responsible gaming that cover all country-specific legal requirements. The NOVOVISION™ Casino Management System also involves the use of biometrics, enabling (automated) unique identification and thus fulfills all requirements in place for protecting minors and players. Sophisticated algorithms are used to prevent money laundering.

NOVOVISION™

HIGHLIGHTS 2023 (excerpt)

<p>Austria:</p> <ul style="list-style-type: none"> • Successful G4 certification for the “Customer Care” player protection tool
<p>Italy:</p> <ul style="list-style-type: none"> • Further development of the “Usa la Testa” blog with information about responsible gaming
<p>United Kingdom:</p> <ul style="list-style-type: none"> • 1. Safer Gambling Conference
<p>Spain:</p> <ul style="list-style-type: none"> • FES project (awareness raising project regarding the risk of minors developing behavioral addictions)
<p>Latvia:</p> <ul style="list-style-type: none"> • Signing of a new Code of Responsibility by the Latvian Interactive Gambling Association
<p>Romania:</p> <ul style="list-style-type: none"> • Implementation of a comprehensive customer registration and access control system
<p>North Macedonia:</p> <ul style="list-style-type: none"> • Introduction of a comprehensive responsible gambling program to promote responsible gaming
<p>Online:</p> <ul style="list-style-type: none"> • Introduction of mandatory Responsible Entertainment online training for all employees

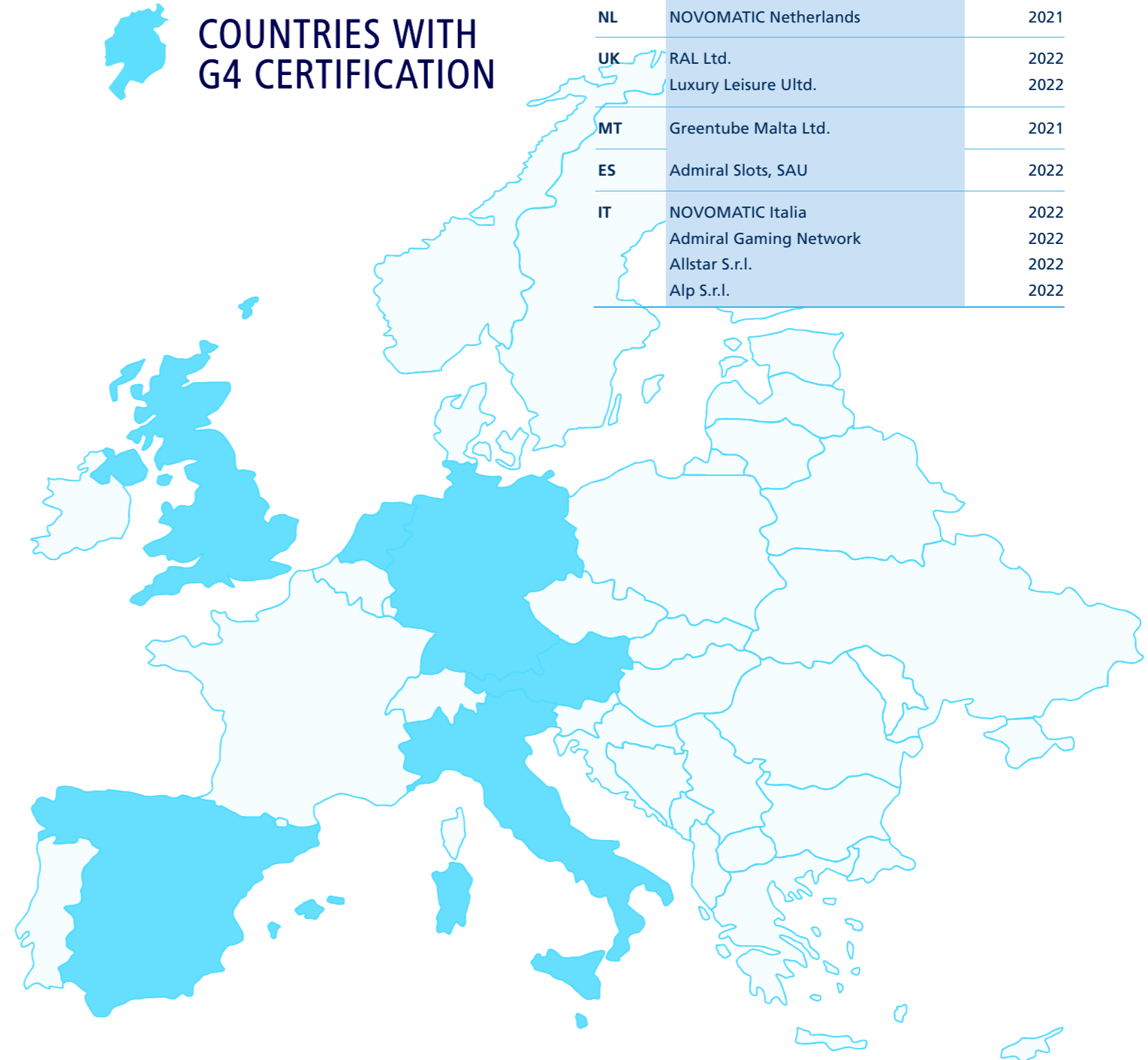


9. Responsible Gaming-Symposium of NOVOMATIC AG 2023

Seventeen G4 certifications in seven countries

Country	Company	(Re) Certified
AT	NOVOMATIC AG	2021
	ADMIRAL Casinos & Entertainment AG	2021
	ADMIRAL Sportwetten GmbH	2021
	Greentube GmbH	2021
	Funstage GmbH	2021
DE	LÖWEN ENTERTAINMENT GmbH	2021
	ADMIRAL Entertainment GmbH	2021
	Spielbank Berlin GmbH & Co. KG	2021
NL	NOVOMATIC Netherlands	2021
UK	RAL Ltd.	2022
	Luxury Leisure Ultd.	2022
MT	Greentube Malta Ltd.	2021
ES	Admiral Slots, SAU	2022
IT	NOVOMATIC Italia	2022
	Admiral Gaming Network	2022
	Allstar S.r.l.	2022
	Alp S.r.l.	2022

COUNTRIES WITH G4 CERTIFICATION



AT A GLANCE

ALWAYS COMPLIANT

TAKING ON RESPONSIBILITY

Material topics

- Corruption & Money Laundering Prevention
- Risk Management
- Avoiding Abusive Product Consumption
- Data Protection
- Supplier Responsibility
- Human rights
- Fair Competition & Public Affairs

Action principles

- We implement systems that support compliance with legal requirements and acts in accordance with the standards set out in the Code of Conduct.
- Everyone at NOVOMATIC is required to make every effort to identify and prevent any and all fraudulent and criminal behavior within the company.
- We ensure continuous monitoring and adjustment in a dynamic risk landscape through proactive risk management.
- We ensure that Group customers' and stakeholders' data protection rights are always taken care of.

NEW CODE OF CONDUCT – CONTENT

- WE ARE NOVOMATIC – Our principles of conduct
- Responsibility towards our employees
- Responsibility towards our customers
- Responsibility towards society
- Dealing with business partners and third parties
- The way of doing business
- Data protection, digitalization and AI
- Dealing with company property, confidentiality and property rights
- Compliance with the Code of Conduct

GRI INDEX AND REFERENCES

GRI 2-6, 2-23, 2-25, 2-26, 3-3, 308-1, 414-1, 418-1
<https://novomatic.com/novotrust>
www.novomatic.com/always-compliant
equalopportunities@novomatic.com

ALWAYS COMPLIANT

We ensure that legal requirements and Group specifications are complied with and fulfilled.

The Group divisions Group Legal, Group Legal Compliance, Group Risk Management and Group Internal Audit are responsible for NOVOMATIC's legal security. Compliance with Group guidelines must be confirmed by semi-annual reports from the Group subsidiaries and is regularly evaluated as part of the compliance management assessment.



Every employee receives all important and Group-wide binding guidelines and documents at the beginning of their employment, such as the Code of Conduct, which is binding for all NOVOMATIC AG employees and was comprehensively revised in 2023, or the Group Responsible Entertainment Group policies.

Corruption & Money Laundering Prevention

NOVOMATIC is dedicated to always acting fairly, honestly, and in keeping with the law in all business and social activities. Various binding Group compliance guidelines, in particular the Group Anti-Corruption Policy define strict requirements and apply to all majority-owned Group companies of NOVOMATIC AG and their supervisory boards, executive boards, managing directors, authorized signatories and employees. The Compliance Committee of NOVOMATIC AG monitors and coordinates the ongoing development of Group-wide compliance standards via the Group-wide Compliance Management System (CMS) and accompanying reporting obligations, and ensures regular reporting to the Executive Board and Supervisory Board of NOVOMATIC AG.

Risk Management

The risk management system comprises both company-wide risk management (Enterprise Risk Management/ERM) and operational risk management via the very broadly defined Internal Control System (ICS). The ERM is based on a classic best-practice risk management process for identifying and evaluating Group risks, as well as controlling and monitoring them.

Keeping documentation in a centrally managed risk management software helps maintain an overview and monitoring, as well as the reporting of risks and measures or controls. The risk situation must be kept up to date, i.e., at least once a year the documented risks are scrutinized and revised with regard to their validity and assessment approach, or status of the measures. Group Risk Management reports independently and without instructions to the entire Executive Board and the Supervisory Board of NOVOMATIC AG. A presentation of the ESG risks/opportunities/impacts can be viewed online in the ESG risk strategy.



Data protection

Since the company was founded, NOVOMATIC has had an information security management system (ISMS) certified in accordance with the international ISO standard ISO/IEC 27001. At a Group level, the Data Protection Advisory Board is tasked with managing the rules and obligations arising out of the General Data Protection Regulation (GDPR) and defines measures to improve the Group-wide data protection management system (DMS) on the basis of regular data protection reports.

Avoiding Abusive Product Consumption

NOVOMATIC clearly and firmly distances itself from any and all illegal and unregulated gaming services. The company believes that gaming is a delicate service that requires clear legal framework conditions and thus only participates in clearly regulated markets.

Supplier Responsibility

NOVOMATIC requires its business partners to make a clear commitment to legally compliant behavior and to comply with the NOVOMATIC Supplier Code of Conduct. In addition, NOVOMATIC carries out a KYC contract partner check with risk evaluation before the start of each new supplier relationship.

The Supplier Code of Conduct, which is available on the company website, covers all material environmental, social and governance risks in the supply chain. Mandatory compliance with this Code of Conduct may be part of an audit by NOVOMATIC or by an independent third-party auditor commissioned by NOVOMATIC. Should a violation become known, NOVOMATIC will seek discussion with the supplier in order to ensure implementation as quickly as possible. The ultimate consequence for violations is an end to the business relationship.

Human rights

NOVOMATIC and its subsidiaries are committed to complying with all legal regulations as well as safeguarding human rights. The Group-wide Code of Conduct and the NOVOMATIC Supplier Code of Conduct also refer to topics

relevant to human rights and must be observed by all employees and suppliers. Any violations can be reported anonymously via the whistleblowing platform NOVOTRUST. The Equal Opportunities point of contact is also available with regard to the topic of equal rights.

In accordance with the OECD Guidelines for Multinational Enterprises, NOVOMATIC is committed to compliance with the United Nations Human Rights Charter, the implementation of international human rights and the implementation of the labor and social standards of the International Labor Organization (ILO).

Fair Competition & Public Affairs

NOVOMATIC does not enter into any agreements with competitors that could lead to distortion of competition, division of markets or price fixing. The relevant Group policy on legally compliant behavior in antitrust law sets out specific behavioral obligations in this regard.

NOVOMATIC pledges conscientious and transparent dealing with all national authorities, and has even created a binding Code of Conduct for NOVOMATIC AG Public Affairs activities, which can be accessed on the company's website. The persons responsible for public affairs on behalf of the company are registered with the Austrian Public Affairs and Interest Group Register.

NOVOTRUST Whistleblowing Platform

NOVOTRUST is a Group-wide whistleblowing platform in compliance with legal requirements to report breaches of legal provisions (for example, corruption, money laundering, data protection, competition antitrust law), violations of the Code of Conduct or human rights in general. This enables any employee or business partner to report suspicious cases (also anonymously). Following a plausibility check by Group Legal Compliance, material cases are dealt with by the Compliance Committee and recommendations for further action are agreed on a risk-based basis with the Executive Board or Supervisory Board of NOVOMATIC AG.

AT A GLANCE

ENJOY WORKING WITH US

TAKING ON RESPONSIBILITY

Material topics

- Training and Further Education
- Occupational Safety & Employee Health
- Employee Diversity & Equality
- Innovation

Action principles

- We support employee development and offer training and continued education opportunities.
- We consider our employees an important source of innovation to be encouraged.
- We value the diversity of our staff and stakeholders and treat all of them equally.
- We create safe and healthy working conditions in order to avoid accidents and illness.

Employees on day of reporting
December 31, 2023

25,330

Training and Further Education Days total

~46,000

LTIFR (Lost Time Injury Frequency Rate)

5.1

Staff turnover rate (employee resignations)

16%

IP trademark rights

>5,000

Percentage of women total

53%

In management positions

38%

GRI INDEX AND REFERENCES

GRI 2-7, 2-26, 3-3, 403-1, 403-2, 403-3, 403-6, 403-7, 403-9, 404-1, 404-2, 405-1

www.novomatic.com/karriere

<https://novomatic.com/novotrust>

equalopportunities@novomatic.com

Awards for Employers

8

ENJOY WORKING WITH US

Our employees are the foundation of the NOVOMATIC Group's long-term success.

Summary of Major Indicators

	2019	2020	2021	2022	2023
Proportion of women* ¹	56%	56%	55%	54%	53%
Women in leadership positions	40%	39%	39%	39%	38%
Turnover rate (employee resignations)	17%	12%	18%	18%	16%
Sick leave rate ²	57%	51%	51%	64%	66%
Accident rate ³	4.2	3.8	4.2	3.7	5.1
Training and further education hours per employee ⁴	10.7	6.8	10.4	14.0	14.8

* The figures and graphics presented in this chapter apply, unless otherwise indicated, to all NOVOMATIC AG companies for the reporting period from January 1 to December 31 or as of the reporting date of December 31.

¹ Share of female employees in total workforce.

² Share of employees who were on sick leave for at least one day.

³ Lost Time Injury Frequency Rate (LTIFR) – number of accidents requiring notification per million work hours.

⁴ Average total number of hours per employee.

Training and Further Education

The further development of the high level of competence of the employees is an essential element to promote the innovative strength of NOVOMATIC and thus to ensure the sustainable success of the company. NOVOMATIC offers a wide range of needs-oriented individual training and further education opportunities (seminars, trainee programs, workshops, e-learning, coaching, etc.) to all employees. Environmental and climate protection (Environment), social commitment (Social) and good and sustainable corporate governance (Governance) were integrated into the training program as key topics of the present in 2023. As part of a comprehensive and practical ESG upskilling program, all Supervisory Board members, Executive Board members and managing directors across the Group were trained and informed about regulatory, legal and ethical issues through to options for strategy implementation. The series of training courses will be continued in 2024. Ten graduates completed the International Casino Management Program in the period from March to October 2023 with outstanding performance. Awareness measures and training to raise awareness of cyber security were another focus of training in 2023.

Occupational Safety & Employee Health

Occupational health and safety – above and beyond the legally required standard – are an integral part of our commitment and responsibility. Certification in accordance with ISO 45001 is carried out in the Group subsidiaries at various levels. It is NOVOMATIC's top priority to protect and support employee health as much as possible. In addition, we offer all our employees a wide range of health-promoting measures through the NOVOHealth initiative.

Employee Diversity & Equality

The promotion of diversity-oriented structures is one of NOVOMATIC's core strategic concerns. Embracing diversity, integration, equal opportunities and the conscious awareness of our social and societal responsibility are basic principles of our corporate and management culture. NOVOMATIC is committed to offering all employees the same opportunities, regardless of gender or gender identity, age, religion, nationality, ethnicity, physical or mental abilities, sexual orientation, or other diversity dimensions.

Awards: a Summary

	BEST RECRUITERS Silver 23/24 Gold 22/23 www.bestrecruiters.at	Silver seal for the years 2023/2024 Gold seal for the years 2022/2023 Industry victory in the electrical/electronics manufacturing sector for the years 2022/2023	Silver 2023/2024 Gold 2022/2023 since 2017
	LEADING EMPLOYERS Austria 2023 www.leading-employers.org	NOVOMATIC is one of the top one percent employers in Austria among around 40,000 companies.	2019, 2022 and 2023
	BESTER ARBEITGEBER 2023 www.market.at	Once again voted one of the best employers in Lower Austria. NOVOMATIC is rated particularly highly in the categories of well-being, future fitness and working conditions.	Since 2022
	kununu "Top Company" & "Open Company" www.kununu.com/at/novomatic	kununu is an employer rating platform where employees can rate their employer anonymously and free of charge. Awards from kununu are given exclusively on the basis of employer ratings.	since 2017
	Recognized as a leading company in Austria www.leitbetriebe.at	NOVOMATIC AG was once again honored as Austrian Leading Companies in 2023.	Since 2015
	berufundfamilie (career and family) audit certificate www.familieundberuf.at	Renewed certification in 2023 including the additional certificate "Mobile Working".	Since 2015
	Seal of Quality in Corporate Health Promotion www.netzwerk-bgf.at	The BGF seal is awarded to those companies that fulfill specific quality criteria when it comes to promoting health. The company received the seal of quality once more in 2023; it is valid until 2025.	since 2017
	Austria Brand Value Study www.europeanbrandinstitute.com	In the Austrian Brand Value Study conducted by the European Brand Institute (EBI), NOVOMATIC was ranked second among the most valuable brand companies in the country and also achieved an excellent 4th place in the Sustainable Brand Ranking with an AAA rating.	Since 2021

AT A GLANCE

GOING GREEN

TAKING ON RESPONSIBILITY

Material topics

- Energy & Emissions
- Resource Use & Waste Reduction

Action principles

- We minimize our environmental footprint through efficient handling of energy and resources, as well as by reducing the waste and emissions that it produces.
- We strive to make positive contributions to environmental protection using both production and operational measures.

MWh Total energy consumption

388,988

tons Waste

5,860

m³ Water consumption

602,437

tons CO₂ emissions

264,198

GRI INDEX

GRI 3-3, 301-3, 302-1, 302-3, 303-1, 303-3, 305-1, 305-2, 305-3, 305-4, 306-1, 306-2, 306-3

GOING GREEN

Our primary goal is to keep the consumption of resources as low as possible.

Summary of Major Indicators

	2019	2020	2021	2022	2023
Energy consumption in MWh total ¹	389,277	323,329	295,345	381,556	388,988
CO ₂ emissions in tons total ²	171,105	137,192	125,740	140,119	264,198
Scope 1 CO ₂ emissions in tons total	28,693	22,572	21,908	24,776	23,396
Scope 2 CO ₂ emissions in tons total ³	85,431	68,287	55,564	75,113	78,872
Scope 3 CO ₂ emissions in tons total	56,981	46,333	48,267	40,230	161,930
Water use in m ³ total ⁴	635,381	492,556	506,618	663,260	602,437
Waste in tons total ⁵	9,021	3,458	2,971	2,794	5,860

* The figures and graphics presented in this chapter apply, unless otherwise indicated, to all NOVOMATIC AG companies for the reporting period from January 1 to December 31 or as of the reporting date of December 31.

Source for conversion factors: Federal Environment Agency, DEFRA or GHG data as of 2023

¹ Energy consumption includes electricity, natural gas, transport fuels such as diesel and gasoline, heating oil, and self-generated energy (photovoltaics). Any energy sold has been deducted from this figure.

² CO₂ emissions are made up of CO₂ equivalents of direct Scope 1 emissions from fuel consumption, indirect Scope 2 emissions from energy consumption, and Scope 3 emissions from the operation of sold and leased equipment, and air travel. Since 2023 CO₂ emissions of rented and sold equipment are included in "Gaming Technology". The increase in Scope 3 emissions results from taking into account the total lifetime expected of the devices sold and more detailed country CO₂e calculations.

³ NOVOMATIC AG did not have any Scope 2 emissions due to the fact that it procured green electricity.

⁴ Water consumption relates to water used for production, cleaning, sanitation or irrigation.

⁵ Waste consists of non-hazardous and hazardous waste.

Gumpoldskirchen is not only the headquarters of NOVOMATIC AG, but also a core production site. Key work steps are carried out in-house. The company achieves an unparalleled vertical integration of 85 percent with its own metal working shop, joinery, printing shop, circuit board production and assembly, and plastics manufacturing as well as internal assembly and shipping logistics. During the production of entertainment devices, attention is paid to selecting energy-efficient components right from the development stage.

Energy & Emissions

NOVOMATIC has been securing energy from renewable sources for years and is committed to using clean energy. In 2023, construction of the photovoltaic expansion at the headquarters in Gumpoldskirchen was started over a total area of 20,000 m² and the Group-wide expansion of photovoltaic systems continued. Locations in Germany, Italy, Spain, Romania, North Macedonia, Bosnia, Poland, South Africa and Australia already use solar energy through their own photovoltaic systems.

Resource Consumption and Waste Prevention

Raw materials used should be fully recyclable and reusable. A large part of NOVOMATIC's equipment is refurbished and re-used on the market. During this refurbishment process and following an in-depth technical inspection, various components, from monitors to circuit boards, can be replaced in working machines. Functioning components from old machines are removed and refurbished. This means that refurbished components are available at all times. In addition and in some cases, entire used devices can be repaired so that they meet customer requirements. Badly damaged devices are removed and the pieces that cannot be recycled are sent to waste disposal in accordance with the law. Some of the devices are refurbished in the country in question and then used again in the market. A circular economy application enables the international subsidiaries of NOVOMATIC AG to view the stock levels in the group and to buy equipment directly from stock or to sell their own inventories.

AT A GLANCE

ACTIVE IN THE COMMUNITY

TAKING ON RESPONSIBILITY

Material topics

- Sponsorship Activities and Partnerships
- Donations and Volunteer Work

Action principles

- We make an important contribution to society through sponsorships, donations and volunteering.
- We see ourselves as active and responsible citizens, investing in the community.
- We foster valuable partnerships and sustainable initiatives.

In exchange with around 100 interest groups

~100

DONATION FOCUS

- Urgent help
- Helping people to help themselves
- Regionality

Selection criteria

- Certification with a donation seal of quality
- Transparency concerning the use of funds
- Long-term nature and scope of the effect

SPONSORSHIP FOCUS

- Sports and competition
- Prevention and player protection
- Arts and culture
- Strengthening the economy

Selection criteria

- International and regional connection
- Promotion of education and talent
- Long-term cooperation before short-term activism

ACTIVE IN THE COMMUNITY

NOVOMATIC is an active member of society and takes responsibility.

NOVOMATIC makes an important contribution to society through social and community involvement in the form of sponsorships, donations and volunteer work. The areas in which the company wishes to be active with sponsorships and donations are precisely defined and are evaluated on an ongoing basis. Precisely defined donation and sponsorship criteria and binding corporate guidelines provide a clear framework for decision-making and action,

Every year, NOVOMATIC receives a large number of requests for sponsorship and donations, which are evaluated in line with clearly defined priorities and criteria. Suitable initiatives and projects are selected and supported in compliance with binding corporate guidelines. Every request received is considered and answered in a timely manner.

Sponsorship activities and partnerships

Sponsorship focus

- Sports and competition
- Prevention and player protection
- Art & culture
- Strengthening the Economy

Selection criteria

- International and regional connection
- Promotion of education and talent
- Long-term cooperation before short-term activism

In accordance with the Group Responsible Entertainment policy, which is mandatory across the Group: "The company does not enter into sponsorship collaborations with organizations such as daycares, elementary schools, youth organizations or at events primarily aimed at children and minors."

Donations and volunteer work

Donation focus

- Urgent help
- Helping people to help themselves
- Regionality

Selection criteria

- Certification with a donation seal of quality
- Transparency concerning the use of funds
- Long-term nature and scope of the effect

Another pillar of social commitment at NOVOMATIC is the donation of time and resources. Corporate Volunteering is an initiative through which the company supports socially beneficial projects by making use of the energy, expertise, and time of employees.



Ceremonial presentation of gifts under the 2023 wish list campaign

IMPRINT

In order to improve readability, some terminology is used only in its masculine form. Nevertheless, all passages refer equally to members of both genders.

We have prepared this report with the utmost care and have checked the data therein. Nevertheless, errors arising from rounding, typesetting or printing cannot be excluded. The aggregation of rounded amounts and percentages may result in rounding differences due to the use of automated computational aids.

This report includes forward-looking statements based on information currently available to us. These forward-looking statements are usually identified by expressions such as "expect", "estimate", "plan", "calculate", etc. Please note that various factors could cause actual circumstances – and therefore also actual results – to deviate from the expectations outlined in this report. Statements referring to people apply to both men and women.

This annual report is also available in German. In the event of disputes, the German version shall take precedence.

Media Owner and Publisher

NOVOMATIC AG
Wiener Strasse 158
2352 Gumpoldskirchen
Tel.: +43 2252 606 0
E-mail: info@novomatic.com
Commercial register number: FN 69548b
www.novomatic.com

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NOVOMATIC.COM