Evaluation Report 2024

Table of Contents

Diversity is part of Tipico's very identity. Tipico advocates diversity, integration and equal rights. Any use of the male form in this policy is not meant to be gender-specific but serves solely to enhance readability.

1. Introduction

1.1 Objective of the evaluation report

Trust is one of the most important criteria in consumer decisions. Tipico continues to assert its position as market leader in the regulated market: Customers place their trust in Tipico. Our goal is to offer them a product that prioritises both fun and security. We are therefore dedicated to continuously improving player protection. One principle guides us in this effort: hoping something works as expected, is not enough. An evaluation is needed to provide proof of its effectiveness.

An evaluation works best when it clearly establishes how success is measured right from the start. If the benchmarks are unclear, the evaluation's objectivity is compromised. For this reason, we committed to defining the criteria we would evaluate early on in our license application process. In this report, we are honouring our commitment.

1.2 Scope of the evaluation report

This report covers the evaluation criteria applicable across the country for online sports betting and virtual slot machine games and the evaluation criteria applicable on a state-by-state basis for stationary operations in betting outlets. This provides insight into the implementation of player protection measures and their country-specific adaptations.

Tipico was awarded a nationwide license for online sports betting on 9 October 2020, which was extended until the end of 2027 by official notice dated 9 December 2022. On 6 October 2022, Tipico was granted a license for the organisation of virtual slot machines.

In the stationary setting, the situation continues to be complex. On the one hand, the states are at different points in their licensing procedure: While many states have already completed the licensing procedure and some have even received and decided on extension applications, other states, such as Saxony-Anhalt and Brandenburg, are lagging behind and only now issuing their first shop licenses. Overall, the nationwide licensing procedure is all but complete.

2. Player Protection Resources

A compliance framework can only hope to succeed if the responsibilities are clearly defined. The same applies to player protection. Player protection can only succeed if it has the full support of the company's management board and sufficient dedicated resources are allocated to implement and monitor it.

Tipico's player protection is centrally coordinated by a player protection concept officer. Until the end of 2024, the role of the player protection concept officer was performed by the Head of Corporate Responsibility, who was part of the compliance organisation and reported directly to the Chief Regulatory Officer of Tipico Group.

The player protection concept officer is tasked with developing the player protection concept. The officer's role is also to evaluate the effectiveness of the player protection concept using suitable indicators and to submit regular reports with this data to the management board. Based on the findings, this officer is also responsible for the continuous development of the concept. The player protection concept officer identifies and defines strategic player protection goals and coordinates the efforts of both internal (the player protection team, for example) and external (player protection officers of Tipico partners, for example) resources.

Tipico also has three player protection officers whose role is to ensure and document the operational implementation of the player protection concept. The consumer protection team supports these officers in this task and processes all the customer contacts involving player protection topics. It currently comprises eighteen full-time staff positions.

The player protection concept officer for Tipico's digital lineup

Name	Joachim Haeusler
Address	Tipico Tower Vjal Portomaso St. Julian's STJ 4011 Malta

The player protection officer for Tipico's digital lineup

Name	Katerina Pahud de Mortanges
Address	Tipico Tower Vjal Portomaso St. Julian's STJ 4011 Malta

The player protection concept officer for Tipico's stationary lineup

Name	Anna Simon
Address	Amalienbadstraße 41b 76227 Karlsruhe Germany

The player protection officer for Tipico's stationary lineup

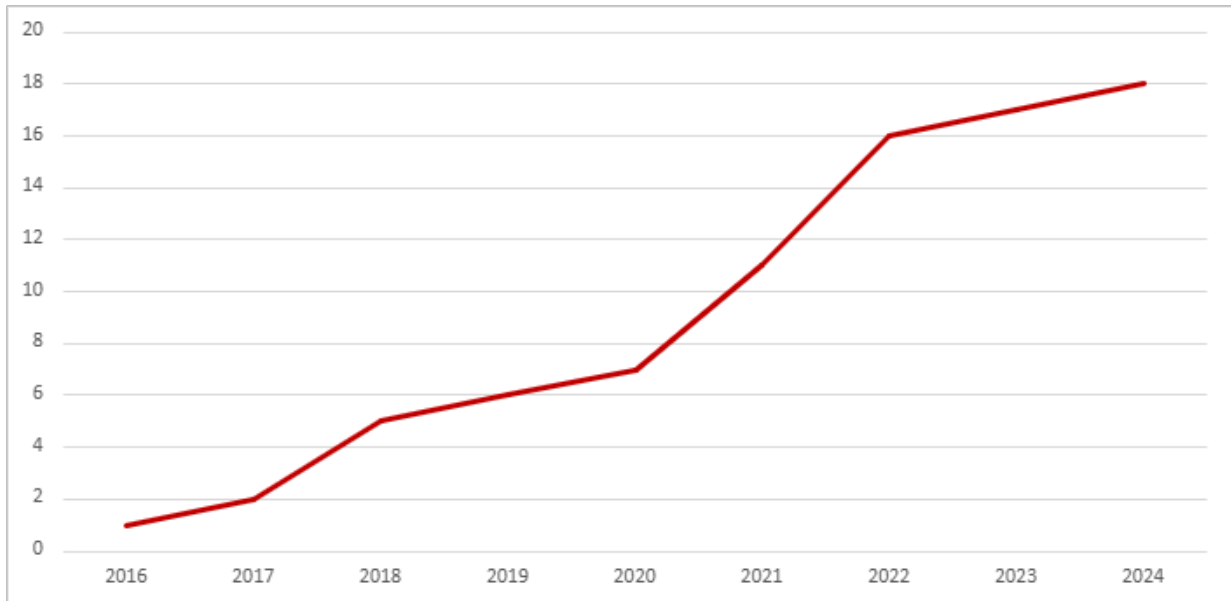| Name	Daniel Goldemann
Address	Nagelsweg 12 20097 Hamburg Germany

Figure 1: Changes in the operational consumer protection team since 2016. Player protection concept officers and player protection officers are not included.

In the stationary setting, every franchise partner (betting agent) is also obliged to appoint a player protection officer. This player protection officer is responsible for the practical implementation of the measures and documentation requirements outlined in the player protection concept. To fulfil this role, the employee must be provided sufficient time resources.

Figure 2 shows the player protection officers appointed for each state. This setup has largely remained unchanged since 2021. The differences between the states arise from the number of betting shops to be managed, on the one hand, and the network structure, on the other. States with very many partners, each operating only one betting outlet, will have a relatively high number of player protection officers, although each of them will devote only part of their working hours to this responsibility. In contrast, states with very few partners, each running large networks, will have a relatively small number of player protection officers, but each officer will be fully dedicated to this task.
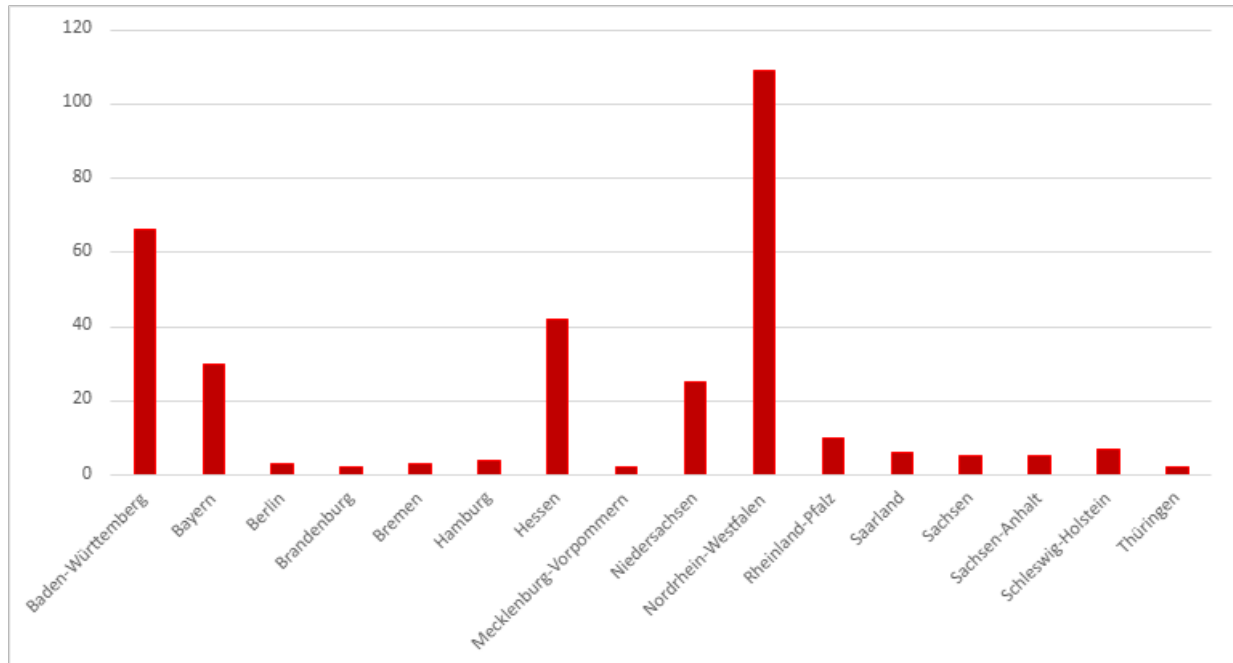
Figure 2: Number of player protection officers in the stationary network.

In 2024, Tipico invested a total of approx. 7,500 working days of IT developer time, valued at around EUR 8.2 million, in technical implementations to improve consumer protection. This estimate takes into account only the technical execution. It excludes the planning and evaluation of the measures and any operational costs and efforts involved.

3.   Cooperation with Research, Counselling and Support

Despite its extensive staff and structural resources for player protection, Tipico is unable to handle all the tasks on its own. Especially when it comes to player exclusion, the affected persons need as much distance to the gambling lineup as possible. The options available to Tipico as a company are therefore limited to identifying gambling-related problems, implementing self-exclusions or imposing third-party exclusions and advising players with respect to the professional support services available.

Tipico is currently partnering with the following support and counselling providers for the German market:

Gamblers' Outpatient Clinic run by the IFT, Munich

• operation of spielerambulanz.de

• counselling service for affected persons and their families

• hotline

Glücksfall

• training for betting outlet employees

Through our partnerships with the German Sports Betting Association (DSWV) and the German Online Casino Association (DOCV), we also support the Federal Centre for Health Education (BzgA) by allocating part of the membership fees from both associations for this purpose.

Additionally, the following support and counselling contacts are mentioned on our product webpages and in promotional materials, in compliance with the ancillary provisions:

www.bundesweit-gegen-gluecksspielsucht.de, www.check-dein-spiel.de (German content)

4. Training

Where procedures cannot be fully automated, employees play a crucial role in ensuring compliance with the player protection requirements. This specifically applies to any interaction with end customers.

As the organiser, Tipico employs 170 people who have direct contact to online customers. All of these employees have completed the full player protection training programme.

In the stationary setting, Tipico offers betting agents accredited player protection training opportunities. In 2024, a total of about 17,120 person-hours were spent in in-person training courses.
Figure 3 shows how many employees have completed in-person training courses and additional online training.
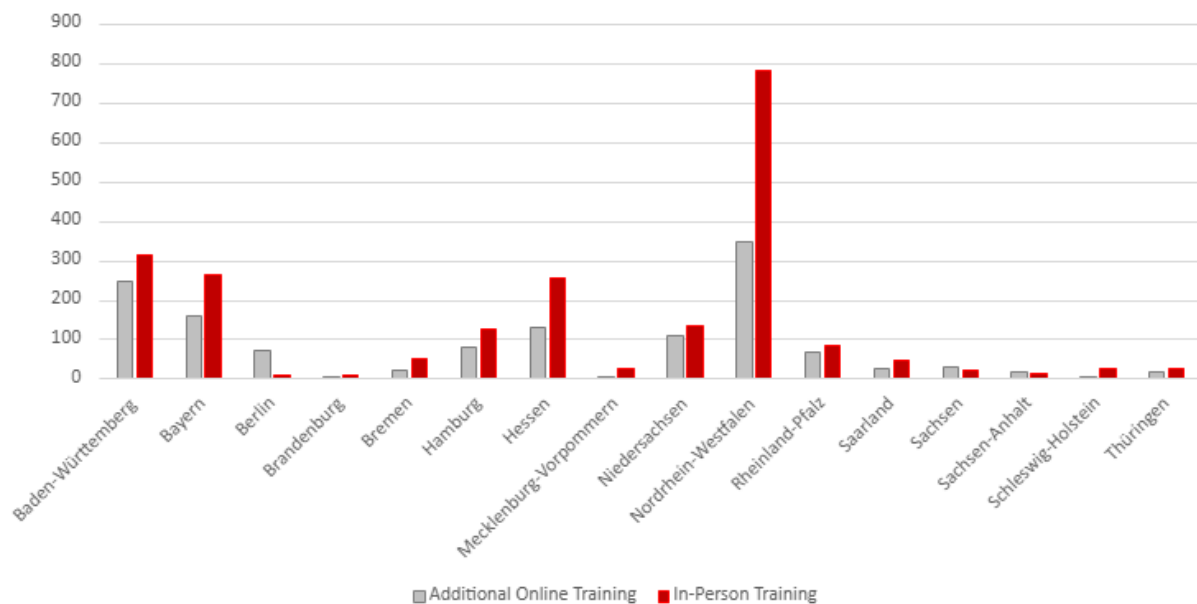

Figure 3: Training for cash desk staff employed in the stationary setting.

Thanks to the rotating training cycle, 2024 saw 66% of player protection officers taking part in ongoing player protection training.

5. Inspections and Test Purchases

The effectiveness of player protection in the betting shop depends not only on the training status of the shop's employees but also very much on each employee's individual commitment. In light of this, close scrutiny is indispensable. Tipico thus aims to make inspections as extensive as possible, ensuring that every betting shop can expect to be inspected multiple times a year. Whenever risks or shortcomings are identified, contractual sanctions are imposed and more frequent and in-depth inspections are conducted. These inspections are carried out by the Compliance Operations team.
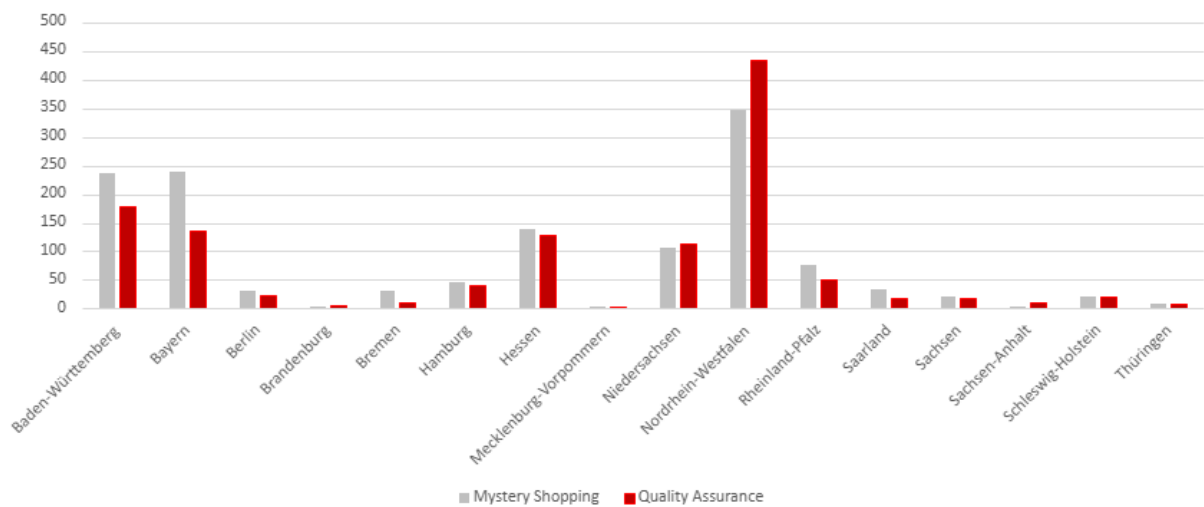

Figure 4: Inspections carried out in the stationary network.

6. Consumer Perception

Player protection is not simply an objective of the Interstate Treaty on Gambling. Player protection also aims to ensure a noticeable improvement in the conditions for consumers. Whether consumers perceive player protection in the regulated market as an asset has direct implications for the channelling objective.

To account for this, Tipico conducts a survey on the perception of player protection among customers as least once a year. Based on a random sample consisting of around 1,500 interviewed customers, the following perceptions were reported.
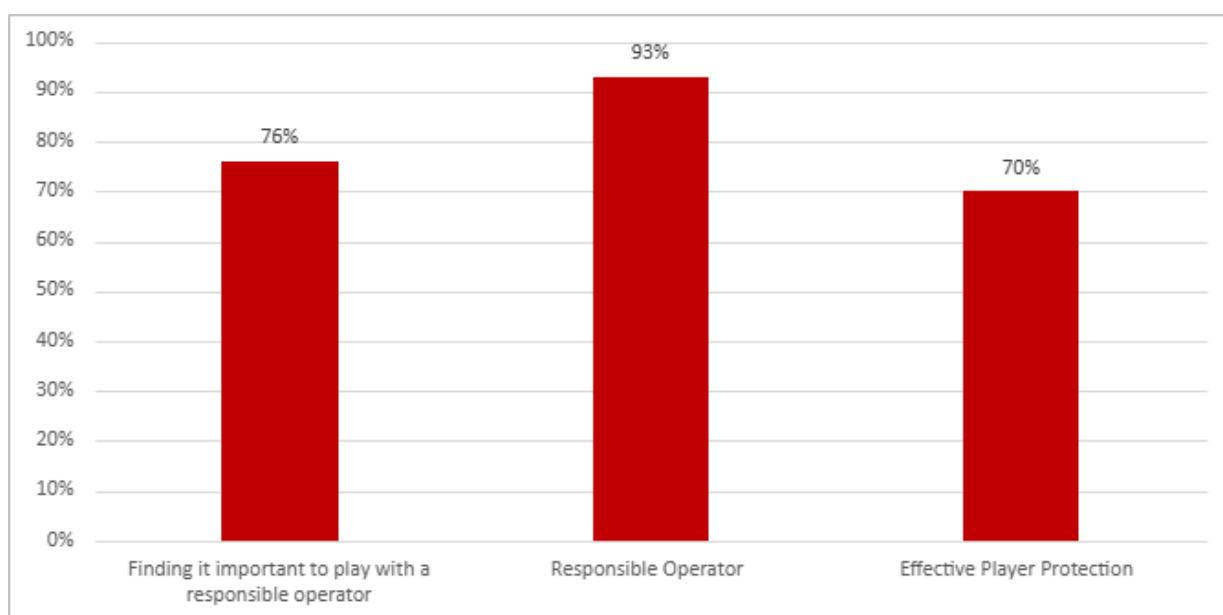
Figure 5: How customers perceive Tipico's player protection.

Compared to the previous year, there has been a 24% increase in the 'Responsible provider' category. This affirms our efforts to continuously bring the issue of player protection closer to our customers.

In light of the effectiveness rating, it is only natural that we find ourselves asking why not all customers regard player protection as effective. We therefore asked for more detailed feedback, particularly regarding the balance of the intervention. Customers were asked whether they perceive the player protection measures to be insufficient, appropriate, or patronising. Half the customers considered the implemented player protection appropriate. The remaining half, who perceive it as inappropriate, are strongly inclined to view the implemented player protection as overly patronising.
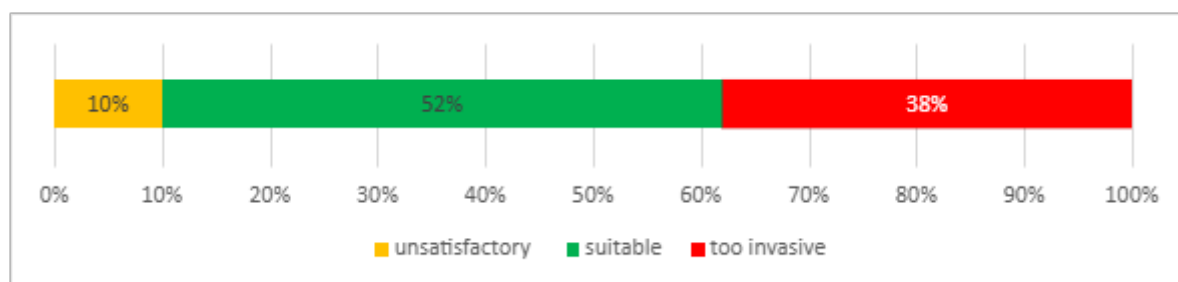
Figure 6: The customers' perceived balance of the intervention in view of the implemented player protection measures.

The main reason our player protection is thought to be ineffective is thus that customers find the measures to be too patronising. These responses highlight the concern that customers perceive the implemented player protection measures as too restrictive and, as a result, do not recognise them as a benefit of the regulated market.

7. Identity Verification and Authentication

The protection of minors in the online setting is directly ensured through age and identity verification, which must be carried out within the first three days. Figure 7 shows at what point a customer's identity is verified in the registration process.

If the process reveals that a customer is a minor and attempting to register using falsified identity details, no account will be created, or, as the case may be, any existing account will be immediately deactivated.
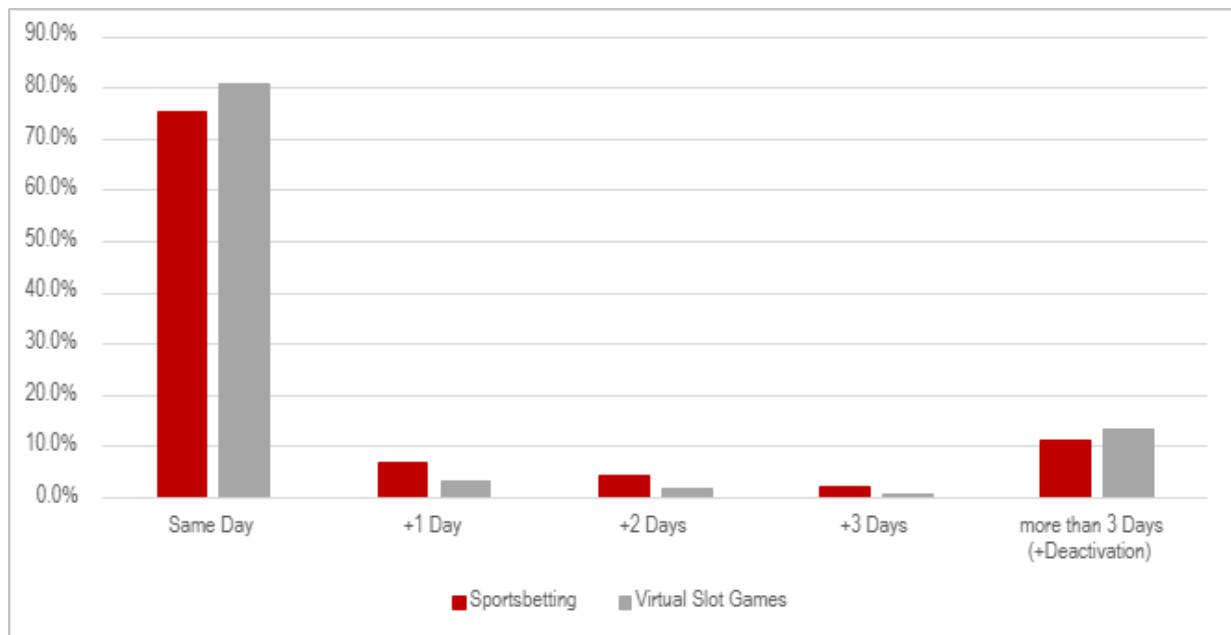
Figure 7: Time of identity verification after registration in the online setting.

The protection of minors in the stationary setting hinges on inspections carried out by the employee. Previously, visual inspections and ID checks were typically performed on customers who appeared to be under twenty-two. Ever since physical access barriers have been set up, the type of checks has changed. Now, most checks are carried out when persons are unable to clear the barrier with a customer card.

In 2024, over 480,000 such checks were carried out. Thus, the inspection volume has increase by another 26% compared to last year.
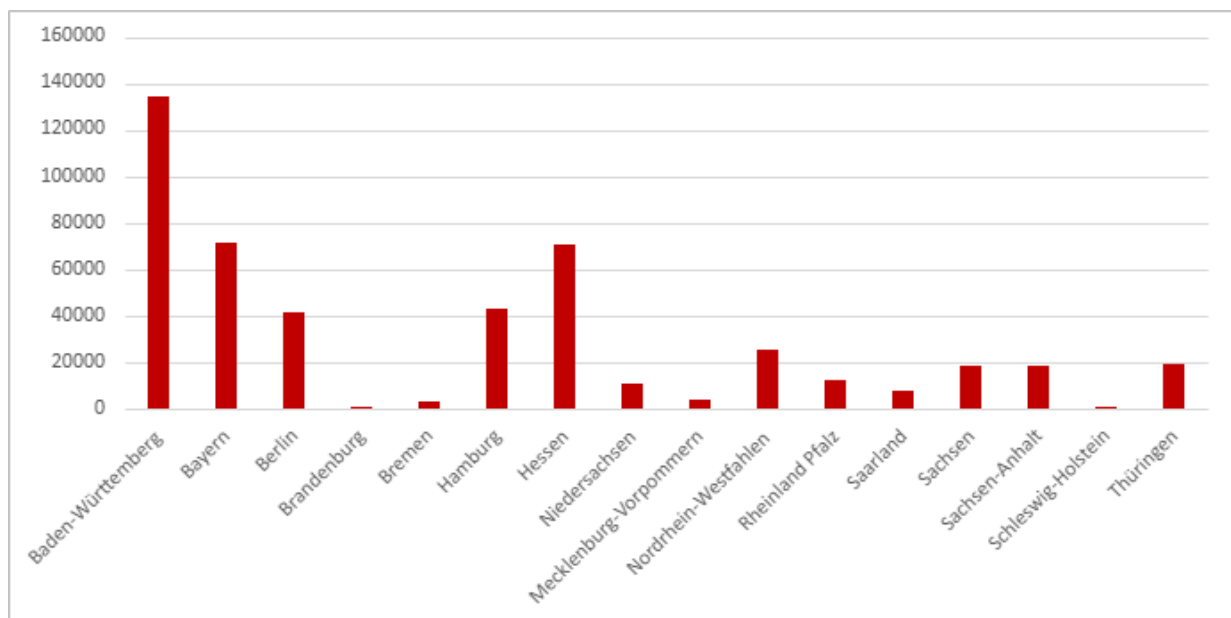
Figure 8: Number of ID checks by employees per state. In states where the customer card is mandatory, the number of ID checks was lower since the customer card provides identity details.

During the ID checks, over 38,000 individuals were approached and asked to leave the shop premises as a consequence. Figure 9 provides the different reasons why people were banned from the betting shop premises.
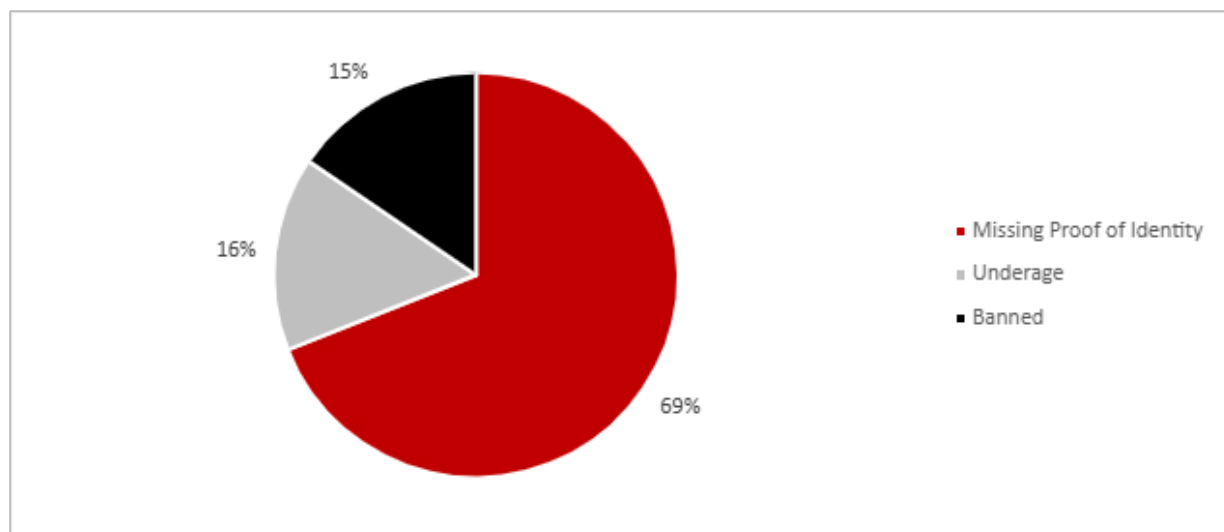

Figure 9: Reasons for being banned from the shop.

8. Behaviour Observed

8.1 Overall status of the customer base

The approach used to assess the safety of the gambling lineup and changes in customer behaviour involves objective behaviour monitoring. Tipico has access to this monitoring at all times and classifies the customer base into four risk classes.

Class 0 represents customers with average or above-average involvement. Particularly due to the skewed distribution, these are customers who play very moderately for low stakes and for whom no discernible risks can be described.

Class 1 describes customers with a somewhat elevated level of involvement. Although all indicators suggest that these customers are entirely capable of taking responsible decisions, it is important, in our view, to ensure that they are fully informed about the player protection offered by Tipico. We prefer not to take for granted that these customers will consult the player protection page of their own accord. For this reason, these customers are regularly supplied with additional information on the player protection options available.

Class 2 describes customers with an elevated level of involvement. While this classification does not necessarily indicate that these customers are experiencing gambling-related problems, it suggests they may be exposed to greater risks. As a precaution, these customers thus receive regular pop-up reminders that ask them about their gambling behaviour and refer them to the self-test.

Class 3 describes customers who are likely to experience the effects of a gambling-related disorder. Each case must be assessed individually. If concerns about a potential disorder cannot be ruled out, a player protection talk is scheduled.
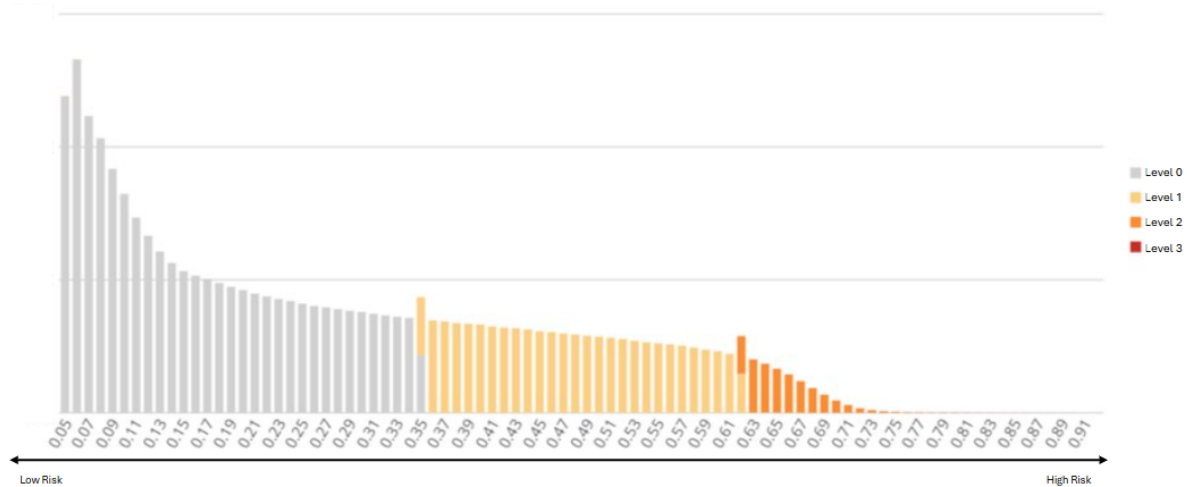
Figure 10: Behaviour-based risk assessment of German customers. Fewer than 0.1 percent of the customers fall into Class 3, which is why this class does not appear in the diagram.

However, this only represents a snapshot at a single point in time. Every week, the risk level is re-assessed for all customers who were active during that period. Since a customer's risk level cannot increase during a week of inactivity, inactive customers are excluded from the assessment. Over time, these weekly assessments reveal changes that may occur as the year progresses (cf. Figure 11).
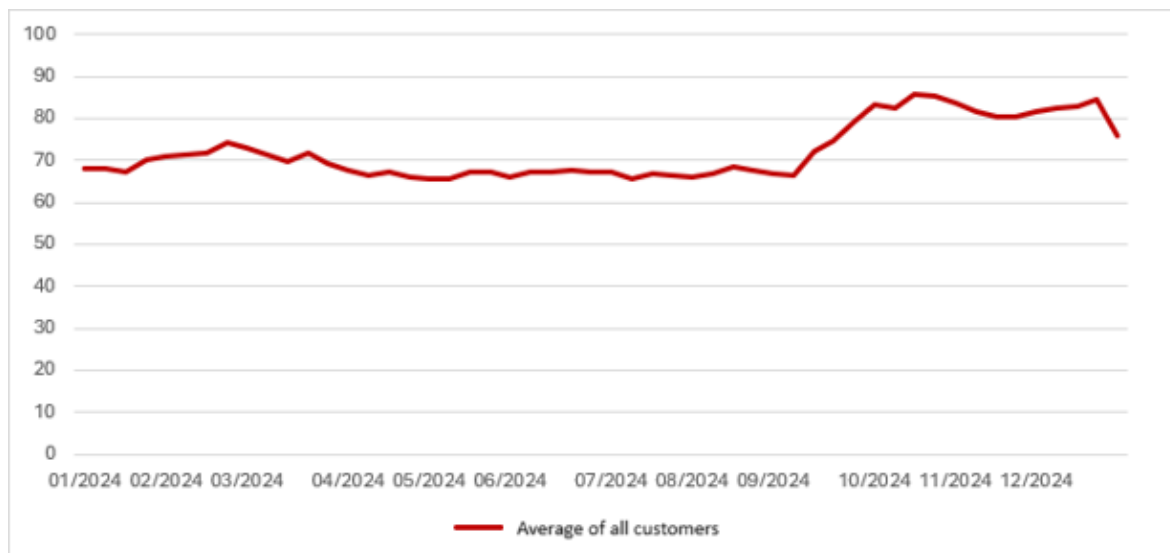
Figure 11: Development of the customer risk over time. Number of weekly reported cases for which an investigation is recommended.

The risk within a system can be best illustrated via its most extreme cases. That is why we use the 90% percentile (the risk value for the 10 percent of customers with the highest risk) to monitor gambling-related risks in our customer groups.

In contrast to previous years, the trend shows no signs of seasonality. This is likely due to the Euro 2024 event, which balances out the lull in other months and results in a more consistent risk level throughout the year.

8.2   Behaviours observed in the stationary setting

In the stationary setting, service staff plays an important role, as they can still draw on direct observations of customer betting behaviour as an additional source of information. For this reason, a reporting system was progressively introduced to processes exactly these kinds of observations in real time.
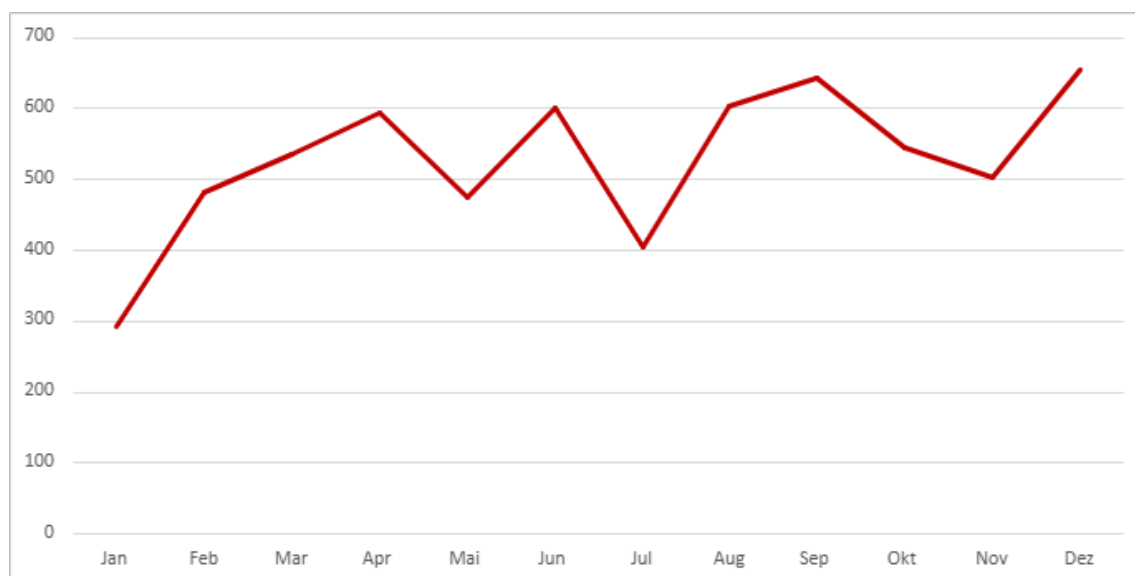
Figure 12: Reported player protection observations in the stationary setting over time.

In 2024, a total of 8,338 player protection observations were documented. That is 124 percent more than in the previous year. This proves that, thanks to the selection and training processes they undergo, shop employees are able to effectively fulfil their responsibilities by recognising irregularities and responding appropriately.
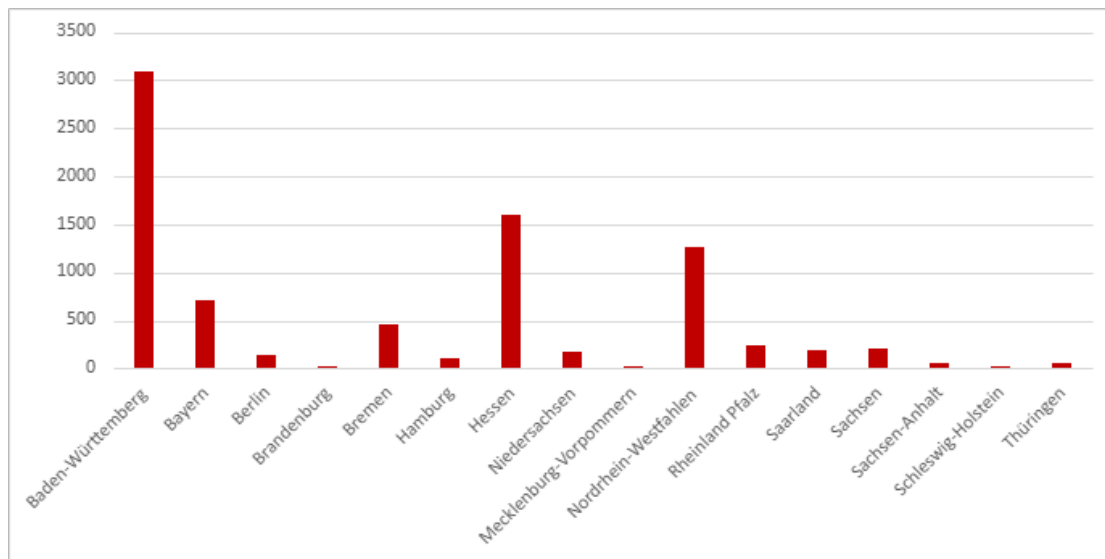
Figure 13: Reported player protection observations in the stationary setting for each state.

Building on last year's preliminary results, a reassessment was conducted to establish which indicators were frequently reported and which indicators lacked the required accuracy.

In our previous report, we had speculated that moderate signs can be observed very early and easily, while signs that are considered to be severe are observed rather less frequently. In view of the distribution and frequency of the various observations, we can once again confirm this assumption (see Figure 14).

The results also show that awareness among shop employees has increased significantly. Most reported observations were related to less conspicuous types of behaviour or to customers openly admitting to having obvious problems. We can therefore affirm that the reporting system is both adequate and workable.
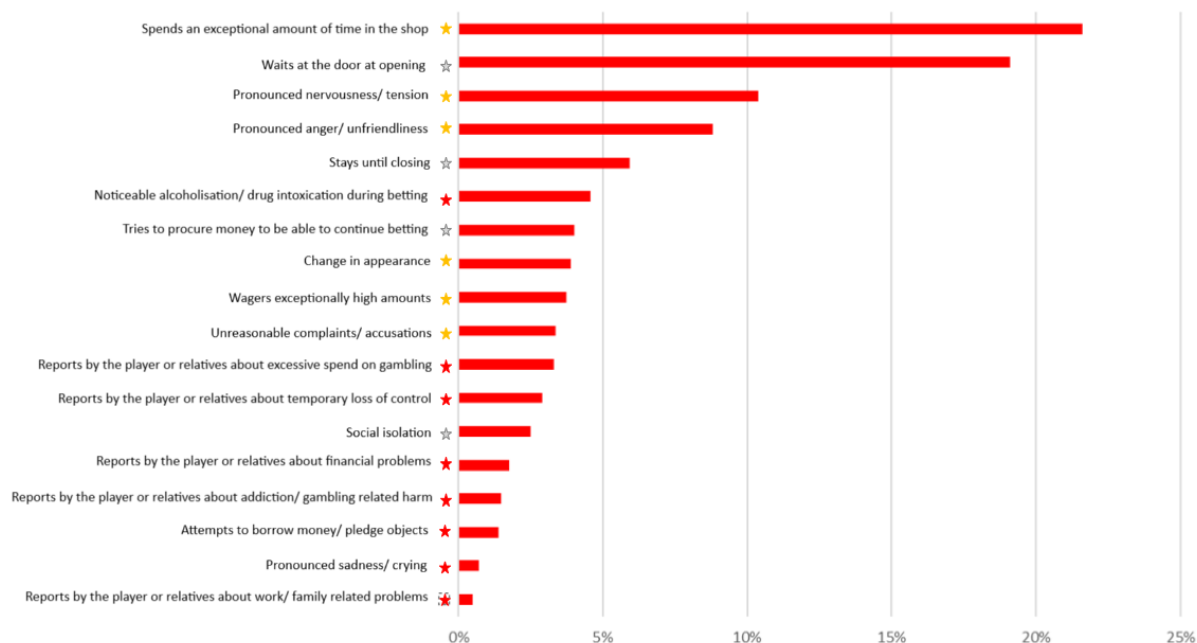
Figure 14: Themes of gambling protection observations in the stationary setting. Grey stars represent moderate indicators, orange stars represent moderately severe indicators, and red stars represent severe indicators.

9. Interventions

9.1 Automated interventions

As a rule, automated interventions have a much greater reach than those requiring direct contact between the customer and a staff member. They are thus particularly well-suited for early implementation with a large number of customers

Both automated interventions are based on behaviour monitoring, as described in Chapter 8. An intervention can be triggered based on the risk assessment.

Player protection email

The player protection email is used at the slightest suspicion of any risk behaviour. In other words, the vast majority of customers who receive this email do not actually require any intervention to make them play safely.

The email ensures that customers who have not previously considered player protection measures are made aware of the risks and understand how they can protect themselves if necessary.

In 2024, roughly 338,000 player protection emails were sent.

These emails have an open rate of 45%, which is comparable to the open rate in 2023. Therefore, we can assume that this measure effectively reached around 152,000 customers in 2024.

Pop-up

If any behaviour is strongly suspected to be risky, the system intervenes directly in the game. However, this measure, too, primarily reaches customers who really do not require any intervention. Still, it is important to ensure that customers who could actually benefit from an intervention actually receive such an email.
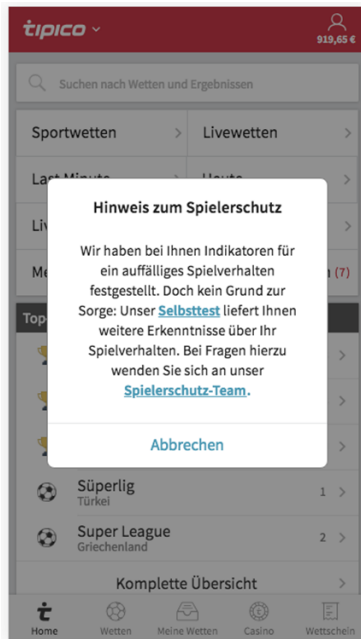
Figure 15: An example of a level-2 intervention.

The purpose of the measures is to intervene directly during gameplay and to offer the customer a self-test.

In 2024, the pop-up was displayed approximately 88,000 times, representing a 17% increase on the previous year. 25% of the displayed pop-ups lead to the customer choosing an opt-out, meaning that this warning will no longer appear in the future. For all other purposes, the model continues to evaluate this player.

9.2   Player protection talks

Player protection talks have three objectives.

The first is, of course, to advise the player, enabling them to take an informed decision. However, as mentioned earlier, Tipico does not simply leave the final responsibility to the customer in every case.

Therefore, the second objective of the player protection talk is always to collect information about the player's situation in an effort to refine Tipico's assessment.

Finally, appropriate player protection measures – such as limitations or exclusions – are agreed based on this assessment. If the player refuses the protective measures, they can still be imposed to prevent potential harm to the player.

Naturally, the player protection talk takes a different form in the online setting. Communication typically takes place in writing, and therefore the player protection talk is also conducted in writing. That changes the way a topic is addressed, for example, but it does not change the objectives outlined above. Figure 16 illustrates the different pathways the player protection talk can take and the consequences that may result.
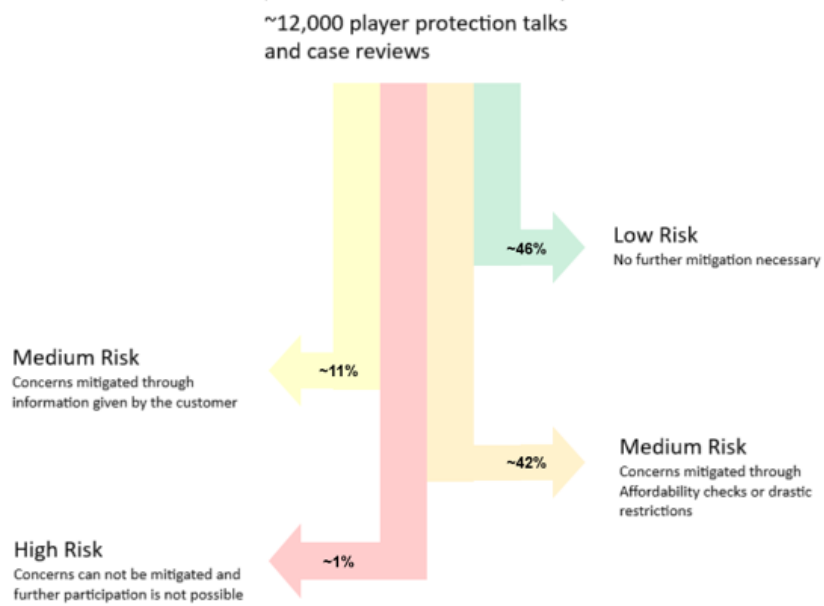
~12,000 player protection talks
and case reviews

Low Risk
No further mitigation necessary

~46%

Medium Risk
Concerns mitigated through
information given by the customer

~11%

Medium Risk
Concerns mitigated through
Affordability checks or drastic
restrictions

~42%

High Risk
Concerns can not be mitigated and
further participation is not possible

~1%

Figure 16: Procedure followed, and decisions taken in the player protection talks and case reviews.

Naturally, in the stationary setting, the player protection talk is more like a conversation in the traditional sense. The player protection officer – but also every service staff member – is required to start a player protection talk whenever an observation warrants such a talk. Player protection talks are always conducted in the context where the observation was made.
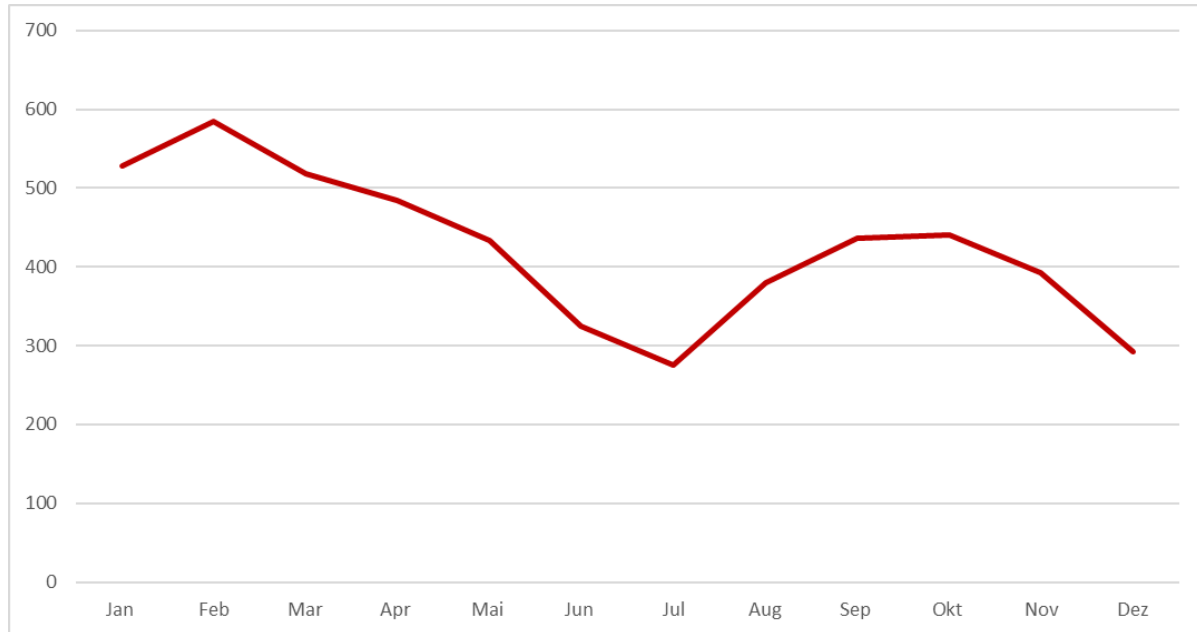
Figure 17: Player protection talks in the stationary setting over time.

In 2024, a total of 6,332 player protection talks were held in betting outlets, reflecting a 24 percent increase over the previous year. This clearly demonstrates the impact of Tipico's awareness-raising efforts through regular training courses and highlights that player protection processes are being actively implemented in the outlets.
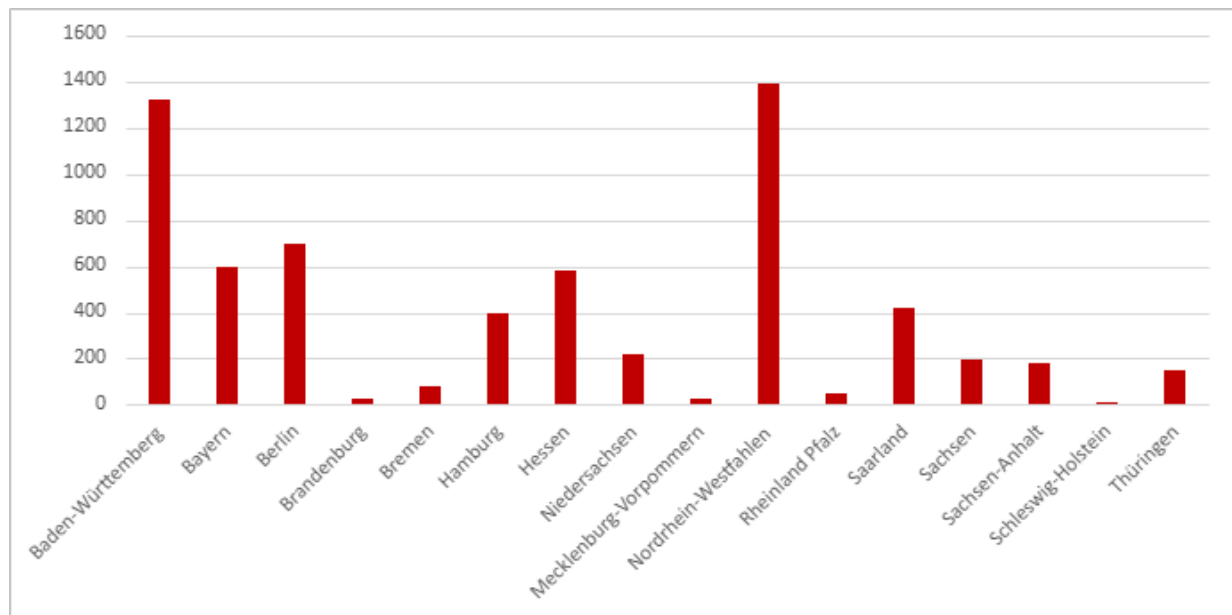
Figure 18: Player protection talks in the stationary setting for each state.

10. Universal Prevention

The goal of universal prevention in player protection is to prevent any information imbalance between the provider and the customers. Our aim is to ensure that customers have easy access to clear, understandable information about gambling-related risks and protection methods.
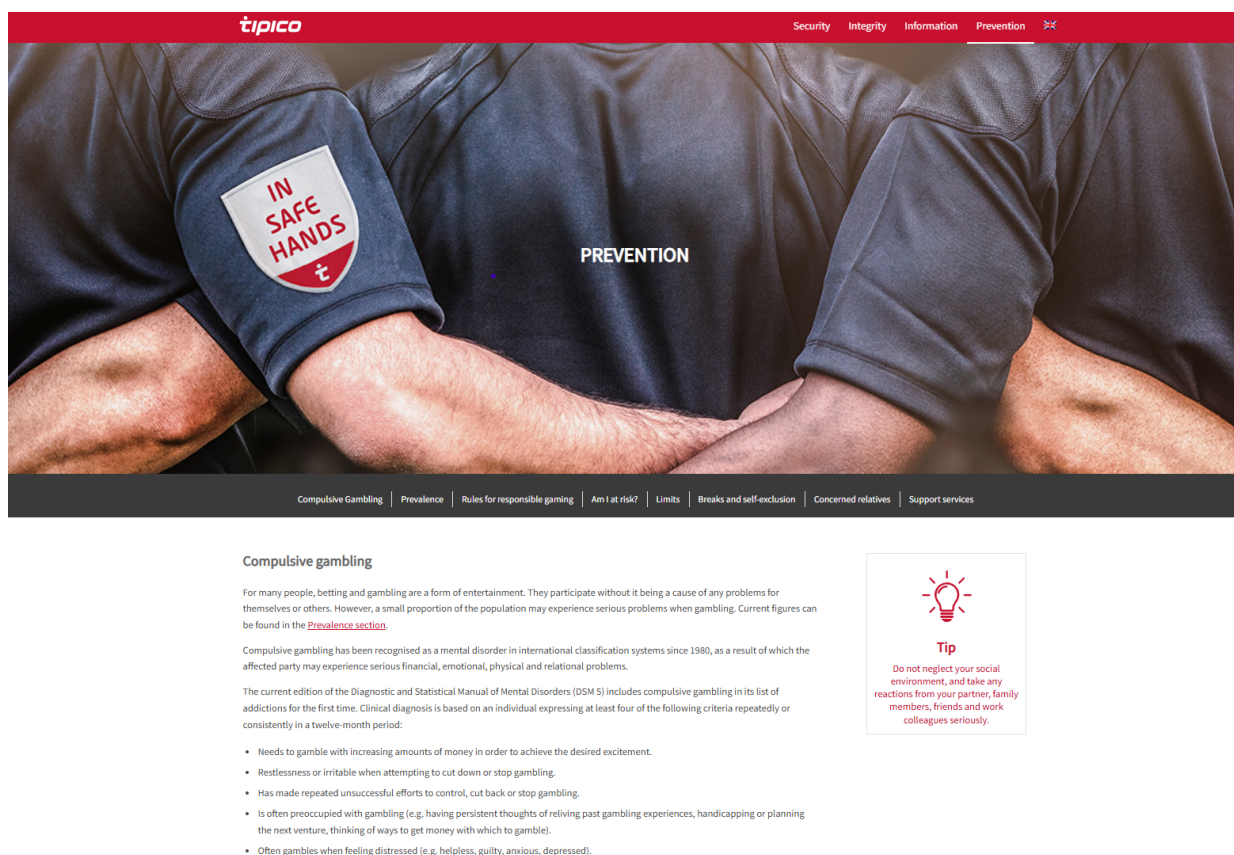
Figure 19: Starting page of the player protection site.

Tipico operates the player protection site risk-in-safe-hands.com. This site can be accessed directly from the footnote in the online lineup. It can also be accessed directly using a QR code that customers can scan at the betting outlet, for example on the player protection poster.

Overall, 63,000 customers visited the player protection site in 2024.

Additional printed matter is available as information for customers at the betting outlet.

Figure 20: Player protection posters in a betting shop.

Figure 21: Inside page of a player protection flyer.

11. Selective Prevention

11.1 Limits

Limits are a relatively well-understood tool used to distribute responsibility between the customer and the provider. While the customer sets a reasonable limit, the provider implements external control to ensure the limit is not exceeded. However, limits are checked through LUGAS. As a result, Tipico does not have a complete set of information on the use, amount, and utilisation of limits by Tipico's customers. There is the option, however, of contrasting the deposit attempts accepted by LUGAS with those that were rejected.

| Sportsbetting | Virtual slot-games |
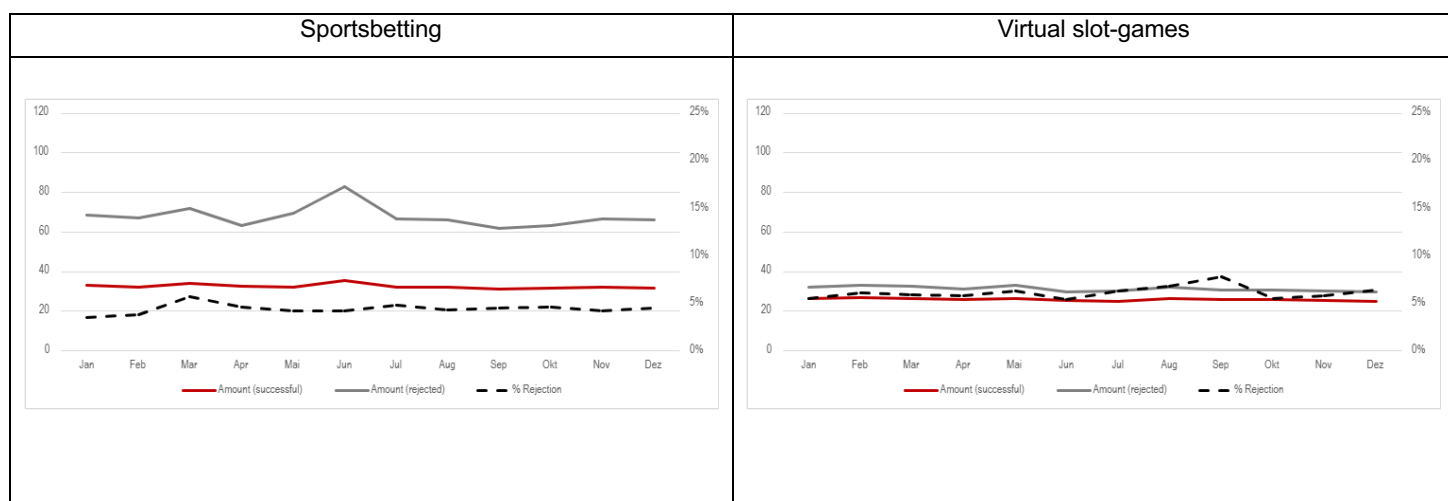
Figure 22: Average amount of successful deposits and deposits rejected by LUGAS, and the share of rejected deposits (y-axis on right-hand side).

In 2024, 46 million limit queries were conducted in LUGAS for sports bets and approximately 7.5 million limit queries for virtual slot-machine games. Some of these queries failed because the customer had already reached their limit. Figure 22 compares successful deposits and deposits rejected by LUGAS.

While there was little difference between successful and rejected deposit attempts in virtual slot-machine games, the gap was more pronounced in sports betting. A plausible explanation is that increased limits in LUGAS can easily lead to situations that are highly confusing for customers. For example, if registration with a provider of virtual slot-machine games causes an existing increased limit to be overwritten without informing the customer, it is likely that the customer will make several deposit attempts based on the limit they believe is still in effect.

11.2 One-click 24-hour self-exclusion

The one-click 24-hour self-exclusion option was introduced in July 2021 as a quick, low-threshold player protection measure. Its purpose was to allow customers to exclude themselves from gambling for a 24-hour period without needing to submit any additional declarations or confirmations. All other connected providers are informed of the self-exclusion via OASIS as well.

As the consequences of this form of self-exclusion are limited, this option was used very frequently right from the outset. It can thus not be ruled out that customers simply wanted to try it out. In the meantime, usage of the one-click 24-hour self-exclusion has reached a stable level. For virtual slot-machine games, this level has remained constant throughout the year; for sports betting, usage levels reflect the seasonality of the product. As a result, usage is expected to increase in June and July due to the Euro 2024 tournament.
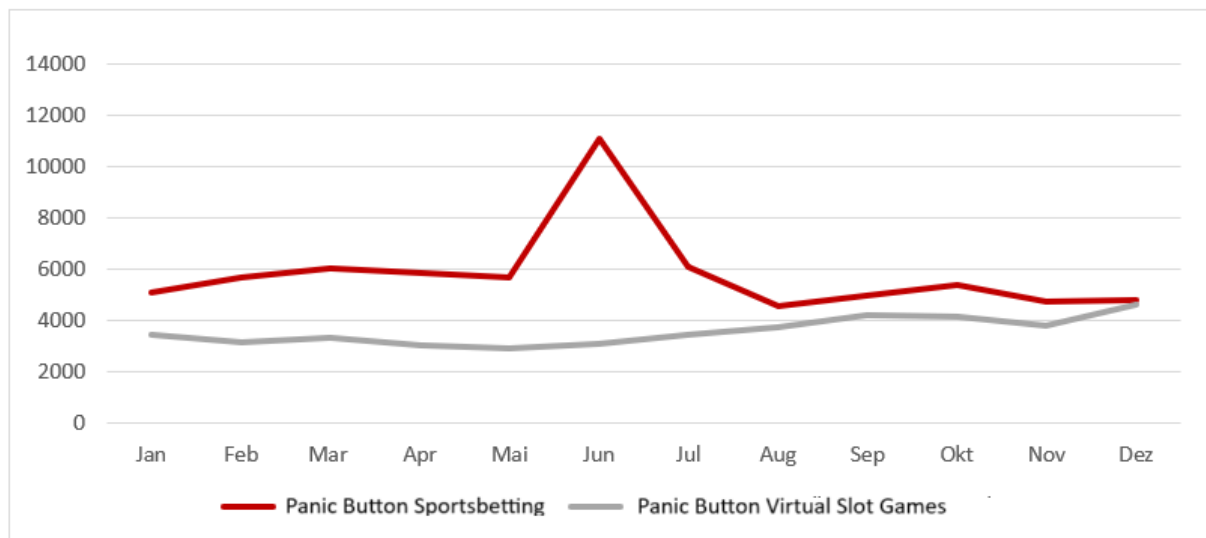
Figure 23: Usage of the one-click 24-hour self-exclusion over time.

12. Indicated Prevention

12.1 Use of the player exclusion options

Tipico offers customers the option of self-exclusion through several channels: via its website, by submitting a simple request to customer service, at the betting terminal, and through a self-exclusion form. In addition, Tipico customers can also request self-exclusion through competitors or the regulatory authority, although Tipico does not have data on these cases. The use of the self-exclusion option can generally be seen as an indicator of how easily the protective function is made available to customers. The simpler and less stigmatised the self-exclusion process, the more likely customers will use it early, thereby preventing potential self-harm.

The use of standard self-exclusion does not exhibit the same seasonal trend (such as during the Euro 2024) observed with the one-click 24-hour self-exclusion. This indicates that the panic button is a distinct protective measure, used by a different user group for different reasons.
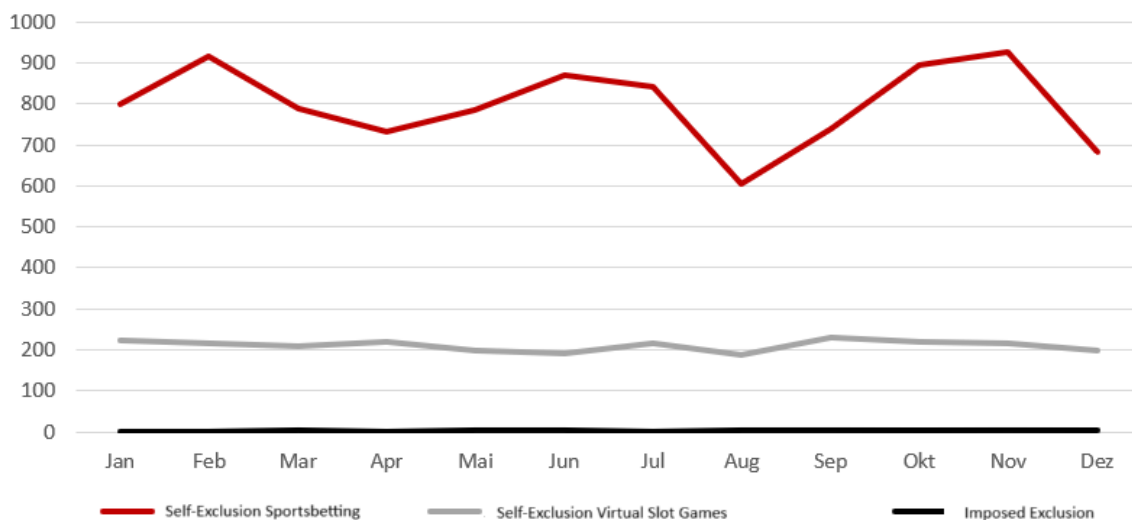
Figure 24: Use of self-exclusion and third-party exclusion over time in the online setting.

In contrast, the usability of third-party exclusion remains low. Due to the serious consequences of such an exclusion, it can only be enforced against a customer's will and in spite of their objection if relatively clear evidence is available. However, if there is merely a suspicion and the customer refuses to participate in a player protection interview, such evidence can never be established. While Tipico can deny the customer access to its betting lineup, a legally robust justification for third-party exclusion is lacking. For example, if a customer refuses to implement recommended protective measures, this may be sufficient grounds for Tipico to decline further business with the customer – but it is not enough to justify third-party exclusion, as no verifiable suspicion can be substantiated.

Self-Exclusion	Third-Party Exclusion
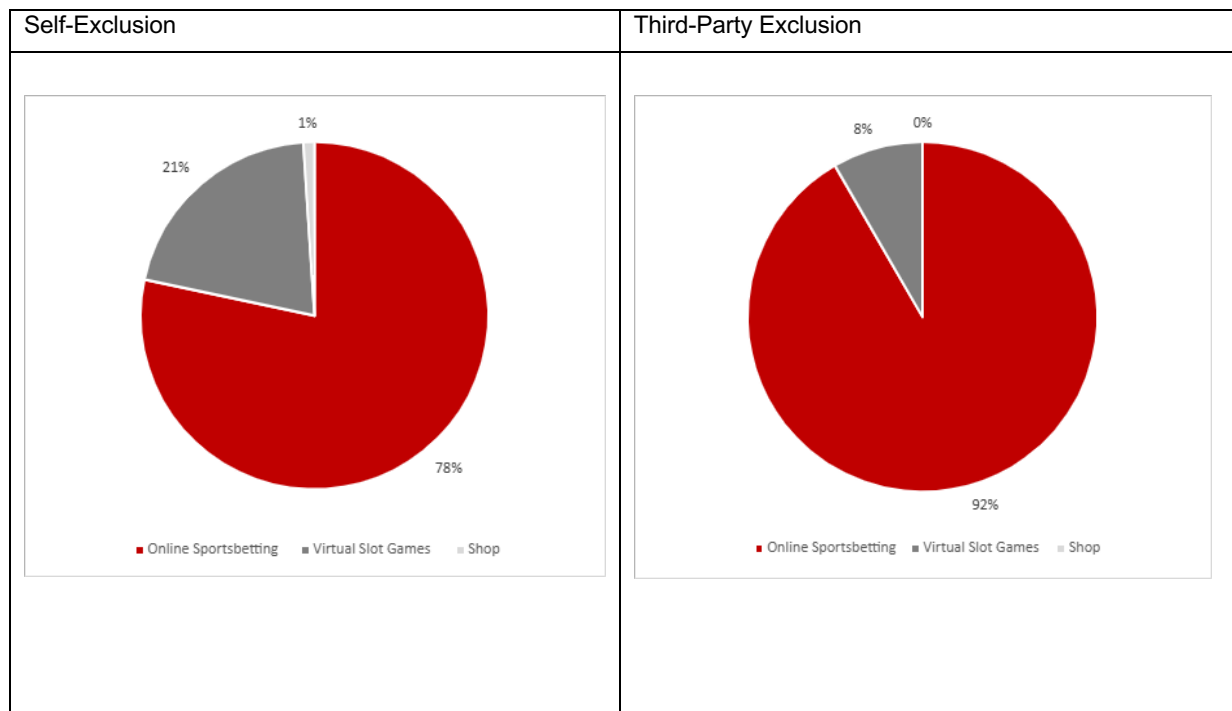
Figure 25: Distribution of self- and third-party exclusion across the various sales channels and product categories.

In the stationary setting, the inhibition threshold for player exclusion is traditionally very high – especially when self-exclusion forms are only available publicly, the process is complicated, and a high level of interaction with staff is required. To counter this, Tipico has also introduced the option of initiating self-exclusion at the terminal. Just like online self-exclusion, this can lead to an exclusion entry in OASIS with just a few clicks. Since its introduction, self-exclusion has been observed to occur significantly more frequently and at an earlier stage in the stationary setting as well. However, this is only possible if customer authentication is carried out at the terminal (e.g., using a customer card). In states where the terminal may only be used for bet preparation (e.g., Berlin, Bremen), this is not the case. As a result, offering paperless self-exclusion is not readily possible there.
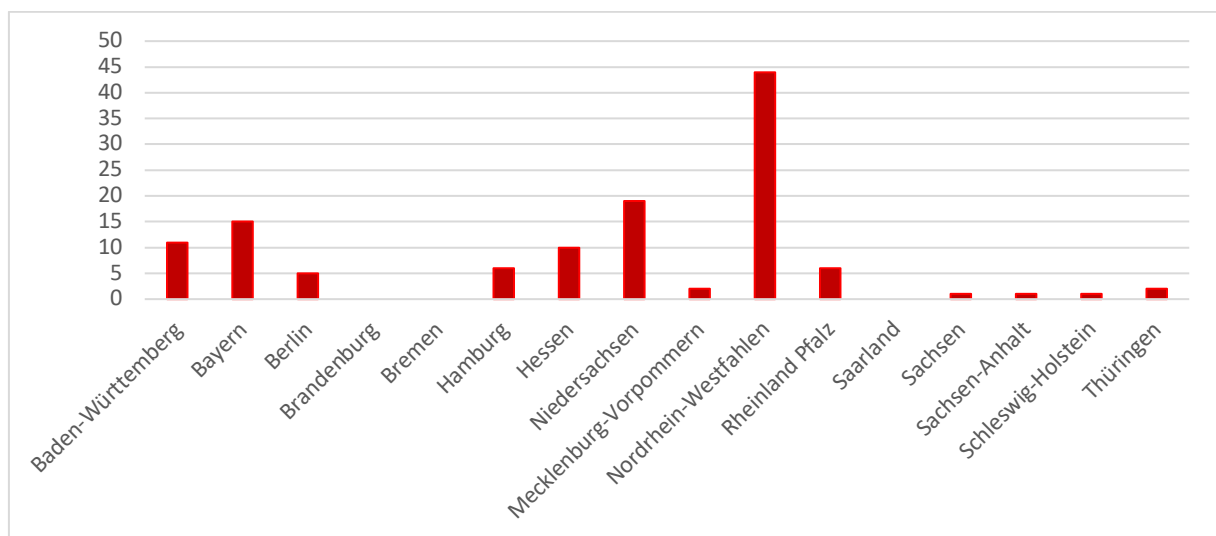
Figure 26: Use of player exclusions in the stationary setting.

12.2 OASIS queries

Querying the player exclusion database OASIS is a fundamental prerequisite for the effectiveness of player exclusion. The timing of the query must be arranged so that customers can only access the product lineup after they have been checked in the system.

In the online setting, queries are performed during log-in, and the following functions are blocked as a result:

- Creation of a new player account
- Log-in prior to making a deposit or placing a bet/playing

In the stationary setting, queries are performed at the following occasions:

- Physical access barrier
- Registration of a new customer card
- Deposit to customer card
- Placement of bets using a customer card

In 2024, Tipico performed over 490 million OASIS queries. These resulted in around 160,000 matchups. Such matchups may occur on account of self-exclusions, third-party exclusions, or one-click 24-hour self-exclusions imposed by other providers connected to OASIS. The matchup rate was therefore around 0.03% of all queries. The increase in the matchup rate indicates improvements in the data foundation and data quality of OASIS.

It should be noted that this report does not include OASIS queries performed manually via OASIS WEB. However, their number is negligible compared to the automatically executed exclusion queries.

In many cases, a single person may trigger multiple queries over the course of a day. To better reflect the social breadth of OASIS queries, we converted the data to the number of unique individuals queried per calendar week. Each customer queried in OASIS is counted only once per week, even if they were actually queried multiple times each day. This results in a metric of approximately 1 million unique weekly OASIS queries over the course of the entire year.
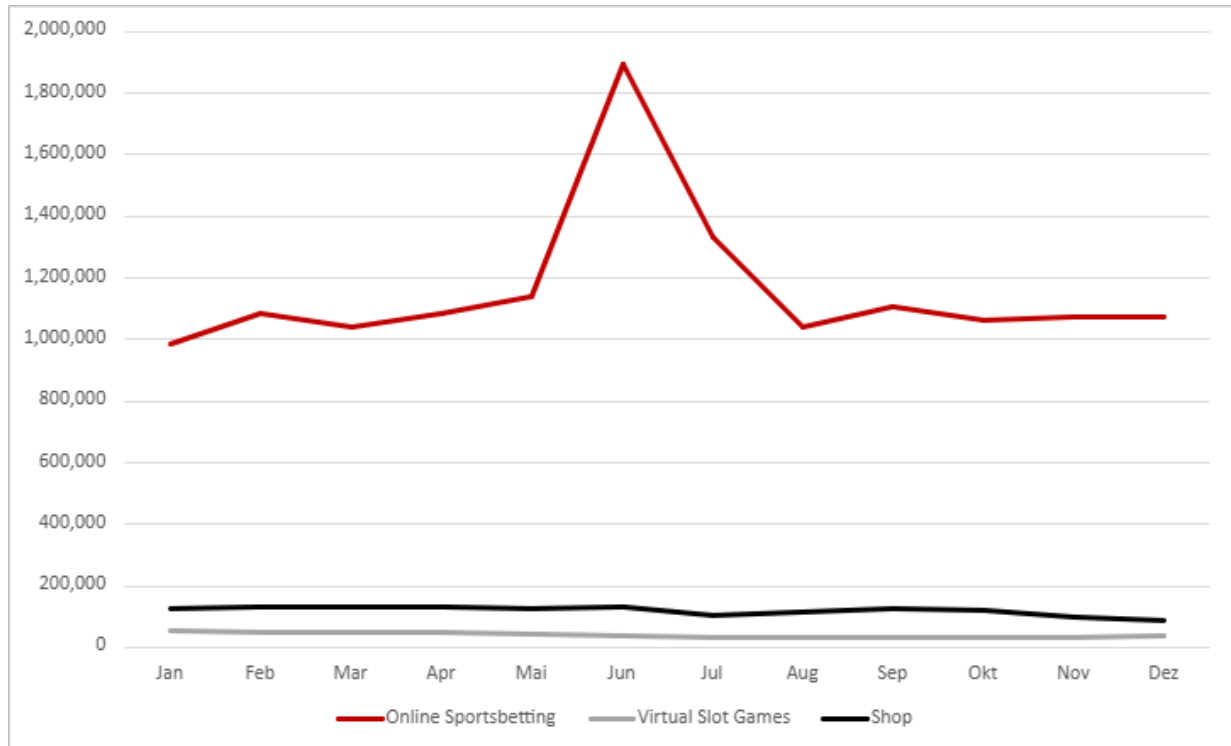
Figure 27: Trend of weekly unique OASIS queries in online sports betting (red), in the virtual slot-machine games setting (grey) and in the stationary setting (black). Customers for whom queries were performed several times a week were counted only once per week.

The volume of OASIS queries in the online setting primarily follows seasonal trends that govern the sport betting lineup.
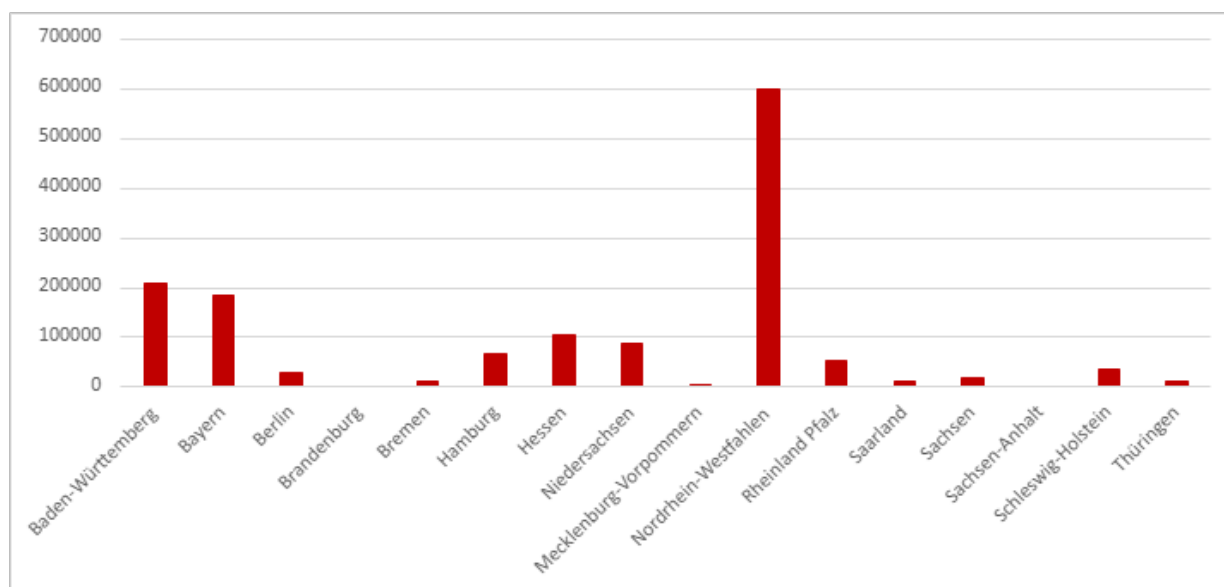
Figure 28: Weekly unique OASIS queries in the stationary setting. Customers for whom queries were performed several times a week were counted only once per week.

12.3 OASIS marketing queries

An OASIS query is also necessary before taking any marketing communication actions and granting bonuses and discounts. Therefore, customers found in OASIS are filtered out of the customer selection. About 2% of the approximately 429 million queries resulted in matches in OASIS. This means that around 8.5 million promotional mailings were not sent in order to protect individuals listed in OASIS entry or whose exclusion has just recently been lifted.
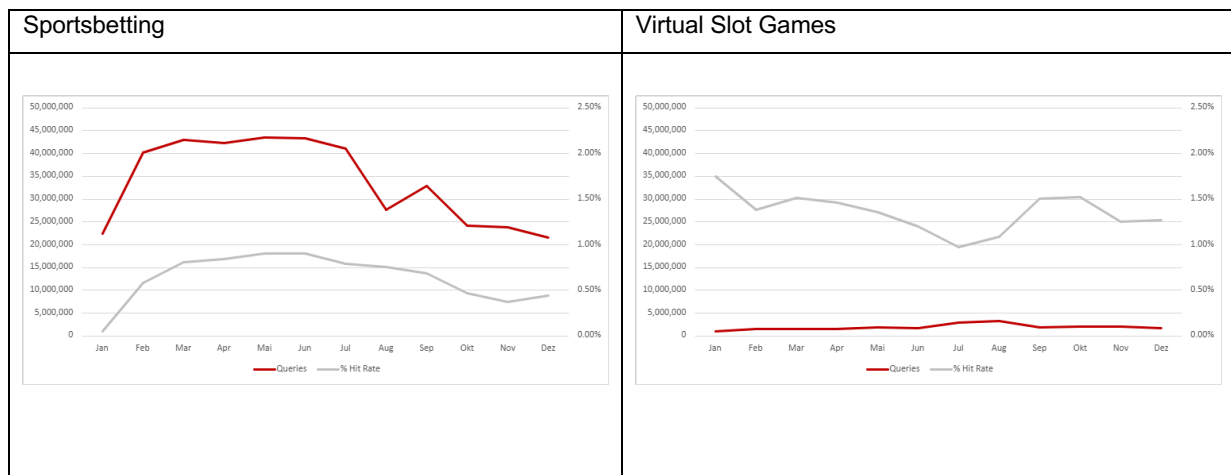
Figure 29: OASIS queries regarding customer selection in targeted promotional campaigns for sports betting and virtual slot machine games.

13. Summary

- The customer evaluation of our responsibility as a provider has increased by 24% to 93% in 2024 compared to the previous year.
- However, 38% of respondents still consider the provided player protection measures to be too paternalistic.
- The risk assessment within Tipico's customer base has remained unchanged since the previous year. No steps have been necessary to recalibrate the model.
- Player protection observations in the stationary setting have been steadily increasing, which confirms the proper application and effective training processes.
- The number of player protection talks at betting shops has also risen by 24%.
- Indicators used for player protection observations in the stationary setting are useful and distinct.
- The number of automated player protection emails has decreased this year, but the open rate remains constant at 45%, the same as last year.
- The number of level-2 pop-ups has increased of 17%. The opt-out rate remains constant at 25%, the same as last year.
- Use of the one-click 24-hour self-exclusion remains stable. For sports betting, there are still seasonal variations throughout the year, while the usage of one-click 24-hour self-exclusion in virtual slot machine games remains stable over the year.
- Self-exclusions and third-party exclusions have remained at a comparable level to the previous year. The use of third-party exclusion continues to be low.
- OASIS queries remain largely stable. The matchup rate for virtual slot machine games remains higher than for sports betting.

List of Figures