Meridianbet GLOBAL 2022 ESG REPORT



WELCOME ADDRESS

At Meridianbet Group, Environment, Social, and Governance (ESG) issues are not just a fancy slogan but a core value and driving force behind our commitment to sustainable and responsible business practices. As we now find ourselves in a post-pandemic world, it is clear that the global society has experienced tectonic and lasting changes in the way we conduct business across nearly all industries of the modern economy. The year 2022 has been a period of significant adjustment and application of new business strategies.

Prioritizing the safety and health of our employees, customers, and partners, we embarked on new projects that transformed our company while strengthening the local communities we have been associated with for two decades.

We responded to well-known events from the beginning of 2020 with innovation, which was rare in business in general at that time, and we managed to grow in numbers of employees in the sector of online betting, we even managed to increase the headcount compared to previous year. Humanitarian, technological company, software innovator, career mentor and the most desirable employer on each market – would be the best summary of business philosophy of Meridian Group than grew in 2022 in all key operational and reputational parameters.

As a predominantly tech company, we are constantly empowering female entrepreneurship. Women account for more than 50% of our top management, exceeding the most advanced DE&I metrics.

Our commitment to gender equality extends across all business segments, including HR, marketing, retail network, and software development, demonstrating that true gender equality can only be achieved through the economic empowerment of women.

It was in the days of immense global uncertainty that the Meridianbet Group became one global betting and gaming industry ESG leaders, as **we organized more 257 CSR projects and actions** with the goal of improving the level of environment protection, aid to health institutions, vulnerable individuals and social groups, institutions of culture and scientific and research centers, scholarships for talented students, support for professional and amateur sport etc.

This is why we started the Foundation "From the Heart with Love" to extend the scope and improve the coordination of future socially responsible activities. The foundation will focus on fundraising for children struggling with dangerous and rare diseases, providing support to struggling families, investing in environmental projects, and promoting cultural and educational initiatives within our communities. By concentrating our efforts through this foundation, we aim to create a lasting, positive impact on the lives of those we touch.

The project we are especially proud of is the great afforestation project – "Clean Air – Clear Victory", we initiated in cooperation with the local environmental protection ministries, that will last for the years to come.

Since the pandemic started, we allocated 2 million euros through donations of new medical and technical equipment for more than 120 health institutions in Europe, Africa and South America. In the same period, we organized and participated in more than 50 campaigns to raise funds to treat children with rare and dangerous diseases such as SMA, organizing humanitarian sports tournaments and campaigns.

We are proud to become the official sponsor of KK Crvena zvezda Meridianbet playing in Turkish Airlines Euroleague. This deal represents the largest agreement ever secured by a private company in Southeast Europe's history of sports, highlighting our commitment to fostering growth in the athletic community. Our commitment to supporting professional and amateur sports worldwide goes well beyond that, as the Company is an official sponsor and betting partner of more than 30 sports clubs and 10 tournament / sports competitions all over Europe.

As we look ahead, we continue changing the landscape of global gaming and betting industry but also the values of corporate governance. As we continue to evolve and adapt to the ever-changing landscape, we pledge to focus on the following areas of improvement in the upcoming period:

- Enhance the strength and visibility of our brand's product offerings
- Continue the employee education program on responsible gambling
- Strengthening community engagement in environment, health, education, culture, and sports
- Ensuring digital inclusion

By tackling these key areas, Meridianbet Group aims to continue leading the way in responsible and sustainable gaming and betting practices while creating long-term value for our stakeholders and the communities we serve.

The Report provides a comprehensive presentation of ESG activities in 2022, how we change the world around us and improve the quality of life of each person in the communities in which we operate. And we are just getting started – since growth of our company is closely connected to sustainable operations and increased investments into the society from which our success story started.

The Meridianbet Board

THE YOURNEY TOWARDS SUCCESS







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THE YOURNEY TOWARDS SUCCESS

Founded in 2001, we are one of the largest sports betting and gaming groups, and with the team of 1056 professionals we deliver ultimate entertainment for the players and shared opportunities for communities, employees, and shareholders. We have been on an accelerated development pace and becoming one of the leading betting and gaming operators, with fully developed operations in all sectors, channels and verticals.

Meridian Group is a fast-growing company operating in the area of sports betting and casino games in 15 countries all over Europe, Africa and Latin America for more than 20 years. meridianbet^s

Our Competitive Edge



15

JURISDICTIONS

1056

EMPLOYEES

735

Primary focus on the growing sports betting market



H2 Gambling Capital forecasts the global sports betting market to grow at an average annual rate of 7.0% until 2024.

Primary focus on markets in developing countries



It is expected that the betting market in these countries will grow significantly faster compared to developed countries, providing significant growth opportunities for the Group. According to H2 Gambling Capital, the betting market in Africa and Latin America will grow at an average annual rate of 8.3% and 8.9%, respectively, until 2024.



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Legally protected and scalable, enables the use of different languages and different currencies, enables automated odds setting and includes certain segments of AI (Artificial Intelligence). Owning such proprietary software enables the Meridian Group to enter new markets and develop own B2B offer.





eCommerce Association of Serbia

Meridian Group is a proud member of eCommerce Association of Serbia gathering all factors of the digital ecosystem for joint improvement of e-Commercemarket of the Republic of Serbia.

They advocate promotion of safe online trade and regulation and incentives to all process participants through education of consumers and the trade sector. The goal is to map markets and raise standards of e-commerce in Serbia. For this purpose, the association gathers the best experts from the area of e-commerce industry to impl ment all the goals of the Association through the Board of Directors.



European Organization of Gaming Law

EOGL, which we are a founder of and a member, advocates creation of safe and reliable physical and online environment for organizers of games of chance on EU level, in line with current international and national decrees and regional laws and regulations on lottery, games of chance and betting shops. The organization strives to cooperate with relevant regulators for the purpose of assuring responsible behavior and recognizing positive contribution of its members to the industry of entertainment in Europe. Securing compliance with all current international and national regulations and national provisions and regional laws and regulations concerning protection of consumers/customers, establishing relationships and promoting cooperation between members and the institutions of the European Union and bodies that act in line with international and national decrees and regional laws and regulations applied to the sector.

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EOGL | European Organization for Gaming Law

Pandemics - A Catalyst for Transformation

During the state of emergency, the limited freedom of movement and fear of spreading the virus led to the closure of betting shops. As sports competitions were cancelled, the company's main source of income, sports betting and slots in betting shops, was also affected.

However, by implementing a series of measures, the company was able to successfully mitigate the impact of the pandemic and record growth in operations already in 2021. The absence of sports competitions and closure of betting shops led to a combined strengthening of the online segments, with the engagement of agents for deposit payments and other promotional activities.

This "crisis management" approach helped maintain satisfactory levels of operation and provided efficient orientation through further optimization.

Even in a Covid context, the company was able to maintain its income and net profit levels compared to the previous year (2020 to 2019), and in 2021, saw significant growth in bothincome and net profit by 25-30%.

These were the operational business tactics and principles of work in crisis conditions that the company employed.

More importantly, the global impact of the pandemic led our company o the development of the new business model. Absence of sports competitions and closing of betting shops resulted in combined strengthening of online segments, that is, engagement of agents for deposit payments by players and other promotional activities.



ENVIRONMENT







Green Agenda

We launched the Global Afforestation Program in 2021, pledging to donate over 20.000 seedlings to each market in which we operate in the following years. Our mission is to actively promote and improve air quality and public health in markets throughout Europe, Africa, and Latin America. In collaboration with local environmental state agencies, the campaign includes the donation of financial assets to local governments for the purposes of land and terrain planning.

Meridian, as a socially responsible company, implements environment protection measures by adopting environmentally oriented methods with the goal of reducing, to the best possible extent, the negative environmental impact. From the moment of pandemic outbreak, the issue of air quality indoors has become a priority.

The company signed a Memorandum of Cooperation with the Ministry of Environmental Protection of the Republic of Serbia, based on which the company shall, in the upcoming three years, through funds and donations in the form of seedlings, actively perform afforestation of the entire country with the purpose of improving air quality, by increasing the oxygen level and public health through "oxygen factories". Together with the Ministry of Environmental Protection, some 1.000 seedlings were donated in Novi Sad, Kikinda, Bačka Palanka, Bela Crkva and Subotica in the first three months of the project.



Transforming Customers into Environmentalists

Meridian Eco is the unique betting industry's crowdfunding platform that directly includes customers (players) as humanitarians and donors of various Meridianbet's CSR actions.

In recent months, the donate button has been a platform where customers voted for different campaigns, and can currently opt between dozens of different donation programs.

At Meridian Donate, the customers were transformed into CSR patreons and funded, among other, the Company's global afforestation program, Red Cross and UNICEF campaigns, funding the SMA crowdfunding campaigns etc.

Already in the first month, Meridian Donate platform saw several hundred contributions, transforming the future of digital marketing and CSR in betting and gaming industry.





New partnerships were concluded in the area of environmental protection with worldwide student organizations we will work together in the next 5 years in projects of cleaning riverbeds and riverbanks.

We organized daily cleaning campaigns and recycling of municipal waste throughout our markets, in cooperation with students' organizations. The action is implemented under the slogan **"Clean Air – Clean Victory"**





Decrease in Paper and Energy Consumption

Our company has reduced paper waste and consumption by 28%. This was achieved through digitizing documents and implementing electronic archives, optimizing employee workflows through digital platforms. In retail, we aim to increase renewable energy use, optimize resource consumption, and improve waste management over the next five years, while incorporating modern digital solutions and noise reduction measures. By upgrading to advanced terminals for sports betting, we have significantly decreased paper and power usage. In 2023, we plan to invest in energy-efficient technologies to further our sustainable initiatives.



As part of Meridianbet Group's global commitment to sustainable business practices at all levels, the company began implementing comprehensive activities towards establishing a sustainable business model focused on cutting the share of electricity purchased from non-renewable sources by 30%. This ambitious goal is set 10 years ahead of the target outlined in the Paris Agreement (2050) and applies to the entire business cycle, including supplier collaboration policies.

For the purpose of reducing paper use the Company, during 2022, initiated the digitalization process and automation of business processes, by introducing RPA software solutions as well as improvement of internal procedures especially in sectors in which paper use was the prevailing manner of functioning, which will result in resource savings and improvement of return on investment.

Through the increase of efficiency and effectiveness of the business process we strive for, so far, we managed to record a drop (19%) in electric power consumption on the level of the entire company.



OUR PEOPLE

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The Company attracts the industry's top talent, as we are one of the leaders of the global gaming entertainment industry by focusingour innovations in sports betting and online casino technology to deliver an outstanding player experience.

Zero Gender Gap

Inclusion and people are a key part of our business model. Our goal is to attract, engage and retain the best talent globally, bringing the best thinking to the business from inside and outside of our sector. Our key principle is always to promote, develop and recruit the best person for the job.

This is everyone's game – we make sure everyone is valued, respected and included because not before we are all respected and heard can we do our best.

This achievement demonstrates our commitment to promoting a zero gender gap, ensuring no gender pay disparities, and fostering a truly inclusive and diverse work environment. We care for the people, not the stats. At Meridianbet, gender diversity is a reality in every market and every sector.



Our DE&I metrics on female management are well beyond any threshold and standard, as we care for the people, not the stats. At Meridianbet, gender diversity is a reality in every market and every sector. On average, female employees make up over 60% of Meridianbet's top management across the Group, significantly surpassing the most advanced DE&I metrics and standards.

We are not just ensuring that our female management is empowered throughout our organizational structure, but we have also made it a part of our corporate policy to raise awareness on the issue of gender equality.

> We will also be investing in the creation of internal analysis group to better engage and advocate for gender – related issues at Meridianbet and continue designing better gender policies within our management system.



The Team & Culture

We prioritize the well-being of our employees from initial onboarding through ongoing development, training, and education, ensuring an inclusive and equitable work environment.



Moreover, we have fully implemented a hiring program for individuals with disabilities, proudly employing over 30 such talented and valuable team members, further promoting diversity and social inclusion within our workforce.

Meridian, as a socially responsible company, considers all segments related to employees. clients, suppliers, public procurements. Everything that we, as a company, consider important and apply we expect from our suppliers since this is the only way we can mutually contribute to socially responsible conduct and environment.

Meridian regulated, through internal acts, rights and equality of employees through the Rules of Procedure, Rulebook on Mobbing, Rulebook on Occupational Health and Safety, Act on Risk Assessment.

Employee satisfaction is of utmost importance for us, hence, we introduced a six-month "feedback" sessions on the employee-manager level, enabling more information to the managers on employees, their progress, needs or dissatisfaction.

Regarding employees, it is always great to see them respond to different activities we organize, from environmental, humanitarian and sports events since this is actually the unity we wanted to achieve, and we can proudly say that we have been doing this for many years.

We can proudly say that most of the ideas we implemented so far and that we will support in the future are actually ideas our colleagues shared with us and felt we needed to get involved as a company. in addition to being involved as individuals.



Our HR procedure covers the following:











COMMUNITIES







COMMUNITIES

We are proud to have placed sustainability on an equal footing with our growth strategy. We recognize our societal role and want to take the lead on issues that are important to us, such as responsibility, diversity, and inclusion, with the firm belief that the most sustainable business in our industry will be the most successful. We have successfully implemented over 250 CSR projects with this strategy, which is only the beginning of our ESG leadership ambitions in the coming years.

OUR CSR Programs

Public Health Capacity Building: From the start of the pandemics, we partnered with more than 40 Red Cross centers worldwide, provided over \$2m of COVID emergency financial assistance to medical centers worldwide, and became part of the UNICEF's Vaccines Work Program

Medical Crowdfunding Campaigns for children suffering from rare and dangerous diseases

Awareness Raising Campaigns such as International Sports Day, You're Not Alone on the occasion of the International Day for the Elimination of Violence against Women, SaveYourHood to remind on the communal garbage cleaning problem, Association for Abandoned Animals to advocate the need for adoption and human treatment of street animals, YouReForest, to support local ecological initiatives

Charity Programs such as Unicef Covid Solidarity Response Fund for India, Charisma Foundation Cyprus, Charity Organization "Budi Human", Pasykaf Cyprus Association of Cancer Patients, Public Kitchen "Meal of Love" in Banja Luka, Belgrade Center for Addiction Treatment, Beatitudes Association Lima, Retirement Home "Ju" Banja Luka, Hospital for Cancer Ward in Dar Es Sallam, Kinondoni Municipal Nutrition Office, Dar Es Sallam Orphanage, Spinal Injury Association of Tanzania, Global Peace Foundation Zaing'arisha Tandale, Association of 4+" Families Banja Luka, HopeForChildren Cyprus, Malta Charity Run



The "From the Heart with Love" Foundation

Established in May 2020 by Meridianbet Group, the "From the Heart with Love" Foundation aims to enhance the quality of life, social and economic status, and social inclusion for vulnerable groups.

Recognizing the importance of solidarity, humanity, and social engagement in challenging times, the Foundation focuses on:

- Aiding health and socially vulnerable individuals through humanitarian actions and campaigns to eradicate poverty,
- Supporting vulnerable people and communities affected by the Covid-19 pandemic,
- Assisting socially disadvantaged groups, such as individuals with special needs and orphaned children, through full social inclusion,
- Promoting sports and overall physical well-being,
- Investing in knowledge and innovation while advocating for environmental protection initiatives,
- Emphasizing the importance of socially responsible business practices in improving societal quality.









Supporting Science and Education

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One of the things that are very important to Meridian is the campaign "Stop the Violence Towards Women". The wall of silence and fear was finally broken, and social network Twitter played a very constructive role, initiating the women's revolution with hashtag #nisamprijavila, (I did not report it), standing before thousands of testimonies of victims of abuse, usually without court proceedings.

Words that hit the target and activate the red alarm that says it is time for change. Changes that are initiated by Meridian by own example and business model. Gender equality, economic empowering of women and zero tolerance to any form of violence and discrimination is a way of work of this company, and not only a statement – more than 60% of top management of this company are women.

The Company also empowers organizations dealing with the issue of violence towards women, such as the Safe House in Belgrade.





Support to Culture and Education

In the period when culture and art were not the priority due to pandemic, Meridian foundation initiated an ambitious program of reviving cultural scene of various markets we are active at. Artists are another vulnerable group that was prevented from doing their jobs in the last three years. Thus, the Company supported the Foundation of Ilija M. Kolarac in Serbia, whose concerts of classical music, lectures and teaching foreign languages are of special national significance in the development of the society of knowledge, culture and art

We actively support both institutions and individuals in various ways. We donated musical instruments to enable talented students to pursue their dreams and continue developing their skills. Additionally, we invest in lifelong learning and the acquisition of market-applicable skills for young students and graduates, ensuring that they are equipped with the knowledge and competencies needed to thrive in the digital market economy.







New Shirt Sponsor of Crvena zvezda Belgrade

In late 2022, Meridianbet, the Southeast Europe's oldest and EU top 50 bookmaker, has announced a historic sponsorship deal with BC Crvena zvezda, one of the ABA region's power-house and Serbia's current and most crowned champion, Euroleague participant.

The partnership represents the largest sponsorship ever secured by a private company in the history of the sport, and signals a significant milestone for both organizations.

As part of the deal, Meridianbet will become the shirt sponsor and official betting partner of BC Crvena zvezda and will have a prominent presence at all home games. In addition, the company will leverage its extensive communication channels to promote the club and engage with its passionate fan base, both in ABA and Euroleague.





Supporting Sports Teams and Competitions

In addition to being one of the largest brands in the entertainment industry in South-East Europe, Meridian successfully operates on the markets of EU, South America and Africa for more than a decade, applying best practices in supporting local teams. Currently, the Company is a global betting partner of more than 30 football and basketball teams all over the world and a sponsor of top professional sport.

The Company is also a proud sponsor of worldwide sports competitions, federations, and tournaments such as Montenegrin Premier League (CFL), the International Table Tennis Tournament – Meridian Cup, Serbian American Football Association, Water Polo Federation of Montenegro, Megdan MMA Tournament, Podgorica Maraton.



Supporting Little Heroes with Rare Diseases

We frequently extend our help to young children battling rare diseases. Teams from FMP Meridian and KK Crvena zvezda have participated in numerous thrilling matches, but one particular game held a deeper meaning – showcasing basketball skills to provide a chance for a normal life for two courageous girls, Lana and Lenka.

All proceeds from ticket sales, along with fan donations, were directed to support these two girls. Meridian further contributed by pledging cca. 170 EUR for each three-pointer scored during the game. Most importantly, the players demonstrated remarkable accuracy in their three-point shooting.



GOVERNANCE









Top 900 Most Respectable EU Companies

For more than two years, Meridian has been providing scholarships to dozens of students and employing young professionals - graduates developing the world's most competitive solutions in artificial intelligence, big data, video game design, and digital marketing, thus practically contributing to solving the gap between educational programs supply and labor market demands.

Since 2020, the company has been awarded the prestigious ICC - WCF SME Certificate, the highest European business-standard set by the World Federation of Chambers of Commerce (ICC-WCF), making Meridian one of the 900 most reputable EU companies for the key 6 categories:



Best Betting Company of the Adria Region

Meridianbet has been honored with the prestigious HotSpot eCommerce Betting Award 2022 for the Best Betting Company of the Adria Region. Competing against over 100 companies from Serbia and the surrounding region, Meridianbet received this valuable recognition, awarded to the top betting company for its contributions and achievements in advancing e-commerce and digital business operations.



Wannabe Magazine 2022 Digital Awards

As a leading and long-standing brand in the entertainment industry of the region, Meridianbet was awarded the prestigious Wannabe Digital Awards 2022 at the end of the year. Among other categories, the awards recognize outstanding individuals and companies for their contributions in the field of philanthropy. The winners were determined by public votes and jury members, with over 25 marketing experts participating in the selection process this year. Meridianbet earned this prestigious award for its reforestation project, "Clean Air - Clear Victory."



Top 50 Online Sports Portals

Meridian is well known name to all betting fans. Our sports portal is a mandatory destination for all popular sports fans, and the place to find different special content. This is one of the last oases of clear, detailed and reasonable sports news that constantly follow new events, without sensationalistic headlines, that make tracking news more difficult. Some people will use such information for sports betting, but for most, this is the source of information from the world of sports that can be trusted.



Sports Betting Integrity

We are committed to building trusted relationships with customers, regulators, local communities, and sports organizations alike and maintain constant dialogue across jurisdictions and different stakeholders for all matters of sports betting integrity - national sports associations and law enforcement agencies, UEFA Integrity Platform, FIFA BKMS System and Interpol.

Betting is all about fair sports competitions – that is why we provide background checks and detailed reporting on both organizations and individuals to help sports governing bodies, clubs, anti-doping organizations, law enforcement agencies by finding weak spots, potential integrity red flags, issues, and threats to their sport and business.



Protection against gaming addiction

Betting should be considered a game and pastime, not a way to make money. However, we are aware betting can lead to problems for a small group of customers. Meridianbet handles all user data related in a responsible manner.

Meridianbet has organized and participated in the design of the global project "It is possible to quit". With more than 3,000 employees involved, this project took place in coordination with worldwide national health organizations in charge of problem gambling. The project's main objective was to organize preventive training programs for employees in our betting shops and customer support departments, bearing in mind they are in regular, daily contact with the customers, both in shops and online.

This approach proved to be the most efficient in treating negative issues of gambling as it both relies upon the expertise of medical staff and suggests all the employees contribute by behaving and reacting without any prejudice when faced with potential problem gamblers.





Corporate Code of Conduct

The application of Code of Corporate Conduct regulates, among others: corporate value of the Company, responsibility towards clients, organized teams as key of development and progress of the company, digitalization of business, principle of integrity as key value of the company, promotion of company values, prohibition of harassment and whistle blowing. In case some matters are not set in the Code of Conduct, provisions of other adopted general acts shall be directly applied.

Corporate Code of Ethics

We adopted this Code with the purpose of contributing performance of basic activities with the goal of nurturing business moral, good business customs and principle of dedication and fairness, as well as enabling transparency of operations.



Mission

Through synergy of experiences and innovation that must be monitored daily we are trying to improve our services and provide satisfaction to our customers.



Vission

Digital platform intending to be a reliable place for all our customers.



Data Privacy

The Company treats employee personal data confidential, in line with regulations in this area and internal acts. Likewise, data bases of our clients (players) must be kept in line with the applicable laws and regulations. Employee files contain only necessary data on the employee and may be reviewed only by the employee who is the owner of the file, and not by any unauthorized person. Employees that, during their work, come in contact with personal data of other employees or customers, by signing the Non-Disclosure Agreement, confirm they are familiarized with the obligation of use and keeping such data as confidential, and the fact that their unauthorized disclosure shall represent the basis for disciplinary or criminal liability. Employees shall protect and keep available information during employment, and upon completion of employment, representing trade secret, in line with internal acts of our company and regulations from this area.



Owner and Publisher

Meridian Gaming Ltd is a limited liability company under Maltese law Registration number: C4I334 Authorization numbers: MGA/B2C/I34/2007 and MGA/B2B/7I2/20I9 Corporate address: Lyons Range 20, Office no 3, Bisazza Street, Sliema, Malta Web: ir.meridianbet.com

This ESG report contains information and data that, to the best of our knowledge on behalf of the Meridian Gaming Group management, are accurate and complete. We do not assume any responsibility for inaccuracies or omissions. The report also includes forward-looking statements based on current information, which are subject to change and should not be relied upon as definitive facts.