

## **bet-at-home.com AG**

### **Corporate Governance Statement of bet-at-home.com AG pursuant to Sections 289f, 315d HGB for the Financial Year 2023**

Dear Shareholders,

Corporate governance is understood to be the legal and factual regulatory framework for the management and supervision of a company. The German Corporate Governance Code in the version adopted by the Government Commission on April 28, 2022 (hereinafter referred to as the "**Code**") contains principles, recommendations and suggestions for the Management Board and the Supervisory Board that are intended to help ensure that the company is managed in the company's best interests.

The Code clarifies the obligation of the Management Board and Supervisory Board to ensure the continued existence of the company and its sustainable value creation in accordance with the principles of the social market economy, considering the interests of shareholders, the workforce and other groups associated with the company (stakeholders) (corporate interest). These principles require not only legality, but also ethically based, responsible behavior (model of the honorable businessman).

bet-at-home.com AG (hereinafter also referred to as "BaH") is a stock corporation under the German law. The company's shares are admitted to trading on the Frankfurt Stock Exchange in the Prime Standard, a segment of the EU regulated market. As a listed company, the company is required to issue a corporate governance statement within the meaning of sections 289f and 315d of the German Commercial Code (Handelsgesetzbuch - HGB), including the Group. The Code recommends that the Management Board and Supervisory Board report on and describe certain aspects of corporate governance beyond the legal requirements annually in the corporate governance statement.

The corporate governance statement is to be included in the combined management report, where it forms a separate section. It may also be made publicly available on the company's website. In this case, a reference to the website shall be included in the combined management report. The company has chosen this option, i.e. this corporate governance statement has not been included in the (combined) management report for the financial year 2023, but disclosed on the website and made publicly available.

#### **a) Declaration of Conformity and Corporate Governance Code**

Pursuant to Section 161 of the German Stock Corporation Act (Aktiengesetz - AktG), the Management Board and Supervisory Board of the listed company declare each year that the recommendations of the "Government Commission on the German Corporate Governance Code" published by the Federal Ministry of Justice in the official section of the Federal Gazette have been and are being complied with, or which recommendations have not been or are not being applied and why not (so-called "comply or explain" principle). This is the so-called "**declaration of conformity**". According to Section 3 (2) of the German Stock Corporation Act, listed companies are companies whose shares are admitted to trading on a market that is regulated and supervised by state-recognized bodies, takes place

regularly and is directly or indirectly accessible to the public. This applies to bet-at-home.com AG through the listing of its shares on the regulated market of the Frankfurt Stock Exchange.

## **b) Corporate Governance Report / Declaration on Corporate Governance**

The Code specifies the content of information on corporate governance, which is to be included in the corporate governance statement over and above the statutory requirements in Sections 289f, 315d of the German Commercial Code, namely:

Recommendation B.2	Together with the Management Board, the Supervisory Board shall ensure that there is long-term succession planning. The approach shall be described in the Corporate Governance Statement.
Recommendation B.5	An age limit shall be specified for members of the Management Board and disclosed in the Corporate Governance Statement.
Recommendation C.1	The Supervisory Board shall determine specific objectives regarding its composition, and shall prepare a profile of skills and expertise for the entire Board while taking the principle of diversity into account. The Supervisory Board's skills and expertise profile shall also comprise expertise regarding sustainability issues relevant to the enterprise. Proposals by the Supervisory Board to the General Meeting shall take these objectives into account, while simultaneously aiming at fulfilling the overall profile of required skills and expertise of the Supervisory Board. The implementation status shall be disclosed in the form of a qualification matrix in the Corporate Governance Statement. This statement shall also provide information about what the shareholder representatives on the Supervisory Board regard as the appropriate number of independent Supervisory Board members representing shareholders, and the names of these members.
Recommendation C.2	An age limit shall be specified for members of the Supervisory Board and disclosed in the Corporate Governance Statement.
Recommendation C.8	If one or more of the indicators set out in recommendation C.7 (indicators for the assessment of the independence of the members of the Supervisory Board) are met and the Supervisory Board member concerned is still considered independent, the reasons for this shall be given in the Corporate Governance Statement.
Recommendation D.2	Depending on the specific circumstances of the enterprise and the number of Supervisory Board members, the Supervisory Board shall form committees of members with relevant specialist expertise. The respective committee members and the committee chairs shall be provided in the Corporate Governance Statement.

Recommendation D.3	The expertise in the field of accounting shall consist of special knowledge and experience in the application of accounting principles and internal control and risk management systems, and the expertise in the field of auditing shall consist of special knowledge and experience in the auditing of financial statements. Accounting and auditing also include sustainability reporting and its audit and assurance. The chairman of the audit committee shall have appropriate expertise in at least one of the two areas. The corporate governance statement shall name the relevant members of the audit committee and provide details of their expertise in the areas mentioned. The Chair of the Supervisory Board shall not chair the Audit Committee.
Recommendation D.12	The Supervisory Board shall assess, at regular intervals, how effective the Supervisory Board as a whole and its committees fulfil their tasks. The Supervisory Board shall report in the Corporate Governance Statement if (and how) the self-assessment was conducted.
Principle 23	Management Board and Supervisory Board provide information about the company's corporate governance in their Corporate Governance Statement, on an annual basis.
Recommendation F.4	The Supervisory Board and Management Board of listed companies subject to special legal regulations shall specify, in the Corporate Governance Statement, what Code recommendations were not applied due to over-riding legal stipulations.

The Supervisory Board's rules of procedure are published on the company's website at <https://www.bet-at-home.ag/en/corporate-governance>. The information on corporate governance practices is otherwise not disclosed outside the corporate governance statement.

#### **I. Declaration of Conformity pursuant to Section 161 of the German Stock Corporation Act**

The Management Board and Supervisory Board last issued the following declaration of conformity in December 2023 (available at <https://www.bet-at-home.ag/en/corporate-governance>):

The Management Board and Supervisory Board of bet-at-home.com AG hereby declare, that bet-at-home.com AG has complied with the recommendations of the Code as amended on April 28, 2022 since the issuance of the last Declaration of Conformity in December 2022, taking into account the exceptions explained therein, and will comply with them in future with the following exceptions:

##### **Formation of committees of the Supervisory Board**

According to the articles of association, the company's Supervisory Board is composed of three members. With this size, the formation of committees does not appear necessary or reasonable, since the conceivable

tasks of committees can be performed just as effectively and competently by the entire Supervisory Board (D.2). The entire Supervisory Board also fulfils the tasks of the audit committee.

### **Structure of the remuneration of the Management Board**

Taking the respective tax burden into consideration, variable remuneration amounts of Management Board members shall be invested predominantly in company shares by the respective Management Board member, or shall be granted as share-based remuneration. Granted long-term variable remuneration components shall be accessible to Management Board members only after a period of four years (G.10). According to the company's Management Board compensation system, approved by the Annual General Meeting held on May 26, 2023 ("Compensation System 2023"), one variable compensation amount, which is based on the share price of bet-at-home.com AG ("Variable Compensation 2"), can be granted to the Management Board. The existing contractual agreements provide for an observation period as defined in the Compensation System 2023 up until 31 December 2027, after which Variable Compensation 2 may be paid out, so that the recommendations of the Code are complied with in this respect. Only in the case of a change of control the existing agreements provide for Variable Compensation 2 to be paid before the expiration of four years, if applicable, what is reasonable from the point of view of the management.

### **Structure of the remuneration of the Supervisory Board**

Compensation of the members of the Supervisory Board includes the position of chairman but not that of deputy chairman. Nor does there appear to be a need to differentiate between a deputy chairman and ordinary members, as the participation of all members is required for resolutions in the Supervisory Board of three people, so that cases where the chairman is represented by the deputy rarely occur in practice (G.17).

## **II. Disclosures in accordance with Sections 289f, 315d of HGB**

The company is a stock corporation under the German law. It is therefore subject in particular to the provisions of the German stock corporation law and capital market regulations as well as the provisions of the Articles of Association and the Rules of Procedure for the Management Board and Supervisory Board.

There is a two-tier management and supervisory structure consisting of the Management Board and the Supervisory Board. The both bodies are committed to the interests of shareholders and the welfare of the company. The Annual General Meeting is the third body of the company. It serves to form the will of shareholders.

### **1. Management Board**

The Management Board represents the company externally. It conducts the company's business in accordance with the law and the Articles of Association, as well as ensures an appropriate risk management. The Management Board develops the strategic direction of the company, coordinates it with the Supervisory Board and ensures its implementation. The task of the Management Board is thus to create a sustainable value on its own responsibility. The Articles of Association of BaH are available at <https://www.bet-at-home.ag/en/bah/statute>.

The company's Management Board currently consists of one member – Marco Falchetto.

The members of the Management Board take their personal responsibility for the assigned scope of duties, without prejudice to the overall responsibility of all members of the Management Board.

The Supervisory Board issued the rules of procedure for the Management Board. Measures and transactions of fundamental importance taken by the Management Board require the approval of the Supervisory Board in accordance with the rules of procedure of the Management Board.

The Management Board reports regularly, promptly and comprehensively to the Supervisory Board on all material aspects of business development, significant business transactions and the current earnings situation, including the risk situation and risk management. Deviations in the course of business from plans and targets are explained and justified to the Supervisory Board and discussed with it. In addition, the Management Board reports regularly on compliance, i.e. the measures taken to comply with legal requirements and internal company policies, which the Management Board is responsible for.

The Supervisory Board appoints the members of the Management Board for a maximum period of five years. A repeated appointment or extension of the term of office, in each case for a maximum period of five years, is permissible. It requires a new resolution of the Supervisory Board, which may be adopted not earlier than one year before the expiry of the previous term of office.

The Supervisory Board set an age limit for the Management Board. Correspondingly, a person who has reached the age of 67 cannot become a member of the Management Board.

The Supervisory Board is entitled to conclude contracts of employment with the members of the Management Board. When determining the total compensation of individual members of the Management Board (salary, profit sharing, expense allowances, insurance compensation, commissions, incentive-based compensation commitments such as stock options and fringe benefits of all kinds), the Supervisory Board shall ensure that these are commensurate with the duties and performance of a member of the Management Board and the situation of the company and do not exceed the customary level of compensation with no particular reasons. In the case of listed companies, the compensation structure shall be geared to sustainable and long-term development of the company. Variable compensation components shall therefore have a multi-year assessment basis; the Supervisory Board shall agree on a cap for extraordinary developments.

According to Section 87a of the German Stock Corporation Act, the Supervisory Board of a listed company shall adopt a clear and comprehensible system for compensation of the Management Board members. According to Section 120a of the German Stock Corporation Act, the Annual General Meeting of a listed company shall adopt a resolution regarding the approval of the compensation system of the Management Board members submitted to it by the Supervisory Board whenever the compensation system is substantially modified, at a minimum, however, every four years.

In accordance with the statutory provisions, the compensation system of the Management Board members drawn up in accordance with Section 87a of the German Stock Corporation Act and approved by the Supervisory Board on March 29, 2023 was submitted to and approved by the Annual General Meeting in 2023.

The resolution and the current compensation system have been published on the company's website and shall be kept publicly available at no charge as long as the compensation system is valid and in force, at a minimum of at least ten years.

The Supervisory Board shall determine compensation of the Management Board members in accordance with a compensation system submitted to the Annual General Meeting for approval pursuant to Section 120a (1) of the German Stock Corporation Act.

In special and exceptional circumstances (e.g. in the event of a serious financial or economic crisis), the Supervisory Board has the right, in accordance with the compensation system adopted in 2023, to temporarily deviate from the compensation system pursuant to Section 87a (2) sentence 2 of the German Stock Corporation Act and to amend regulations regarding the compensation structure and individual compensation components as well as regulations on the respective procedure if it is necessary in the interests of the company's long-term well-being. Any deviation from the compensation system is only possible with a corresponding resolution by the Supervisory Board and after careful consideration of the necessity to do so. The components of the compensation system that may be deviated from under the aforementioned circumstances are as follows: procedure, compensation structure, individual compensation components and performance criteria. Furthermore, in special and exceptional circumstances, the Supervisory Board may temporarily grant additional compensation components or replace individual compensation components with other compensation components if it is necessary to restore the adequacy of the Management Board compensation in a specific situation.

Pursuant to Section 120a (4) of the German Stock Corporation Act, the Annual General Meeting of a listed company shall also pass a resolution on approval of the audited compensation report for the preceding financial year prepared in accordance with Section 162 of the German Stock Corporation Act, unless the resolution can be dispensed with pursuant to Section 120a (5) of the German Stock Corporation Act. The compensation report is to be audited by the statutory auditor. The auditor is to audit, whether the information required by law has been provided; an audit of the content is not required by law. The compensation report and the audit opinion on the compensation report shall be made publicly available at no charge on the company's website for ten years from the date specified in Section 162 (4) of the German Stock Corporation Act.

The compensation reports for the past financial years and the auditor's reports pursuant to Section 162 of the German Stock Corporation Act, as well as the applicable compensation system pursuant to Section 87a of the German Stock Corporation Act are available on the company's website at <https://www.bet-at-home.ag/en/corporate-governance>. Other documents relating to remuneration, which shall be disclosed, are available at the same section of the website.

## **2. Supervisory Board**

In accordance with Sections 95, 96 (1), 101 (1) of the German Stock Corporation Act in conjunction with Section 10(1) of the Articles of Association, the Supervisory Board of the company is composed of three members, all of whom are elected by the Annual General Meeting. Pursuant to Section 10 (2) of the Articles of Association, Supervisory Board members are elected as determined by the Annual General Meeting for a maximum period up to the end of the

next Annual General Meeting, which resolves on the approval of actions of the Supervisory Board members in the fourth fiscal year after the start of their term of office. The fiscal year, in which the term of office begins, is not included. The Supervisory Board advises the Management Board on management of the company. It monitors its activities. The Supervisory Board appoints and removes the members of the Management Board from office, resolves on the compensation system and respective remuneration for the members of the Management Board. The Articles of Association of BaH are available at <https://www.bet-at-home.ag/en/bah/statute>.

The Supervisory Board is involved in all decisions that are of fundamental importance to the company. It is to be determined in the by-laws that certain types of business transactions may be implemented only by the Supervisory Board's consent. The Supervisory Board's responsibilities also include nomination of candidates to the Supervisory Board and nomination for election of the statutory auditor. The Supervisory Board also supervises and advises the Management Board on sustainability issues, specific to the company and the industry as a whole.

The principles of cooperation within the Supervisory Board and with the Management Board are set out in the Rules of Procedure of the Supervisory Board. The Rules of Procedure of the Supervisory Board of BaH are available at <https://www.bet-at-home.ag/en/corporate-governance>.

The Supervisory Board has set an age limit for the Supervisory Board members such that, as a matter of principle, an election to the Supervisory Board shall no longer take place if the statutory retirement age has been reached at the time of the election.

At present, the Supervisory Board has not formed any committees. Due to the number of members (three members), the Supervisory Board is of the opinion that the establishment of committees would not be expedient. In view of the size of the company, the Supervisory Board also does not consider any expansion in the number of its members as necessary at present.

The members of the Supervisory Board may be granted remuneration for their activities. This may be specified in the by-laws or granted by the Annual General Meeting. It shall be commensurate with the duties of the Supervisory Board members and with the economic performance of the company. In the case of listed companies, a resolution on the compensation of the Supervisory Board members is to be resolved upon at least every four years in accordance with Section 113 of the German Stock Corporation Act, which was also amended by the ARUG II.

In accordance with the statutory provisions, a corresponding resolution was approved by the Annual General Meeting in 2021.

The resolution and the applicable compensation system for the Supervisory Board pursuant to Section 113 of the German Stock Corporation Act are available at <https://www.bet-at-home.ag/en/corporate-governance>.

The Supervisory Board discusses efficiency of its work as part of a self-assessment process on a regular basis. Due to the fact that the Supervisory Board currently has three members, the Supervisory Board has so far refrained from attracting an external consultant for a self-assessment. Last time the Supervisory Board self-assessment was carried out in the first quarter of 2021. On the basis of a questionnaire, the Chairman of the Supervisory Board examined whether there was any reason for a change in operating principles of the Supervisory Board and what measures should be taken in this respect.

### **3. Annual General Meeting**

The shareholders exercise their rights, in particular their voting rights, at the Annual General Meeting. The Annual General Meeting is held annually within the first eight months of each fiscal year. The agenda for the Annual General Meeting, including the reports and documents required for the Annual General Meeting, is published on the company's website. To facilitate the personalised exercise of their rights, the company provides shareholders with a proxy for Annual General Meetings, which is bound by instructions. In the Annual General Meeting convocation notice or in the notices to shareholders, it is explained how voting right instructions can be granted prior to the Annual General Meeting.

The Management Board is authorised in the Articles of Association to allow for an Annual General Meeting to be held without physical presence of shareholders or their proxies at the place of an Annual General Meeting (virtual Annual General Meeting). This authorisation should apply for a period until June 7, 2025. All provisions of these Articles of Association for Annual General Meetings, including Section 19 (4) of the Articles of Association, should apply to a virtual Annual General Meeting, unless the law mandatorily provides otherwise or the Articles of Association expressly provide otherwise.

The Annual General Meeting shall pass resolutions in the cases expressly stipulated by law and in the Articles of Association, namely on:

- Appointment of the members of the Supervisory Board, insofar as they are not to be delegated to the Supervisory Board or as employee representatives on the Supervisory Board in accordance with the Codetermination Act, the Codetermination Supplementary Act, the One-Third Participation Act or the Act on Employee Codetermination in Cross-Border Mergers
- Appropriation of profits
- Compensation system and compensation report for members of the Management Board and Supervisory Board of a listed company
- Discharge of the members of the Management Board and the Supervisory Board
- Appointment of the statutory auditor
- Amendments to the Articles of Association
- Measures to raise capital and reduce capital
- Appointment of auditors to audit transactions relating to the formation or management of the company
- Liquidation of the company.

The Annual General Meeting may decide on operational management issues only if the Management Board requests so. Only in exceptional cases and within narrow limits the Management Board may be obliged to submit management issues for resolution of the General Meeting, if a measure envisaged by the Management Board is within the core competences of the General Meeting to determine the constitution of the stock corporation, as it entails changes, which are at least close to those that can be brought about solely by amending the Articles of Association.



#### **4. Disclosures on corporate governance practices**

At the heart of the management culture of the company and its subsidiaries are the values that are anchored in statutory regulations as well as internal guidelines and organizational directives. On the one hand, the concepts, which follow the interests of making profit, are of particular importance for the business. On the other hand, serious and comprehensive customer protection, in particular children and youth protection and prevention, are of paramount importance.

This is the basis for a common understanding within the company's management and employees to combine a sustainable growth with economic success and, at the same time, to prevent negative effects from the service offering through taking effective measures.

In order to achieve this goal, every employee should be aware of these challenges and be able and allowed to take responsibility for them. Personal responsibility and initiative require knowledge of the strategic orientation of the company. The company's management therefore regularly informs employees about the corporate goals, current business developments as well as the market and competitive environment. Clearly defined corporate structures, areas of responsibility and processes are also an essential basis for efficient corporate management and cooperation. In association with the defined processes that are subject to continuous optimization, this structure enables management processes to be aligned with corporate objectives and be regularly monitored in terms of target achievement.

In this respect motivation and appreciation of the company's employees are of particular importance. For outstanding commitment, high productivity and efficiency can only be achieved in a working environment that is perceived as positive and with a high level of identification with the company and its goals.

#### **5. Sustainability**

As part of ensuring sustainability in our business development, we regularly review the approach to dealing with environmental, social and governance ("ESG") issues and risks.

The key industry and company-specific sustainability risks relate to the regulatory environment and compliance, social responsibility with respect to clients and employees, data protection, anti-money laundering and combating the financing of terrorism. As BaH is a pure online service provider, risks arising from environmental factors are inherent to the company to a lesser extent.

Risks that could arise from sustainability topics cannot be often measured in specific financial terms, however they have an impact on the company's business activities, both in the short and medium term. The risks associated with sustainability factors are identified, monitored and mitigated within the company's risk management policies and internal control practices.

### *Data protection*

BaH is committed to protecting personal data of all persons concerned. Special concern is that all customers can use the BaH offering with a clear conscience. In addition to laws at European level, such as Regulation (EU) 2016/679 (DSGVO) in particular, national laws and requirements on data protection are also observed.

The starting point for all data protection precautionary measures at BaH are data processing principles defined in the DSGVO. Different information channels are used in order to be able to react quickly to any changes in the legislation, new interpretations in legislation and literature. Regular reviews are carried out to ensure that data processing procedures are up to date.

In order to keep up with the latest developments in data protection, external and internal audits are carried out on an annual basis. In addition, all employees must complete data protection training at least once a year, with special consideration given to the intensity of touch points in connection with the employee's respective position.

High technical and organisational standards are in place to ensure that data protection measures are carried out not only within the company, but that the partners of BaH also implement data protection compliant precautions. Customers of BaH, as well as its employees, investors and business partners, can be confident that BaH takes all necessary measures to ensure protection of their privacy. For this purpose, a data protection officer was appointed, and a separate organisational unit was set up. The data protection officer informs the top management in regular reports about data protection activities and measures taken.

### *Social responsibility*

The company sees social responsibility as an integral part of its business strategy aimed at ensuring a stable and future-oriented environment for customers and employees. Values such as fairness, reliability, and responsibility are of the utmost priority.

### *Personnel*

Equal treatment of employees irrespective of origin, gender, religion or ideology, disability, age or sexual orientation is part of our corporate culture and is expressed, among other things, in the fact that employees from many different nations work together successfully and cooperatively in the BaH Group.

The company is committed to acting in line with labour laws of the regions, where its sites are located, and to promoting long-term development of its employees. BaH offers a high standard of working conditions, on-boarding training on various topics, including regulatory environment, compliance and data protection, and provides various sports and entertainment activities as well as undertakes preventive measures in health protection.

BaH in its turn expects its employees to act in a legally and ethically impeccable manner in their day-to-day professional life. Employees are familiarised with the relevant codes of conduct as well as legal and official rules in training sessions with the involvement of responsible compliance officers. Employees are provided with the opportunity and are encouraged – if desired, also protected – to report on any legal violations within the companies of the BaH Group.

## *Customers*

Responsible gambling is part of social responsibility of BaH. As an entertainment service provider, the company sees gambling as a service that is to be provided with a sense of responsibility and is committed to creating conditions that help players enjoy gaming consciously and in moderation.

BaH is focused on following the industry standards regarding the service offering through customer protection measures, protection children and youth, responsible advertising and thorough customer care.

In order to ensure the best possible form of protection for customers, the company has implemented mechanisms to safeguard the integrity of sport, it undergoes extensive product testing on a regular basis, and supports customers playing responsibly with various self-protection tools. Among these are detailed information about their gambling profiles, personalized messages, self-tests, voluntary financial limits and possibility of taking short breaks from playing, as well as longer periods of self-exclusion.

Protection of players at risk, as well as gambling addiction prevention, are of particular importance for BaH and require constant improvement effort, from human resources to technological solutions, not only to match the best practices in the industry, but also to be aligned with ever-evolving legal requirements.

Pro-active observation of playing behaviour, detection of problematic playing and individualized approach to at-risk customers are performed to an appropriate extent by the responsible gaming team, which operates in close partnership with Mentor, a scientific AI-based solution created by Neccton, European reference in the field of identification of harmful play and interaction with players.

In order to fulfil the above-mentioned goals, the company organizes regular trainings about player protection and anti-money laundering to employees, who directly or indirectly have contact with customers.

In its effort of prevention of addiction in Germany and Austria, BaH has been co-operating for several years with the Institut Glücksspiel & Abhängigkeit (Institute of Gambling and Addiction). The company is a member of various international and regional associations in the areas of gambling and betting.

BaH is particularly mindful of its advertising campaigns, by implementing them responsibly in line with advertising guidelines and objectives of Section 1 of Germany's State Treaty on Gambling 2021 (Glücksspielstaatsvertrag – GlüStV). In order to protect minors from potentially addictive gambling offers, BaH does not place any advertising on TV, in online or print media, as well as in Social Media that are tailored to this target group and pays particular attention to the presentation and text of the subjects to address adults. Advertising in the context of sporting events with the (targeted) participation of minors is omitted without exception.

In order to provide the best product quality and understand the room for improvement, BaH collects feedback from customers. The company runs NPS surveys at least once a year and commissions regularly market researches and perceptions of advertising spots to inquire about the brand attractiveness and product satisfaction in the relevant markets. The advertising perception study conducted in November 2023 showed that viewers associate the current advertising of bet-at-home with dynamism and trendiness. The latest NPS and market research were conducted in December 2023.

### *Environmental factors*

As a provider of entertainment services, BaH is not involved in the procurement of industrial raw materials or pre- and finished products. Being a pure online service provider, BaH has no retail shops and uses electricity and resourcing for providing its services via the Internet, for heating and electricity consumption in its office spaces. As part of the strategic realignment involving the increased outsourcing, the main transaction systems, in particular development and operation of the customer and payment platform and the online sports betting product, are now operated by an external outsourcing partner based in the EU and therefore subject to corresponding environmental and social standards.

Environmental issues may potentially arise when procuring the company's means of production, namely IT infrastructure. Therefore, we fall back on manufacturers or suppliers who are, to the best of our knowledge, themselves committed to high sustainability standards. All BaH Group sites are located in Europe. In this respect, corresponding environmental protection standards apply to all locations of the BaH Group.

As a pure online service provider without retail shops, the Group's water consumption is low, as water is used at the sites of the BaH Group only for sanitary purposes and office kitchens. BaH is committed to reducing waste generation, notably plastic, at its offices through the usage of reusable bottles and waste separation. The Group's business operations, including marketing activities, are conducted in a digital form and do not involve high paper consumption.

With the Act Implementing the Second Shareholders' Rights Directive, the legislator stipulated that the compensation structure of the Management Board members shall be aligned with the sustainable and long-term development of the company (Section 87 of the German Stock Corporation Act). To account for the sustainability concept, the agreed remuneration arrangements shall provide for variable compensation components as part of assessment factors, which shall include financial and non-financial performance criteria, such as integrity, employee satisfaction and diversity, as well as sustainability/environmental social governance (ESG) aspects.

## **6. Compliance**

The Management Board is responsible for ensuring compliance with legal provisions and the company's internal guidelines, and works towards their observance by the Group companies (compliance). The business activities of the BaH Group shall comply with legal requirements of various countries. This applies in particular to different legislative conditions for online sports betting and online gaming.

Provided that the BaH Group cannot rely on a national license, its business activities within the EEA are offered on the basis of licenses for online gaming and online sports betting issued in Malta, which are valid in EU member states due to the European freedom to provide services and freedom of establishment, as long as the regulations regarding online gaming and online sports betting in a respective member state remain contrary to European law.

However, regulatory developments in the EU member states are characterised by increasing efforts to establish a licensing system for private providers of online gaming and online sports betting, as a result of which the national licenses of particular countries are becoming increasingly important for the Group.

In the core market of Germany, the Group succeeded in achieving in late 2022 a high level of legal and planning certainty by obtaining licenses for all products offered.

In those countries, in which the BaH Group's Maltese operating companies are active, taxes on sports betting and gambling are being levied on the basis of different assessment bases, as well as VAT on electronic services.

We expect our employees to act in a legally and ethically impeccable manner in their day-to-day activities. As for us as a betting and gaming provider, it is essential to have the highest degree of integrity in our highly regulated markets in order to justify the trust of authorities and, above all, of our customers.

Employees are familiarised with the relevant codes of conduct as well as legal and regulatory rules in training sessions with the involvement of responsible compliance officers. Our employees are provided an opportunity and are encouraged - if requested, also protected – to report on any facts of legal violations within the companies of the BaH Group.

Due to the listing of BaH's shares on the stock exchange, safeguarding market integrity and preventing market abuse is a key component of our compliance structure. This includes processes for the group-wide identification of insider information and for dealing with it in a legally compliant manner, as well as informing our employees of their duties and obligations in this context.

## **7. Accounting**

The consolidated financial statements of BaH are prepared in accordance with the International Accounting Standards (IAS) of the International Accounting Standards Board (IASB), London, United Kingdom, and the interpretations of the IFRS Interpretations Committee (IFRS IC), as adopted by the European Union, as well as additional requirements pursuant to Section 315e of the German Commercial Code (HGB). The consolidated financial statements are prepared on a going concern basis.

The annual financial statements of the bet-at-home.com AG are prepared in accordance with Sections 242 et seq. and 264 et seq. of the German Commercial Code as well as in line with the relevant provisions of the German Stock Corporation Act.

Annual financial reports, as well as quarterly and half-yearly reports, are published within the statutory deadlines and in accordance with the rules and regulations for the Prime Standard of the Frankfurt Stock Exchange.

## **8. Transparency**

We keep our shareholders informed about significant events for the company and the Group, in particular through the publication of the Annual Report, public disclosure of important information and in press releases.

The treatment of important information is based in particular on the provisions of Regulation (EU) No. 596/2014 (Market Abuse Regulation) for the publication of insider information, on insider lists and on directors' dealings and other provisions.

## **9. Equal participation of women and men**

Notwithstanding our internal goals and principles for equal treatment and participation of our employees, BaH is subject to special regulations under the stock corporation law. According to Section 111 (5) of the German Stock Corporation Act, the Supervisory Board of BaH should set targets for the proportion of women on the Supervisory Board and the Management Board. Section 76 (4) of the German Stock Corporation Act stipulates that the Management Board of companies listed on the stock exchange or subject to co-determination shall set targets for the share of women working in positions at the first and second management levels below the Management Board. Concurrently, there shall be set deadlines within which the target values are to be achieved. The deadlines may not be longer than five years in each case.

### ***Proportion of women on the Management Board***

As of now one member of the Management Board was appointed. The Management Board includes no women. Due to the company specific situation, the Supervisory Board has no concrete plans to appoint another member of the Management Board or to make any personnel changes. Setting a target of > 0.00% for the proportion of women on the Management Board would therefore require the current Management Board member to leave and a woman to be appointed instead or at least in addition. In view of the size and position of the company, neither of these is currently being pursued. On the one hand, the Supervisory Board intends to work with the acting Management Board until further notice, at least until December 31, 2027, and the Supervisory Board holds the opinion that any expansion of the Management Board is currently not necessarily in the interest of the company. It should be noted that the company is purely a holding company, so that an expansion of the Management Board in terms of personnel does not appear to be mandatory.

The Supervisory Board has therefore set the target for the proportion of women on the Management Board at 0.00%. The deadline for achieving the target was set at December 31, 2026. The target figure has been achieved.

### ***Proportion of women on the Supervisory Board***

The target for the proportion of women on the Supervisory Board was set at one third. The deadline for achieving the target was December 31, 2026. The target has been achieved.

### ***Proportion of women in the two management levels below the Management Board***

At the moment, the company has no management levels below the Management Board within the meaning of Section 76 (4) of the German Stock Corporation Act. If the status quo determines that the company has no (two) management levels below the Management Board, Section 76 (4) of the German Stock Corporation Act is to be reduced teleologically correspondingly in accordance with the current legal assessment. In this case a target is set for any existing management levels. If there is no any other management level below the Management Board – for example in the case of holding companies such as BaH – the obligation under Section 76 (4) of the German Stock Corporation Act does not apply according to the current legal assessment. Due to the lack of two management levels below the Management Board, targets for the proportion of women pursuant to Section 76 (4) of the German Stock Corporation Act have not been set. A deadline for achieving the target has therefore not been set. As soon as a management level below the Management Board exists in the future, a target level will be set in accordance with Section 76 (4) of

the German Stock Corporation Act. Regardless of this, the situation will be reviewed no later than on December 31, 2026.

### **III. Diversity concept**

#### **1. Supervisory Board**

##### **i) Objectives regarding the composition of the Supervisory Board**

According to the Articles of Association of BaH, the Supervisory Board of the company consists of three members, which are to be elected by the Annual General Meeting of shareholders.

Pursuant to the recommendations of the German Corporate Governance Code, the Supervisory Board shall determine specific objectives regarding its composition, and shall prepare a profile of skills and expertise for the entire Board while taking the principle of diversity into account. The Supervisory Board's skills and expertise profile shall also comprise expertise regarding sustainability issues relevant to the enterprise. Proposals by the Supervisory Board to the General Meeting shall take these objectives into account, while simultaneously aiming at fulfilling the overall profile of required skills and expertise of the Supervisory Board. The implementation status shall be disclosed in the form of a qualification matrix in the Corporate Governance Statement. This statement shall also provide information about what the shareholder representatives on the Supervisory Board regard as the appropriate number of independent Supervisory Board members representing shareholders, and the names of these members. Diversity includes aspects such as age, gender, educational or professional background.

The Supervisory Board believes that, in addition to a balanced set of professional qualifications, an appropriate level of representation of women on the Supervisory Board and internationality should always be present. The composition of the Supervisory Board should therefore take account of the fact that BaH's business is innovative and international, and that it uses modern Internet communication channels to provide its services. Expertise in sustainability issues relevant to the company and the industry as a whole, namely in social responsibility and in governance practices, which among others include data protection, anti-money laundering and combating terrorist financing, is also vital for the Supervisory Board as part of performing their duties.

However, diversity does not mean that individuals are proposed as candidates for the Supervisory Board solely because she or he possesses a certain personal characteristic, so that mandatory quota requirements are not imposed.

In the case of companies within the meaning of Section 264d of the German Commercial Code, the provisions of Section 100 (5) of the German Stock Corporation Act require that at least one member of the Supervisory Board shall have expertise in the field of accounting and at least one further member of the Supervisory Board shall have expertise in the field of auditing accounts; the Supervisory Board members as a whole shall be familiar with the sector in which the company pursues its activities.

On March 16, 2022, the Supervisory Board specified the following objectives regarding its composition:

- Consideration of international activities of the company and its subsidiaries
- Consideration of professional/technical expertise and industry knowledge, in particular with respect to online betting and online gambling
- Expertise in the fields of accounting and auditing accounts, as well as finances and risk management
- Expertise in sustainability questions relevant to the company
- Expertise in the areas of law and compliance
- More than half of the shareholder representatives should be independent of the company and the Management Board within the meaning of the Code
- If the company has a controlling shareholder, at least one member shall be independent of the controlling shareholder within the meaning of the Code
- Avoidance of conflicts of interest – Supervisory Board members should not exercise any executive or advisory functions for significant competitors of the company and should not have a personal relationship with a significant competitor
- Availability and willingness to serve
- Maximum of three Supervisory Board mandates in companies outside the Group
- Consideration of the age limit set out in the Supervisory Board's Rules of Procedure
- Proportion of women of one third.

The profile of skills and expertise of the Supervisory Board comprises general knowledge of the industry and markets, understanding of the business model and basic knowledge of the (legal) framework, fundamental knowledge of compliance, finance and accounting, as well as the ability to understand and critically review reports and presentations by the Management Board and to draw conclusions, including the ability to assess the propriety, economic efficiency, expediency and legality of the business decisions to be evaluated or to check them for plausibility. The members of the Supervisory Board should also individually meet certain minimum personal requirements that are essential for the efficient work of the Supervisory Board, such as time availability, integrity, confidentiality, ability to discuss, interact and work in a team.

The Supervisory Board will also take the objectives set for its composition into account to the best possible extent in the search for suitable candidates for any members retiring prematurely and in nominations for elections by rotation.

## **ii) Implementation of the objectives regarding the composition of the Supervisory Board**

In the Supervisory Board's opinion, the Supervisory Board in its current composition meets the composition targets and rounds out both the profile of skills and expertise and the diversity concept. The Supervisory Board members possess all relevant professional and personal qualifications considered essential for the task, including knowledge of industry-related requirements, expertise in accounting and auditing accounts. All members of the Supervisory Board are engaged in international activities and/or have many years of international experience.



The current members of the Supervisory Board are as follows:

- **Martin Arendts**, M.B.L.-HSG, Chairman of the Supervisory Board, is the founder and owner of the law firm ARENDTS ANWÄLTE. Mr. Arendts specializes in capital investment law as well as gambling and betting law. Therefore, he possesses a broad expertise in corporate and capital market law, corporate governance issues, as well as the gambling and betting law, which is of great importance for the BaH Group. Due to his field of activity, including his long-standing function as a member of the Supervisory Board, Mr. Arendts also has expertise in auditing. Mr. Arendts has been a member of the Supervisory Board since August 13, 2007 (for more than 16 years).
- **Véronique Giraudon**, Vice Chairwoman of the Supervisory Board, has a multi-year management experience in senior finance and operations in start-ups and multinational companies. Since 2013, Véronique Giraudon has been Corporate Director and Group CFO of BetClic Everest Group, covering the operational areas of Finance, Risk Management, Fraud Prevention, Compliance and Legal. Due to these activities, Ms. Giraudon has expertise in the field of accounting. Ms. Giraudon has been a member of the Supervisory Board since July 07, 2020 (more than three years).
- **François Riahi**, a member of the Supervisory Board, has been CEO of Financiere LOV since November 2020. Francois Riahi began his career in the French civil service in 2001, first at the Ministry of Finance, where he held various positions for six years, and then as an advisor to Nicolas Sarkozy during the Presidency of the Republic of France. In 2009, François Riahi moved to the banking sector within the BPCE Group, where he headed the strategy department, the Asia-Pacific business, and the corporate and investment banking business, before becoming CEO of Natixis, the group's listed subsidiary. Mr. Riahi has been a member of the Supervisory Board since May 18, 2021 (more than two years).

### iii) Availability

All members of the Supervisory Board have sufficient time to perform their duties. None of the Supervisory Board members holds more than the targeted number of non-Group mandates in supervisory bodies.

### iv) Independence

According to the Code (Recommendation C.6 et seq.), the Supervisory Board shall include what it considers to be an appropriate number of independent members from the group of shareholder representatives, thereby considering the ownership structure.

The Code formulates two aspects of independence: a member of the Supervisory Board is considered independent if he/ she is:

- independent of the company and its Management Board, and
- independent from any controlling shareholder.

## **(1) Independence from the Company and the Management Board**

According to the Code, more than half of shareholder representatives shall be independent from the company and the Management Board. A Supervisory Board member is independent from the company and its Management Board if he or she has no personal or business relationship with the company or its Management Board that may cause a substantial – and not merely temporary – conflict of interest. When assessing the independence of a Supervisory Board member from the company and its Management Board, particular consideration shall be given to whether the respective Supervisory Board member or a close family member of the respective Supervisory Board member:

- was a member of the Management Board of the company in the two years prior to the appointment,
- whether he/ she currently is maintaining (or has maintained) a material business relationship with the company or one of the entities dependent upon the company (e.g. as customer, supplier, lender or consultant) in the year up to the date of appointment, directly or as a shareholder, or in a leading position of a non-group entity,
- whether he/she is a close family member of a Management Board member, or
- whether he/ she has been a member of the Supervisory Board for more than 12 years.

None of the members of the Supervisory Board is maintaining a personal or business relationship with the company or its Management Board that may cause a substantial and not merely temporary conflict of interest. Insofar as Mr. Arendts has been a member of the Supervisory Board since August 13, 2007, and thus for more than 16 years, in the opinion of the management, this does not support the assumption that Mr. Arendts is not independent. Mr. Arendts has always placed his professional expertise in the service of the company in an unselfish manner. In the opinion of the management, there have been no indications to date that he has not exercised his office with the requisite objectivity, professionalism and vigilance, and with the necessary emphasis. Besides, there are no commercial relationships between Mr. Arendts and the company. The term of office of Mr. Arendt also does not indicate a personal or business relationship with the acting Management Board member, who took office in 2022.

The Supervisory Board does not include any former members of the Management Board.

All shareholder representatives are therefore independent from the company and the Management Board.

## **(2) Independence from a controlling shareholder**

According to the Code, if the company has a controlling shareholder, and the Supervisory Board comprises six members or less, at least one shareholder representative shall be independent from the controlling shareholder.

According to the Code, a Supervisory Board member is independent from the controlling shareholder if he/ she, or a close family member, is neither a controlling shareholder nor a member of the controlling shareholder's executive body, and does not have a personal or business relationship with the controlling shareholder that may cause a substantial – and not merely temporary – conflict of interest.

BaH is (indirectly) controlled by Mr. Stéphane Courbit according to the voting rights notifications made. Ms. Giraudon and Mr. Riahi perform board functions at the company controlled by Mr. Stéphane Courbit.

Mr. Arendts has no relationship whatsoever with the controlling shareholder and is therefore considered as independent in this respect.

The requirement of the Code and also the Supervisory Board's objective that at least one shareholder representative should be independent from the controlling shareholder is thus fulfilled.

If and when any business relationship with the controlling shareholder occurs, conflicts of interest that may exist are accommodated through proved procedures, such as abstention from voting. Moreover, relationships between controlling companies and the company are subject to reporting and auditing obligations under Sections 312 et seq. of the German Stock Corporation Act. These audits, in particular those of the auditors of annual accounts, have so far shown that business relationships with controlling companies have been conducted solely with appropriate consideration.

The acting members of the Supervisory Board do not have any board functions or advisory duties at any of major competitors.

#### v) Qualification matrix

Based on the objectives regarding its composition and qualifications, the Supervisory Board of BaH has developed the following qualification matrix:

		Martin Arendts, M.B.L.-HSG (Chairman)	Véronique Giraudon (Vice Chairwoman)	François Riahi
Tenure	Member since	August 13, 2007	July 07, 2020	May 18, 2021
No overboarding <sup>1</sup>		V	V	V
Independence <sup>1</sup>		V		
Diversity	Gender	male	female	male
	Year of Birth	1966	1969	1973
	Citizenship			
Expertise	Betting and gambling market	V	V	V
	Compliance	V	V	V
	Corporate law	V	V	
	Capital market law	V		V
	Sustainability	V	V	V
	Finance		V	V
	Accounting/ audit	V	V	
	Strategy	V		V
	Innovations/ technology		V	V
Risk management	V	V	V	
Internationality		V	V	V

1. According to the German Corporate Governance Code (CGCC)

## **2. Management Board / Succession planning**

### **i) Objectives for the composition of the Management Board**

Pursuant to Recommendation B.1 of the Code, the Supervisory Board shall take diversity into account, when appointing Management Board members. Pursuant to Section 76 of the German Stock Corporation Act, the Management Board is to manage the company on its own responsibility. Hence, the objective of the composition of the Management Board should be to entrust the management of the company to individuals who meet essential professional and personal requirements as part of constructive cooperation, while maintaining the efficiency of human resources. It should be taken into consideration that bet-at-home.com AG, as a holding company, is responsible for managing its subsidiaries, but does not itself conduct operational business. However, the best business and industry knowledge, including regulatory frameworks in the target markets, is essential at the Management Board level. As the BaH Group operates exclusively as an online provider, the knowledge in this area is of outstanding importance. As it was explained above, with regards to the diversity concept, there is no target to appoint women to the Management Board at least until December 31, 2026.

### **ii) Status of implementation**

To the best belief of the Supervisory Board, the composition of the Management Board took and takes appropriate account of the professional and personal requirements:

On February 21, 2022, the Supervisory Board of BaH appointed Marco Falchetto as a member of the Management Board of BaH and in 2023 extended his appointment until December 31, 2027. After graduating with degrees in International Business Administration and Business Information Systems, Mr. Falchetto worked as Managing Director Sports Betting for a leading, listed online gaming group until December 2014. Afterwards Mr. Falchetto supported the strategic transformation for various online gaming companies as an independent expert. With his expertise, he brings valuable competencies to the Management Board.

### **iii) Succession planning**

Against the background of professional and personal requirements to the members of the company's Management Board, the Supervisory Board regularly discusses – also with the acting Management Board – which individuals might be considered for appointment for future periods of office. In this respect, the success in personal and professional development of the Group's executives is taken into consideration. The Supervisory Board may also consult external advisors in the search for suitable candidates, if required.