intralot

Corporate Responsibility

Report 2019

Corporate Responsibility

Report 2019

OVERVIEW 2019

About INTRALOT Group

44 countries
and jurisdictions

71 contracts

3,800 employees

290 k
retail solutions
worldwide

21 % increase of worldwide
wagers from our continuing
operations handled and reached
a total of €18.3bn

Responsible Gaming

87 % employees
briefed on
Responsible Gaming
practices

95 % newly hired
employees trained on
Responsible Gaming
practices

470 hrs
total duration of
Responsible Gaming
trainings

100 % services
requests were resolved

128 employees
of our customers
trained on Responsible
Gaming for a total
duration of 80 hours

100 % of our games
and terminals displayed
information and messages
of Responsible Gaming

Employee Wellbeing

710 employees
directly occupied while the
company's business activity
indirectly supports hundreds
of work positions

99.8 % of employees
have permanent
employment contracts

no accidents
occurred within
the workplace

26 % women directors
hold Senior Management
positions

>31 % women
employees represent
the workforce of the
company

100 % of employees
have been informed on
at least one Corporate
Responsibility issue

90.5 % satisfaction
(avg rate) reached from
the classroom training
programs

38.5 %
unique employees
trained through
e-learning programs

>199 k
manhours training on
e-learning programs

Governance and Compliance

100% Communicated the Code of Conduct to our employees

no security events reported by employees

no incidents of corruption occured

no violation cases concerning the Code of Conduct occured

no bribery incidents related to employees occured

no incidents of non-compliance with laws and regulations occured

1st international vendor in the gaming industry certified according to WLA Security Control Standard, ISO 20000, and ISO 29993

Societal Support

20 activities took place through our social support program with over €54,900 invested

>**70** blood units through employees' voluntary blood donation program

71% of procurement expenses allocated to local suppliers

6.8% paper consumption reduced

46.8% paper recycling increased

4.3% electricity consumption reduced

34.8% air-travel carbon dioxide emissions reduced

3.6% carbon dioxide emissions reduced

Economic Sustainability

€**0.7** bn revenues

>€**1.4** bn shared value in the last three years with over €270m in Greece

>€**13** m investment in research and development at Group level

1.0
INTRO Messages

Message from the Chairman & CEO
Covid-19 Briefing

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About
INTRALOT Group

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Compliance

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Gaming

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Societal Support

8.0
Economic Sustainability

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About the Report

01
INTRO
MESSAGES

Message from the
CHAIRMAN & CEO

During 2019, we continued to witness a rapidly changing macroeconomic environment and operational model shift within the gaming sector, as the industry faces various challenges, which include:

▸ The considerable pressure on consumer spending due to economic uncertainty.
▸ The diverse political and regulatory environment worldwide, especially concerning government decisions which affect financial performance.
▸ The increasing competition within the gaming sector.
▸ The illegal gaming market.
▸ The shift towards interactive online gaming.

Operating in today's world, companies do not have to consider Corporate Responsibility as a business differentiator or an imperative, but rather as the right thing to do. Being a global leading provider of gaming technologies and services in regulated markets, INTRALOT is fully committed to further deploy responsible practices and standards within its operations in 5 main areas of Corporate Responsibility: Governance and Compliance, Responsible Gaming, Employee Wellbeing, Societal Support and Economic Sustainability. As a result, our annual Corporate Responsibility Report briefly outlines our practices and main initiatives to advance in all above areas and highlights the meaningful progress regarding our objectives in the past year. On behalf of INTRALOT, we are encouraged by the respective achievements and results, which motivate us to continuously evolve and conduct our operations more responsibly.
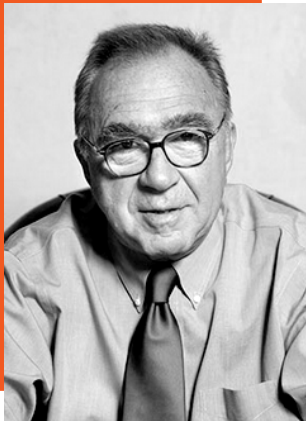
The present Report, addressing the year 2019, has been prepared according to the Global Reporting Initiative's Sustainability Reporting Standards, in an effort to strengthen our engagement with all our Stakeholders, ensure organizational transparency and accountability, as well as present our performance with measurable indicators. Among others within 2019, INTRALOT:

▸ Communicated the Code of Conduct to 100% of its employees.
▸ Displayed Responsible Gaming information and messages on 100% of its games and terminals.
▸ Increased the number of unique employees trained through e-learning programs by 38.5%.
▸ Reduced electricity consumption and carbon dioxide emissions by 4.3% and 3.6% respectively.
▸ Generated €496 million shared value at Group level, with €86 million being in Greece.

This Report serves as our statement to continue our operations in line with internationally recognized standards of responsible operation and apply the highest standards of Responsible Gaming throughout our global operations, as an active member of the World Lottery Association and European Lotteries, in order to meet and exceed our Stakeholders' needs and expectations and support the development of a more responsible business environment and society in general. Therefore, it is my belief that this Report can be the basis to utilize an effective approach to continuously create value for our Stakeholders and I invite you to explore our objectives, efforts and initiatives.

Sokratis P. Kokkalis
Chairman & CEO, INTRALOT Group

COVID-19
BRIEFING

On 11 March 2020, the World Health Organisation (WHO) declared the COVID-19 as pandemic, which since then affects economic and business activity around the world. The extent of its impact will depend on the pandemic's duration, government policy in key jurisdictions regarding restrictions implemented and the current and subsequent economic disruption caused by the pandemic.

According to H2GC data in late August 2020, the gaming industry's current outlook has worsened compared to the respective data in late May, indicating though a stabilizing trend. The gaming industry's global GGR for 2020 is expected to fall between 2010 and 2011 levels (i.e. around $353 billion), approximately 26% lower compared to its forecasts prior to the COVID-19 outbreak, mainly due to postponement or cancelation of major sporting events and competitions globally.

Based on the latest available data, known lockdown conditions per jurisdiction and the moderate restart of sporting events, the Company's best estimate impact for 2020 is approximately between €25-28 million at Group's EBITDA level. These estimates are based on the fact that various markets lifted their restrictions earlier than initially expected and the top line impact is lower than previously forecasted in many cases. For example:

▸ Monthly data in the United States of America indicate high resilience of our operations.
▸ Malta lifted the lockdown in early May, earlier than anticipated.
▸ Despite the earlier than anticipated lockdown lift in Morocco, local lockdowns affected the local economy and operations.
▸ Initial impact assumptions were confirmed in Australia and in other jurisdictions, especially in the South America region

Besides restrictions lift, the Group emphasizes on activity pickup curves and focuses on utilizing all available measures that could help alleviate the pandemic's impact, apart from assessing the top line impact. As such, corporate EBITDA impact estimations incorporate the benefits of Group subsidiaries enrollment to all applicable governmental support programs related to employee furloughs and the Group has undertaken measures to reduce operating expenses across its operations, such as negotiation of supplier terms and restriction of all employee travelling to the utmost essential for the remaining 2020.

Furthermore, the Group also focuses on utilizing different governmental support programs across jurisdictions to secure liquidity and remains in close collaboration with its customers to assess their needs and help them reduce the pandemic's impact, as well as achieve up to €12 million deferral of planned investments.

Since the health and safety of our employees is our top priority, the Group immediately complied with all measures imposed by local governments. For example, following the March lockdown in Greece, INTRALOT instantly transitioned into an expanded work from home scheme, which enabled approximately 70% of its employees to work from home until the first lockdown was lifted, higher than the governmental standards of 50%. Furthermore, virtual meetings replaced physical meetings and new employee onboarding processes are conducted online across the Group, without affecting the Company's performance and quality standards. The Company continuously reviews the situation, in order to protect its employees' safety and its operations' integrity.

02
ABOUT
INTRALOT GROUP

" Shaping
the future
of gaming "

2.1 Strategy and Worldwide Presence

INTRALOT at a glance

1992 — Establishment of the Company

Leading gaming solutions supplier and operator active in — **44** regulated jurisdictions around the globe

€0.7bn — turnover worldwide

employees global workforce — **3,800**

€18.3bn — of wagers handled worldwide

proprietary terminals deployed worldwide — **290k**

UN GLOBAL COMPACT — signatory member

Awarded with the Responsible Gaming certificate — **WLA RG**

Among EU's **top industrial R&D funding** for the past **13 years**

Certified according to:

▸ WLA SCS:2016 and ISO 27001:2013 (Information Security Management System)
▸ ISO 9001 (Quality Management System)
▸ ISO 14001 (Environmental Management System)
▸ ISO 20000 (IT Service Management System)
▸ ISO 29993 (Learning Services)
▸ ISO 37001 (Anti-Bribery Management System)

Member of major Lottery and Gaming Associations around the globe:

▸ World Lottery Association
▸ European Lotteries
▸ North American Association of State & Provincial Lotteries
▸ Lottery Association for South America and the Iberian Peninsula
▸ Asia Pacific Lottery Association
▸ Gaming Standards Association
▸ Association of Gaming Equipment Manufacturers
▸ Global Lottery Monitoring System

The gaming industry

The gaming industry consists of lottery games, casinos, sports betting, bingo, horse racing, gaming machines and online gaming. The total Gross Gaming Revenues (Gross Turnover minus the amount paid to players' winnings) is estimated to have grown to €408.4 billion in 2019 from €234.5 billion in 2003, which represents a Compound Annual Growth Rate (CAGR) of 3.5% from 2003 to 2019, according to H2GC, the leading source of data regarding the global gambling industry.

Total Global Gross Gaming Revenues

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	CAGR 2019-2024
Africa	3.2	3.4	3.7	3.9	4.3	4.6	4.8	5.2	5.6	6	6.5	7.2%
Asia / Middle East	148	132.9	131	140.1	149.8	146.6	146.9	153.3	157.9	162.8	168.3	2.8%
Europe	91.8	96.1	101.4	104.1	107.2	109	111.1	113.8	117	120.1	123.6	2.5%
Latin America and the Carib-bean	6.8	7.2	7.7	8.1	8.4	9	9.3	9.9	10.2	10.5	10.8	3.6%
North America	101.3	103.9	109.3	110.9	115.9	121.2	131.9	137.1	142.2	146.6	151.2	4.5%
Oceania	15.5	16.6	17.5	17.2	17.7	18	18.5	18.8	19.1	19.5	19.7	1.8%
GLOBAL TOTAL	**366.5**	**360.1**	**370.6**	**384.4**	**403.4**	**408.4**	**422.4**	**438.1**	**452**	**465.6**	**480.2**	**3.3%**

Source: H2GC, Global Summary February 2020
Figures for 2019-2024 are estimates and market forecasts do not include or consider COVID-19 impact.
Amounts in billion euros.

The Group's addressable market includes lottery games, sports betting, horse racing, gaming machines, interactive gaming and other activities (e.g. bingo), without including casinos and Native American gaming.

Gross Gaming Revenues per Product

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	CAGR 2019-2024
Betting	46.9	49.1	52.7	56.5	63.8	65.9	70.6	75.9	81.6	85.9	90.8	6.6%
Casino	130.4	120.1	122.6	131.9	140.3	143.2	150.1	157.7	162.2	167	171.9	3.7%
Gaming machines	84.8	85.6	84.9	84.7	84.4	82.2	81.2	79.8	79.5	79.5	79.9	-0.6%
Bingo / Other gaming	8.1	8.5	9.1	9.4	9.7	10.7	11	11.3	11.7	12	12.4	2.9%
Lotteries	96.3	96.8	101.3	101.9	105.1	106.5	109.6	113.3	117.1	121.1	125.2	3.3%
GLOBAL TOTAL	**366.5**	**360.1**	**370.6**	**384.4**	**403.4**	**408.4**	**422.4**	**438.1**	**452**	**465.6**	**480.2**	**3.3%**

Source: H2GC, Global Summary February 2020
Figures for 2019-2024 are estimates and market forecasts do not include or consider COVID-19 impact.
Amounts in billion euros.

Within the last few years, the industry has witnessed a significant increase in online gaming, which includes desktop, mobile and iTV. Europe is the leading market in online global GGR with a 53.9% estimated share in 2019, with betting being the product with the highest online global GGR (54.5% of online global GGR) and lotteries having the highest growth potential (12,4% CAGR 2019-2024).

Online Global Gross Gaming Revenues

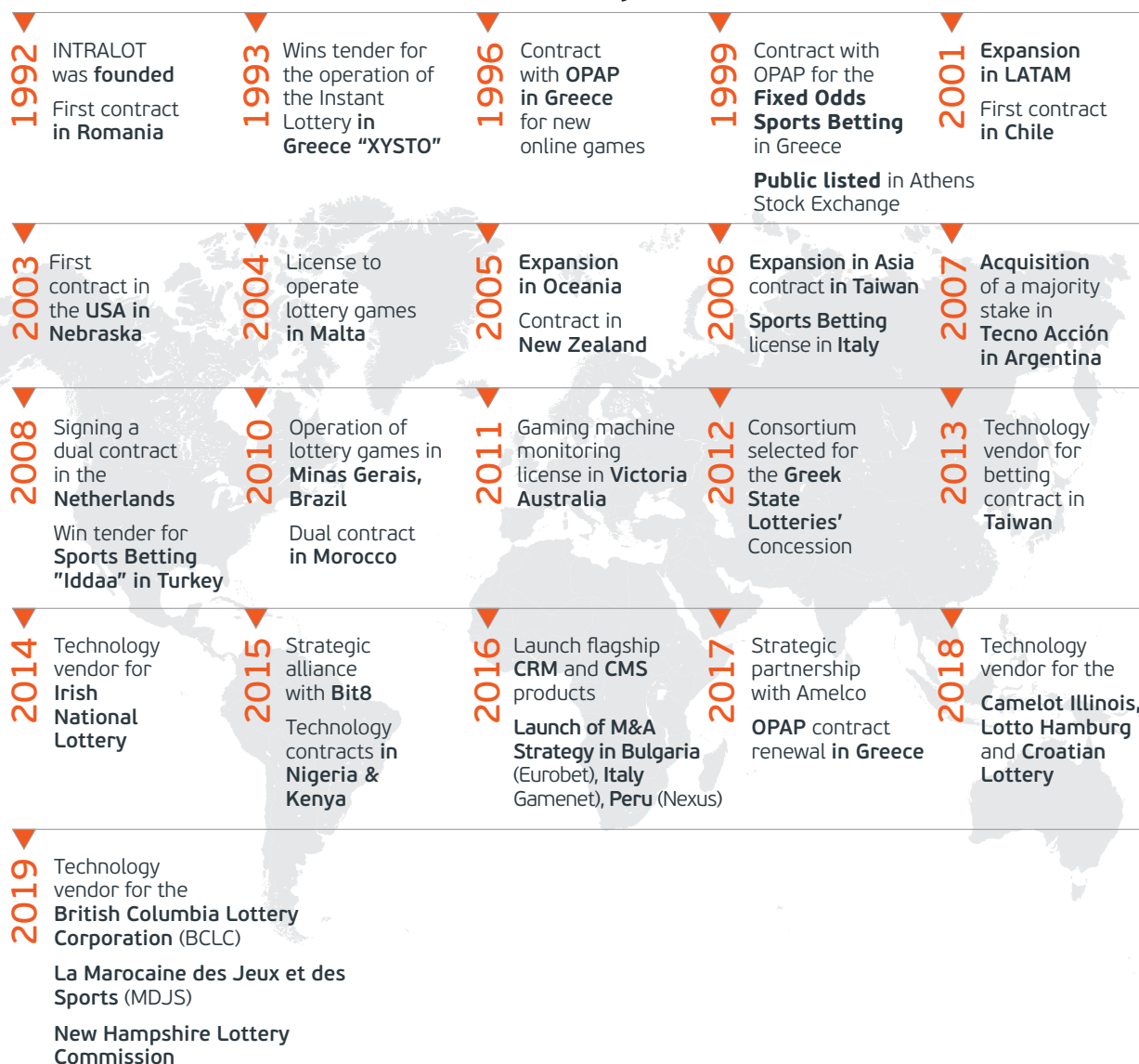|	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	CAGR 2019-2024
Africa	0.2	0.3	0.3	0.4	0.5	0.5	0.5	0.6	0.7	0.7	0.8	9.8%
Asia / Middle East	10.1	10.9	11.9	13.2	14.5	15.8	17.1	18.4	19.8	21.3	22.7	7.5%
Europe	15.5	17.6	19.8	22.8	26.2	29.5	31.6	33.9	36.5	38.6	41.3	7%
Latin America and the Caribbean	0.4	0.4	0.4	0.5	0.6	0.8	0.9	1.1	1.2	1.3	1.5	13.5%
North America	4.1	4.2	4.4	4.6	4.9	5.7	6.5	7.6	8.9	9.6	10.3	12.8%
Oceania	1.7	2	2.4	2.5	2.5	2.6	2.7	2.8	2.9	3.1	3.2	4.4%
GLOBAL TOTAL	**32**	**35.3**	**39.2**	**44**	**49.2**	**54.7**	**59.3**	**64.3**	**70**	**74.6**	**79.7**	**7.8%**

Source: H2GC, Global Summary February 2020
Figures for 2019-2024 are estimates and market forecasts do not include or consider COVID-19 impact.
Amounts in billion euros.

History

29 Years of growth

1992
INTRALOT was **founded**

First contract **in Romania**

1993
Wins tender for the operation of the Instant Lottery **in Greece "XYSTO"**

1996
Contract with **OPAP in Greece** for new online games

1999
Contract with OPAP for the **Fixed Odds Sports Betting** in Greece

Public listed in Athens Stock Exchange

2001
Expansion in LATAM

First contract **in Chile**

2003
First contract in the **USA in Nebraska**

2004
License to operate lottery games **in Malta**

2005
Expansion in Oceania

Contract in **New Zealand**

2006
Expansion in Asia contract **in Taiwan**

Sports Betting license in **Italy**

2007
Acquisition of a majority stake in **Tecno Acción in Argentina**

2008
Signing a dual contract in the **Netherlands**

Win tender for **Sports Betting "Iddaa" in Turkey**

2010
Operation of lottery games in **Minas Gerais, Brazil**

Dual contract **in Morocco**

2011
Gaming machine monitoring license in **Victoria Australia**

2012
Consortium selected for the **Greek State Lotteries'** Concession

2013
Technology vendor for betting contract in **Taiwan**

2014
Technology vendor for **Irish National Lottery**

2015
Strategic alliance with **Bit8**

Technology contracts **in Nigeria & Kenya**

2016
Launch flagship **CRM** and **CMS** products

Launch of M&A Strategy in Bulgaria (Eurobet), **Italy** Gamenet), **Peru** (Nexus)

2017
Strategic partnership with Amelco

OPAP contract renewal **in Greece**

2018
Technology vendor for the **Camelot Illinois, Lotto Hamburg** and **Croatian Lottery**

2019
Technology vendor for the **British Columbia Lottery Corporation** (BCLC)

La Marocaine des Jeux et des Sports (MDJS)

New Hampshire Lottery Commission

Vision

Transforming field experience from gaming operations into intelligent solutions that meet customer needs in the digital era and create value for all Stakeholders in sustainable ways.

Shaping
the future of gaming

Mission

▸ To deliver innovation driven by experience.
▸ To modernize licensed lotteries in today's digital world and supply them with entertaining gaming options, exciting omni-channel content, integrated best-in-class technology solutions, flexible future-proof platforms and value added services.
▸ To operate lotteries in a secure, reliable, and transparent manner, consistently providing engaging player experiences across all verticals.

Strategy and strengths

Responding to long-term challenges, the Group's strategy provides a 'roadmap' for its operations and future actions, which focuses on the following pillars:

Group Strategy

Deliver best-in-class technology solutions and maintain leadership in technology innovation

Continuously invest in R&D activities to develop leading technology solutions and streamline technology development though measures to enhance efficiency and promote agility and performance.

Maintain and expand our contract base in target markets with attractive growth potential

Expand presence in markets witih growth potential and establish partnerships with well capitalized and experienced local partners in certain markets and utilize their knowledge and understanding of the local market.

Value creation driven by increased cash flow generation, margin expansion and improving longer-term revenue visibility

Create cost savings and operational efficiencies through cost optimization initiatives, effective management of long-term contracts and strategic partnerships.

Disciplined capital allocation aimed to de-lever and optimize our capital structure

Steadily de-lever business through additional cash flows generated by expected operational and financial synergies and efficiencies, as well as expected positive cash flows impact from the shift to an 'asset-light' model.

Unwavering commitment to Responsible Gaming, Social Responsibility, and Integrity

Promote Responsible Gaming, Social Responsibility and Integrity throughout our global operations in any type of engagement.

As a result of its global presence, proprietary technology, and track record of innovation, INTRALOT:

▸ Is a global leading supplier of integrated gaming systems and services, as well as a leading market position in licensed gaming in most of the highly regulated markets of operation.

▸ Has been selected by various betting and lottery operators worldwide to provide its lottery products and services.

▸ Has successfully utilized local partnerships to expand into new markets.

▸ Is consistently awarded with multiple long-term contracts and contract renewals, with approximately 43% of the 2019 revenues generated through multi-year contracts or renewable licenses available until 2024 (although future actual revenues generated from these contracts may increase or decrease), without including extension options.

Worldwide presence

Within over 20 years of operation, INTRALOT has presence in 44 regulated jurisdictions in all 5 continents and INTRALOT Group operated a portfolio of 71 contracts for a wide range of products and gaming applications in 2019.

44
regulated jurisdictions

5
continents
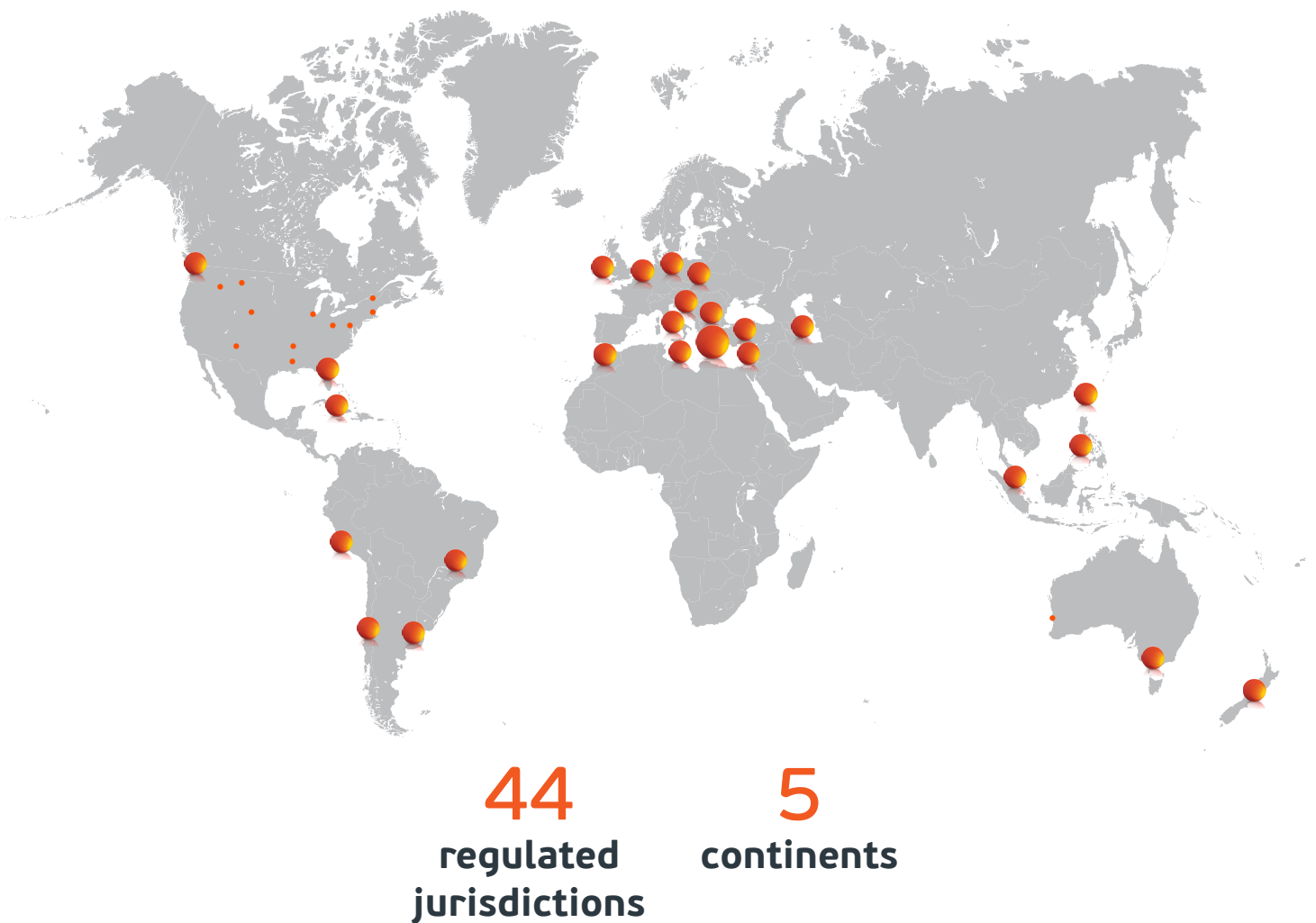
The Group's various B2B/B2G and B2C engagements consist of the following three types of contractual arrangements.

Contracts breakdown and key markets by contract role

Technology and Support Services Contracts

Management Contracts

Licenced Operations

Description

Technology and Support Services Contracts
- Central gaming system
- Lottery terminals
- Telecommunications system/solutions
- Related peripheral equipment and software
- Implementation services
- Maintenance and support services
- Monitoring systems for VLT operations

Management Contracts
- Provision of technology solutions described in 'Technology and Support Services Contracts'
- Day-to-day operations
- Marketing services
- Sales network development and management
- Risk management/odds setting for sports betting games

Licenced Operations
- Management of services described in 'Management Contracts'
- Provision of technology solutions described in 'Technology and Support Services Contracts'

Contribution

28.9% of Revenues	**9.7%** of Revenues	**61.4%** of Revenues
50.9% of GGR	**17%** of GGR	**32.1%** of GGR
42.2% of EBITDA	**12.5%** of EBITDA	**45.3%** of EBITDA

Operations

59 individual technology and support services contracts across **39** jurisdictions through **16** subsidiaries

3 management contracts in **2** jurisdictions through **2** subsidiaries

9 individual licenses across **5** jurisdictions through a combination of wholly and partially owned subsidiaries and joint ventures

Markets

Argentina I Australia I Azerbaijan I Bosnia and Herzegovina I Canada I Chile I Croatia I Germany I Greece I Ireland I Malaysia I The Netherlands I New Zealand Peru I Philippines I Taiwan I United States

Morocco I Turkey

Argentina I Brazil I Bulgaria I Malta I Peru

2.2 Products and Services Portfolio

Products and services

INTRALOT Group designs, develops, operates and supports various innovative and customized hardware and software solutions as well as services for the gaming industry.

Products

INTRALOT Group offers a broad range of products to support lottery, sports betting, Video Lottery Terminals and racing as well as interactive games for its customers and operations.

VERTICALS

Lottery
An open, future-proof architecture solution with centralized management and a complete draw-based games library for all customer touchpoints to ensure true omni-channel player experience, through 4 main areas:
▶   LotosX games and draw management platform.
▶   A set of enabling platforms for management of retailers, players, content, and devices, addressing all operational aspects of a Lottery.
▶   Retailer and player touchpoints, either within a land-based or an online Lottery operation.
▶   An advanced Governance model to safeguard end-to-end security and integrity.

Betting
INTRALOT's holistic Sports Betting Solution is an all-in-one solution, which supports an omni-channel player experience and comprises of:
▶   INTRALOT Orion Sports Betting platform.
▶   Sports Betting operations and tailored Managed Trading Services (MTS).
▶   A wide portfolio of retailer and player terminals.
▶   Online touchpoints, such as native mobile apps and web portals.

Gaming
Gaming solutions specifically designed for large-scale Gaming operations, which incorporate platforms and modules to respond to the needs of both gaming operators and state regulators:
▶   The iGem integrated solution to monitor and control large-scale gaming networks.
▶   The GLS workflow-based platform for Gaming Regulators, which offers end-to-end processing and workflow management for all Gaming Licensing processes.

CHANNELS

Retail solutions

A wide range of retailer terminals combined with the proper software platform and gaming engine, which include:
- Retailer Touchpoints (PhotonX, Photon, Proton, Microlot, Genion, Canvas Retailer).
- Vending Machines (Dreamtouch Smart, Dreamtouch, Dreamtouch Compact, Winstation30).
- Self-Service Terminals (MPNG, GameStation, SSBT, Dreamtouch Lite, Dreamtouch Lite X, Gamebase, GameKiosk).

Online solutions

Solutions for operators to offer engaging online and mobile gaming experiences, which include:
- Mobile Apps for Lotteries, Betting and Games with versatile player management, centralized content management, and Responsible Gaming support.
- Lottery, Betting and Games portals, powered by Canvas CMS.

PLATFORMS

LotosX
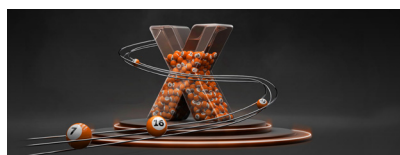
Enables Lottery operators to design, configure and implement their entire games' portfolio, with easy configuration and customization of any game.

LotosXi

Digital Lottery Solution for Lottery operators to provide a unified player experience.

INTRALOT Orion

A Sports Betting platform to support all sports events across all channels to optimize player engagement and ensure efficient retailer operations (e.g. tailored risk management per sales channel).

Pulse Player

A complete online gaming platform to cover online and retail operations for all verticals and products, which allows efficient and simple player management.

Pulse Retailer

A robust platform for comprehensive retail channel management of all Points of Sale.

INTRALOT Canvas

A Content Management System (CMS) to manage content and user interface across multiple touchpoints (e.g. websites, mobile native apps, self-service terminals).

Horizon

An information, messaging and promotion platform to develop, deliver and display multimedia content, across geographically dispersed lottery venues.

Device Management

A platform to centrally manage retail and self-service terminals, all peripherals and digital signage equipment deployed in the retail network, which ensures uninterrupted operation (e.g. zero downtimes).

Monitoring System
(iGEM Central Monitoring System)

A solution to monitor and control large-scale gaming networks, with comprehensive reporting, accounting, auditing, and secure management of Gaming Venues and EGMs / VLTs.

**Licensing System
(Gaming License System – GLS)**
A platform for Gaming Regulators for end-to-end processing and workflow management of all Gaming Licensing processes (e.g. paperless submission and processing of licenses, instant electronic payment of licensing fees).

Services

INTRALOT Group's services cover the full range of day-to-day operational activities of Lottery organizations.
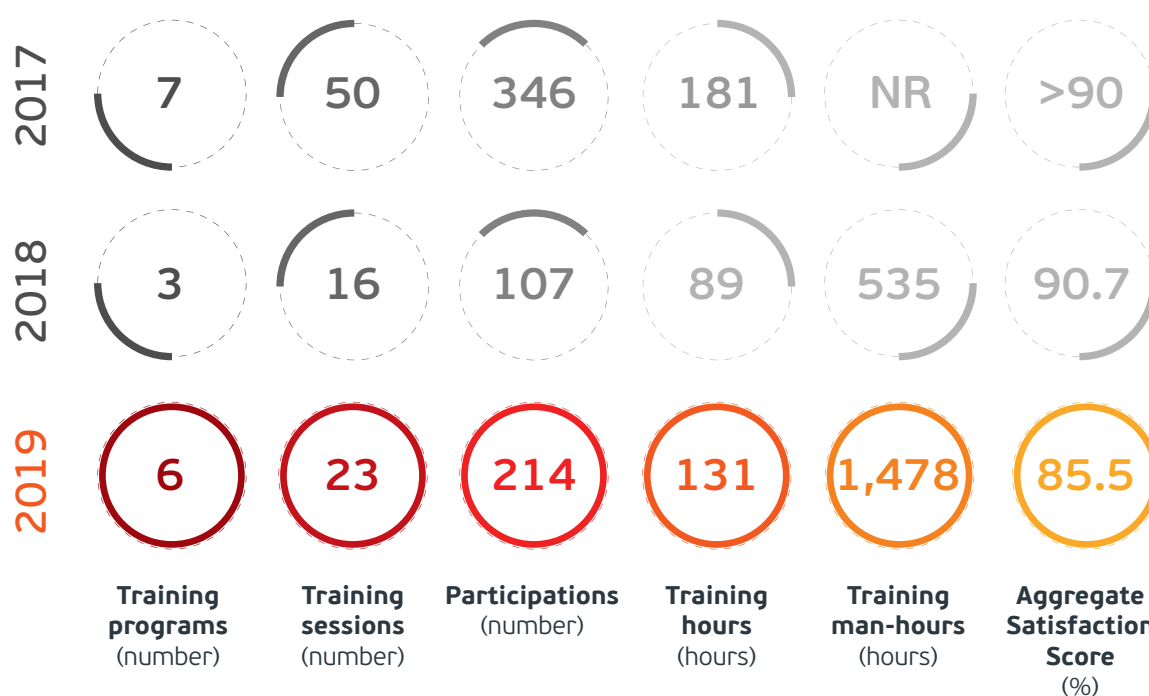As of 2019, the service portfolio consists of the following services:

▶ Technical support and training (e.g. help desk support for retailers, lottery employees and players, preventive and corrective maintenance of central systems, field maintenance of equipment installed at retailer locations, operational and technical support training, marketing seminars and various training modules for lottery and betting operators).
▶ System operation services (e.g. operation and administration of gaming systems, networks and technology infrastructures).
▶ Marketing services (e.g. Market Research and Analysis, Game Design and Analysis, Marketing Communication, Sales Network Design and Development).
▶ Sports Betting Risk Management and Footprint services (e.g. Managed Trading Services for betting operations).
▶ Managed services for Online Operations (e.g. digital marketing, SEO, SEM, social media management and affiliates management for online operations of Lotteries and state-licensed organizations).
▶ Supply Chain Management (e.g. warehousing, logistics, distribution services).
▶ Media broadcasting (e.g. animated information and targeted messaging, a 24-hour lottery dedicated media channel and virtual studio draws).
▶ GDPR compliance (e.g. organizational, procedural, and technical controls to ensure personal data protection in response to the EU General Data Protection Regulation).

Customer training hours increased by 47.2%

Satisfaction rate from customer training programs reached 85.5%

Customer Training*

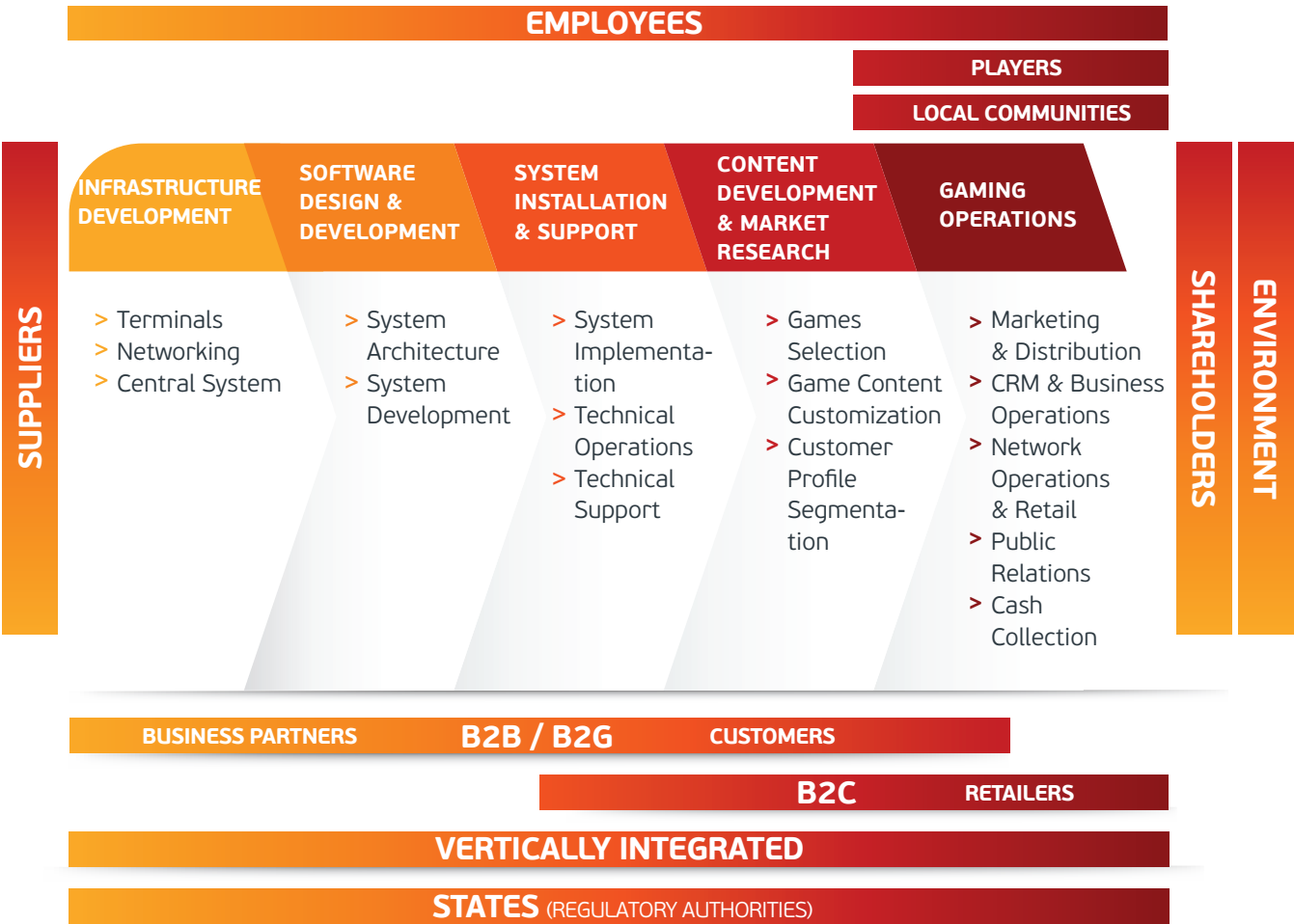|	Training programs (number)	Training sessions (number)	Participations (number)	Training hours (hours)	Training man-hours (hours)	Aggregate Satisfaction Score (%)
2017	7	50	346	181	NR	>90
2018	3	16	107	89	535	90.7
2019	6	23	214	131	1,478	85.5

*NR = Not reported
Data refers to trainings conducted during project implementation regarding INTRALOT products' functionality.

Value chain

For its operations, the Group utilizes inputs from its Suppliers (materials, equipment, services, and know-how) as well as input from States and Regulatory Authorities (decisions and provisions for regulation of local gaming market). The Group is a licensed gaming operator in its own right in several countries around the world and provides its products in the B2C market through its own sales networks, which include internet-based channels and Points of Sale, following agreements with Retailers. Furthermore, as a leading partner and technology provider for licensed gaming operators worldwide in the B2B market (e.g. hardware and software solutions, sports betting management, interactive gaming services), INTRALOT Group cooperates with Business Partners to provide its products and services to licensed gaming operators (Customers), in order for them to provide its games to Players. Throughout its value chain, the Group remains committed to safeguard the interests of Shareholders, contribute to the Local Communities, and reduce its impact on the Environment.

EMPLOYEES

PLAYERS

LOCAL COMMUNITIES

SUPPLIERS	INFRASTRUCTURE DEVELOPMENT	SOFTWARE DESIGN & DEVELOPMENT	SYSTEM INSTALLATION & SUPPORT	CONTENT DEVELOPMENT & MARKET RESEARCH	GAMING OPERATIONS	SHAREHOLDERS	ENVIRONMENT
	> Terminals > Networking > Central System	> System Architecture > System Development	> System Implementa-tion > Technical Operations > Technical Support	> Games Selection > Game Content Customization > Customer Profile Segmenta-tion	> Marketing & Distribution > CRM & Business Operations > Network Operations & Retail > Public Relations > Cash Collection		

BUSINESS PARTNERS   **B2B / B2G**   **CUSTOMERS**

B2C   **RETAILERS**

VERTICALLY INTEGRATED

STATES (REGULATORY AUTHORITIES)
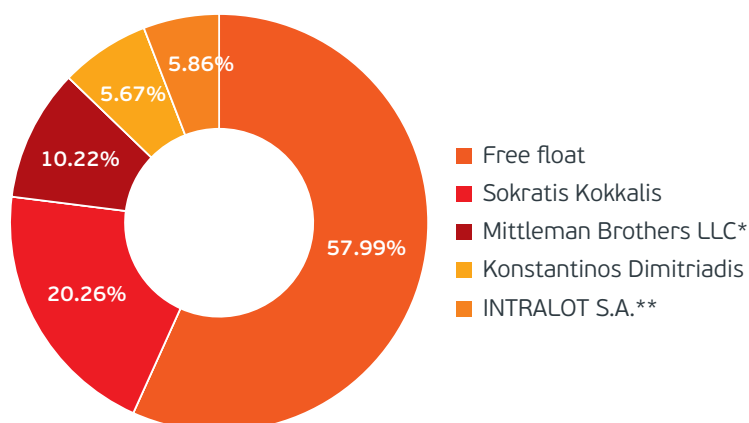
2.3 Organizational and Shareholder Structure

Organizational structure

The Company's organizational structure with the main functions and divisions is depicted below.
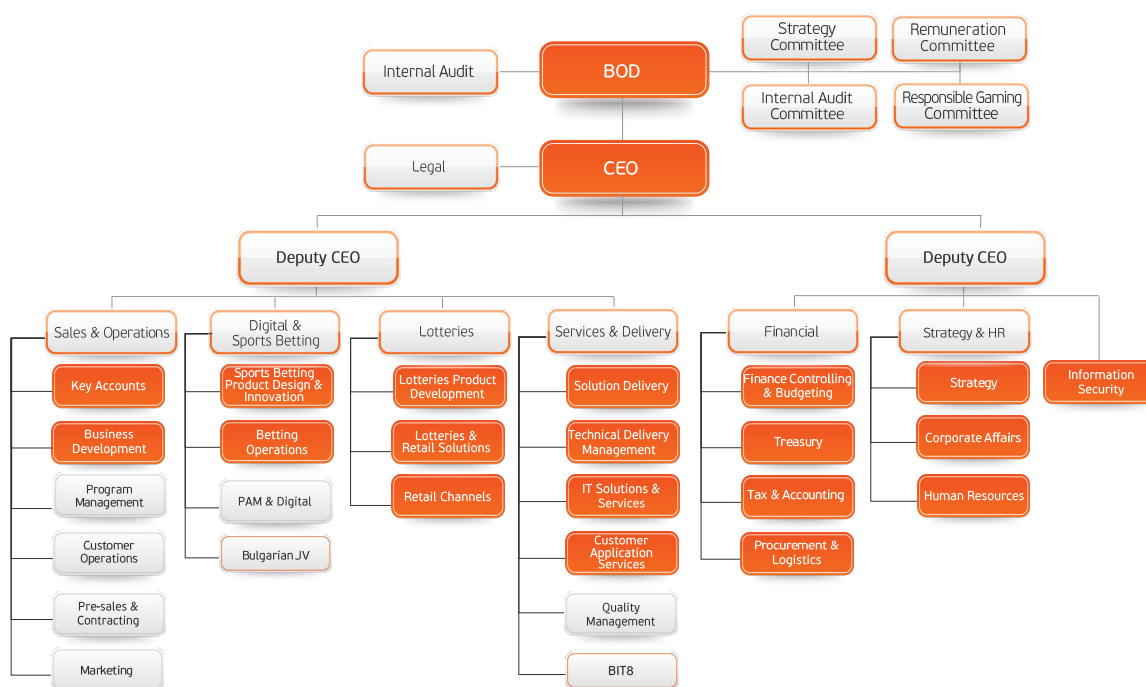
Shareholder structure

INTRALOT's share capital amounts to €47,088,516.30, divided into 156,961,721 nominal shares at €0.30 each. All Company shares are common registered shares with a voting right and are introduced to the Athens Stock Exchange, in the 'Mid Capitalization' category, under Sector/Subsector 'Travel and Leisure'/'Casinos & Gambling'.

- 57.99% Free float
- 20.26% Sokratis Kokkalis
- 10.22% Mittleman Brothers LLC*
- 5.67% Konstantinos Dimitriadis
- 5.86% INTRALOT S.A.**

*Mittleman Brothers LLC own directly or indirectly and represent voting rights of 10.216% of the corporate share capital.
**INTRALOT S.A. holds own shares representing 5.861% of the corporate share capital. Data refer to 31/12/2019.

2.4 Risks and Opportunities

Risks

Due to the nature of the industry and the corresponding economic and social challenges, gaming companies are exposed to the following risks:

Risks in the Gaming Industry

Source	Level of Risk
Diversity of social, cultural, and religious profiles in foreign countries	Moderate
Possibility that gaming may result into a pathological addictive behavior	Moderate
Constantly changing taxation schemes in various jurisdictions	Moderate
Potential security issues from threats to online and interactive gaming	Moderate
Conditions within the supply chain (e.g. product quality, labor practices, human rights)	Moderate
Environmental impact of operations (e.g. materials consumption for hardware production, energy consumption for production, and business operations)	Moderate
Political and regulatory environment	High
Legal framework and legislation for various issues (e.g. minors' protection, violation of jurisdictional prohibitions, money laundering, fraud and corruption)	High
Potentially increased regulation as a result of negative publicity associated with excessive gaming	High
Impact from illegal gaming activities to the regulated industry's revenues	High
Conditions of the macroeconomic environment	High
Volatility of players' gaming spending	High

Operating within an industry which has to address serious issues (e.g. money laundering, corruption, bribery, gaming addiction and its social repercussions), INTRALOT implements a wide range of monitoring and security systems to proactively deal with these issues, which go beyond the minimum legal requirements.

Opportunities

Despite the risks and challenges for the gaming industry, gaming companies can potentially benefit from various favorable circumstances within the industry, which include:

- Expansion of sports betting in the USA after the PASPA repeal (Professional and Amateur Sports Provision Act).
- Wider participation of private companies in Lottery operations.
- Multi-sourcing of gaming technology and services.
- Liberalization and regulation of online gaming at a country level.
- Expansion of lottery gaming in previously restricted jurisdictions.
- Convergence of gaming channels and products.
- Use of technology (e.g. interactive technologies and gaming applications) to deliver personalized gaming products and services across distribution channels.
- Rise of mobile technology and the increasing mobile connectivity.
- Introduction of new payment methods and cashless gaming transactions.
- Introduction of strict Anti-Money Laundering, Data Protection, and Fraud Prevention rules across jurisdictions.
- Wider adoption of commercial services.

INTRALOT Group is fully capable and well equipped to capitalize on these present and emerging opportunities, as the Group:

- Has developed its next-generation of lottery and sports betting platforms and solutions for omni-channel delivery.
- Has built its solutions with future proof technologies for new segments and services integrations.
- Has developed an agile technology and service delivery model as well as strong Research and Development (R&D) capabilities for continuous innovations.
- Consistently strengthens its operational capabilities and marketing expertise.
- Pursues new business opportunities across geographies through strategic partnerships with specialized suppliers and local companies.

2.5 Memberships and Distinctions

Memberships

INTRALOT is a member in the following national and international associations and organizations:

Lottery and Gaming

Premium Partner of EL (European Lotteries Association)

Star Contributor to CIBELAE (Hispanic Association for South America and the Iberian Peninsula)

Silver Member of GSA (Gaming Standards Association)

Platinum Contributor of WLA (World Lottery Association)

Level I of NASPL (North American Association of State and Provincial Lotteries)

Gold Sponsor of APLA (Asia Pacific Lottery Association)

Associate Member of Global Lottery Monitoring System GLMS

Corporate Responsibility

Signatory member of the United Nations 'Global Compact Network' for Corporate Social Responsibility

National Partner of Hellenic Network of Corporate Social Responsibility - CSR Europe

Gold Responsible Management Excellence Member of EBEN GR (European Business Ethics Network)

Trade Associations

The Hellenic Federation of Enterprises

The American Hellenic Chamber of Commerce

The Hellenic-Dutch Association

The Hellenic Romanian Business Counselors

Distinctions

In 2019, the Company received the following distinctions and rewards for its efforts, programs and initiatives related to responsible operation:

▶ The Rhetoric Olympic Wreath Award in the **Responsible Management Excellence Awards 2019** (Responsible Management in Social – Environmental & Ethical Governance for Sustainable Excellence) organized by the European Business Ethics Network (EBEN), for its performance and excellence in the areas of Corporate Governance, Corporate Social Responsibility, Business Ethics, Human Resources and Security, following the respective EBEN audit process.

▶ The Bronze Award in the **Business IT Excellence Awards 2019** organized by Boussias Communications in the section 'Operational and Business Applications', category 'Business Intelligence & Analytics', for the Single Version of Truth powered by WITSIDE and Qlik Sense platform, which enabled development of customized applications for each department and effectively improved the Company's operations.

▶ The distinction of LotosX being shortlisted at the **Global Gaming Awards Las Vegas 2019** organized by Gambling Insider in association with G2E Vegas in the category 'Land-based Product', for its competitive and leading-edge solution to drive the growth of customers' operations around the globe.

Business IT Excellence Awards 2019

Responsible Management Excellence Awards 2019

Global Gaming Awards Las Vegas 2019

03
CORPORATE RESPONSIBILITY

"We adhere to the highest levels of integrity, responsibility, innovation and sustainable growth."

3.1 Managing Corporate Responsibility

Integrating corporate responsibility within the organizational structure

INTRALOT's management structure related to Corporate Responsibility is depicted below:

Corporate Responsibility Management

LEVEL	GLOBAL	LOCAL
Board of Directors	Group CEO →	Management Committee
Director	Group Corporate Affairs Director →	Group Directors
Implementation	General Directors of Operations	

▸ At Board level, the overall responsible is the Group Chief Executive Officer, who is the Chairman of the Management Committee, with the leadership on Corporate Responsibility plan.

▸ At Director level, the Group Corporate Affairs Director is responsible to organize the relevant activities and review the Group's Responsible Gaming program, as well as guide, plan, implement and evaluate the Corporate Responsibility program and cooperate with other departments. The Corporate Affairs Division manages the issue of Corporate Responsibility, in order to streamline activities and facilitate the Company's responsible operation, at a strategic, organizational, and operational level.

▸ The Corporate Affairs Division interacts with General Directors of Operations and other Divisions within the Company, at a local and global level, to facilitate respective practices implemented.

Managing corporate responsibility systematically

Following the results of an internal analysis, INTRALOT has identified five strategic areas of Corporate Responsibility and the present Report describes INTRALOT's philosophy, strategy, and initiatives in these five areas and the related sub-areas.

Corporate Responsibility Framework

3.2 Material Topics

Recognizing material topics

In order to holistically examine topics that can or could affect its responsible operation and ensure that the content of this Report focuses on the Material Topics, INTRALOT conducted a Materiality Analysis, structured around four stages:

1. Identification of potential topics, through which over 90 topics were considered by reviewing:
    ▸ Current industry practices
    ▸ Future trends
    ▸ Relevant industry related analyses by international organizations, such as the RobecoSAM's Sustainability Yearbook for the 'Casinos & Gaming' sector
    ▸ Regulatory environment
2. Analysis of these topics in terms of associated Risk, according to the significance of the economic, social, and environmental impacts that the Company's activities, products, and operations either have or could have.
3. Identification of Stakeholders' expectations, through analysis of their views from relevant surveys conducted (e.g. Customer Survey) and the indirect input from the departments which interact with each Stakeholder group.
4. Combination of Risk analysis and Stakeholders' expectations to define the Material Topics that INTRALOT should focus on.

The Materiality Analysis as well as the current Report, which were approved by the Group Corporate Affairs Director, depicts the Material Topics for 2019 in the dark orange shaded area of the following diagram.

Materiality Analysis

RISK (impact on Materiality) — vertical axis (low to high)

EXPECTATION (concern to Stakeholders) — horizontal axis (low to high)

Top right area (high importance):
- Responsible Communication
- Responsible Gaming as Gaming Operator
- Responsible Gaming as Technology Provider
- Risk Management
- Player Privacy
- Responsible Buying
- Business Continuity

Top middle area:
- Products & Services Quality
- Local Buying
- Supplier Assessment for Labor Practices
- Anticompetitive Behavior

Top left area:
- Investment Screening
- Supplier Human Rights Assessment

Middle left area:
- Supplier Environmental Assessment
- Accident Impact
- Corporate Responsibility
- Employee Engagement
- Operational Support
- Effluent Handling
- Refrigerants Use (ODP)
- Water Consumption
- Labor Relations
- Supplier Social Impacts Assessment
- Environmental Investment
- Child Labor
- Office Health & Safety
- Supplier Awareness

Middle center area:
- Material Consumption
- Waste Handling
- Corporate Governance
- Regime Cooperation
- Products & Services Affordability
- Energy Use
- CO_2 Emissions
- Equality & Fairness
- Forced Labor
- Business Entrepreneurship
- Society Grievances
- Economic Transparency
- Employee Benefits
- Investment Impacts
- Environmental Grievances
- Environmental Compliance
- Human Rights Grievances
- Training & Development

Middle right area:
- Public Policy
- Labor Practices
- Information Security
- Products & Services Compliance
- Community Impact
- Hazardous Waste
- Socioeconomic Compliance
- Job Security
- Anti-Corruption
- Office Work Conditions

Lower center area:
- Labor Association
- Donations & Sponsoring
- Volunteering

Lower right area:
- Customer Satisfaction
- Local Employability

Legend:
- Governance & Compliance (dark blue)
- Responsible Gaming (red)
- Employee Wellbeing (light blue)
- Economic Sustainability (purple)
- Societal Support (green)

- Topics of high importance
- Topics of medium importance
- Other Topics

3.3 Stakeholder Engagement

Interacting with Stakeholders

INTRALOT has a large number of internal and external Stakeholders, who can be defined as all those who are either affected by the Company's operations or affect its operations. The following table summarizes INTRALOT's Stakeholders (who have been identified through the respective departments), the methods of interaction with them as well as their main topics of interest, without distinct activities taking place as part of the Report preparation process.

Stakeholder Engagement

Stakeholder Group	Methods of Interaction (continuous, unless otherwise stated)	Main topics of Interest	Section in this Report
Players	▸ Website ▸ Press Releases ▸ Social Media ▸ Articles (monthly) ▸ Interviews ▸ Surveys (annually) ▸ Points of Sale ▸ Call Center ▸ RG Questionnaires	▸ Responsible Gaming as Gaming Operator ▸ Responsible Communication ▸ Player Privacy ▸ Products and Services Compliance	Responsible Gaming: **5.1-5.7**
Customers	▸ Formal Comms ▸ Meetings ▸ Trainings ▸ Customer Complaint Service ▸ Customer Survey ▸ Website ▸ Press Releases ▸ Social Media ▸ Articles ▸ Newsletters ▸ Interviews ▸ Corporate Profile ▸ PnS Brochures	▸ Responsible Gaming as Technology Provider ▸ Responsible Communication ▸ Player Privacy ▸ Products and Services Compliance ▸ Products and Services Quality ▸ Business Continuity ▸ Anti-Corruption	Responsible Gaming: **5.1-5.7** Governance and Compliance: **4.3**
Suppliers	▸ Formal Comms ▸ Meetings (annually) ▸ Call Center ▸ Website ▸ Press Releases ▸ Social Media	▸ Responsible Buying ▸ Local Buying ▸ Supplier Assessment for Labor Practices	Societal Support: **7.2**
Business Partners	▸ Meetings (annually) ▸ Formal Comms ▸ Website ▸ Press Releases ▸ Social Media ▸ Articles ▸ Interviews ▸ Corporate Profile ▸ PnS Brochures	▸ Responsible Gaming as Technology Provider ▸ Products and Services Compliance ▸ Products and Services Quality ▸ Anti-Corruption	Responsible Gaming: **5.1-5.7** Governance and Compliance: **4.3**

Stakeholder Group	Methods of Interaction (continuous, unless otherwise stated)	Main topics of Interest	Section in this Report
Retailers	▸ Website ▸ Press Releases ▸ Social Media ▸ Articles, Interviews ▸ Trainings ▸ Call Center ▸ Corporate Profile ▸ PnS Brochures	▸ RG as Gaming Operator ▸ Responsible Communication ▸ Products and Services Compliance ▸ Products and Services Quality ▸ Player Privacy	Responsible Gaming: **5.1-5.7**
States (e.g. Regulatory Bodies, Industry Associations)	▸ Formal Comms ▸ Meetings with ExComs of Lottery Associations ▸ Dialogue with Reps of Authorities ▸ Presentations ▸ Participation in Congresses & Events of Lottery & Gaming Associations ▸ Website	▸ RG as Gaming Operator ▸ Responsible Gaming as Technology Provider ▸ Risk Management ▸ Public Policy ▸ Legal Compliance ▸ Business Continuity ▸ Anti-Corruption ▸ Environmental Compliance	Responsible Gaming: **5.1-5.7** Governance and Compliance: **4.3** Societal Support: **7.3**
Employees	▸ Corporate Intranet Portal (iSpace) ▸ Corporate Events ▸ Social Events ▸ Trainings ▸ Social Media ▸ 'Your Voice' ▸ Announcements ▸ Meetings	▸ Labor Practices ▸ Job Security ▸ Office Work Conditions	Employee Wellbeing: **6.1-6.5**
Local Communities	▸ Meetings ▸ Local events ▸ Partnerships	▸ Community Impact ▸ Environmental Compliance	Societal Support: **7.1-7.3**
Non Governmental Organizations	▸ Meetings ▸ Events ▸ Workshops (annually) ▸ Partnerships	▸ RG as Gaming Operator ▸ RG as Technology Provider ▸ Responsible Communication ▸ Community Impact ▸ Anti-Corruption	Responsible Gaming: **5.1-5.7** Societal Support: **7.1** Governance and Compliance: **4.3**
Media	▸ Website ▸ Press Releases ▸ Social Media ▸ Articles ▸ Interviews ▸ Material/Information upon Requests	▸ All Above Topics	Governance and Compliance Responsible Gaming Employee Wellbeing Societal Support Economic Sustainability
Shareholders	▸ Annual Reports ▸ Quarter Reports ▸ Website ▸ Press Releases ▸ Social Media ▸ Articles, Interviews ▸ Road Shows ▸ Shareholders Gen.Meet ▸ BoD Meetings	▸ All Above Topics	Governance and Compliance Responsible Gaming Employee Wellbeing Societal Support Economic Sustainability

04

CORPORATE
GOVERNANCE
AND COMPLIANCE

"Integrating
responsibility
in our everyday
operations. „

4.1 Professional Conduct

Embedding responsibility into the way we operate

Internal Regulation Charter

The Internal Regulation Charter governs the structure of INTRALOT's Divisions, their responsibilities, and the relationship with each other and with INTRALOT's management as well as defines each statutory body's responsibilities, duties, and obligations, under the provision of the Company's Articles of Association and the applicable legislation. The Internal Regulation Charter is mandatory for the entire Company and all partners who provide their services through an independent services contract.

Code of Corporate Governance

INTRALOT's Code of Corporate Governance documents the Company's corporate governance practices and is aligned with the Principles of OECD Corporate Governance published in 2004, the Hellenic Federation of Enterprises' (SEV) Code of Corporate Governance for Listed Companies and the generally accepted corporate governance principles applied by European Union countries, in order to ensure transparency in its operations and compliance with the relevant legislation and regulatory framework.

Code of Conduct

The Company's Code of Conduct defines the way its Managers and employees behave and foster relationships of trust with Stakeholders, business partners, and other third parties on the following issues:

- Purpose
- International Business Conduct
- Information Security Policy Compliance
- Social Media
- Confidential Information
- Protection and Use of Company Assets and Resources
- Competition and Fair Dealing
- Conflict of Interest
- Corporate Opportunities - Inventions
- Giving or Accepting Business Courtesies
- Integrity/Probity

- Corporate Travel Policy
- Information and Technology Resources
- Relationships with Suppliers
- Relationships with Clients
- Relationships with Competitors
- Environment
- Health and Safety
- Equal Employment Opportunity and Harassment Policies
- Alcohol and Drugs
- Violence Prevention
- Reporting a Breach of the Code of Conduct

It must be noted that the Code of Conduct:
- Is available to all employees through the corporate intranet portal and all employees have access to a relevant training course through INTRALOT's e-learning platform, with 90 employees attended the e-learning course in 2019.
- Has been communicated to all employees via email, including all new employees within the first week of employment, who are also trained through the Classroom Corporate Induction Training program.
- Is the subject of related briefings to employees, with 110 employees participated in classroom briefings in 2019.
- Has been incorporated in all employee contracts, who sign to acknowledge and accept the Code's principles and provisions.
- Is mandatory for all Managers and employees of INTRALOT Group, its subsidiaries, and controlled affiliates, regardless of contract type (permanent and temporary) and hierarchical level.

Communicated the Code of Conduct to 100% of employees

No violation cases concerning the Code of Conduct occured

Furthermore:
- Employees can direct any related questions and all employees are obliged to report any breach of the Code of Conduct to the Human Resources Department, by name or anonymously, either by telephone or e-mail.
- In case anyone suspects that there is an actual or potential conflict of interest or could be reasonably perceived by others as a conflict of interest, employees must report it to their Supervisor or their Director, who will discuss with them to determine whether he/she actually has a conflict of interest and, if so, how to best address it. No such cases have been reported within 2019.

4.2 Board of Directors

Upholding corporate governance principles

The Board of Directors (BoD) is responsible to approve the overall long-term strategy and operational goals, decide on all aspects related to management, assets, and business objectives and generally pursue the Company's purposes without limitations (excluding aspects decided by the General Meeting of Shareholders). The table below depicts the Company's BoD members elected for a six-year term by the Extraordinary General Meeting of Shareholders on 17 April 2019:

Board of Directors*

Name	Position	Executive Member	Independent Member
Sokratis P. Kokkalis	Chairman & CEO	✓	–
Constantinos G. Antonopoulos	Vice Chairman	–	–
Chrysostomos D. Sfatos	Group Deputy CEO	✓	–
Nikolaos I. Nikolakopoulos	Group Deputy CEO	✓	–
Dimitrios Ch. Klonis	Member	–	–
Alexandros N. Manos	Member	–	–
Sotirios N. Filos	Member	–	✓
Anastasios M. Tsoufis	Member	–	✓
Ioannis P. Tsoukaridis	Member	–	✓

Data refer to 31/12/2019.

▸ The Board of Directors elects the Chairman, the Vice-Chairman, and one or two Chief Executive Officers or/and one or two Deputy Chief Executive Officers among its members.

▸ At the moment, there are no processes for consultation between Stakeholders and the BoD on economic, environmental, and social issues. However, it must be noted that there were no critical concerns communicated to the BoD within 2019.

▸ BoD members are prohibited to hold board or executive positions in competing companies or assume any other role or activity that may lead to an actual or potential conflict of interests, without the permission of the General Meeting of Shareholders. Additionally, independent non-executive members are elected from the General Meeting of Shareholders, are prohibited to form close ties with Management, majority shareholders or the Company and are not permitted to hold over 0.5% of the Company's share capital or maintain a dependant relationship with the Company or with persons affiliated with the Company.

▸ Election or re-election of BoD members requires sufficient biographical details and the BoD examines the criteria of independence for the proposed Board members to facilitate the shareholders' decision.

▸ The Chairman of the Board leads the BoD members' and committees' performance evaluation at least every two years, through meetings with the non-executive members, without the presence of executive members, in order to discuss the performance of the latter as well as other related matters, without at the moment any sustainability-related performance and objectives taken into account.

▸ The Compensation and Benefits Policy regulates fixed salaries levels, benefits, and performance-related remuneration for executive members, based on their job description, accountability, and responsibility of their position, along with their academic

background, competencies, professional experience and performance evaluation. Their remuneration is associated with the corporate strategy, achievement of corporate objectives and also includes other incentives and extra benefits such as medical and life insurance and corporate car, in addition to their fixed and variable remuneration (including the corporate stock option scheme).

▶ Remuneration for non-executive members depends on the time allocated and their responsibilities, without being directly related to corporate performance, in order to encourage Top Management to take business risks.

▶ Remuneration for non-executive members and executive members is pre-approved by the General Meeting of Shareholders and the BoD respectively, following the Remuneration Committee's recommendations, and the General Meeting of Shareholders grants the final approval.

▶ INTRALOT cooperates with international consultancy agencies in the field of Compensation and Benefits research and monitors relevant reward trends.

POLICY
Relation of Dependence

In order to determine the independence of both candidates and current members, the Board of Directors considers that a relation of dependence exists when the member:

▶ Is or has been an employee, senior executive or Chairman of the Company's BoD or its subsidiaries within the last three years.

▶ Receives or has received any compensation from the Company other than board membership fees approved by the General Meeting of Shareholders within the last 12 months prior to his/her appointment.

▶ Has or had a material business relationship with the Company or its subsidiaries within the past year, particularly as a significant client, supplier or consultant of the Company or as a partner, shareholder or Board member or senior executive of an entity that has such a relationship with the Company or its subsidiaries.

▶ Has been the Company's or its subsidiaries' external auditor or has been a partner or employee of a firm that provides external auditing services to the Company or its subsidiaries within the last three years.

▶ Has a second-degree kinship with or is the spouse of a non-independent Board member, senior executive, adviser or significant shareholder of the Company or its subsidiaries.

▶ Controls directly or indirectly through related parties over 10% of the Company's voting rights or is a significant shareholder of the Company or its subsidiaries.

GOOD PRACTICE
Disclosure of Economic Activities

All BoD members and executives are required to address a statement to the Board of Directors and notify them about:

▶ Their holdings over 10% in other companies (semi-annually).

▶ Their other professional and business activities at the time and manner decided by the Board of Directors (annually).

▶ Their intention to conclude contracts with Company's customers or suppliers of over €3,000 lump sum or annual amount (at any time but at least 20 days prior to the contract's conclusion).

POLICY
Board Members' Remuneration Report

According to the respective legal provisions, the Company's Remuneration Report includes a comprehensive overview of the Board of Directors members' total remuneration for 2019 and was approved by the Ordinary General Meeting of Shareholders on 29/05/2020.

BoD Members' Remuneration

Name	Title	Annual Gross Salaries	Annual Gross Salaries BoD	Benefits	Total Annual Remuneration & Benefits 2019
Sokratis P. Kokkalis	Chairman & Group CEO	675,000	-	74,594	**749,594**
Antonios Kerastaris	Group CEO (until 1/3/2019)	120,240	-	2,560	**122,800**
Constantinos G. Antonopoulos	Vice Chairman	-	-	20,602	**20,602**
Nikolaos I. Nikolakopoulos	Member (from 31/1/2019) & Group Deputy CEO	236,046	-	9,295	**245,341**
Chrysostomos D. Sfatos	Member (from 31/1/2019) & Group Deputy CEO	193,637	-	6,672	**200,310**
Constantinos S. Kokkalis	Member (until 31/1/2019)	-	-	5,331	**5,331**
Dimitrios Klonis	Member	-	50,000	–	**50,000**
Petros Souretis	Member	-	-	–	**0**
Anastasios Tsoufis	Member	-	35,000	–	**35,000**
Alexandros Manos	Member (from 1/3/2019)	-	40,104	–	**40,104**
Sotirios Filos	Member	-	35,000	–	**35,000**
Ioannis Tsoukaridis	Member	-	35,000	–	**35,000**
TOTALS		1,224,923	195,103	119,054	1,539,080

Amounts in euros

It must be noted that:
- BoD members do not receive any type of remuneration by any other Group companies.
- No remuneration fee was granted related to the Company's profits for the year.
- Benefits include medical insurance, leased cars, credit cards and other position privileges and do not include any other expenses occurred by BoD members related to completion of their duties (e.g. travel or accommodation expenses) or any other expenses related to utilization of companies' assets which are being provided in relation to their duties.
- No stocks or stock options have been granted or offered to BoD members.
- There is no possibility for recovery of variable remunerations.
- Since a Remuneration Policy was not established during 2019, the Company continued to pay the fees of BoD members as those were in place in the previous fiscal year.

Operating Board Committees

The Board of Directors is supported by a number of committees, in order to ensure that specific issues are managed in a responsible and systematic way:

Board of Committees

Committee	Members	Activities
Audit and Compliance Committee	Three independent non-executive members	▸ Meets quarterly and also meets semi-annually with the Company's auditor, without the presence of Company's Management. ▸ Supervises financial reporting and information, legislative and regulatory compliance, and internal control processes and systems. ▸ Quarterly monitors and reviews the Internal Audit Unit's effectiveness regarding management of main risks. ▸ Ensures the integrity of corporate accounts, financial reporting systems and public disclosures as well as the internal controls' and risk management systems' effectiveness.
Financial Committee (sub-committee of Audit and Compliance Committee)	Chief Financial Officer, Director of Finance, Accounting Director, Subsidiaries and Business Development Director and other Finance Department executives as necessary	▸ Provides recommendations to the Audit and Compliance Committee and/or directly to the BoD regarding management of risks associated with interest rate, currency exchange rate fluctuations, and socio-political changes.
Remuneration and Nomination Committee	One non-executive member and two independent non-executive members	▸ Determine the employee remuneration policy. ▸ Recommend remuneration levels for executives, managers, and senior executives to the Board of Directors. ▸ Regulate matters associated with the overall remuneration policy. ▸ Propose the criteria and the general frame to select BoD members. ▸ Suggest the procedures to determine internal relations of BoD members. ▸ Determine the criteria to select new directors as well as for removals.
Management Committee	Group Chief Executive Officer and General Directors	▸ Examines all significant corporate matters (e.g. corporate strategy, critical operational issues, major projects and objectives), formulates proposals and decides how to address them.
Responsible Gaming Committee	Various management executives	▸ Design, plan, implement and review the Group's Responsible Gaming strategy. ▸ Submit proposals to the BoD regarding the Responsible Gaming program's long-term strategy and objectives.
Strategy Committee	Five BoD members	▸ Monitors the Company's performance. ▸ Decides, reviews, revises and proposes the long-term strategy and goals to the BoD.
Bid Committee	Four BoD members	▸ Specifies the numerical thresholds for the Company's participation in Requests for Proposals (RFPs). ▸ Evaluates and decides which RFPs above a specific value/risk are consistent with the Company's purpose and activities.
Security and Risk Management Committee	Various management executives	▸ Ensure that information security, information compliance, and risk management activities are properly prioritized, funded and supported by the involved organizational units, as well as correspond to realistic business needs.

4.3 Risk Management

Conducting Internal Audits

INTRALOT has established a systematic approach to evaluate and improve the effectiveness of risk management, internal control, and corporate governance processes through the Internal Audit Unit, which is not connected to other organizational unit and functionally reports to the Audit Committee and administratively (e.g. day-to-day operations) to the Group CEO. The Board of Directors quarterly reviews the Company's main risks and the internal audit system's risk management effectiveness, including financial and operational audits, compliance testing, and risk management systems' monitoring.

GOOD PRACTICE
Disclosure of Transactions

INTRALOT requires from BoD members, Executive Managers, the Chief Internal Audit Officer, the General Counsel, certified auditors and all employees with access to confidential information (as defined by Law 4443/2016 and EU 596/2014) as well as from any other person closely related to them, to notify directly the Hellenic Capital Market Commission and the Company in writing for every transaction of its stocks, securities or derivatives associated with them within three days after the transaction's completion, unless the cumulative value of transactions within one calendar year is below €5,000.

Identifying and managing risks

INTRALOT follows a holistic approach to identify, assess, and manage risks related to achieve its business objectives and implements risk assessment and treatment at least annually according to its Enterprise Risk Management (ERM) Framework, which is designed according to the specifications of COSO (Committee of Sponsorship Organizations of the Treadway Commission) and ISACA (COBIT for RISK). Furthermore, the Company:

- Has set quality objectives (e.g. delivery of high quality products and solutions, customer support) and targets for all departments, which are periodically reviewed for potential improvements and are included in each department's Risk Management Register.
- Reviews its Stakeholders' needs and expectations regularly or when new internal or external issues occur, which are taken into consideration for the risks and opportunities analysis and to define respective actions to address them.
- Reviews the annual Risk Assessment of risks related to potential changes required to its Quality Management System and defines the necessary actions to mitigate them.

Significant Risks and Uncertainties

Source	Impact	Policies and Practices
Financial Risks		
Credit risk	Not significant	▸ Pursue wide dispersion of customers. ▸ Set credit limits through signed contracts. ▸ Set limits on credit exposure to any financial institution. ▸ Adopt an internal rating system on credit rating evaluation.
Liquidity risk	Moderate	▸ Develop policies to manage and monitor liquidity to meet obligations. ▸ Set a system to monitor and constantly optimize operating and investing costs.
Foreign Exchange risk	Significant	▸ Achieve diversification in the currency portfolio. ▸ Enter into derivative financial instruments with various financial institutions.

Source	Impact	Policies and Practices
Financial Risks		
Interest rate risk	Not significant	▸ Use financial hedging instruments. ▸ Have a balanced portfolio of loans with fixed and floating borrowing rates.
High leverage risk	Moderate/ Significant	▸ Set specific consolidated fixed charge coverage and senior leverage ratio.
Operating Risks		
Winners' payouts in sports betting (Depends on the outcome of the events)	Moderate	▸ Establish a betting center in Greece to control global fixed odds betting activity and payout policy in real-time.
Gaming sector and economic activity	Moderate	▸ Diversify portfolio through international expansion. ▸ Reduce dependency on the performance of individual markets and economies.
Gaming Taxation	Moderate	▸ Monitor and evaluate changes in taxation.
Regulatory risk	Significant	▸ Rely on government licenses. ▸ Monitor changes in the regulatory environment.
Technological changes	Significant	▸ Properly respond to technological changes. ▸ Timely develop or license innovative and appealing cost-effective products. ▸ Invest in R&D to develop innovative products.
Emerging markets risk	Significant	▸ Monitor social, political, legal, and economic conditions in countries of operations.
Competition and margin squeeze	Significant	▸ Aim to renew long-term contracts.

GOOD PRACTICE
Business Continuity and Crisis Situation

INTRALOT implements a business continuity plan to address potential interruptions to business processes, minimize the impact caused by disasters, and recover from loss of information assets from natural (e.g. earthquake), human (e.g. network attack) and environmental (e.g. electric power failure) disasters, following the principles of recognized international security standards.

It must be noted that 50% of INTRALOT's operations were analyzed for risks which could result to a cease of operations by the Internal Audit Unit in 2019, as in 2018.

Furthermore, according to a formal corporate procedure, INTRALOT has established the RED Team (Chief Level Emergency Response Team) and the ORANGE Team (Group Director Level Emergency Response Team) to respond in a crisis situation or any event that could be harmful to INTRALOT's reputation and operations.

Upholding information security

INTRALOT has established clear processes, tools, and activities to prevent, detect, and react to information security incidents and requires that all information and corporate documents (either printed or in electronic form) display their classification level (i.e. confidential, restricted, public). At the same time, INTRALOT conducts periodic vulnerability assessments at least once per year for live websites and prior to any new go-live and continuously monitors potential new vulnerabilities to any system component.

Furthermore, the Company provides specific information security guidelines and instructions to all employees and detailed rules and requirements to specific departments or user groups to comply with their provisions (such as the Human Resources Department and the Corporate Affairs Department, Project and Technical Managers, Code Designers and Developers, ICT Department and Service Desk).

GOOD PRACTICE
Report a Security Incident or Event

All employees are obliged to report any security incident (defined as any violation of the Information Security Policy with impact on the business) and security event (defined as any violation of the Information Security Policy with no impact on the business) through a digitally signed e-mail to the local security function members and **security@intralot.com** for INTRALOT and describe the incident or event in detail. The Company has established dedicated teams depending on the incident type (e.g. physical attack, private data breach), in order to ensure the implementation of appropriate response mechanisms.

▸ In case employees do not have access to corporate email at that time, they can file their report through telephone and send an email as soon as possible.
▸ At all times, they are obliged to follow the appropriate security guidelines and do not disclose security information incidents to unauthorized persons at any circumstances.

Within 2019, there were no security events reported by employees, either by email or by telephone according to the respective procedure.

No security events reported by employees

Combating corruption

Within the context of the Company's efforts to combat and eradicate corruption, INTRALOT:
▸ Has developed an Anti-Corruption Policy.
▸ Has been certified according to ISO 37001 Anti-Bribery Management System for its measures to prevent, detect, and address bribery, as well as ensure transparency in transactions, with one external audit annually, being one of few certified companies in the gaming industry worldwide.
▸ Has developed an Anti-Bribery and Anti-Corruption e-learning course for its employees, with 49% of INTRALOT S.A. employees (including 48.1% of Top Management) completing the course in 2019.
▸ Has signed a Memorandum of Understanding and became a member of Transparency International Greece's Business Integrity Forum, which focuses on diffusing key anti-corruption principles, policies, practices, and measures.
▸ Participates in joint partnerships which adopt and enforce anti-bribery policies, most notably with Tecno Accion Salta in Argentina and Maltco Lotteries in Malta.
▸ Undertakes due diligence on its business partners (e.g. agents, consultants, suppliers, other intermediaries, consortium or joint venture partners, contractors or major sub-contractors, distributors) to assess corruption risk prior engaging in any business relationship and refrains from any business activity in case due diligence findings are not satisfactory, which was initiated for 37 existing and 8 new major suppliers (all of whom were approved) in 2019.
▸ Includes anti-corruption contractual clauses in all agreements to ensure compliance with relevant anti-corruption laws.
▸ Permits contributions to political parties, members of political parties and candidates for a public office only in accordance with applicable local laws, Group's Code of Conduct rules, public disclosure requirements and prior written approval of the local Legal Department, the head of the local business unit and the Group Chief Legal and Compliance Officer.
▸ Prohibits making payments through intermediaries or to third parties, which may go directly or indirectly to government officials.
▸ Performs detailed anti-corruption due diligence throughout mergers and acquisitions and includes appropriate anti-corruption provisions prior to closing the respective transactions.
▸ Follows a standard internal auditing procedure with at least annual audits to analyze business units for risks associated with corruption and monitors certain areas with high risk for financial fraud.
▸ Reserves the right to proceed to administrative and legal measures in case of confirmed corruption incidents (e.g. dismissal or legal prosecution, depending on the incident's scale and severity).

POLICY
Anti-Corruption

INTRALOT Group Anti-Corruption Policy is mandatory for all employees and highlights the Group's principles on the following issues:

- Legal Environment
- Defining 'Corruption
- Defining 'government officials
- Corruption in the Private Real
- Procurement and Bidding
- Anti-Corruption Contractual Clauses
- Merger and Acquisition Transactions
- INTRALOT Group Employees
- Gifts, Entertainment, Travel
- Political Contributions

- Contributions to Trade Unions
- Corporate Responsibility Contributions & Charity
- Accounting Requirements
- Internal Controls
- Audits
- Reporting a Breach
- Anti-Corruption Sanctions
- Compliance with Competition Laws
- General Guidance and Contacts

Employees can contact the Legal Department or the Head of the Business Unit and they can anonymously report any concern about a potential bribery or corruption case to the Human Resources Department and the Internal Audit Unit. Specifically, INTRALOT:

- Protects the confidentiality of anyone who reports any concerns.
- Examines all cases of potential Anti-Corruption Policy's breaches.

No bribery incidents
related to employees occured

GOOD PRACTICE
Giving or Accepting Business Courtesies

The Company's Code of Conduct and the Group's Anti-Corruption Policy:
- Strictly prohibit all corporate gifts or entertainment to be used or appear as improper forms of compensation.
- Allow only gifts of small value with the Company's logo to government officials (e.g. promotional pens, mugs, T-shirts, calendars), as long as it is not prohibited by local law and do not induce recipient to dishonest and/or illegal action.

However, the Group may pay or reimburse government officials for reasonable travel and lodging-related expenses or costs directly related to the promotion, demonstration or explanation of the Group's products or services or execution of a contract with the government represented by the government official, only in case it is permitted under local law and legislative provisions, with the respective reimbursements being made to the government entity directly rather than the government official.

Under all circumstances, employees are:
- Allowed to give or receive gifts and entertainment (e.g. meals, beverages) to or from customers and suppliers only if the gift or entertainment cannot be viewed as an inducement to or reward for any particular business decision under local law and ethics and the Group's Code of Conduct while cash gifts are strictly prohibited.
- Not allowed to accept or solicit any personal benefit from a supplier or potential supplier that might compromise his/her objective assessment of the supplier's products and prices as well as offer gifts or grant favors outside the ordinary course of business to any person (e.g. current or prospective customers and their employees, agents, government officials).
- Obliged to properly state all gifts and entertainment expenses on the related expense reports.

It must be noted that within 2019, there were:
▸   No public policy positions and participation in public policy development and lobbying.
▸   15 operations analyzed for risks related to corruption by the Internal Audit Unit (approximately 50% of total operations), compared to 17 operations (approximately 50% of total operations) in 2018.
▸   No contributions made to politicians and political parties.
▸   No confirmed incidents of corruption.
▸   No legal actions related or pending legal actions related to corruption or legal fines or other non-monetary sanctions imposed by the respective authorities.

No incidents
of corruption occured

Following fair competition principles

Being committed to follow fair competition principles for its business activities, the Company:
▸   Complies with competition laws and regulations to prevent anti-competitive or market distorting practices.
▸   Respects the regulatory framework in each jurisdiction and cooperates with governments and regulatory bodies.
▸   Requires that all employees deal fairly with customers and competitors and do not manipulate, abuse privileged information, misrepresent or utilize any other unfair practice to gain unfair advantage.
▸   Prohibits disclosure of confidential information to any person who is not an employee of INTRALOT unless employees are authorized to do so.
▸   Has included trainings related to fair competition in its Code of Conduct training, without however conducting any relevant trainings in 2019.

POLICY
Free and Fair Competition

According to the Code of Conduct, INTRALOT does not undertake activities which could reasonably be considered as being anti-competitive, monopolistic, or otherwise contrary to laws governing competitive practices in the marketplace, including anti-trust laws. Therefore, employees are not allowed to:
▸ Obtain or give competitive information by unethical, unlawful, or illegal means.
▸ Make false or deceptive statements about a competitor.
▸ Comment on another company's business reputation or financial or legal situation.

As a result, within 2019:
▸   There were no complaints or legal actions for anti-competitive behavior, anti-trust, and monopoly practices.
▸   No relative fines or non-monetary sanctions were imposed by the respective authorities.
▸   Regarding previous legal cases and a fine of €1,188,351 imposed by the Competition Board of Romania in relation to the contract signed in 2003 with Compania Nationala Loteria Romana regarding the Videolotto program, the competent court has accepted INTRALOT's application for the annulment of the Competition Board's decision and cancelled the respective fine. The Competition Board of Romania has filed an appeal against the court's decision, which is expected to be discussed within 2020.

Complying with legislation

INTRALOT is committed to respect the legislation and regulatory framework in each jurisdiction of operations. Within 2019:
▸   INTRALOT was not accused of violating legislation and regulations in any of the countries where it operates and was not involved in any prosecutions for non-compliance with laws and regulations.
▸   There were no written notices regarding compliance issues by respective authorities.
▸   There were no lawsuits regarding quality of products or services.
▸   There were no relevant fines or other non-monetary sanctions imposed by the respective authorities.
▸   Regarding previous legal cases and the Royal Highgate Pcl Ltd.'s Class A license suspension (in which INTRALOT has an indirect participation of approximately 35.08%) by the National Betting Authority of Cyprus due to alleged non-compliance with specific license terms in 2018, the Company's appeal against the administrative court of Nicosia's decision which rejected the Company's recourse as well as the Company's three additional recourses against the National Betting Authority's decisions related to its license suspension are expected to be discussed within 2020.

GOOD PRACTICE
Legal Compliance

The Group follows a decentralized approach to legal compliance due to diversity of legal frameworks around the world:

▸ At Group level, each INTRALOT subsidiary is responsible to develop a customized legal compliance registry according to the local/regional legal requirements and handles legal compliance locally either through dedicated legal office or through outsourcing of legal services.

▸ At Company level, the Legal Office manages legal compliance under the supervision of the Group Chief Legal & Compliance Counsel.

No incidents
of non-compliance
with laws and
regulations
occured

4.4 Management Systems

Operating based on management systems

The Company has recognized the need to use multiple Management Systems in a simpler and more effective manner and has introduced the COBIT 5 Governance Framework, which governs all INTRALOT systems.

Management Systems Standards

Management Systems Standards	Country
Quality Management System (ISO 9001:2015)	▸ INTRALOT S.A. (Greece - Technology Division and Commercial Division) ▸ INTRALOT Gaming Services (Australia)
Information Security Management System (WLA SCS:2016 and ISO 27001:2013)	▸ INTRALOT S.A. (Greece) ▸ INTRALOT Nederland BV (The Netherlands) ▸ INTRALOT GERMANY GmbH (Germany) ▸ MALTCO Lotteries Ltd. (Malta) ▸ Bit8 (Malta) ▸ INTRALOT Inc. (USA – Georgia) ▸ INTRALOT Ohio (USA) ▸ INTRALOT South Carolina (USA) ▸ INTRALOT Arkansas (USA) ▸ INTRALOT Montana (USA) ▸ INTRALOT Louisiana (USA) ▸ INTRALOT Idaho (USA) ▸ INTRALOT New Mexico (USA)

Management Systems Standards	Country
Information Security Management System (WLA SCS:2016 and ISO 27001:2013)	‣ INTRALOT Illinois (USA) ‣ INTRALOT Wyoming (USA) ‣ INTRALOT New Hampshire (USA) ‣ INTRALOT Gaming Services (Australia) ‣ INTRALOT Maroc (Morocco) ‣ INTRALOT de Peru (Peru) ‣ INTRALOT Italia S.p.A. (Italy) ‣ INTRALOT Chile S.p.A. (Chile) ‣ Tecno Acción S.A. (Argentina) ‣ Tecno Acción Salta S.A. (Argentina) ‣ INTELTEK (Turkey) ‣ INTRALOT S.A.'s operations at the OPAP's National Lottery (Greece) ‣ INTRALOT S.A.'s scratch tickets operations of Hellenic Lotteries (Greece)
Information Technology Service Management (ISO 20000)	‣ INTRALOT S.A. (Greece)
Anti-Bribery Management System (ISO 37001:2016)	‣ INTRALOT S.A. (Greece)
Environmental Management System (ISO 14001:2015)	‣ INTRALOT S.A. (Greece)
Responsible Gaming	‣ INTRALOT S.A. (Greece) ‣ MALTCO Lotteries Ltd. (Malta) ‣ INTRALOT S.A.'s operations at Hellenic Lotteries (Greece)
Code of Practice for Information Security Management (ISO 27002)	‣ INTRALOT S.A. (Greece)
Controls over Financial Integrity (ISAE 3402)	‣ INTRALOT S.A. (Greece) ‣ INTRALOT S.A.'s operations at Hellenic Lotteries (Greece) ‣ INTRALOT S.A.'s operations at OPAP (Greece) ‣ INTRALOT Nederland BV (Netherlands)
Gaming Standards Association (GSA) Point to Point SOAP/HTTPS Transport and Security Specification	‣ INTRALOT's iGEM VLT Monitoring system
GSA Game to System (G2S) Message Protocol	‣ INTRALOT's iGEM VLT Monitoring system
Training Services (ISO 29993:2017)	‣ INTRALOT S.A. (Greece - Learning Center)

1st International vendor in the gaming industry certified according to **WLA Security Control** Standard, **ISO 20000** and **ISO 29993**

2019 Objectives

% of completion

Certify INTRALOT Illinois, INTRALOT Wyoming, INTRALOT New Hampshire and INTRALOT Benelux according to WLA SCS:2016 and ISO 27001:2013

75%

Conduct internal compliance audit of INTRALOT's Anti-Corruption Management Program

100%

Conduct external audit for the ISO 37001:2016 certified Anti-Bribery Management System

100%

Future Objectives

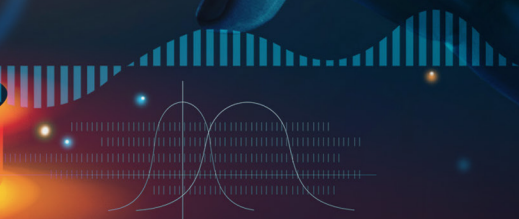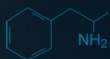Conduct internal compliance audit of INTRALOT's Anti-Corruption Management Program
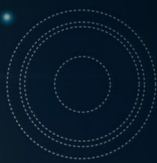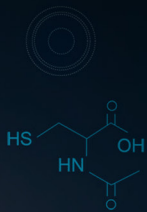
By 2020

Complete re-certification of INTRALOT's Anti-Bribery Management System as per ISO 37001:2016

By 2020

05
RESPONSIBLE
GAMING

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"Ensuring a fair and safe gaming experience for players and offering customers the highest standards of responsible gaming operation."

5.1 Gaming Framework

Managing responsible gaming systematically

It is important that anyone who participates in games of chance understands the possible risks of the entertainment they are buying and how they vary from one type of games to another. Players must make their choices based on game aspects of the gaming service, know, and accept the odds and never overestimate the chances of winning or try to recover losses by persisting to game beyond their means.

Therefore, Responsible Gaming is a concept to which gaming operators, technology and software suppliers and associated service providers need to ensure that their products and services provide a fair and safe gaming experience that enables players to protect from the adverse consequences of gaming as well as apply practices to eliminate excessive behavior and protect vulnerable groups, such as individuals under legal age of play, persons with a gaming addiction, and individuals not aware of risks of problem gaming.

Responsible Gaming Approach

Preventing underage illegal & problem gaming

Empowering players with the choice of well-designed games in a secure, trustful environment

An ethical regulatory environment expected by society

Besides being an ethical and regulatory requirement, Responsible Gaming is a business imperative for gaming companies, who are required to comply with applicable Responsible Gaming frameworks and implement specific measures and procedures to protect society and Stakeholders.

Global Responsible Gaming Criteria for Lotteries

Incorporates Responsible Gaming in the creation of value

Ensures Gaming is carried out responsibly and safely

Has clear and **measurable objectives**

Is a **member** of all relevant **global associations**

Recognizes **socially sensitive issues**

DID YOU KNOW?
The Rising Need for Responsible Gaming

The rising need for Responsible Gaming has emerged due to a changing gaming environment, especially within the last few years, since:
- Online gaming has changed the traditional Points of Sale.
- Gaming is more accessible with the proliferation of new media, such as internet, smartphones, tablets, and mobile applications.
- There is increased availability of different games and gaming services as well as increased sports betting advertising from various channels.

Being an ethical and regulatory requirement expected by customers and by society in general and as an Associate member of WLA, INTRALOT abides by the WLA Responsible Gaming Framework, whose purpose is to integrate the Responsible Gaming Principles into the day-to-day operations of member lotteries. The Framework consists of:
- The 7 Responsible Gaming Principles, to which WLA members commit themselves to:
  - Meet their objectives while, at the same time, protect customers' and vulnerable groups' interests and uphold their commitments within their own jurisdiction.
  - Ensure their practices and procedures reflect a combination of government regulations, operator self-regulation, and individual responsibility.
  - Develop their practices concerning Responsible Gaming on the best possible understanding of relevant information and analysis of documented research.
  - Work with Stakeholders to share information, develop research and promote Responsible Gaming as broadly as possible, and encourage a better understanding of the gaming's social impact.
  - Promote Responsible Gaming in all activities, including development, sale and marketing of their products and other activities and ensure the same on behalf of their agents.
  - Provide information to public in an accurate and balanced manner, in order to enable informed choices about gaming activities within their jurisdiction.
  - Monitor, test and revise as appropriate the activities and practices related to Responsible Gaming and publicly report their findings.
- The 10 Responsible Gaming Framework program elements, which are described below:
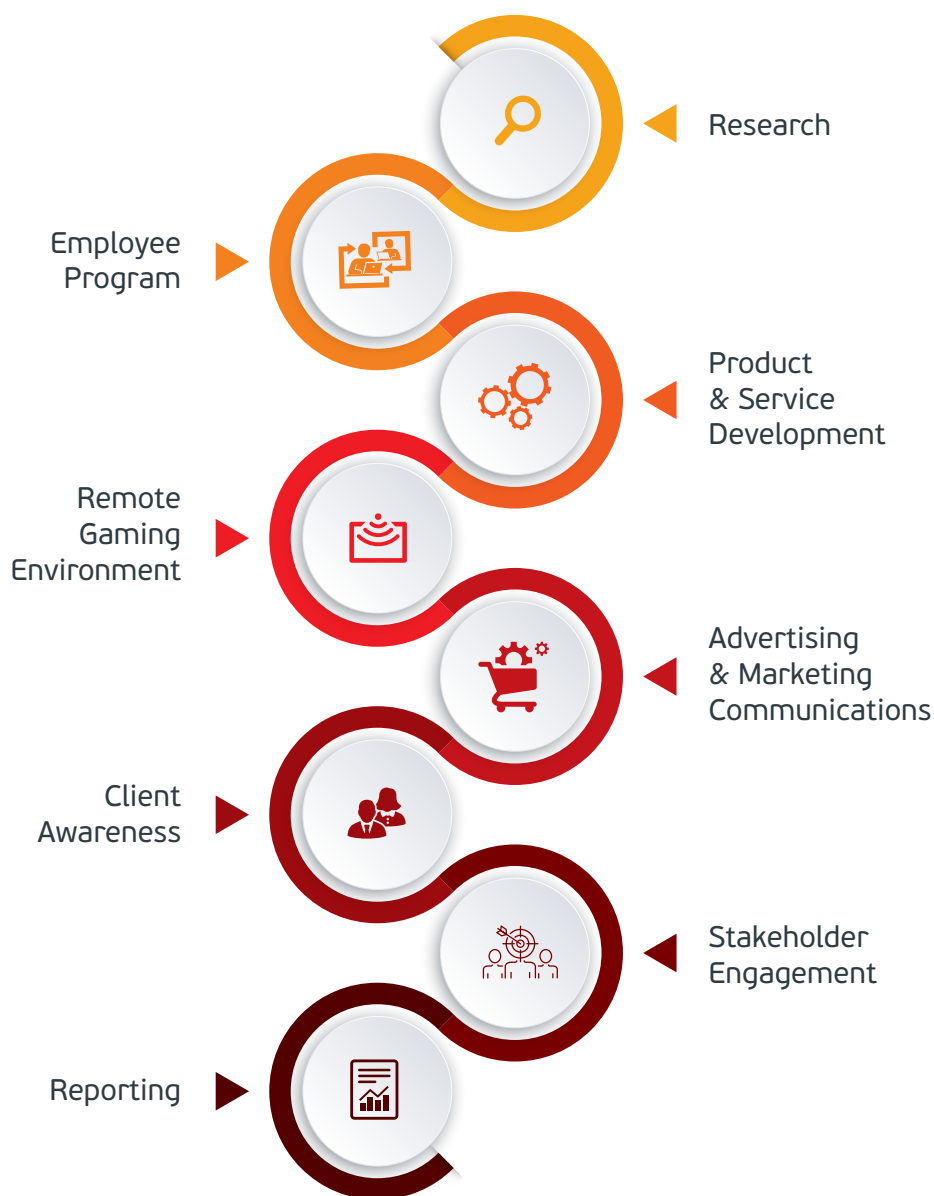
Responsible Gaming Framework Program Elements

Element	Description
Research	Support and/or conduct, integrate and disseminate Responsible Gaming related research.
Employee Program	Ensure and support efficient and effective application of Responsible Gaming principles by all relevant employees.
Retailer Program	Ensure and support efficient and effective application of Responsible Gaming principles by retailers and their front-line employees.
Game Design	Apply evidence-based Responsible Gaming considerations to design, selection and introduction of new lottery and gaming products.
Remote Gaming Channels	Ensure that interactive remote gaming platforms have safeguards in place that protect players.
Advertising and Marketing Communications	Ensure continuous improvement of responsible marketing and communications practices and application of regulatory codes.
Player Education	Support, integrate and disseminate information related to good practices in responsible play ('informed player choice') and treatment referral.
Treatment Referral	Offer support, guidance and referral to specialized services to customers with potential or actual gaming addiction problems, if needed.
Stakeholder Engagement	Identify, understand, and integrate Stakeholder interests into key business decisions and Responsible Gaming program development.
Reporting and Measurement	Measure and report on commitments, actions, and progress on Responsible Gaming to internal and external Stakeholders.

Within 2018, INTRALOT S.A. renewed its Certificate of Alignment with WLA Responsible Gaming Framework for Associate members until 2021, following an in-depth independent assessment performed on its products and services as well as its Responsible Gaming practices by a WLA approved assessor. The assessment covers all corporate functions related to the integrity of games and corporate conduct and recognizes INTRALOT's commitment and efforts to create a secure and supportive gaming environment as well as prevent underage, illegal, and problem gambling or any other potential harm to society.

The Group implements a series of activities and initiatives to guarantee the application of Responsible Gaming standards, both as a licensed gaming operator and a technology provider, as presented below:

WLA Responsible Gaming Standards for WLA Associate Members

Research

Employee Program

Product & Service Development

Remote Gaming Environment

Advertising & Marketing Communications

Client Awareness

Stakeholder Engagement

Reporting

As a licensed Lottery operator in its own right, the Group develops its Responsible Gaming Program on the basis of all 10 elements of the WLA Responsible Gaming Framework.

Responsible Gaming Framework for Lotteries

Research

Retailer Program

Remote Gaming Channels

Player Education

Stakeholder Engagement

Employee Program

Game Design

Advertising Marketing & Communications

Treatment Referral

Reporting & Measurement

Within the context of its Responsible Gaming framework, INTRALOT Group aims to:

▶ Comply with the relevant laws and regulations worldwide.
▶ Ensure that the interests of players and vulnerable groups are protected.
▶ Develop or improve appropriate practices and technologies.
▶ Promote internal and external implementation of Responsible Gaming practices.
▶ Create public awareness to enable informed gaming choices from players.
▶ Improve and report on Responsible Gaming activities.

OUR SUBSIDIARIES
Maltco Lotteries Responsible Gaming Activities

Within 2019, Maltco Lotteries maintained its international Responsible Gaming certificates for the sixth consecutive year, as evident from its certification by both European Lotteries and World Lotteries Association, following independent audits and assessment to Maltco Lotteries' operations and agents. Furthermore, the company has received the WLA security certification for its Security Audit, which verifies that Maltco Lotteries has established levels of control in accordance with generally accepted information security and quality practices as well as specific industry requirements. Indicating Maltco Lotteries' commitment to Responsible Gaming, the company:

▶ Includes the 'Play Responsibly 18+' logo in all advertisements and Points of Sale.
▶ Has developed a Responsible Gaming section on the company's corporate website.
▶ Has established various control mechanisms and measures to tackle irresponsible gaming.
▶ Has equipped all Points of Sale with necessary material to promote Responsible Gaming, which include a 'No Credit Allowed' sign, informational leaflets and self-tests for gaming addiction awareness to players (see Section 5.7).
▶ Extended its Points of Sale Maintenance Scheme with further financial support to encourage more agents to renovate their Point of Sale, in order to upgrade the retail network's image, provide state-of-the-art entertainment environment for players and promote Responsible Gaming.

OUR SUBSIDIARIES
INTRALOT do Brasil Responsible Gaming Objectives

Within the context of its Responsible Gaming activities, INTRALOT do Brasil has designed its practices in order to fulfill the following objectives:

▸ Prevent children under 18 years old to place any bets.
▸ Provide information to protect consumers, such as information about winning odds.
▸ Provide players with safe and reliable games.
▸ Raise funds to contribute to social well-being.

Stakeholder Engagement

The Group aims to develop working relationships and collaborate with key Stakeholders, in order to:

▸ Exchange information on Responsible Gaming issues.
▸ Promote Responsible Gaming as broadly as possible.
▸ Develop a better understanding of gaming's social impact.
▸ Improve all elements of its Responsible Gaming program.

Therefore, apart from research organizations and independent institutions, the Group cooperates with Governments and Regulation Authorities and forms strategic partnerships with treatment providers and public health professionals and NGOs, through one-to-one meetings and on-going collaborations. Furthermore, the Group organizes various Stakeholder engagement activities and participates in conferences and events related to Responsible Gaming.

Stakeholder engagement events in 2019

Events	Description
10th European Lotteries Congress (Belgium)	Participation in the CEO Panel discussion and delivery of the speech 'A pathway to Omni-channel' in the Premium Partner Sessions.
New Horizons Responsible Gaming Conference 2019 (Canada)	Conference's annual sponsor and participation with a speech regarding Responsible Gaming.
ICE North America 2019 (USA)	Participation in a Boardroom discussion about growth opportunities, trends, and best strategies of digital transformation for sports betting operators.
INTRALOT Hackathon 2019 (Greece)	Top management participation in participants' evaluation and in new development discussions regarding Responsible Gaming, which was also one of the event's categories.
Voxxed Days Athens 2019 (Greece)	Delivery of the presentation 'Gaming, today and tomorrow: From Monolith to Micro Services'.

OUR SUBSIDIARIES
Preserve and Protect the Integrity of Sports

Being committed to preserve and protect the integrity of sports, since 2018 INTRALOT and Maltco Lotteries are Associate Member and Member respectively of the Global Lottery Monitoring System (GLMS), a joint WLA and EL association as the state lotteries' sports betting monitoring system, which aims to detect and analyze suspicious betting activities.

Reporting, Measurement and Certification

Within the context of its procedures and mechanisms to support Responsible Gaming strategy and programs as well as report on Responsible Gaming activities, the Group:

▸ Has developed an integrated Responsible Gaming Program for all elements of its Responsible Gaming Framework, which is annually reviewed and revised (if necessary) by the Responsible Gaming Committee. The Corporate Affairs Division is responsible for the Responsible Gaming Program, which is jointly implemented with the Quality Assurance Department and the Sales and Operations Marketing, in connection with Licensed Operations abroad.
▸ Utilizes a software tool to determine compliance of new games with WLA's Responsible Gaming criteria during their design phase.

▸ Consistently reviews Responsible Gaming researches and related documentation.
▸ Reports its Responsible Gaming activities, results, and future plans to its Stakeholders through various means, which include among others:
  ▾ The Annual Report.
  ▾ The Corporate website.
  ▾ Newsletters.
  ▾ Interviews to industry-specific magazines.
  ▾ Social media.

5.2 Research Activities

Contributing to society's understanding of responsible gaming

INTRALOT Group cooperates with independent organizations and institutions to initiate and engage in research studies or surveys and understand problem gaming, in order to:
▸ Contribute to the understanding of problem gaming.
▸ Utilize new technologies to prevent problem gaming.
▸ Improve gaming practices and enable Responsible Gaming.

As of 2019, the Group has on-going partnerships with:
▸ The University of Hohenheim's Gambling Research Center.
▸ The gaming innovation cluster (gi-Cluster) of the Corallia initiative (see Section 8.3).
▸ The Center of Excellence for Research and Education Athens Information Technology (AIT).

GOOD PRACTICE
Research on Gaming

As INTRALOT's research associate, the Athens Information Technology (AIT) conducted the Addiction Detection Research for mining addictive behavior and examined over 467,000 players involved in transactions from 2017 until beginning of 2019 in the Group's online operations in Australia and Chile. The research aimed to identify players who kept doubling their bets consecutively or wager bets for a long consecutive time period, which are considered as suspicious symptoms of possibly addictive behavior, without however indicating any evidence of addictive behavior among players. At the moment, the research results have been submitted for evaluation, in order to be communicated to targeted partners and customers.

Furthermore, since 2008 INTRALOT supports the University of Hohenheim's Gambling Research Center, an independent scientific non-profit institution and the only academic gambling research center in Germany, which:
▸ Utilizes an interdisciplinary scientific approach to examine various aspects of gaming and gambling.
▸ Conducts research on various economic and social aspects of betting games.
▸ Identifies their impact on player behavior, habits, and lifestyle.

UNIVERSITY OF HOHENHEIM
GAMBLING RESEARCH CENTER
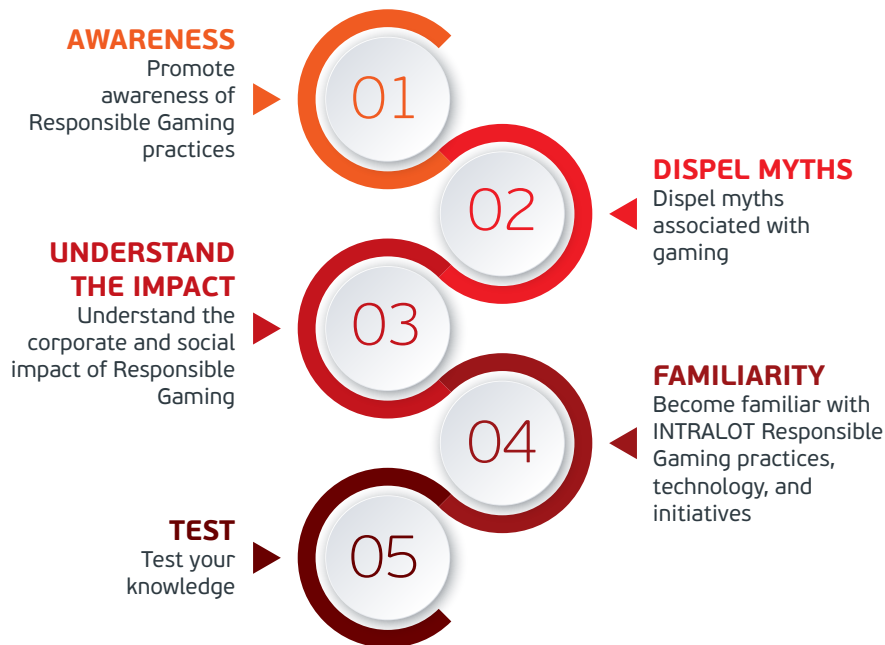
GAMBLING RESEARCH CENTER
Investigating Games of Chance
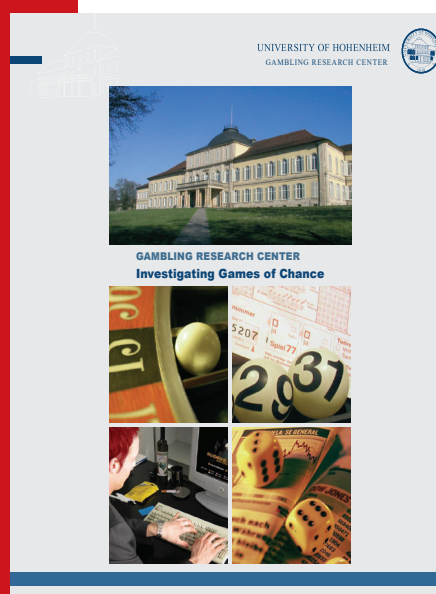
5.3 Employee Training

Training employees

The employee training program on Responsible Gaming practices aims to educate INTRALOT Group employees to uphold the highest standards related to Responsible Gaming.

Learning objectives of Responsible Gaming trainings

AWARENESS
Promote awareness of Responsible Gaming practices

01

02

DISPEL MYTHS
Dispel myths associated with gaming

UNDERSTAND THE IMPACT
Understand the corporate and social impact of Responsible Gaming

03

04

FAMILIARITY
Become familiar with INTRALOT Responsible Gaming practices, technology, and initiatives

TEST
Test your knowledge

05

INTRALOT designs, implements, evaluates, and continuously improves the employee training programs, while the People Development Department collaborates with INTRALOT's Responsible Gaming Committee to develop the training programs' educational content. The respective training activities include:

‣ **Responsible Gaming awareness for new employees**
Upon recruitment, newly hired employees undergo a stand-alone course on Responsible Gaming as part of the Corporate Induction Program, in order to familiarize themselves with the Responsible Gaming principles and policies and become aware of relevant practices and initiatives.

‣ **Responsible Gaming awareness for all employees:**
Within this context, INTRALOT:
▼ Disseminates a Responsible Gaming Quick Reference Card to all employees.
▼ Sends informative emails to all employees about the importance of Responsible Gaming.
▼ Uploads relevant information, materials and a Responsible Gaming Leaflet on the Corporate intranet portal, where all employees have access, which was also communicated via email to all employees within 2019, including a short 3-questions questionnaire and a detailed 9-questions questionnaire to identify gambling habits (see Section 5.7).
▼ Has developed a Responsible Gaming e-learning course, which is available to all employees at Group level.

**95%** of **newly hired** employees **trained** on **RG** practices

87% of employees briefed on **RG practices**

▶ **Responsible Gaming awareness / training for specific job roles:**
INTRALOT informs certain job roles (e.g. employees in the Customer Experience, Corporate Affairs and People Development / Human Resources Departments) on Responsible Gaming at least annually.

Total duration of **RG trainings** reached **470** hours

Employee Training on Responsible Gaming
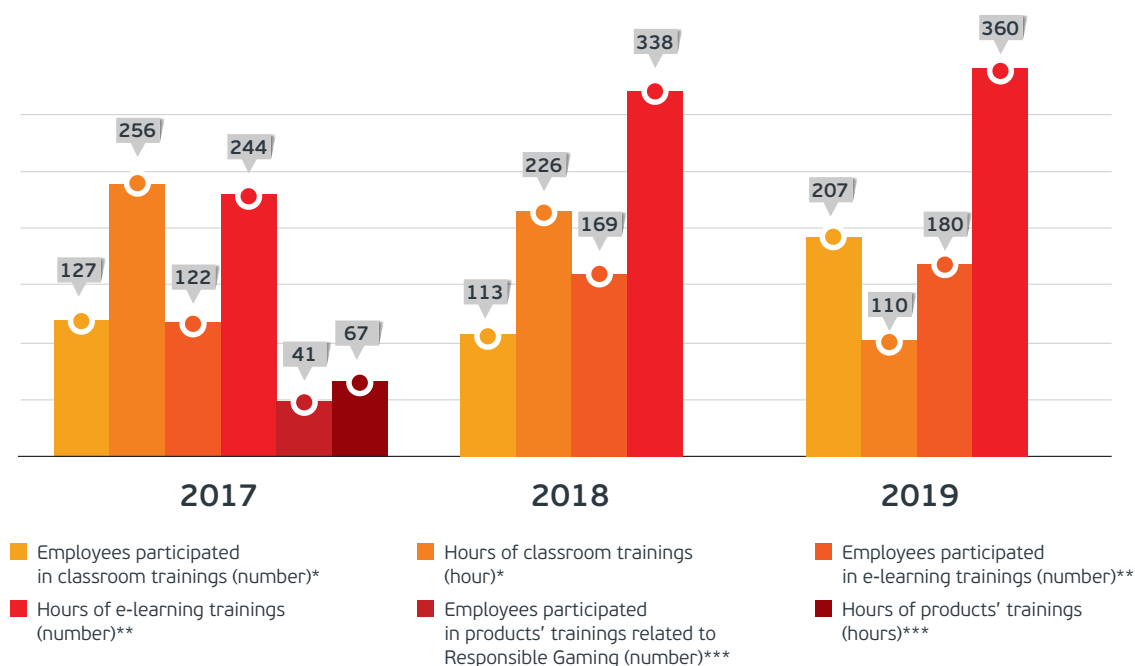
Instructor-led classroom training data refer to INTRALOT S.A.
**E-learning training data refer to INTRALOT S.A., INTRALOT Australia, INTRALOT Germany and Maltco Lotteries (for 2017), INTRALOT S.A. (for 2018) and INTRALOT S.A., INTRALOT Adriatic, INTRALOT Germany/ODS, INTRALOT Inc. and Maltco Lotteries (for 2019).*
***Responsible Gaming products' training data for 2017 refer to INTRALOT S.A., INTRALOT Chile and INTRALOT Morocco.*

Evaluating employee training programs on responsible gaming

Depending on each module's learning objectives, the Group determines the learning level (expected outcome) through methods such as open discussion, questions and answers, role plays and quizzes. Furthermore, there is a detailed course evaluation at the end of each training module to determine the training course effectiveness or identify extra training needs, with the overall evaluation of Responsible Gaming training programs rated as 'good' or 'excellent' reaching 90.5%, compared to 90% in 2018.

5.4 Product and Service Features

Offering safe and quality products and games

INTRALOT Group has adopted an integrated approach to design and monitor the quality and safety requirements for all of its products throughout their entire lifecycle, based on which the Group:

▸ Meets Regulatory Authorities' standards for game design.
▸ Complies with each market's and jurisdiction's safety regulations for all gaming terminals.
▸ Utilizes appropriate labels (CE, FCC, C-Tick) to clearly display its gaming terminals' compliance.
▸ Considers safety compliance from the initial stage of product design.
▸ Performs extensive tests of software solutions prior to their release to ensure their quality and alignment with customer requirements.
▸ Collaborates with internationally accredited laboratories to test and certify product compliance as well as independent inspection and certification laboratories to test and certify its games.
▸ Verifies the credibility, integrity and security of its games.

As a result of the Group's practices, in 2019 there were:

▸ No customer complaints or incidents of non-compliance with regulations and voluntary codes concerning product and service provision and use or their health and safety impacts during their life cycle.
▸ No recalls of any product.
▸ No investigations or legal actions for non-compliance related to product and service provision and use or their health and safety impacts.
▸ No relevant fines or non-monetary sanctions for non-compliance with laws and regulations by the respective authorities.

GOOD PRACTICE
Anti-Money Laundering

The Group's Anti-Money Laundering Guidelines are mandatory for all employees and ensure that the services offered via its global operations are not used for money laundering purposes, through which the Group:

▸ Identifies, analyzes and evaluates money laundering risks relevant to the specific entity.
▸ Designs and implements policies and procedures to manage and mitigate these risks.
▸ Monitors and improves the effective operation of control mechanisms.
▸ Records implemented actions.

The Group identifies and assesses potential anti-money laundering risks by its customers through various measures, which include KYC approach (Know-Your-Customer), due diligence checks, and monitoring of gambling activity. In cases of an attempt to launder criminal proceeds, the Group does not establish or immediately terminates the business relationship, with no such cases identified within 2019.

In each jurisdiction, Group entities are required to:

▸ Appoint a nominated officer with access to all available and relevant information to identify, assess, monitor and effectively manage money laundering risks, who is also responsible to immediately report any suspicious activity (e.g. unusual gambling patterns, increased spending over time, repeated similar transactions) to competent authorities or approve transactions.
▸ Conduct awareness raising sessions and/or training programs for employees and retailers/agents to ensure they are able to identify and report unusual activities and transactions as well as understand money laundering risks, obligations, and required actions.

ANTI MONEY LAUNDERING

GOOD PRACTICE
Responsible Gaming Technology

INTRALOT Group's technologies and functionalities support Responsible Gaming activities to ensure a fair and safe gaming experience, since the Group's terminals:

▸ Can read and identify the player's age from his/her Player Card to prevent participation of minors in games of chance.
▸ Prevent excessive gaming through various self-exclusion options (e.g. remain within a specific gaming budget, exclude, or block from games for an unlimited or specified time period).
▸ Display reminder messages in case players reach the predefined gaming amount.
▸ Incorporate and display Responsible Gaming messages and allow personalized Responsible Gaming suggestions.
▸ Can multicast Responsible Gaming messages and TV spots to other terminals, ticket checkers, printers, TVs and any other display within Points of Sale.

OUR SUBSIDIARIES
Anti-Money Laundering

As part of the annual Anti-Money Laundering training, Maltco Lotteries trained all employees, agents and their employees on its respective principles and their obligations, which include the identity identification and verification process and customer due diligence record keeping. Maltco Lotteries also monitors all transactions equal to or over €2,000, in order to ensure its compliance with the Anti-Money Laundering regulatory framework, as well as with the GDPR obligations regarding protection of personal data.

Applying security and reliability controls

INTRALOT Group emphasizes to safeguard its games' security and reliability, as indicated by the following measures:

▸ For draw games, the Group utilizes proven IT mechanisms and security measures, which virtually eliminate the possibility of hacking and/or information manipulation. At the same time, an appointed bailiff representing the players is responsible to control the wagers' closing prior to publicly broadcasting the games' draws and monitor the draws.
▸ For instant games, the Group implements various security mechanisms and controls to randomly allocate winnings to tickets and prevent any 'localization' of winning tickets.

As a result of the Group's practices, in 2019 there were no complaints concerning security and reliability of its games.

Minimizing risk before launching a new game

The Group has implemented Social Impact Assessments for all its products to minimize risk before launching a new game, based on the following approach:

As an integral part of its game design process, the Group utilizes the iRGD tool (INTRALOT Responsible Gaming Designer), created in collaboration with Athens Information Technology (AIT) and independent international scientists, to conduct Social Impact Assessments per game, channel or territory and test the social impact of games, based on their:

Social impact
Sustainable Growth

01 SOCIETY

02 OPERATORS

03 PLAYERS

Protection of vulnerable Groups

Creation of loyal, long-term & responsible clients

Recreational low-risk gaming

▸ **Structural characteristics:** features related to initiate, expand and maintain playing over time.
▸ **Situational characteristics:** features primarily related to the gaming environment (e.g. retailer store, internet, or mobile channel).
▸ **Responsible Gaming characteristics:** features that may impact players' gaming pattern (i.e. self-imposed time, financial limits).

5.5 Remote Gaming

Protecting players in online gaming

Since proliferation of Internet and expansion of online gaming can potentially increase problem gaming and its repercussions without proper mechanisms, INTRALOT Group strives to operate in a socially responsible way and commits to develop or distribute products which do not favor dependency, as well as ensure that its products and solutions for remote gaming platforms protect players, in order to cultivate a remote gaming environment that respects and upholds the principles of Responsible Gaming.

Remote gaming platforms:
The Group's remote gaming platforms:
- Comply with the relevant personal data protection legislation and the Group has adopted the European Union General Data Protection Regulation as a minimum Privacy Standard for all entities.
- Implement player privacy controls according to the European Privacy Network.
- Require player registration to participate to games and follow strict security standards regarding player registration and gaming behavior.
- Players can verify their age and information such as home address and personal Tax Identification Number, either via the system's online interface (where players submit identification documents, such as personal identity card, driver's license, passport, public utility bill or bank statement) to be verified by a third party or offline by authorized personnel (e.g. retailers) and standardized procedures.
- Implement control mechanisms (e.g. proof of address, bank account verification) to prohibit multiple accounts per user.
- Do not permit any online gaming, in case the player's age is not verified after the first deposit or player registration.
- Incorporate a flagging system and real-time alerts.
- Include a dedicated monitoring process for personalized Responsible Gaming messages about potentially excessive and problematic gaming behavior.
- Display the wager value and a dedicated clock to indicate the time played in each gaming session.
- Provide a detailed history of activities linked to a player account (e.g. financial and gaming transactions, participation to gaming sessions).
- Allow players to configure the history view and filter on specific criteria, such as game category, specific game, date of participation, draws, winnings, betted numbers or team.
- Provide centralized payment management for all transaction types.
- Allow players to set their own limits to prevent excessive gaming (e.g. limits on time period between participation in games, minimum time to participate in consecutive gaming sessions, duration of a gaming session) and can review their limits at any time to increase or extent them only after a specified cool off (or temporization) period has elapsed.
- Lottery operators can set limits for all players (e.g. maximum spending or time limit) or set player limits, which are applied by default if the player does not specify one.
- Players can exclude themselves from all or a specific category of games, through:
  - The definitive exclusion, where players can definitively exclude themselves from some games.
  - The temporary exclusion, where players can exclude themselves from some games (e.g. for one week or one month), with the exclusion becoming definitive for players who repetitively exclude themselves (e.g. five times) across a certain period (e.g. one year).
- Players can opt to close their accounts immediately.
- Include self-assessments questionnaires for players' gaming behavior.

Examples of Responsible Gaming Alerts

GOOD PRACTICE
Private Data Protection and Data Breach Reporting

Indicating its commitment to systematically protect personal data within its Information Security Management System, INTRALOT implements specific rules and controls in the following areas:

- Organizational controls (e.g. a Data Privacy Officer in all Group companies with over 250 employees).
- Risk assessment and data identification (e.g. risk assessment of products and operations).
- Technical controls (e.g. maintain encrypted backup of personal data).
- Operational controls (e.g. strictly prohibit transfer of personal data outside a jurisdiction, unless written authorized by the Group Legal Counsel and the Group Information Security Officer).
- Contractual controls (e.g. data processing according to a contract or other legal act).

Responsible Gaming Pre-Commitment System

The pre-commitment systems on electronic gaming machines (EGMs) prevent players from spending more money than they originally intended. The Group includes a Player Pre-Commitment System in an EGM monitoring system and has developed the Responsible Gaming Module for its iGEM Monitoring System to monitor, manage, and control large networks of EGMs. The system offers various options to players, including:

- Player registration via web or in any gaming venue and use of a player card to access their account.
- Selection of either a Voluntary Scheme (where non-registered players can play in EGMs) or a Mandatory Scheme (where player cards from registered players with player-set limits are necessary for gaming).
- Support of anonymous or named registration.
- Configuration to stop gaming when a limit is reached or to allow game play after that limit, either with or without warnings.
- Set self-exclusion options or fully configurable limits, such as financial loss, play duration and bet amount, applicable on a daily, weekly or monthly basis.
- Access to real-time information about their gaming activity before and after the set limits.
- Display of configurable warning messages and levels.
- Access to online self-assessment questionnaires to measure the risk of excessive gaming behavior.
- Links to resources and organizations engaged in Responsible Gaming and problem gaming.

GOOD PRACTICE
Information Security Assessments

According to a formally established procedure, INTRALOT utilizes Information Security Compliance Questionnaires to conduct Information Security Assessments prior to adopt a third party product or cloud service and requests from partners to elaborate on their processes, practices, and mechanisms in the following areas:

Compliance Questionnaire for Cloud Service Providers
Infrastructure
Assurance and Compliance
Business Continuity Management
Data Security
Encryption and Key Management
Network Security
Physical Security
Incident Reporting
Data Privacy

As a result, in 2019 there were:

- 6 information security compliance assessments conducted to all major cloud service providers.
- No complaints regarding breaches of customer privacy and losses of customer data.
- No incidents of non-compliance with laws, regulations or voluntary codes and no investigations or legal actions regarding breaches of customer privacy or losses of customer data.
- No relevant fines or non-monetary sanctions imposed by the respective authorities.

5.6 Responsible Communication

Advertising products responsibly

The Group's advertising and marketing communications and activities in all jurisdictions are aligned with the standards and practices adopted and implemented by WLA members, since they:

- Are consistent with the industry's principles of dignity and integrity, mission and values.
- Abide by WLA Responsible Gaming principles.
- Include a statement of its commitment to Responsible Gaming.
- Comply with the relevant legislation, including unfair competition and consumer protection.
- Do not encourage people to play excessively or exceed their limits.
- Do not imply or refer to or portray any illegal activity.
- Do not provide players with misleading information (e.g. winning odds).
- Do not contain or imply improper or indecent language, images, and actions.
- Do not encourage underage or problem play.
- Local subsidiaries are involved in marketing and advertising activities of its products and services, in order to ensure that they comply with local regulations are respect local culture.

Within 2019, there were:

- No sales of banned or disputed products and services in any foreign market of operation.
- No customer complaints to respective authorities concerning marketing, advertising and promotion activities and product or service information (e.g. product labeling).
- No cases of advertising campaigns being withdrawn after release.
- No incidents of non-compliance with regulations and voluntary codes and no investigations or legal actions concerning product and service information and labeling as well as marketing communications (e.g. advertising, promotion, and sponsorship).
- No relevant fines or non-monetary sanctions imposed by respective authorities.

POLICY
Media Relations

According to a formal corporate procedure concerning corporate communication issues:

- The Group Corporate Affairs Department (GCAD) reviews and approves all press releases that contain corporate information (both international and local).
- Subsidiaries should inform the GCAD before dissemination of press releases for local promotional news directly to local media, in order to decide their compliance with Group policies.
- The press release or a draft version has to be sent to the GCAD at least 2 days before its release for the required approval procedures.
- If the communication material concerns another party as well (e.g. business partner, customer), the GCAD sends the final draft to them (as prepared or approved by the GCAD), in order to review and approve it.

It must be noted that in 2019, there were no cases of non-compliance with the above corporate procedure.

Photo caption:

Promoting Responsible Gaming through advertising and marketing communication.

> " Certified by WLA for its Responsible Gaming program, INTRALOT is committed the principles of responsible gaming incorporating them at its best-in-class product solutions and global operations. "

integrity

Responsible Gaming

for sustainable growth

Modernizing lotteries in a digital world

intralot

Replying to customers' requests

INTRALOT Group has established the INTRALOT's Service Desk within the Global Technology Operations Department in compliance with ISO 20000:2015 requirements for IT Service Management, which:

▶ Functions as a single point of contact 24 hours a day, 7 days a week, between customers and internal support groups for IT and Application Support and Services.
▶ Collects, analyzes, and responds to all types of customer requests.
▶ Records and monitors incidents and service requests.
▶ Provides advises, solutions, workarounds and responses to all customer requests and ensures that all requests are handled effectively.
▶ Records errors and solutions in the Knowledge database.

INTRALOT monitors all incidents reported to identify customer concerns and areas for improvement, and INTRALOT's Top Management reviews all incidents classified as high priority.

Service Requests and Complaints

	2017	2018	2019
Total Service Requests (number)	15,171	18,699	21,759
Answered calls (%)	100	100	100
Resolved requests (%)	100	100	100

100%
of service
requests were
resolved

Measuring player satisfaction

As player satisfaction is an ongoing process, the Group utilizes information from the tens of millions player-initiated transactions on a global scale to analyze their actual behavior, in order to deepen understanding of the players.

5.7 Players Awareness and Training

Informing customers

INTRALOT Group strives to promote customer awareness on Responsible Gaming and ensure that players are well-informed. Therefore, the Group:

▶ Includes a detailed list (service catalogue) with the Responsible Gaming features of its remote gaming platforms within all Requests for Proposal (RFP).
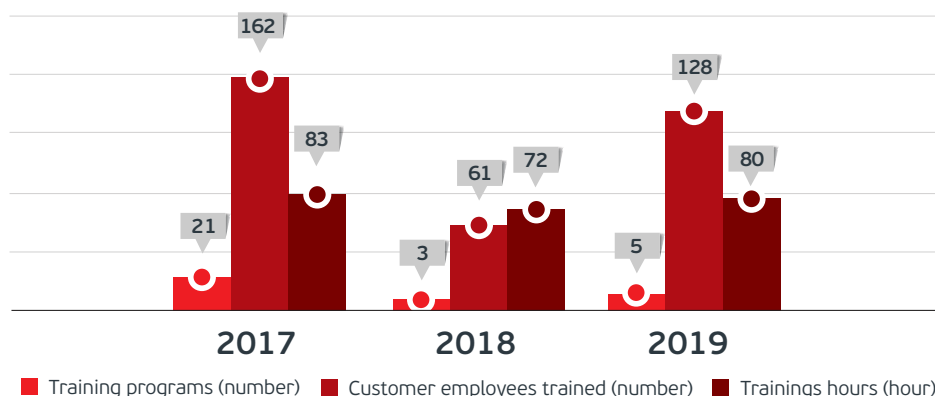▶ Includes information about Responsible Gaming in training materials provided to its customers.

Training customers on responsible gaming

INTRALOT designs, develops, implements, and monitors its Responsible Gaming training activities to customers and also provides Responsible Gaming courses for specific categories, such as Retailers, Call Center employees, and Business Users.

The Responsible Gaming training activities aim to properly inform and educate customers and their players through:
- Instructor-led training in classrooms and associated material.
- Knowledge-transfer programs, as part of awarded contracts for the Group's products and services.

Customer Training on Responsible Gaming*

2017: 21, 162, 83
2018: 3, 61, 72
2019: 5, 128, 80

Legend: Training programs (number) — Customer employees trained (number) — Trainings hours (hour)

*Customers for 2017 include LotteryWest (Western Australia), SVL (Jamaica) and Polla Chilena (Chile); customers for 2018 include Eurofootball (Bulgaria), NLO (The Netherlands) and Louisiana (USA); customers for 2019 include BCLC (Canada), OPAP (Greece), MDJS / ILOT Morocco, Hrvatska Lutrija (Croatia) and Lotto Hamburg (Germany).
**Data for 2018 and 2019 refer only to training conducted during project implementation for products delivered to customers.

GOOD PRACTICE
Evaluating Training Effectiveness

Upon completion of each training module, participants are requested to anonymously complete a printed Training Evaluation Form, in order to assess:
- Course content.
- Trainer competency.
- Training quality.
- Training usefulness.

After each training course, the customer receives a Training Evaluation Report with all information received, input from trainers, training executives or other sources as well as potential actions to improve training quality.

128 customer employees **trained on Responsible Gaming**, for a total duration of **80 training hours**

Providing information to players

INTRALOT Group strives to inform players and their relatives as well as the society in general, regarding the rational participation in games of chance and the adverse consequences related to irresponsible gaming. Therefore, the Group complies with all legal labeling requirements, as indicatively:
- All games and games' informational material and guides include Responsible Gaming messages and have clear and visible information on game odds.
- All games have clear labeling, which indicates the age restrictions to participate in games.

▶ All games include information on the applicable Regulatory Authority.
▶ All terminals in agencies and other Points of Sale and online gaming platforms display Responsible Gaming information (e.g. self-assessment questionnaires, helpline numbers).
▶ Additional information on Responsible Gaming is also available through the corporate website.

Responsible Gaming **information** and **messages** displayed on **100%** of **games** and **terminals**

🎖 GOOD PRACTICE
Identifying Gaming Habits

The Group has designed and provides a short 3-questions questionnaire and a detailed 9-questions questionnaire to lotteries (both based on the 5th edition of the American Psychiatric Association's Diagnostic and Statistical Manual of Mental Disorders), in order to identify potential issues gaming habits. If a player scores above a specific threshold on the short questionnaire, they are advised to continue with the detailed one.

🎖 OUR SUBSIDIARIES
Obligations of Maltco Lotteries' Agents and Sellers

Maltco Lotteries has specifically defined its agents' and sellers' obligations regarding Responsible Gaming, who are required to:
▶ Prominently display the Responsible Gaming motto and the '18+' sign in their Point of Sale.
▶ Not sell tickets to persons under the age of 18 even if they act on behalf of a parent/guardian.
▶ Not give credit to players and always require cash immediately after they issue any selling ticket.
▶ Make Responsible Gaming material available in their Points of Sale.
▶ Inform and explain the nature of Responsible Gaming to their customers.
▶ Protect vulnerable persons and offer assistance to players who might suffer from compulsive gambling.
▶ Inform the respective anti-gambling agencies on any addictive gambling cases.

At the same time, the company informs its agents and sellers on the warning signs of addictive gambling and indicates the advices they should give to players, in order to refrain from compulsive gambling.

Assisting players with problematic behavior

The Group cooperates with expert health services and counseling organizations in several of the jurisdictions where it operates, in order to:
▶ Prevent gaming addiction and dependency on games of chance.
▶ Provide guidance to players with problematic behavior and their relatives.
▶ Inform on the ways to receive information and practical support, in cases of excessive participation in games.
▶ Report problem gaming incidents.

INTRALOT Group has developed treatment referral collaborations in several jurisdictions, such as with the Montana Council on problem Gambling, a non-profit agency dedicated to alleviate gaming-related social and personal distress. Additionally, since several of its Lottery customers have developed collaborations with specialized organizations on gaming addiction and problem gaming therapy, the Group regularly promotes information about the availability of this support throughout their sales networks.

🎖 OUR SUBSIDIARIES
Treatment Referral

In Malta, Maltco Lotteries:
▶ Offers Self Tests in English and Maltese to players, which feature 8 questions to identify problem gambling behavior and inform players about the consultation and treatment providers in Malta as well as the company's Helpline Centre.
▶ Has introduced a Responsible Gaming section in its Players' Booklet with information for players to play responsibly, including frequently asked questions and information on treatment referral.

2019 Objectives

Collect additional data related to addiction patterns for deeper analysis and communicate results to targeted partners and customers (by 2020)

75%

Include a new 'Responsible Gaming' category in INTRALOT Hackathon's challenges

100%

Develop a Responsible Gaming Leaflet to promote Responsible Gaming

100%

Brief and inform our Stakeholders on Responsible Gaming issues

100%

Future Objectives

Renew WLA Responsible Gaming Certification

By 2021

06
EMPLOYEE
WELLBEING

" Ensuring
the wellbeing
and development
of our employees "

6.1 Positions and Benefits

Maintaining work positions

INTRALOT directly occupies 710 employees, while its business activity indirectly supports hundreds work positions.

Human Resources

Legend:
- Employees (number)
- Turnover (%)
- New hires (number)

Year	Employees (number)	Turnover (%)	New hires (number)
2017	716	12.8	121
2018	820	18	106
2019	710	22.8	101
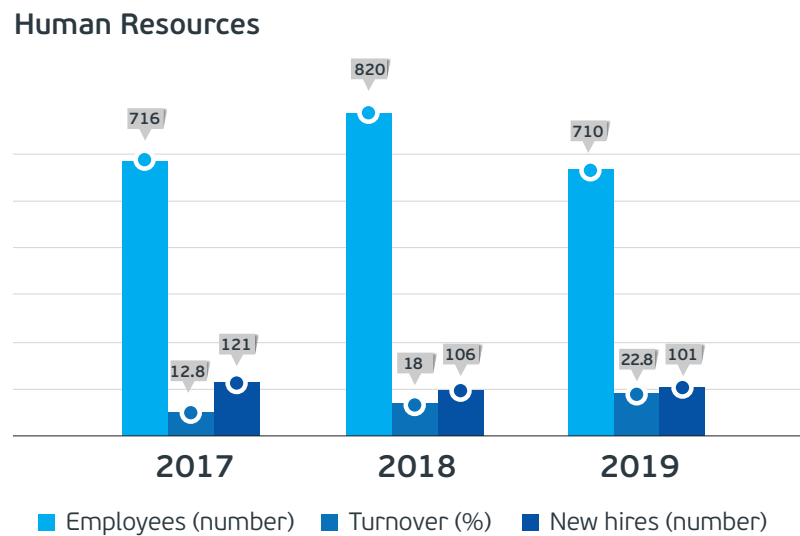
Allocation of employees per Division*

- Services & Delivery **34%**
- Lotteries **13%**
- Digital **16%**
- Group Finance **8.0%**
- Global Sales & Operations **13.0%**
- General Division **16.0%**
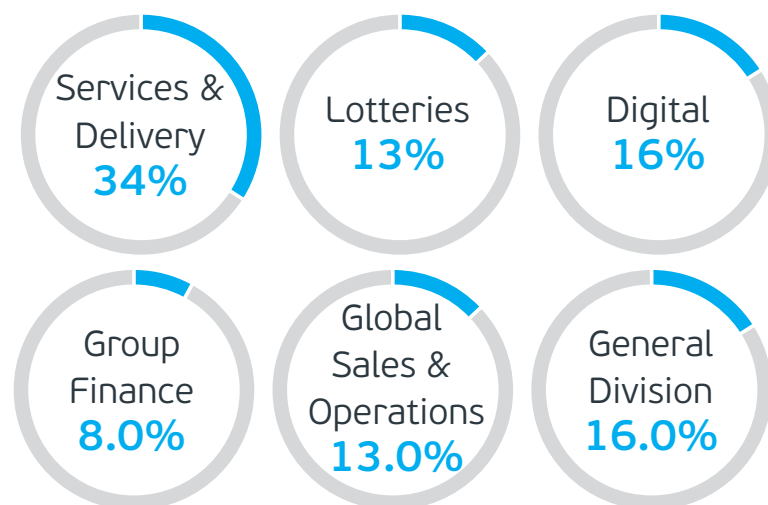
Data refer to 31/12/2019.

It must be noted that:

- 98.1% of employees are full-time.
- The average age of employees is 41.7 years.
- The average duration of employment is 6.4 years.
- The average turnover rate is 22.8%, with women employees having a turnover rate lower by approximately 49% compared to men employees.
- 95% of employees and 100% of Managers (at Head/Director, Group Director, and Chief level) hired within 2019 were from the local community, without requiring relocation.
- There are no variations in employment numbers due to seasonality.

99.8%
of employees have **permanent employment contracts**

Employee distribution*

Position	Directors	Managers	Employees	Total	
Employees (number)	66	102	542	710	
Type of employment	**Permanent**	**Temporary**	**Full-Time**	**Part-Time**	
Employees (number)	709	1 (no women)	697	13 (7 women)	
Gender	**Female**	**Male**			
Employees (number)	222	488			
Age	**<30**	**30-50**	**>50**		
Employees (number)	62	508	140		
Education Level	**Basic-High School**	**University/TEI**	**Postgraduate**		
Employees (number)	133	380	197		
New hires	**Female**	**Male**	**Age <30**	**Age 30-50**	**Age >50**
Employees (number)	32	69	28	68	5
Turnover**	**Female**	**Male**	**Age <30**	**Age 30-50**	**Age >50**
Employees (number)	31	134	30	120	15
Turnover	**Resignations**	**Redundancies**	**Other**		
Employees (%)	80.5	17	2.5		
Categories	**Handicapped**	**Foreigners**			
Employees (number)	0	8			
Duration of employment	**<5 Years**	**5-10 Years**	**>10 Years**		
Employees (%)	51.5	15.2	33		

Data refer to 31/12/2019.
**Turnover data do not include INTRALOT employees who left for other INTRALOT Group's companies in Greece and abroad.

Communicating with employees

INTRALOT utilizes a wide range of internal communication means to establish a systematic dialogue with its employees, such as:

- Corporate intranet portal iSpace.
- 'Your Voice' on corporate intranet portal, which is available to all employees at any time for suggestions, comments, and improvement ideas.
- E-mail announcements.
- Open door policy.
- Senior Management and HR communication on the Company's strategy and initiatives.
- Team level communication through respective Managers and department heads.
- Regular 1:1 meetings between employees and Managers.
- Awareness initiatives, followed by Questions and Answers (Q&A) sessions.

Within 2019, there were 16 internal communication activities regarding Sustainability and Corporate Responsibility issues in 2019, as in 2018.

100% of employees have been **informed** on at least one **Corporate Responsibility issue**

Handling work-life balance

INTRALOT is aware of the importance to promote work-life balance and aims to create and maintain a work environment which respects its employees' work and personal responsibilities, in order to increase job satisfaction. For this reason, INTRALOT:

- Complies with the applicable labor laws, ministerial decisions, and collective labor agreements in force concerning:
  - The daily and weekly work hours of each employee, according to their employment contract.
  - The upper limit for overtime and the additional remuneration to employees working overtime.
  - The start and end time of work.
  - All types of paid or unpaid leaves (e.g. employees' normal leave, maternity leave) and reasons of absence.
  - The implementation of any alternative employment scheme for some or all employees.
- Does not allow overtime work without prior permission from the management and the relevant Labor Inspectorate, where necessary.
- Permits all employees to work from home for three to four days a month, if allowed by their job requirements and deliverables and physical presence is not mandatory.

It must be noted that within 2019:

- 15% of employees worked for at least once beyond their typical work hours.
- The average daily overtime work per employee was 0.1 hours and all overtimes were fully and timely paid to employees.
- 100% of employees received their entitled normal leave, as initially planned.
- All 16 female employees who received their maternity leave, returned to the Company and all of them were still employed twelve months after their return to work, being also granted reduced working hours due to raising a child.
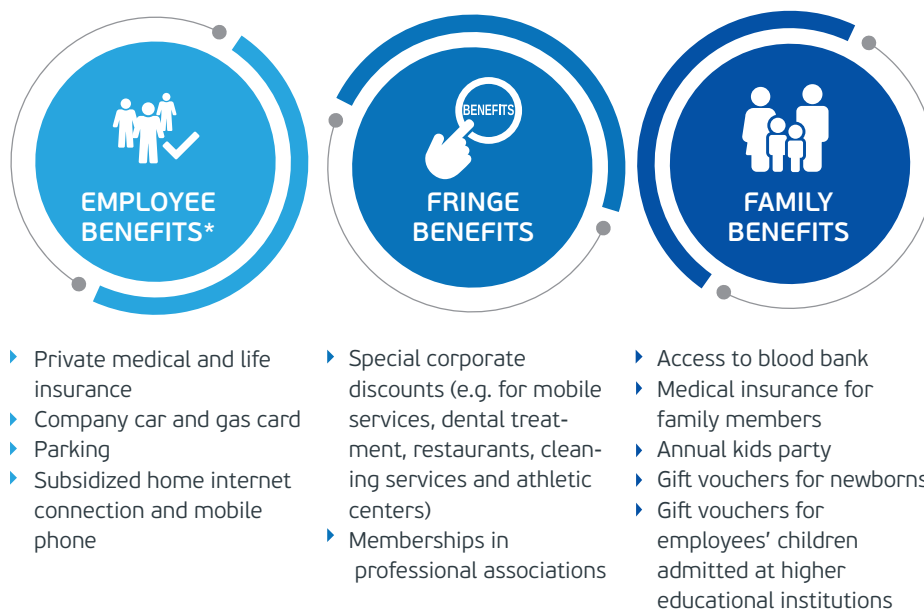- 65% of all employees utilized working from home.

Offering additional benefits

The Company has established a Compensation and Benefits Policy for its employees and their families, which covers all employees (including part-time and temporary employees), depending on their level and job content. It must be noted that all our employees and their family members are covered by private health insurance, for which the Company spent approximately €800,000 in 2019, compared to €777,000 in 2018.

Additional Benefits

EMPLOYEE BENEFITS*

▸ Private medical and life insurance
▸ Company car and gas card
▸ Parking
▸ Subsidized home internet connection and mobile phone

FRINGE BENEFITS

▸ Special corporate discounts (e.g. for mobile services, dental treatment, restaurants, cleaning services and athletic centers)
▸ Memberships in professional associations

FAMILY BENEFITS

▸ Access to blood bank
▸ Medical insurance for family members
▸ Annual kids party
▸ Gift vouchers for newborns
▸ Gift vouchers for employees' children admitted at higher educational institutions

According to the level of their position.

Monitoring employees' satisfaction

Within 2019, the Company held 10 focus groups during the annual performance review period and over 50 representatives from various Departments openly discussed performance and other Human Resources-related issues with senior HR Department executives.

Furthermore, INTRALOT has placed the 'Your Voice' feature on the corporate intranet portal as an open communication channel to allow employees propose improvement ideas or other comments towards strengthening employee engagement. The Company's management reviews and evaluates all proposals made based on their relevance and implementation feasibility, with 8 proposals submitted via the 'Your Voice' feature during 2019, approximately 50% of which were implemented.

GOOD PRACTICE
Internal Awareness and Engagement Initiatives

During 2019, INTRALOT organized various employee awareness and engagement initiatives, which included:
▸ Establishment of a corporate basketball team and participation in the 2019-2020 Commercial League Basketball Championship.
▸ The INTRALOT Summer Festival with music performances by Company employees and dancing in one of the most prestigious venues in Attica.
▸ The 'Little Santa Claus' initiative held during the INTRALOT Kids Christmas Party for the Company employees' children, in order to donate toys and other items to support children from the 'Theotokos' Foundation for the protection and

Rehabilitation of Children and Young People with Mental Disorders (see Section 7.1). The Christmas-Get-Together events for Company employees at Maroussi and Peania premises.

▶ The INTRALOT Hackathon, a six-month learning and development initiative to strengthen team building across the Company globally and promote an innovative Group culture.

▶ Various health and safety initiatives and First Aid and Building Evacuation Sessions (see Section 6.3).

▶ Participation in athletic events, such as the Athens Classic Marathon, the Corporate Running Event Be-2Run Greece, and the Greece Race-for-the Cure for breast cancer awareness (see Section 7.1).

▶ Fundraising initiatives to support non-profit organizations, such as the Easter and Christmas Bazaars (see Section 7.1).

▶ Fun breaks for all Company employees, such as Donut Day and Ice Cream Break.

Rewarding employees

As it is particularly important to recognize the contribution of employees to meet the Company's objectives, INTRALOT organized the 'Top Performers 2018' ceremony to reward the top 5% of employees and recognized the performance of 30 employees across all Company's functions, who excelled during the formal annual performance evaluation process for their distinction and commitment, whose names were also posted on the Corporate intranet portal, both for recognition and transparency purposes.

Moreover, within the context of its 'Student Recognition Policy', the Company rewarded 7 employees' children who were admitted to higher educational institutions; thus, recognizing their efforts and reward their success.

GOOD PRACTICE
Hackathon

INTRALOT's Hackathon aims to stimulate learning and innovation among its employees and employees from different subsidiaries around the world, as well as promote creativity. The 2019 Hackathon featured various keynotes speakers, webinars, mentoring sessions, team bonding activities and other events and employees developed their own ideas related to new products and technology solutions. During the event, 70 employees in 9 teams competed and received practical advice and guidance from highly qualified mentors to complete and present their ideas to the jury committee.

Furthermore, INTRALOT has created a dedicated Hackathon website, where all employees can access the training material from the respective webinars, as well as other useful resources, such as articles and presentations.

Congratulations
to all the teams

6.2 Development and Training

Facilitating employee induction and orientation

Upon recruitment, newly hired employees participate in a Corporate Induction Program, which includes:

- General overview of the gaming industry.
- General overview of the Company (e.g. Vision, Mission, Values, Strategy, Group activities, Corporate Responsibility), its products and services (e.g. Games, Terminals, Systems) and work environment (e.g. Code of Conduct, Organizational Structure, Policies and Procedures, Health & Safety, Corporate intranet portal).
- Basic terminology used within the Company.
- Basic Responsible Gaming principles.

The Corporate Induction Program's content is also part of the Induction Handbook, which is distributed to all new employees and is available through the Corporate intranet portal. Specifically for Technology Division, INTRALOT assigns an Onboarding Lead for newly hired employees following the Corporate Induction Program, who oversees their structured job-specific training program.

Furthermore, INTRALOT conducts an in-depth induction program for executives, which includes one-to-one sessions with executives from different Divisions and Departments and specialized presentations to familiarize themselves with respective departmental processes and operations.

Within 2019:

- 98.2% of all newly hired employees attended the Corporate Induction Program.
- All newly hired executives in Senior Management positions participated in the Induction program for INTRALOT executives.

GOOD PRACTICE
Introduction to Information Security Policies and Practices

INTRALOT trains all employees on security policies and practices, with an emphasis on the Company's Information Security Management System (ISMS), in order to:

- Identify and classify information according to its classification level.
- Correctly use the 3 information security principles (confidentiality, integrity and availability).
- Identify security violation incidents.
- Understand IT-related information security basics.
- Apply principles of physical security.

The Company's Induction sessions include an overview of ISMS and all new employees are required to participate and successfully complete an ISMS e-learning course within two weeks of employment. It must be noted that within 2019, 87% of INTRALOT's employees (including 100% of newly hired employees) attended the annual Information Security awareness program.

Furthermore, all employees are required to undergo security training updates on an annual basis, which are primarily conducted through INTRALOT's e-learning platform. At the end of the course, all employees are required to complete a questionnaire to determine training effectiveness, with a pass score of 80%. In case it is required, INTRALOT also conducts in-class training sessions, with 11 induction classroom sessions and 110 new employees attending the Induction Training Programs within 2019.

Training employees

POLICY
Training Policy and Annual Training Plan

As part of the annual performance evaluation, Line Managers identify development goals/needs for each employee, either related to his/her current or future position, which are recorded in the employee's Individual Development Plan. Afterwards, INTRALOT formulates the annual Training Plan based on:
- All individual training needs registered in employees' Individual Development Plans.
- Role-based training programs (e.g. management development programs, specific technical skills training per technical role) according to the Company's strategic direction, past training needs, market trends and best practices.

Being part of the Human Resources function, INTRALOT's People Development Department cooperates with INTRALOT's Learning Center which provides project-related training, with all provided training services certified against the ISO 29993:2017 standard to cover the entire training process. INTRALOT delivers a wide range of training programs for its employees, which indicatively included in 2019:
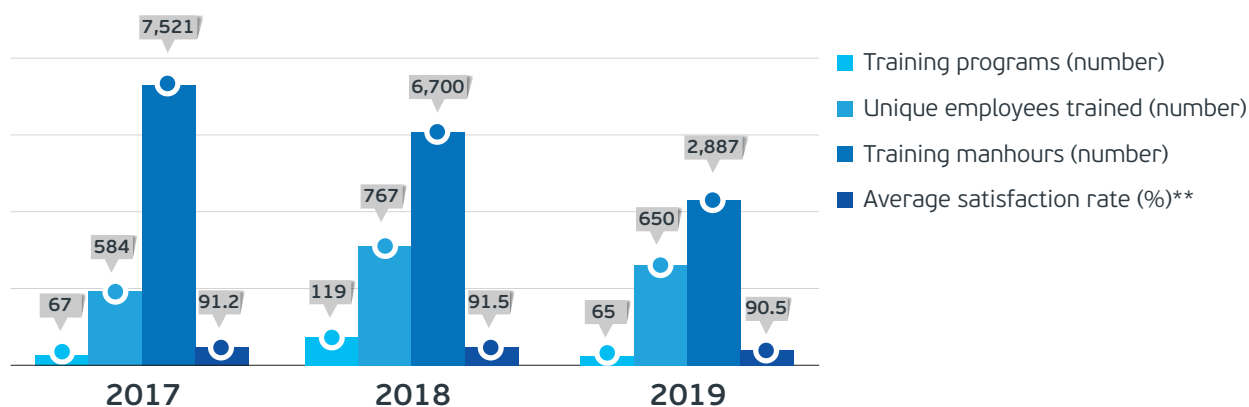- Corporate training programs (e.g. Corporate Induction, Gaming Business Overview, Information Security Management System, Health & Safety).
- Functional and Individual training programs (e.g. IT Skills, Business Skills, Quality and Compliance-related, Foreign Languages).

Within 2019, INTRALOT:
- Designed and launched 23 e-learning courses on its e-learning platform, which were also shared with approximately 3,500 employees of 22 INTRALOT Subsidiaries worldwide.
- Implemented a Management Development/Leadership Program to 96 Managers (approximately 49% of all management positions).
- Conducted 102 classroom and e-learning training programs, compared to 140 programs in 2018, without conducted any training programs on human rights.
- Trained 87% of its employees (including employees participated in e-learning training programs), with a total duration of 202,123 man-hours (out of which 95% for e-learning training programs), averaging 250 hours per employee.
- The Average Satisfaction Rate from training programs reached 90.5%, compared to 91.5% in 2018 (according to training satisfaction surveys conducted for approximately 70% of total training programs).

Average satisfaction rate from classroom training programs reached **90.5%**

Employee Classroom Training*

Legend:
- Training programs (number)
- Unique employees trained (number)
- Training manhours (number)
- Average satisfaction rate (%)**

2017: 67 | 584 | 7,521 | 91.2
2018: 119 | 767 | 6,700 | 91.5
2019: 65 | 650 | 2,887 | 90.5

*Data refer to INTRALOT S.A., INTRALOT Services S.A. and Betting Company S.A.
**Average satisfaction rates refer to the effectiveness of Human Resources' People Development Department (for 2017-2018) and Human Resources' Learning and Development team (for 2019).

GOOD PRACTICE
e-Learning Training

The Company also offers e-learning programs through its e-learning platform in the following main categories:
- ▶ Compliance and Certifications, which include mandatory courses for all employees and require successful completion.
- ▶ Gaming (industry-related), which include courses on the gaming industry available to all employees (e.g. Responsible Gaming, Gaming Business Overview).
- ▶ Corporate, which include courses relevant to INTRALOT (e.g. Induction and Corporate Applications), INTRALOT-specific programs (e.g. Software Development, Sales Course for Agents) and Soft Skills (e.g. Customer Service).

e-Learning Training*

	2017	2018	2019
Training programs (number)	26	21	37
Unique employees trained (number)	1,810 (includes 792 employees of INTRALOT S.A. and 1,018 employees of INTRALOT Subsidiaries)	527	730
Training manhours (number)	10,315	6,953	199,236

Data for 2017 refer to INTRALOT S.A., INTRALOT Services S.A., Betting Company S.A., INTRALOT IGS, AzerInteltek, Bit8, INTRALOT Germany, Maltco Lotteries, INTRALOT Morocco, INTRALOT BV, Inteltek, INTRALOT Chile and INTRALOT Inc. (Arkansas, Georgia, Idaho, Louisiana, Montana, New Hampshire, New Mexico, Ohio, South Carolina and Vermont); data for 2018-2019 refer to INTRALOT S.A.

Number of **unique employees trained** through **e-learning** programs increased by **38.5%**

Over **199,000 training manhours** on **e-learning** programs

OUR SUBSIDIARIES
Information Security Training

Information Security training is regularly conducted via e-learning for INTRALOT employees and its Subsidiaries, with approximately 70% of employees at INTRALOT S.A. and its Subsidiaries worldwide (INTRALOT Inc., Maltco Lotteries, INTRALOT Adriatic, INTRALOT Australia, ODS (Germany), INTRALOT Chile and INTRALOT BV/BENELUX The Netherlands) participating in Information Security trainings during 2019.

Developing employees

INTRALOT's Performance Management Policy establishes the performance management framework with the following three components:

- Individual goals, which are associated with the Company's main strategic pillars (e.g. Operational Excellence, Reliable Solutions to Customers and Clients).
- Role-based competencies, which include:
  - Leadership.
  - Core.
  - Functional.
- Individual Development Plan, which outlines areas and opportunities for professional and career development.

Through its Performance Management System, INTRALOT identifies and manages performance and plans targeted training and development initiatives according to the individual needs of each employee or according to role-based requirements.

Regarding the 2019 employee performance:

- Clear goals were included for 100% of all hierarchical levels below Chief level and roles.
- 100% of all employees eligible for 2019 performance evaluations had attended in-house training on Performance Management.

GOOD PRACTICE
Global Mobility Program

INTRALOT has defined and established a Global Mobility Program, which ensures fair and transparent opportunities for all employees on international assignments, and allows knowledge transfer from Headquarters to the subsidiaries and vice versa as well as provides development and career opportunities. In 2019, there were 7 INTRALOT employees who were assigned to new international projects and positions to other INTRALOT Group's companies abroad (1 employee in short-term assignment and 6 employees in long-term assignment), 5 of whom were between 30-50 years old and 2 over 50 years old.

OUR SUBSIDIARIES
Performance Management System

INTRALOT Group strives to ensure deployment of a systematic process to identify its employees' strengths and areas for improvement, in order to improve overall performance. For this reason, the following local entities also participate in INTRALOT's Performance Management System:

- Maltco Lotteries
- INTRALOT Germany
- INTRALOT Australia
- INTRALOT New Zealand
- INTRALOT Chile
- INTRALOT Ireland

Promoting employees

Being important for INTRALOT to support the development of its employees to achieve their personal goals and development plans, the Human Resources Division first reviews existing employees with the necessary qualifications to cover a new position or advancement to a Manager position. The Company prioritizes internal candidates for an open position and external candidates are only hired in case there are no suitable internal candidates.

According to INTRALOT's Internal Job Posting policy, all open positions at Headquarters and subsidiaries and the necessary requirements are posted on the Corporate intranet portal to increase the process's transparency and all employees can submit their application, with 22% of open positions covered by internal candidates within 2019, compared to 18% in 2018.

Job Posting

COULD BE YOU!

6.3 Health and Safety

Ensuring health and safety

Having as a priority to offer its employees a safe work environment, the Company strives to ensure suitable and safe work conditions. For this reason, INTRALOT:

▶ Conducts written Occupational Risk Assessments to identify, manage, control, minimize and eliminate potential Health and Safety risks, which are revised as necessary.

▶ Has assigned a building coordinator in each building to ensure occupational health and safety compliance and performs regular evaluation of workplace conditions and maintenance of workplace infrastructure (e.g. air conditioning).

▶ Uses an external prevention agency to evaluate workplaces, offer advices and suggest preventive measures, without any corrective measures required in 2019.

▶ Provides awareness material from qualified health professionals on Health and Safety issues to all employees via e-mail and through the Corporate intranet portal, with 26 employees attending a First Aid seminar in 2019.

▶ Provides the necessary personal protective equipment to warehouse employees.

▶ Conducts annual evacuation drills in its premises, with 70 employees trained on evacuation processes in 2019.

▶ Has installed loudspeaker system to signal evacuation in emergency situations and has clearly marked specified emergency exits, which ensures that are clear of obstructions.

▶ Has appointed Evacuation Coordinators and Evacuation Officers for each floor of every building, who are responsible to uphold the procedures and safety rules in case of an emergency evacuation as well as Fire Suspensions Teams, which are trained once a year.

▶ Has placed clear signs with fundamental safety information.

▶ Has installed First Aid kit, fire detectors and fire extinguishers in every building as well as fire detection and extinguish systems in areas with electronic equipment.

▶ Has uploaded the First Aid Guide at the Corporate intranet portal and has created the First Aid and Emergency Handbook with the necessary information to effectively respond to emergency cases.

▶ Posts Health and Safety information to the Corporate intranet portal and in announcement boards or sends them to the employees via e-mail.

▶ Has adopted a no smoking policy within Company facilities for all employees, customers, and visitors.

▶ Does not tolerate violence or threats of violence in, or related to, the workplace and encourages employees to report any violent or potentially violent situation that may witness as well as concerns about unsafe conditions or activities to their Supervisor or the Human Resources Division. It must be noted that no concerns related to Health and Safety were reported within 2019.

Health & Safety Training

2017	2018	2019
255	155	120
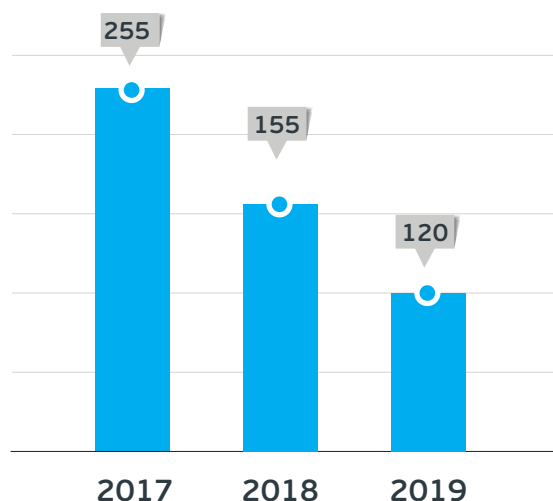
■ Unique employees trained (number)

POLICY
Health and Safety

According to the provisions of the Code of Conduct, INTRALOT is committed to comply with all relevant Health and Safety laws and conduct its business in a way that protects the safety of its employees. Therefore, all employees are required to fully comply with the applicable Health and Safety laws, regulations, and policies relevant to their work positions.

GOOD PRACTICE
Internal Health and Safety Campaigns

INTRALOT implements regular internal campaigns to raise employee awareness on Health and Safety issues and promote physical, mental, and emotional wellbeing, with the following indicative activities organized within 2019:

- The Workplace Wellness Guide provided in printouts and communicated to all employees via email with information to reduce risk of injuries or disorders while working on a computer or sitting at the workstation, muscle relaxation exercises and office ergonomics. The Guide was also communicated via email to INTRALOT Subsidiaries.
- The Workplace Wellness Week with provision of Healthy Breakfast Boxes, two Wellness and Nutrition Practice sessions to inform employees on nutrition issues, two speeches on Health Awareness and Office Ergonomics by the Company doctor, as well as two voluntary blood donations for the Company's blood bank at the Athens Children's Hospital 'Aghia Sophia' (see Section 7.1), with 120 employees participating in the informative sessions.
- A guide communicated to all employees via email with vital information regarding seasonal flu (influenza virus), such as modes of transmission, symptoms, prevention, vaccination, and treatment.
- A speech on fundamental road safety and safe driving issues, in cooperation with 'Iaveris' Safe Driving School.
- First Aid, Building Evacuation and Fire Suspension sessions.
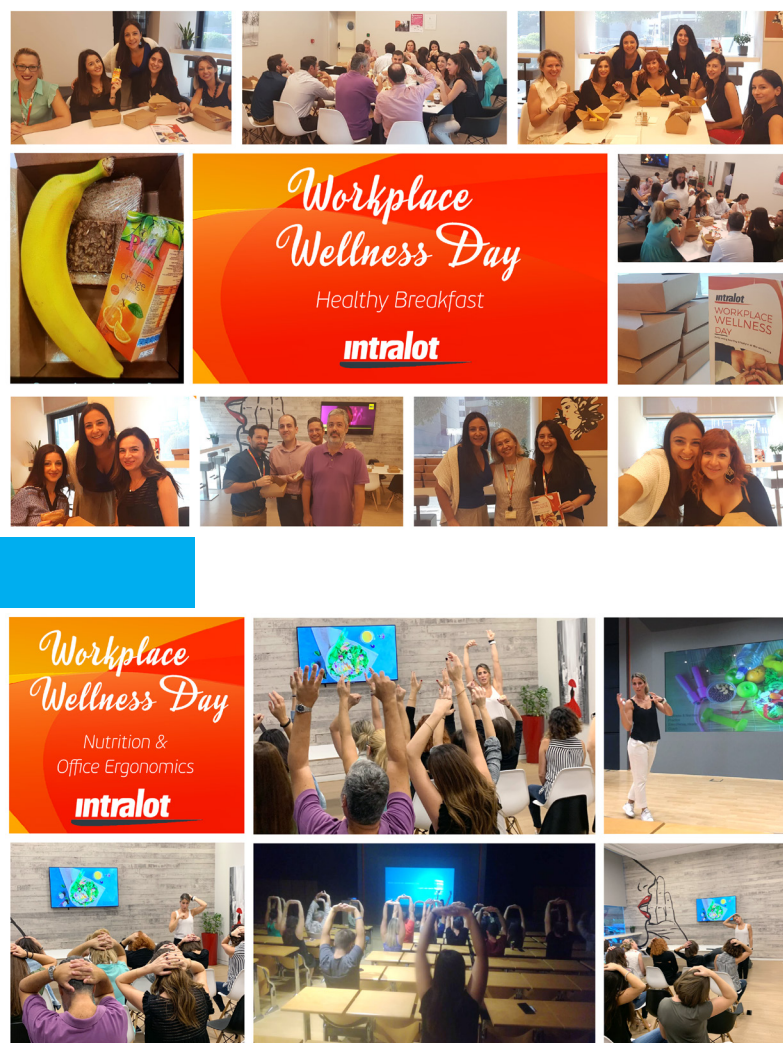
Monitoring health and safety performance

As a result of INTRALOT's continuous effort to improve its Health and Safety performance, in 2019 there were:

- No employees with high incidence or risk of diseases associated with their work within the Company and no occupational diseases among employees.
- No accidents or injuries involving INTRALOT employees.
- No employee loss due to any reason.
- No complaints or legal actions for health and safety issues.
- No relevant fines or non-monetary sanctions imposed by the respective authorities.

No accidents occured within the workplace

6.4 Equality and Diversity
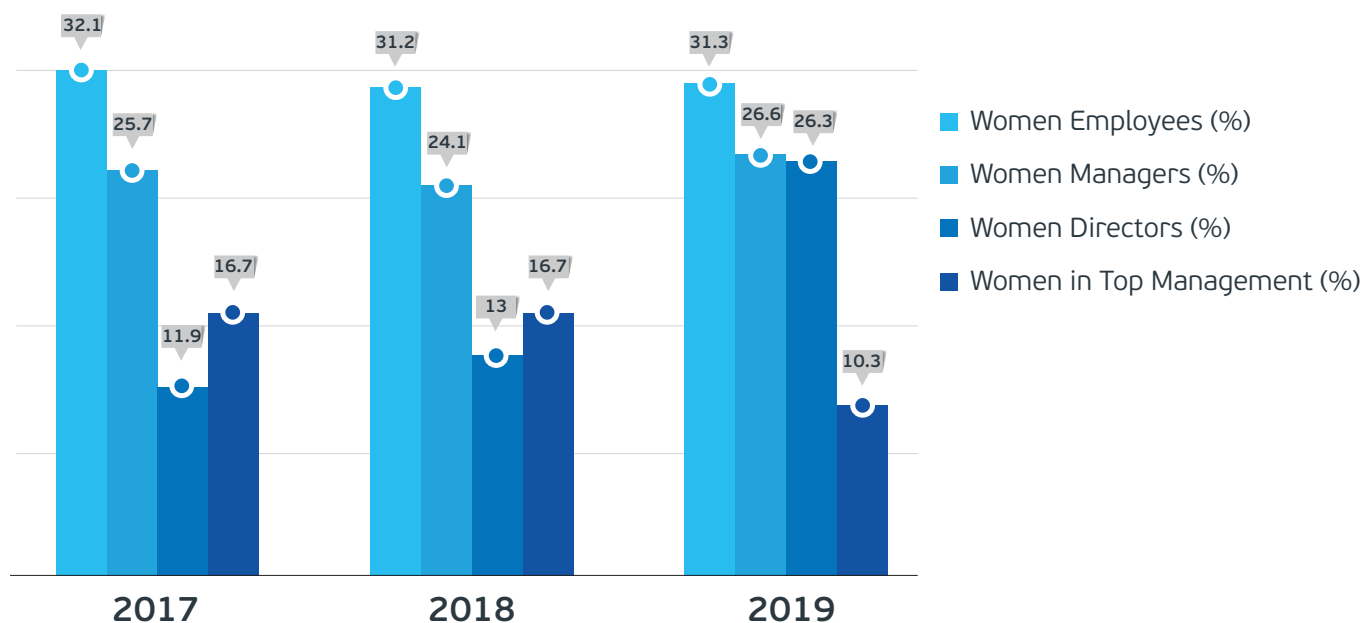
Maintaining a fair work environment

INTRALOT implements a strict policy towards meritocracy in the workplace and does not tolerate any unlawful discrimination and harassment due to gender, race, color, nationality, ancestry, citizenship, sexual orientation, religion, age, physical or mental disability, medical condition or marital status, regarding any work issues (e.g. recruitment and selection, wages, career development). Additionally, all employment contracts are terminated according to the relevant legislative provisions.

It must be noted that within 2019:

▶ The percentage of women within the overall workforce exceeds 31%.

▶ The percentage of Greeks in Manager and Top Management (Group Directors and above) positions is 99% and 100% respectively.

▶ The percentage of men employees trained is higher by 25% compared to women employees, while the average training hours for men employees are higher by 2.5 hours compared to women employees.

▶ The proportion of salary for men employees and Managers is equal to women employees and Managers, as there is no salary differentiation between employees' gender.

▶ There were no complaints or grievances regarding discrimination incidents or unfair treatment or labor practices.

▶ There were no legal actions regarding labor practices and no fines or non-monetary sanctions were imposed by the respective authorities.

100% of **employees** in **Top Management** positions of local nationality

Percentage of Women

Legend:
- Women Employees (%)
- Women Managers (%)
- Women Directors (%)
- Women in Top Management (%)

2017: 32.1, 25.7, 11.9, 16.7
2018: 31.2, 24.1, 13, 16.7
2019: 31.3, 26.6, 26.3, 10.3

POLICY
Equal Employment

While the Company has not adopted a specific diversity policy including gender balance, INTRALOT is committed to uphold equal employment opportunities for all employees, according to the provisions of the Code of Conduct, including hiring candidates and evaluating employees, which are solely based on their respective qualifications, skills, and performance.

Percentage of **women** employees maintained above **31%**

Percentage of **women Directors** increased to over **26%**

Ensuring meritocracy in compensation

INTRALOT's compensation plan follows market trends and ensures competitiveness of compensation packages as well as supports transparency for all employees, without any discrimination. At the same time, promotions and salary increases are connected with performance ratings and the Company also grants special ad hoc bonuses as part of the rewarding process for projects' participation and excellence. However, the Company's Board of Directors may consider criteria such as each employee's individual performance to grant remunerations and special payments or other benefits higher than those decided by collective agreements. In any case, all kinds of remuneration are paid accrued, in intervals that do not exceed a month.

It must be noted that:
- Approximately 4% of employees have salaries equal to the legal minimum salary, as defined by the provisions of applicable laws, Ministerial Decisions, Collective Labor Agreements and Arbitration Awards, while the remaining 96% of employees are paid above the national collective agreement.
- The ratio of annual total compensation for the Company's highest-paid individual to the median of annual total compensation for all employees (excluding the highest-paid individual) is 12.1:1.

6.5 Human Rights and Bargaining

Following internationally recognized human rights principles

INTRALOT's operations strictly follow the internationally recognized human rights principles, as expressed by the United Nations, the International Labor Organization (ILO) and the relevant legislation. Based on these principles, INTRALOT:

▸ Has signed the United Nations Global Compact since 2009.
▸ Is committed not to allow child labor and forced or compulsory labor in any of its premises and fully respects human rights, as described within its Code of Conduct.
▸ Systematically monitors the relevant ILO's labor legislation, which includes the prohibition of child labor and forced labor as well as provisions related to human rights and working conditions.
▸ Has established a grievance mechanism for employees to submit complaints and report concerns or incidents regarding human rights.

As a result of INTRALOT's practices, in 2019 there were:
▸ No operations identified as having significant risk for incidents of child labor or forced and compulsory labor.
▸ No complaints or grievances or concerns regarding human rights violation.
▸ No legal actions regarding human rights issues and no fines or non-monetary sanctions were imposed by the respective authorities.

Respecting confidential information

Security of personal information is not only an important issue related to privacy, but also a legal and ethical obligation, which requires a series of organizational and technical mechanisms. For this reason, INTRALOT:

▸ Complies with the Data Protection Act's provisions throughout the entire recruitment and selection processes.
▸ Treats all recruitment information and personal data as strictly confidential.
▸ Has determined the types, methods, and details of personal information keeping.
▸ Keeps an electronic record of all employees' personal data in secure servers and all employee related documents and data are classified and protected and are available only through personalized login procedure from authorized Company employees.
▸ Does not share any personal information, with the exception of authorized Company Directors.
▸ Conducts relevant briefings and training to its employees, with 64% of employees attending the European Union General Data Protection Regulation (GDPR) e-learning course in 2019.

As a result of its practices, INTRALOT did not receive any formal complaints within 2019 regarding privacy issues or loss of employee personal data.

Respecting labor rights

INTRALOT respects labor rights and does not restrict employees to exercise their right to freedom of association. Furthermore:

▸ All newly hired employees are informed about their contract's essential terms in accordance with the provisions of the Presidential Decree 156/1994, which is governed by private law and drawn up immediately upon their recruitment.
▸ There is a formal job description for every position within INTRALOT.
▸ Approximately 14% of employees participate in formal employee unions.
▸ 100% of employees are covered by the National Collective Labor Agreement.
▸ No operations in which the right to exercise freedom of association and collective bargaining may be at significant risk have been identified.
▸ INTRALOT's employees did not participate in any strike or lock-out within 2019.
▸ INTRALOT abides by the relevant applicable legislation regarding the minimum notice period for operational changes.

2019 Objectives

% of completion

Organize employee awareness activities on various topics (e.g. volunteerism, health, and safety)

100%

Organize company-wide innovation event

100%

Extend INTRALOT's Performance management system to more local entities

50%

Organize events to enhance employee morale and engagement

100%

Future Objectives

Update Performance Management processes

By 2020

Implement continuous Performance Management

By 2020

Create Personality Profile assessments for recruitment purposes

By 2020

07
SOCIETAL
SUPPORT

"Supporting Local Communities we operate in and our Suppliers, as well as protecting the Environment we influence."

7.1 Society Support

Contributing to society

The gaming industry is a highly regulated sector and governments allocate revenues from gaming operations to support various social causes in several jurisdictions worldwide.

DID YOU KNOW?
Society Support

According to data from the European Lotteries Association (EL), the umbrella organization of national lotteries operating games of chance for the public benefit, the regular and affiliate EL members in Europe within 2018:

▸ Returned approximately €20 billion back to society.
▸ Gave back to society 52.2% of their Gross Gaming revenues on average (not including sponsorships) for sports, funds for other good causes and taxes.
▸ Employed directly over 47,000 full-time employees, including the people employed by the Organización Nacional de Ciegos Españoles (ONCE) in Spain, who are persons with disabilities selling lottery tickets and are considered as full-time employees.
▸ Have created over 410,000 indirect work positions, typically in the sectors selling lottery products.

Source: EL Report on the Lottery Sector in Europe 2018

INTRALOT is committed to support the communities where it operates, as they provide the resources, infrastructure, and markets for its businesses operations. A key element of INTRALOT's approach to society is to understand the expectations and effectively contribute to the needs of local community members, by aligning its economic growth with society support and implement programs to create value to different groups. Therefore, the Company has launched the targeted social support program 'INTRALOT – We Care a Lot', which included 20 activities in 2019 (out of which 1 local and 10 nationwide activities), with a total investment of over €54,200 in two main areas.

At INTRALOT We Care a Lot

'INTRALOT - We Care a Lot' program

Chart values:
- 2017 Activities: 7, 12
- 2017 Contribution: 45.6, 42.5
- 2018 Activities: 6, 9
- 2018 Contribution: 24.3, 46.5
- 2019 Activities: 4, 16
- 2019 Contribution: 5.8, 49.1

■ Social welfare and human development (number, thousand €)
■ Education and human capital (number, thousand €)
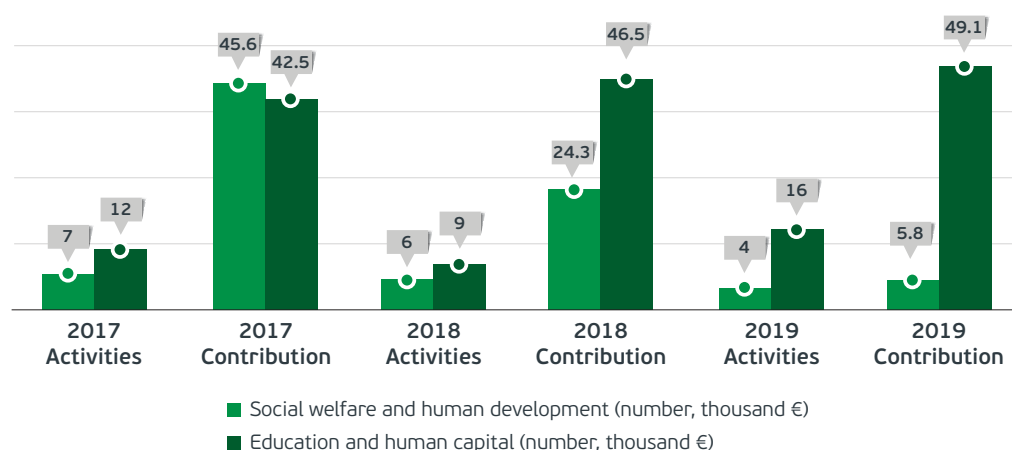
Indicative societal support activities

Activities per main area
Education and human capital
Sponsor to the British Columbia Lottery Corporation's (BCLC) 'New Horizons Responsible Gaming Conference 2019' in Canada.
Sponsor to the African Lottery Association Congress 2019 in Morocco.
Sponsor to the SBC Events' 'Betting on Football Conference 2019' in the UK.
Support for the publication of Ambassadors Club of EBEN (ACE) booklet on cultural education issues, which also include Corporate Responsibility issues.
Donation to the Hellenic-Dutch Association for Commerce and Industry to distribute free-of-charge the quarterly magazine Heda Business Review to its members.
Support to the United States' Educational Foundation Fulbright for its scholarship program.
Sponsor to the University of Hohenheim's Gambling Research Center to promote research on gambling.
Sponsor to the Institute of Internal Auditors Greece's 2019 Annual Conference.
Donation of technological equipment to 4 primary schools in the Municipality of Peania.
Donation of surplus office furniture (e.g. desks, office shelves, drawers) to the Municipality of Ermionida and to 4 schools in Chalandri, Pefki and Athens.
Donation to the Basketball Sports Club of Pagrati.
Sponsor of the beach volley athlete Tatiana Moldovanidou.
Social welfare and human development
Donation of basic necessities to the Nikaia Diocese of the Orthodox Church of Greece during Easter and Christmas seasons, for the last thirteen years.
Participation in the Athens Marathon, the Authentic, to support the NGO 'Greek Society for the Protection of Autistic People' (E.E.P.A.A.).

20 activities
supported through
social support
program, with over
€54,900 invested

GOOD PRACTICE
Supporting Young People and Youth Entrepreneurship

During 2019, INTRALOT participated and implemented various activities to support young people and promote entrepreneurship:

Events and initiatives

Event	Description
Voxxed Days Athens 2019 (Gold Sponsor)	One of the most significant software engineering and developing conferences in Greece, with distinguished speakers from all over the world and over 750 participants.
ReGeneration program's 'Project Future'	Combines paid internship and extensive professional and personal development sessions to reduce youth unemployment.
Four Career Days events	Organized by: - The University of Piraeus (UniPi). - The Athens University of Economics and Business (AUEB). - The ALBA Graduate Business School. - Deree – The American College of Greece.
Athens Job Fair 2019	The largest students' initiative to directly connect young people with companies and labor market.
Career Fair.4all	Promote inclusion of people with disabilities in the labor market through interviews, discussions, and personal networking.
MBA International Program (i-MBA) Career Fair 2019	Organized by AUEB for university students.
Two Mentoring Days 2019 events	Organized by AUEB and UniPi respectively.
Alliance for Digital Employability's Networking Days	Help young people to acquire necessary IT skills and reduce youth unemployment.
Open Conference 2019	A technical conference to promote leading-edge technology topics and reduce brain drain.

GOOD PRACTICE
Supporting Underprivileged Groups and Children

Recognizing that internal engagement is a key parameter to help people in need and improve their quality of life, during 2019 INTRALOT:

▸ Organized the 'Little Santa Claus' initiative on the occasions of the INTRALOT Kids Christmas Party for all employees' children, during which children donated toys, board games, and stationery items to support children from the 'Theotokos' Foundation for the Protection and Rehabilitation of Children and Young People with Mental Disorders, a non-profit organization which provides special education, therapy, vocational training and rehabilitation services to preschool children, teenagers and young adults with developmental delays and mental disorders.

▸ Invited and hosted the non-profit organization of mother and child protection 'Ark of the World' at its Easter and Christmas bazaars, with the total value of products sold to support children needs exceeded €930.

OUR SUBSIDIARIES
Society Support

During 2019, Maltco Lotteries continued to support the local community and contribute to the improvement of residents' daily life, which included:

- Contribution to the Responsible Gaming Fundation to promote awareness on excessive gambling and provide support and guidance to vulnerable social groups.
- Donation to the non governmental organization ALIVE Charity Foundation to support the RE/MAX ALIVE2019 Cycling Challenge for medical research in Malta.
- Contribution to the Maltese Government's Good Causes Fund support individuals, agencies or organizations engaged in social, cultural, educational, sport and philanthropic activities, with over €8.7 million contributed since 2004.
- Contribution to the Malta Community Chest Fund Foundation, which provides financial, material, and professional support to people experiencing difficulties because of severe chronic illness, such as cancer.
- Support of the 2019 SportMalta's Awards to strengthen and support local athletes and financial support of the SportMalta Għażliet Sportivi Nazzjonali winners to encourage and reward them for their efforts and achievements.
- Donation of sports equipment to SportMalta on the occasion of the 5th European Week of Sport, which aims to promote participation in sports and raise awareness on the benefits of being active and participate in physical activities.
- Collaboration with SportMalta to organize the Maltco Indoor Rowing Challenge within the context of the #BeActive event.

Ensuring responsible donations and sponsorships

INTRALOT aims to ensure that donations and sponsorships are responsibly utilized and therefore:

- Does not perform donations or sponsorships to win a business deal or transaction.
- Makes contributions exclusively to charitable organizations instead of individuals.
- Supports organizations and charities registered under local laws.
- Performs background checks on the charity and the charity officials and managers.
- Seeks to define the donations' purpose and beneficiaries.
- Consults with the Group Corporate Responsibility department prior to proceed with any contribution.
- Monitors contributions with relevant performance indicators.

Encouraging volunteerism

INTRALOT seeks to leverage corporate skills and resources and cultivates volunteerism through various activities, as described below:

INTRALOT Runners

Within 2019, INTRALOT participated with over 60 runners to the 5km race of the 1st Corporate Running Party organized by B2Run Greece to support MDA Hellas, which is a non-profit organization to support and improve the quality of life for people with neuromuscular diseases. Based on the number of runners, INTRALOT was ranked 1st among all participating companies.

Furthermore, for the eighth consecutive year, INTRALOT participated with 50 runners to the 5km, 10km and 42km races of the 37th Athens Marathon, the Authentic, to support the NGO 'Greek Society for the Protection of Autistic People' (E.E.P.A.A.).

Support 'Together for Children'

The Company has placed specially marked collection bins in eating areas of Maroussi and Peania premises, where employees can place used items, such as clothes, shoes, books, and toys and donate them to support the organization 'Together for Children', which helps children in need.

Blood donation

INTRALOT implemented 2 blood donation programs within 2019, in cooperation with the Athens Children's Hospital 'Aghia Sophia', where INTRALOT has established a blood bank. As a result, the Company gathered over 70 blood units, to support needs of employees and their families as well as needs of society in general. It must be noted that the Company's blood bank has responded to over 600 direct requests for blood units in the last 10 years, including needs of many hospitalized children.

Over 70 blood units gathered, through employees' **voluntary blood donation** program

It takes 10 min of your time to give a lifetime to others

Workplace Wellness Day
Blood Donation
intralot

OUR SUBSIDIARIES
Blood Donation

Maltco Lotteries seeks to cultivate volunteerism and involve its employees in voluntary initiatives and programs, in order to develop responsible and active citizens. During 2019, the company organized a visit and a voluntary blood donation to support the National Blood Transfusion Unit, which aims to support society needs and ensure adequate blood availability for Malta's hospitals.

Caring for the impact of operations

Local communities constitute an important Stakeholder of INTRALOT, as they are directly related with the Company and its activities and the Company aims to remain aware of its operations' effects and identify their impacts on local communities. To this day, the Company has not identified any operations with significant actual or potential negative impacts on local communities.

It must be noted that within 2019:

▸ Approximately 75% of INTRALOT's premises are accessible by people with disabilities.
▸ There were no significant investment agreements and contracts with clauses on human rights.
▸ There were no significant investments on infrastructure to provide a public service or good rather than for commercial purpose (e.g. roads, schools, power lines and water supply facilities).
▸ There were no accidents with significant impact on the local communities.
▸ There were no complaints about impacts on society filed through formal grievance mechanisms or relevant legal actions and no fines or non-monetary sanctions for non-compliance with relevant laws and regulations were imposed by the respective authorities.
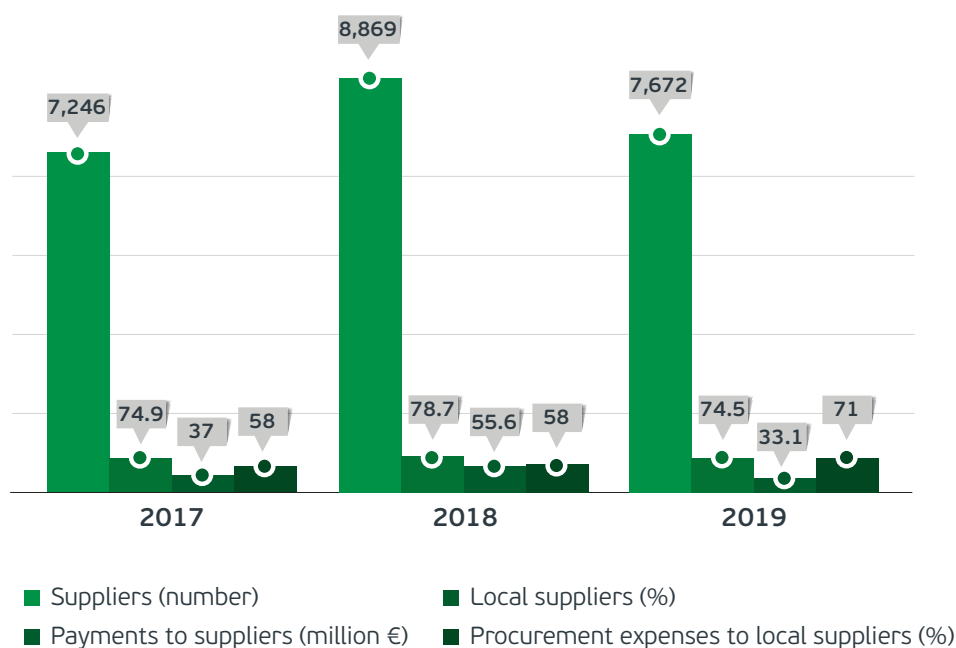
7.2 Responsible Procurement

Supporting suppliers

INTRALOT has over 7,000 suppliers, with approximately 74.5% of them being local suppliers. Despite the globalization of procurement, the Company continues to purchase a considerable amount of products and services from local suppliers and prioritizes local suppliers, where possible. Payments to suppliers amounted to approximately €33.1 million in 2019, with the percentage of procurement expenses allocated to local suppliers reaching 71%.

Percentage of **procurement expenses** allocated to **local suppliers increased** to **71%**

Suppliers and Purchases

	2017	2018	2019
Suppliers (number)	7,246	8,869	7,672
Local suppliers (%)	74.9	78.7	74.5
Payments to suppliers (million €)	37	55.6	33.1
Procurement expenses to local suppliers (%)	58	58	71

■ Suppliers (number)　　　■ Local suppliers (%)
■ Payments to suppliers (million €)　　　■ Procurement expenses to local suppliers (%)

At the same time, INTRALOT aims to keep its contractual obligations regarding payments to suppliers. Indicatively, in 2019:

▸ The average supplier payment time was time was between 30 to 60 days, as in 2018.
▸ The percentage of payments made according to the terms and provisions of the signed contracts was between 95% to 98%, as in 2018.

Selecting suppliers responsibly

POLICY
Purchase Agreements with Suppliers

According to the provisions of the Code of Conduct, all purchase agreements have to be sufficiently documented and clearly state the services or products to be provided, the unit price, the method and terms of payment as well as the applicable rate or fee, while the amount of payment has to be commensurate with the products or services provided.

INTRALOT's collaborations with suppliers and purchasing business processes follow standardized procedures throughout the entire product chain, which include:

▸ A written procurement policy with step-by-step procedures, supplier requisites, and documentation to ensure fairness and compliance.
▸ Annually audited procurement processes to ensure that the Company selects most qualified vendors and service providers.
▸ A non-discrimination policy during the procurement process, regardless of race, color, gender, sexual orientation, religion, disability, age, ancestry and national or ethnic origin, as supplier selection depends solely on financial and technical evaluation, according to INTRALOT's Procurement Policy.

POLICY
Global Procurement Policy

INTRALOT's Global Procurement Policy is a mandatory purchasing framework for all Group purchasing activities worldwide, which states that local subsidiaries:

▸ Are encouraged to establish a Purchasing Committee to better manage all purchases.
▸ Are required to follow the described procedure for all expenses, purchases, and procurement of supplies (e.g. equipment, assets, consumables, materials, marketing, maintenance and repairs), except for urgent purchases, for which any lack or delay endangers normal business continuity and generally do not exceed 1% of the total annual procurement expenses.
▸ Send the purchase request with a detailed description to at least three potential suppliers.
▸ Use specific criteria and weighting (e.g. quality attributes, guarantee, after sales service, response time, total cost) for technical and financial evaluation, according to the purchase's nature.
▸ Sign a written contract for every long-term, significant, and continuous supplier engagement with specific contractual terms as well as mandatory compliance with applicable registration, local laws, and INTRALOT policies.
▸ Re-evaluate every long-term and continuous supplier engagement at least annually.

In all cases:

▸ Employees involved in the procurement process are required to report to the Group Procurement & Logistics Director or the Chief Internal Audit Officer of all purchase orders to suppliers that employ any family member or when they or other family members have a financial or other interest to these suppliers, before placing an order.
▸ All employees are requested to comply with the Policy' provisions, as any violation will lead to disciplinary actions (e.g. termination of employment).
▸ Any employee who believes that he/she has or may have violated the Policy is required to disclose the actual or potential violation to his/her supervisor, who will consult with the Group Procurement Director and the Chief Internal Audit Officer to review and address the issue.
▸ Any employee who suspects that another employee or supplier has violated the Policy is required to promptly report the concern to the Group Procurement Director and the Chief Internal Audit Officer, who will investigate the concern, while maintaining the employee's confidentiality.

Monitoring suppliers

INTRALOT regularly monitors its suppliers' performance through quality control assessments on a financial and technical basis per order. The Company annually monitors subcontractors or following certain changes since the previous evaluation, with the subcontractor's evaluation being based on certain features, including the existence of its own certified Quality Management System and compatibility of its own Quality Plan with INTRALOT's.

GOOD PRACTICE
Monitoring Supplier Performance

INTRALOT has established a procedure to monitor performance of equipment and services suppliers, in order to ensure that suppliers' offerings and services are in accordance with their contractual commitments, during which the Company examines the following issues:
- Quality of deliverables.
- Infrastructure deployment according to the project plan.
- Testing.
- System performance.
- Incidents recorded by the Global Service Desk.

INTRALOT conducts a supplier financial and technical assessment for all suppliers, except certain procurement categories, such as legal expenses, hospitality expenses, rental services, transportation expenses (taxis) and seminars, which evaluates their performance on the following main criteria:
- Financial cost.
- Quality specifications.
- Time to delivery.

In order to enhance informed decision making, INTRALOT follows a due diligence process on suppliers' financial data, except for suppliers without constant cooperation, while at the moment, there is no separate process to identify suppliers with actual or potential negative environmental, labor practices and human rights impacts or impacts on society.

7.3 Materials and Waste

Committing to environmental management and protection

While environmental protection is a particularly important aspect for most industries, the gaming industry has relatively low environmental impact. However, INTRALOT considers and monitors its environmental performance and therefore:
- Has established an ISO 14001:2015 compliant Environmental Management System (EMS) and an Environmental Legislation Monitoring Procedure to ensure compliance with applicable national and international laws and regulations.
- Takes into consideration regular environmental impact assessments.
- Has appointed an Environmental Risk Officer to monitor environmental risks, propose changes to the EMS and ensure proper understanding and implementation.

POLICY
Environmental Policy and Environmental Management System

According to the provisions of the Code of Conduct, INTRALOT is committed to minimize its environmental impact and strives to conserve resources and reduce waste and emissions. For this reason, the Company continuously reviews and improves its Environmental Management System (EMS) and systematically identifies and evaluates the environmental impact of its activities, structured around 4 steps:
- Identify the environmental aspects which INTRALOT can control or influence (e.g. electricity consumption, greenhouse gas emissions, water consumption, hazardous waste), through:
  - Formal risk assessments.
  - Materiality Analysis, as part of the annual Corporate Responsibility Report.
  - Review of environmental legislation.
  - Compliance obligations and agreements with interested parties.
  - Corporate business decisions.
- Determine which environmental aspects have significant impacts.
- Determine and take measures for the significant environmental aspects.
- Update the identification and evaluation of environmental aspects.

The assessment results to an environmental aspect overall priority assignment, which combines the outcome of the following criteria:
- The level of environmental impact severity, using a 1-5 impact scale.
- The likelihood of its occurrence, using a 1-5 likelihood scale.

It must be noted that within 2019 there were:
- €6,000 invested for environmental protection related to the ISO 14001 certification costs.
- No incidents with environmental impacts on local communities.
- No written notices regarding environmental issues by respective authorities.
- No complaints about environmental impacts filed through formal grievance mechanisms, no prosecutions or legal actions for environmental issues and no fines or non-monetary sanctions for non-compliance with environmental laws and regulations were imposed by the respective authorities.

Reducing materials

Since materials consumption is a direct result of its operational needs (i.e. paper, toners), the Company:
- Uses central printers to scan and electronically disseminate copies.
- Monitors and controls printing volume through centralized printers, where employees use their access cards to print any documents.
- Has replaced plastic cups with glass cups in water coolers, which prevents approximately 360,000 plastic cups being disposed each year.

Paper consumption **reduced** by **6.8%**

Materials Consumption

	2017	2018	2019
Paper (kg)*	6,730	6,875	6,405
Toners (units)	296	161	208

Refers to the quantity of paper purchased for all purposes (including office and commercial use).

GOOD PRACTICE
Designing eco-friendlier Products

As a result of the use of environmentally friendlier technologies in product design, INTRALOT:

▸ Has adopted the Restriction of Hazardous Substances (RoHS) Directive 2002/95/EC for all terminals, which limits or bans specific substances in electronic and electric equipment (e.g. lead, cadmium, PBB, mercury, hexavalent chromium, PBDE flame retardants) and requires from suppliers located in Europe to comply also with the Waste Electrical and Electronic Equipment (WEEE) Directive 2002/96/EC.

▸ Integrates NFC technologies (and generally cashless payment services) in vending machines.

▸ Promotes the use of digital solutions and develops products that allow paperless game participation.

▸ Has introduced solutions to deliver information to digital signage displays inside retailer shops and players can access constantly updated information.

▸ Develops terminals with cameras to replace page scanners and has designed 40% of its gaming terminals fan-less, which reduces materials and parts required.

▸ Has introduced ARM technology processors in all retailer terminals, which combine high computing power and low energy consumption.

▸ Uses category 6 external power packs in all terminals (the latest efficiency standard) to ensure the lowest energy footprint during operation and stand-by mode.

▸ Has fully replaced conventional CCFL (cold-cathode fluorescent lamp) technology monitors with LED monitors, which use 30%-50% less energy than conventional monitors and do not contain mercury, halogen or lead.

▸ Uses plastic and metals that can be recycled in its terminals and the majority of electronic components.

▸ Uses recycled paper for the packaging carton boxes of its terminals and all packaging material is durable and reusable.

Recycling materials

INTRALOT follows the relevant legislative framework concerning waste disposal and does not directly send any waste to landfills. Instead, all waste is systematically collected and sent to a licensed recycling partner, who transports waste and handles waste disposal in an appropriate and environmentally friendlier manner, while no waste (including hazardous waste) was transported abroad to be treated. At the moment, INTRALOT does not use recycled or FSC certified paper or any other recycled materials.

Hazardous waste associated with the Company's operation and sent for recycling mainly includes waste refrigerants, lubricant oils, and filters from the use of generators, while it must be noted that the Company is responsible to remove hazardous waste included in hardware produced or traded by INTRALOT according to environmental procedures in cases of leased equipment that is removed after the expiration of the agreement.

Recycling bins
INTRALOT has placed recycling bins in its premises, which include:

▸ Green recycling bins for paper on each floor and has assigned specialized employees to handle collected paper and regularly sent it to a partner recycling company.

▸ Blue recycling bins for aluminum cans on each floor.

▸ Clear recycling bin for batteries at the main entrance.

▸ Specially marked bins in the kitchen areas of Maroussi and Peania premises for recyclable materials such as plastic, metal, and glass packaging.

Electronic equipment
The Company re-uses telecommunication devices and IT equipment (such as personal computers and mobile phones) if they are in working condition. In case they cannot be re-used, the Company stores certain components as spare parts (such as memory discs, batteries, and hard discs) and forwards the remaining materials for recycling.

Materials Recycling

	2017	2018	2019
Operational needs			
Paper (tn)	3	2.8	3
Toners (units)	45	77	52
Batteries (kg)	14	91	212
Electrical and electronic equipment (WEEE) (kg)	NR	NR	50.5
Packaging materials			
Plastic (kg)	1	0.1	0.1
Wood (tn)	3	3	3
Packaging pieces (units)	19,000	19,000	18,500
Hazardous materials			
Refrigerants from generators (kg)	NR	122	122
Lubricant oils from generators (kg)	NR	76	76
Filters from generators (kg)	NR	18	18

NR = Not reported

Materials Recycling

Paper recycled increased to 46.8%

Legend:
- Paper recycled to paper purchased (%)
- Toners recycled to toner used (%)
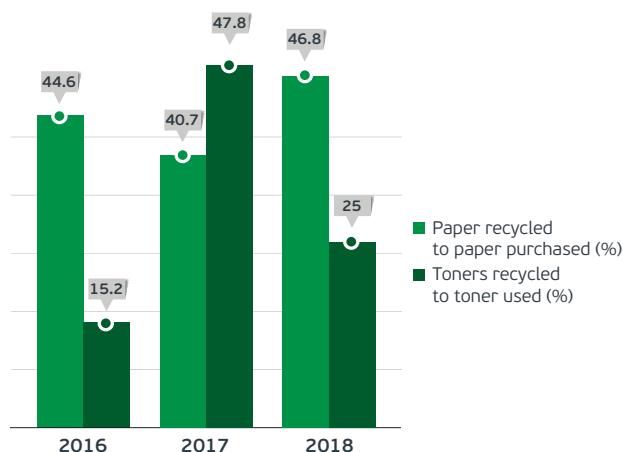
Monitoring water consumption

Water scarcity is highlighted as an extremely important environmental aspect, as water needs and demand have been intensified during the last years. Being aware of its relative scarcity, INTRALOT:

▶ Monitors water consumption in its premises in Maroussi and Peania.
▶ Water supply is performed exclusively through the public water supply network and water utility companies; therefore, no other water sources are affected.
▶ All liquid waste is directed to the public waste network.
▶ Does not use hazardous cleaning materials.
▶ At the moment, does not recycle or reuse water for its operations.
▶ Has implemented control mechanisms to respond to potential water supply failures and water leakages.
▶ There were no planned or unplanned water discharges and no significant spills of chemicals or fuels or any other material.

Water Consumption*

	2017	2018	2019
Water consumption (m³)	10,474	8,628	9,157

*Water consumption for 2017-2019 includes also the volume required to fill the cooling towers for the air conditioning system in INTRALOT's building in Maroussi, due to water leakages noticed.

7.4 Energy and Emissions

Analyzing energy impact

Although INTRALOT's operations are not energy intensive, the Company consciously seeks to reduce energy consumption, with the main sources of energy consumption in its facilities being electricity (purchased from private energy providers) and heating petrol.

Energy Consumption*

	2017	2018	2019
Diesel for vehicle fleet (lt)	48,932	53,263	45,847
Gasoline for vehicle fleet (lt)	33,417	23,597	32,338
Heating petrol (lt)	88,456	81,453	80,417
Electricity (KWh)	3,281,880	2,775,643	2,656,180

Data refer to all buildings of INTRALOT S.A.

In order to reduce its energy consumption and air emissions, INTRALOT:
- Complies with the necessary technical and maintenance requirements of petrol tanks used for heating.
- Regularly checks the electromechanical equipment for heating and hot water (boilers), air conditioning systems as well as computer and other office equipment.
- Monitors fuel consumption of corporate leased vehicles, through fuel cards issued to users.
- Utilizes company buses from major public transportation stations to transport employees from/to Peania premises.
- Uses LED lamps in its building in Maroussi and replaces conventional lamps with energy-efficient lamps, with approximately 85% and 50% of lamps installed in Maroussi and Peania premises respectively being energy-efficient lamps.
- Has installed photoelectric cells in garage areas to turn off lights when there are no employees in those areas.
- Has instructed the Building Security guards to regularly inspect workspace areas during their shifts to ensure that lights and heating/cooling are turned off in areas when there are no employees during late evening and night hours.
- Has installed and operates a Building Management System (BMS) in its building in Peania, which allows operations to automatically halt in case of malfunctions.

Electricity consumption reduced by **4.3%**

GOOD PRACTICE
Transition to Cloud

As INTRALOT steadily progresses towards environmentally friendlier IT solutions, the Company expands the use of virtualized environments and cloud solutions for certain IT and development services to replace stand-alone and physical servers, in order to achieve energy savings and reduce carbon dioxide emissions.

Monitoring greenhouse gas emissions

Despite operating in a non-energy intensive industry with limited greenhouse gas emissions compared to other industries, the Company systematically measures and reports its greenhouse gas emissions due to its extensive operations and the issue's importance worldwide.

Greenhouse gas emissions*

	2017 (tons CO_2)	2018 (tons CO_2)	2019 (tons CO_2)
Direct (Scope 1) Greenhouse gas emissions			
Due to diesel consumption for vehicle fleet	129	141	121
Due to gasoline consumption for vehicle fleet	77	54	74
Due to petrol consumption for heating	237	218	215
Indirect (Scope 2) Greenhouse gas emissions			
Due to electricity consumption	2,199	1,860	1,780
TOTAL	2,642	2,273	2,190

Data refer to all buildings of INTRALOT S.A. Sources of conversion factors: GHG Protocol GHG emissions from transport or mobile sources Calculation Tool v2.6 May 2015 (Diesel, Gasoline), GHG Protocol GHG emissions from stationary combustion Calculation Tool V 4.1 May 2015 (Heating Petrol), IEA - CO_2 Emissions from Fuel Combustion 2016 edition 1 (Electricity).

Using environmentally friendlier refrigerants

INTRALOT's objective is to reduce the average Ozone Depleting Potential (ODP) of refrigerants used and mainly utilizes chlorofluorocarbons (CFCs) free refrigerants to cool its servers, use in air-conditioning (R407 and R410) and fire suppression systems as well as for its coolers, in order not to harm the ozone layer, as they correspond to a lower ODP (R-11 equivalent), with no quantities of refrigerants required during equipment maintenance activities in buildings.

Air travel

Because the climate impact of air transportation is currently not sufficiently regulated by national or international laws, the Company voluntarily commits to minimize air travel and travelled air miles, in order to further reduce its impact on climate change. Therefore, INTRALOT:
- ▸ Uses other modes of regional travel, where possible.
- ▸ Utilizes remote session technologies and conference calls to reduce the number and frequency of business travels.
- ▸ Extensively uses e-learning training programs.
- ▸ Monitors the number of flights and greenhouse emissions due to employee air travel.
- ▸ Combines trips and activities to minimize the number of flights required.
- ▸ Uses the most direct routes possible, since take-offs and landings increase the amount of fuel consumed.
- ▸ Prefers to utilize flights during the daytime, because relevant studies have showed that flying during nighttime increases the overall environmental impact.
- ▸ Encourages employees to fly economy seats, because more people per plane mean fewer emissions per person.
- ▸ Encourages employees not to carry heavy baggage during flights, because lighter planes mean less fuels consumed.

Carbon dioxide emissions reduced by 3.6%

Air miles and CO₂ emissions from air travel

	2017	2018	2019
Flights (number)	727	827	745
Long flights (>4 hours)	172	155	180
Short flights (>4 hours)	555	672	565
Travelled air miles (thousand miles)	773.9	686.9	574.9
CO₂ emissions (indirect emissions) (tons)*	492.8	437.4	285.3

Estimations based on ICAO Carbon Emissions Calculator and EPA 430-R-08-006.

Promoting environmental awareness

INTRALOT seeks to promote environmental protection issues and encourages initiatives related to environmental protection. Therefore, the Company:

▸ Implemented the internal awareness campaign 'Keep Going Green at the Office!' to reduce energy consumption and waste, reuse paper and other materials (e.g. food and beverage containers), as well as recycle paper, metal, glass, plastic, and domestic batteries, which was effectively communicated to all employees during 2019.
▸ Includes the use of a dedicated reminder in corporate e-mail signatures to consider the environment before printing an e-mail.
▸ Utilizes internal communication means (e.g. email, Corporate intranet portal, posters) to raise employee awareness on environmental protection and efficient use of energy sources.
▸ Briefs newly hired employees on recycling through the Corporate Induction Program.
▸ Supports the activities of its Corporate Volunteer Group, which was created in 2005 and actively engages in various programs and initiatives with Stakeholders and the wider public on environmental protection issues.

Carbon dioxide emissions from air travel reduced by **34.8%**

Protecting biodiversity

Due to its negligible influence of activities and operations on biodiversity, INTRALOT does not have a separate policy on biodiversity. However, the Company takes this important environmental issue into consideration, as:

▸ All buildings are located in established industrial or residential areas, with no facilities located near protected NATURA or RAMSAR areas.
▸ All operation sites are not located near ecosystems and habitats or other areas of high biodiversity value outside protected areas.
▸ There are no IUCN Red List species and national conservation list species with habitats in areas affected by operations.
▸ Participates in activities to protect and restore biodiversity, as the Company joined EBEN Ambassadors Club to the 'Clean-up of Marathon Beach' organized by the Hellenic Marine Environment Protection Association (HELMEPA) in 2019, a non-governmental organization committed to safeguard the seas and promote environmental awareness, on the occasion of the 'European Cleaning Day'.

2019 Objectives

Implement an internal awareness campaign to reduce energy consumption

100%

Contribute to career initiatives for university students (e.g. career fairs, internships, mentoring)

100%

Participate in career fairs or programs for persons with abilities and unemployed youth

100%

Sponsor or participate in local technology-related events

100%

Finalize the KYC process (Know-Your-Customer) for 146 major suppliers

100%

08
ECONOMIC
SUSTAINABILITY

" Ensuring benefits
for Shareholders,
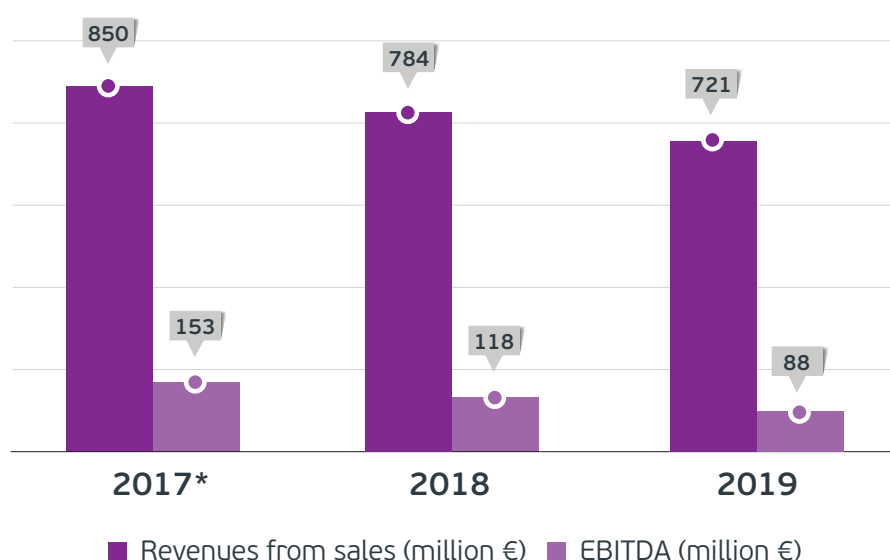Business Partners,
Retailers and States "

8.1 Financial Performance

Achieving economic development

INTRALOT Group currently owns a large portfolio of diversified contracts across geographies and business activities. Regarding the Group's financial results in 2019, revenues and EBITDA (Earnings before Interest, Tax, Depreciation and Amortization) reached €720.6 million and €87.8 million respectively, from €784.4 million and €117.7 million respectively in 2018.

Key Group Financial Highlights

	2017*	2018	2019
Revenues from sales (million €)	850	784	721
EBITDA (million €)	153	118	88

■ Revenues from sales (million €)   ■ EBITDA (million €)

Numbers have been restated and adjusted for comparability, excluding discontinued operations pursuant to IFRS 5 in Azerbaijan, Russia, Santa Lucia, Jamaica, Slovakia, Poland, and Italy, following the respective mergers and acquisitions and disposal activities.

The following table presents the main results for the 2017-2019 period, with additional financial information being available in the Annual Reports at www.intralot.com, while:

▸ No financial assistance was received from the Government.
▸ There were no written notices by respective authorities or legal actions regarding economic activities (e.g. stock market, financial reporting) and no fines or non-monetary sanctions were imposed.

Group Revenues and **EBITDA decreased** by **8.1%** and **25.4%** respectively

Group Financial Results

	2017	2018	2019
Total Assets (million €)	1,021.9	944.1	797.5
Revenues (million €)	850.3*	784.4*	720.6
Operating Income (EBITDA) (million €)	152.9*	117.7*	87.8
EBITDA margin on sales (%)	18*	15*	12.2
Profit / (loss) after tax (continuing and discontinued operations) (million €)	(6)	27	(82.1)
Operating costs (million €)**	776.2*	747*	735
Gross profit / (loss) (million €)	197.8*	158*	126
Operating Cash Flow (million €)	154	88.6	61.3
Net Capital Expenditures (million €)	73.8	103.2	55
Net Debt (million €)***	510.7	615.3	594.1
Net Debt / EBITDA (ratio)****	3.0x	5.3x	6.8x
Investments (million €)*****	74.3	103.7	55.3

* Numbers have been restated and adjusted for comparability, excluding discontinued operations pursuant to IFRS 5 in Azerbaijan, Russia, Santa Lucia, Jamaica, Slovakia, Poland, and Italy, following the respective mergers and acquisitions and disposal activities.

** Operating costs = Cost of Sales + Operating Expenses (including depreciation expenses).

*** Net Debt = Long-term Debt + Short-term Debt and current portion of Long-term Debt + Financial Leases – Cash and cash equivalents, as reported/published in the respective periods.
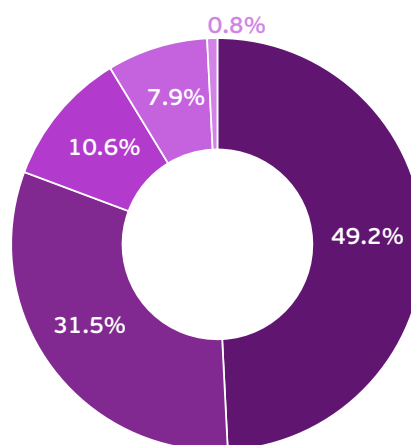
**** Net Debt divided by EBITDA, as reported/published in the respective periods.

***** Investments = Purchases of tangible and intangible assets.

Revenue Structure

2.5%
4.4%
6%
44.4%
42.7%

GGR Structure

0.8%
7.9%
10.6%
49.2%
31.5%
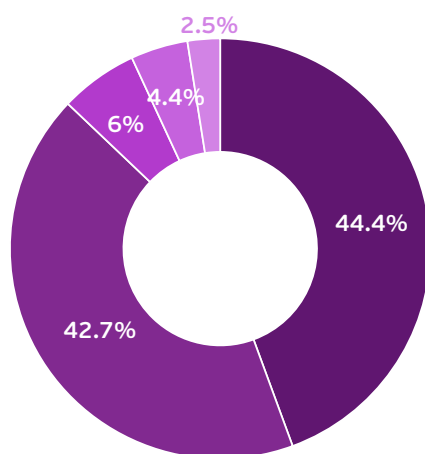
- Lottery Games
- Sports Betting
- IT Products and Services
- Video Lottery Terminals Amusement with Prizes Machines
- Racing

OUR SUBSIDIARIES
Financial Performance in Main Markets

With presence in all 5 continents, the Group's contracts extend both in advanced and mature gaming markets as well as in developing markets and newly developed gaming markets with significant growth potential.

Regarding the financial performance in main markets within 2019:
▸ In the United States of America, revenues increased by 26.3%, mainly due to the successful launch of the Illinois contract, the higher numerical sales, and an equipment sale in Arkansas, as well as the favorable currency movement against the Euro.
▸ In Greece, revenues decreased by 38.4%, mainly due to the new OPAP contract transition with limited scope compared to the previous contract, specifically regarding numerical games, as well as the lower equipment sales.
▸ In Argentina, revenues decreased by 19.5%, as the result of the country's macroeconomic environment, which led to the application of hyperinflationary economy reporting standard.
▸ In Oceania, marginally increased revenues by 1.4% were the result of the Australian entities' better performance, despite the relatively stable business in New Zealand.
▸ In Turkey, revenues decreased by 26.1%, mainly due to the local currency devaluation and Inteltek's contract discontinuation, despite the fact that Bilyoner's revenues increased in local currency terms.
▸ In Morocco, revenues decreased by 11.3%, mainly due to decreased numerical sales following the SGLN contract discontinuation, despite the modest sports betting revenue increase and the successful introduction of virtual football.
▸ In Bulgaria, revenues decreased by 13%, mainly due to the lower Sports Betting performance as a result of a conservative payout strategy and the consolidation method change of Eurofootball.
▸ In Malta, revenues marginally decreased by 0.9%.

8.2 Shared Value

Sharing value

INTRALOT Group seeks to create economic value not only for its shareholders, but also for other Stakeholders. Therefore, the Group's revenues ensure that significant financial resources are returned back to society, towards its network (through sales fees), the State (through taxes paid), providers of funds (through interest paid for loans), suppliers (through purchases), employees (through wages and benefits), as well as corporate reinvestment.

INTRALOT Group generated €496 million of shared value for its Stakeholders in 2019, slightly increased from €476 million in 2018. At INTRALOT level, the Company generated €86 million of shared value in 2019 in Greece.

Shared Value*

Legend:
■ Shared Value Generated Worldwide (million €)**
■ Shared Value Generated Greece (million €)
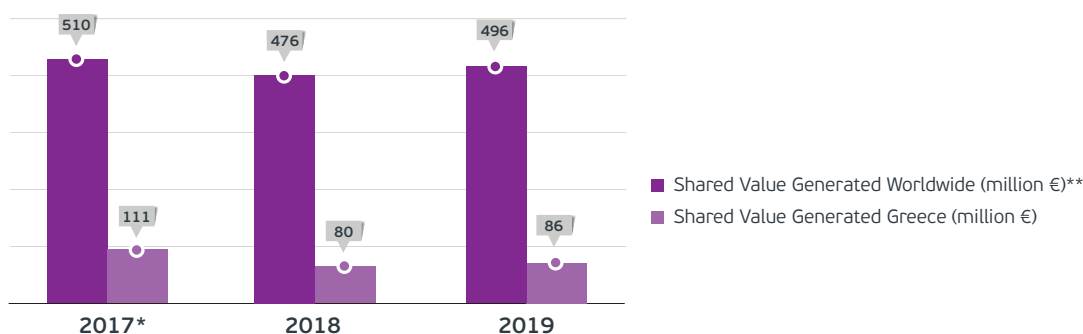
* Shared value worldwide and in Greece does not include any of the Group's associate companies (e.g. Hellenic Lotteries in Greece, Gamenet in Italy).

** Shared value generated worldwide for 2017 and 2018 has been restated and adjusted for comparability, excluding discontinued operations pursuant to IFRS 5 in Azerbaijan, Russia, Santa Lucia, Jamaica, Slovakia, Poland and Italy, following the respective mergers and acquisitions and disposal activities.

Group Shared Value Breakdown
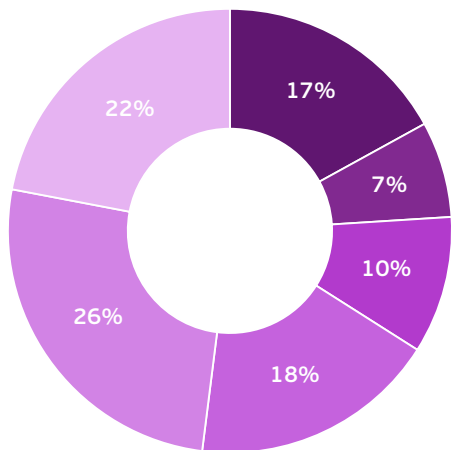
- 17% Corporate Reinvestment
- 7% Sales Fees
- 10% Payment to Providers of Funds
- 18% Payment to Suppliers
- 26% Taxes Paid
- 22% Employee Wages and Benefits

■ Corporate Reinvestment   ■ Payment to Providers of Funds
■ Sales Fees   ■ Payment to Suppliers
■ Taxes Paid   ■ Employee Wages and Benefits

Group generated **over €1.4bn** shared value in the **last 3 years**, with over **€270m** in Greece

8.3 Innovation and Research

Promoting research and innovation

Research and innovation are strategically important issues for INTRALOT, as they allow the Company to:

▶ Launch innovative products.
▶ Implement new design and new technology functionalities.
▶ Promote knowledge and know-how sharing among its employees.
▶ Support the development of human capital.

Through INTRALOT's continuous investments in Research and Development (R&D), the Company focuses to enhance quality, performance, and flexibility, while decrease development, maintenance, and deployment costs. Apart from in-house R&D, INTRALOT has Development Centers in the United States of America, Greece, Bulgaria and Malta and cooperates with leading educational institutions and technology vendors.

Group R&D Investments*

2017	2018	2019
14.6	12.8	13.3

■ R&D investments (million €)
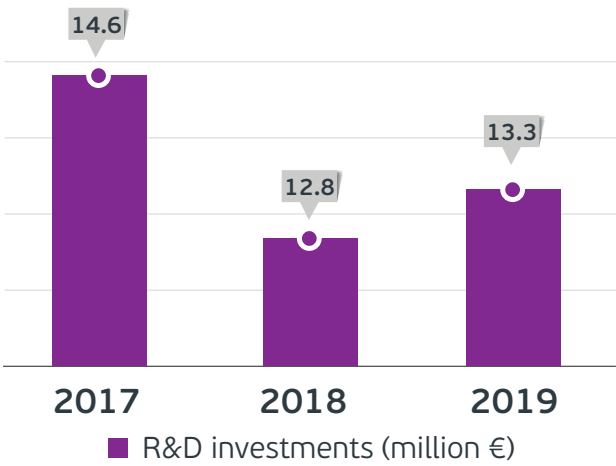
Group R&D investments refer to a continuing operations basis.

Furthermore, the Company held 284 patents and designs in gaming technology worldwide, compared to 251 patents worldwide in 2018, with 58 additional patents at various stages of approval, with an emphasis to leverage trends in mobile technology, multiple gaming channels, the internet of things (IoT), cloud computing and HTML5. The Company's most recent patents include methods and systems related to:

▶ Interpretation of at least one user mark on a lottery play slip, through an algorithm that captures an image from a camera.
▶ Detection of fraud in betting and lottery games.
▶ Dispensing of instant lottery tickets.
▶ Ticket security protocols.
▶ Conducting multi-jurisdictional progressive fast play lottery games.
▶ Design of new games and terminals.

Over €13 million investment
in research and development, at Group level

GOOD PRACTICE
R&D Investment Ranking

For the thirteenth consecutive year, INTRALOT was ranked amongst the top investing organizations in the 2019 European Union Industrial Research & Development Investment Scoreboard, which is annually published by the European Commission's Joint Research Centre (JRC), where INTRALOT:
▶ Was ranked 847th in the list with the 1,000 European top R&D investors and 38th at the 'Technology Hardware & Equipment' sector list.
▶ Was one of the only three companies from Greece to be included in the 2019 Scoreboard and the only one in the 'Technology Hardware & Equipment' sector.

Forming research partnerships

INTRALOT has also formed collaboration partnerships and agreements with independent research centers, organizations, and leading institutions, which include:

The gi-Cluster
INTRALOT is a leading partner of the gi-Cluster (Gaming and Creative Technologies & Applications Cluster – www.gi-cluster.gr) in Athens, which was established by the non-profit organization 'Corallia', to develop a dynamic, technology-oriented Gaming Innovation Cluster and introduce a cooperation framework with the sector's highly skilled human capital.

The Athens Information Technology
INTRALOT has a partnership with the Athens Information Technology (AIT), a non-profit Center for Research and Education in Information Technology, Telecommunications, and Innovation Management, which focuses on the following main projects:
▶ Story storytelling, visual design, and development of an interactive educational game on ISMS scenarios.
▶ An Addiction Detection Engine (ADE) with:
  ▼ A game-evaluation module to allow game designers to evaluate whether a proposed game-design has high addiction risk.
  ▼ A player addiction detection module to constantly monitor player's historical behavior.
  ▼ A self-awareness feedback module, with a self-evaluation questionnaire.
▶ New game development and game playing ecosystem.
▶ Novel image and video processing technologies.

09
ABOUT
THE REPORT
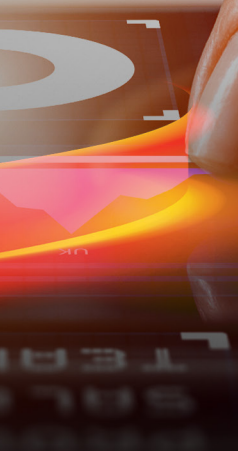
9.1 Scope and Development

Principles

The Report follows the Global Reporting Initiative's (GRI) 'Sustainability Reporting Standards' (version 2016), while the following have also been used:
- For the principles of the Report, the UN's Global Compact.
- For the presentation of quantitative data within the Report, the EFQM's RADAR Card.

Scope

The annual Corporate Responsibility Report:
- Refers to the period 1/1/2019-31/12/2019 (unless indicated otherwise in certain points).
- Refers to all activities of INTRALOT S.A. (referred as 'INTRALOT' or 'Company'), while further references to selected activities of other companies within the INTRALOT Group (referred as 'INTRALOT Group' or 'Group') are presented (without being included in the scope of this Report), with the exception of Responsible Gaming and Financial Results, which refer to the entire INTRALOT Group.
- Addresses all operations (hardware and software, game content, sports betting management, interactive gaming and management and marketing services as well as licensed gaming operations in its own right).
- Contains, as a norm, quantitative results for the last three years.
- Contains, as a norm, quantitative data from direct measurements, with while exceptions of estimations and restatements of information from the previous Corporate Responsibility Report 2018 are clearly noted.

Terms

For convenient reading, please pay attention to the following terms and symbols:
- The terms 'INTRALOT' or 'Company' refer to INTRALOT S.A., the Headquarters of INTRALOT Group.
- The terms 'INTRALOT Group' or 'Group' refer to all companies of the Group, including INTRALOT S.A. and its subsidiaries.
- The term 'Customers' refers to the players in countries where INTRALOT is a licensed gaming operator as well as Lottery Operators in countries where INTRALOT is a provider of technology or manages lottery operations.
- Terms indicated as '3.1', '5.6' etc. refer to the area and section of this Report (e.g. used in the GRI, Global Compact and Stakeholder Tables). For example, the term '5.6' makes reference to chapter 5 (Responsible Gaming), section 6 (Responsible Communication).

Restrictions

INTRALOT recognizes limitations in the Report it publishes, such as presentation of more quantitative data and objectives and external assurance of the Report's principles and content, which intends to handle in future publications.

Option of Report

This Report has been prepared in accordance with the GRI Standards: Core option.

Development of Report:

The Report has been developed in cooperation with STREAM Management:
www.stream-eu.com

Your feedback

INTRALOT welcomes any question, enquiry, clarification or proposal to improve its sustainability reporting. Kindly forward your comments, enquiries or suggestions to:

INTRALOT S.A.
Corporate Affairs Department

Mrs. Chryssa Amanatidou, Group Corporate Affairs Director

64, Kifissias Ave. & 3, H. Sabbagh / S. Khoury St., 151 25 Athens, Greece
Tel: (+30) 210 615 6000, Fax: (+30) 210 615 6093
E-mail: corporateaffairs@intralot.com

Main symbols

For convenient reading of this Report, please pay attention to the following symbols, which are widely used:

GOOD PRACTICE	OUR SUBSIDIARIES	POLICY	DID YOU KNOW?
Highlights examples of good practices implemented by INTRALOT.	Highlights examples of good practices implemented by INTRALOT in countries where it operates.	Highlights sections from formal corporate Policies.	Highlights information of particular interest.

9.2 Global Compact Table

Issue	Principle	Report Section	Coverage
Human Rights			
1.	Support and respect protection of internationally proclaimed human rights	6.5	F
2.	Ensure not to be complicit in human rights abuses	6.5	F
Labor Standard			
3.	Recognize freedom of association and right to collective bargaining	6.5	F
4.	Eliminate all forms of forced and compulsory labor	6.5	P
5.	Abolish effectively child labor	6.5	P
6.	Eliminate discrimination in respect to employment and occupation	6.4	F
Environment			
7.	Support a precautionary approach to environmental challenges	7.3, 7.4	F
8.	Promote greater environmental responsibility	7.3, 7.4	F
9.	Encourage development and diffusion of environmentally friendly technologies	2.2, 7.3	F
Corruption			
10.	Work against all forms of corruption, including extortion and bribery	4.1, 4.3	F

9.3 GRI Content Index

The correspondence between the content of this Report and the Global Reporting Initiative's (GRI Standards 2016) General Disclosures, Management Approach and Topic-Specific Disclosures, is presented in the following tables.

- ▶ Coverage of GRI disclosures is characterized as Full (F), Partial (P) or Not Applicable (NA).
- ▶ General Disclosures of GRI required for 'Core' option are indicated in orange background.
- ▶ Management Approach, Topic Specific Disclosures and Boundaries for Material Topics (both for GRI related Topics and other Topics) are indicated in orange background on the Table, based on the Materiality Analysis conducted
- ▶ No external assurance has been conducted for the Material Topics.

GRI Standard	Report Section	Coverage	Boundary of Disclosure
General Disclosures			
GRI 102: General Disclosures 2016			
Organizational Profile			Company
102-1	2.1	F	
102-2	2.2, 5.6	F	
102-3	2.1	F	
102-4	2.1	F	
102-5	2.3	F	
102-6	2.1	F	
102-7	2.1, 2.2, 6.1, 8.1	F	
102-8	6.1	F	
102-9	2.2, 7.2	F	
102-10	2.1	F	
102-11	7.3	F	
102-12	2.5, 4.1, 5.1, 6.5	F	
102-13	2.5	F	
Strategy			Company
102-14	1	F	
102-15	1, 2.4, 4.3	P	
Ethics and Integrity			Company
102-16	2.1, 4.1, 5.1, 6.4, 6.5	F	
102-17	4.1	P	
Governance			Company
102-18	4.2	F	
102-19	3.1	P	
102-20	3.1, 4.2, 4.3	F	
102-21	4.2	F	

GRI Standard	Report Section	Coverage	Boundary of Disclosure
102-22	4.2	P	
102-23	4.2	F	
102-24	4.2	P	
102-25	4.2	P	
102-26	3.1, 4.2	P	
102-27	3.1, 4.2	P	
102-28	4.2	P	
102-29	4.3	P	
102-30	4.3	P	
102-31	4.3	F	
102-32	3.2	F	
102-34	4.2	F	
102-35	4.2	P	
102-36	4.2	P	
102-37	4.2	P	
102-38	6.4	F	
Stakeholder Engagement			Company
102-40	3.3	F	
102-41	6.5	F	
102-42	3.3	F	
102-43	3.3	F	
102-44	3.3	F	
Reporting Practice			Company
102-45	8.1, 9.1	F	
102-46	3.1-3.3	F	
102-47	3.2, 9.3	F	
102-48	8.1, 9.1	F	
102-49	9.1	F	
102-50	9.1	F	
102-51	9.1	F	
102-52	9.1	F	
102-53	9.1	F	
102-54	9.1	F	
102-55	9.3	F	
102-56	9.1, 9.3	F	

GRI Standard	Report Section	Coverage	Boundary of Disclosure
Economic Topics			
GRI 103: Management Approach 2016			
103-1	3.2, 4.1, 4.3, 7.2, 9.3	F	
103-2	4.1, 4.3, 7.2	F	
103-3	4.1, 4.3, 7.2	F	
GRI 201: Economic Performance 2016			
201-1	8.1	F	
201-4	8.1	F	
GRI 202: Market Presence 2016			
202-1	6.4	P	
202-2	6.1, 6.4	F	
GRI 203: Indirect Economic Impacts 2016			
203-1	7.1	F	
203-2	7.1	F	
GRI 204: Procurement Practices 2016			Company
204-1	7.2	F	
GRI 205: Anti-Corruption 2016			Company
205-1	4.3	F	
205-2	4.1, 4.3	P	
205-3	4.3	F	
GRI 206: Anti-competitive Behavior 2016			Company
206-1	4.3	F	
Environment Topics			
GRI 103: Management Approach 2016			
103-1	3.2, 7.3, 9.3	F	
103-2	7.3	F	
103-3	7.3	F	
GRI 301: Materials 2016			
301-1	7.3	P	
301-2	7.3	F	
301-3	7.3	P	
GRI 302: Energy 2016			
302-1	7.4	F	
302-2	7.4	P	
302-5	7.4	P	

GRI Standard	Report Section	Coverage	Boundary of Disclosure
GRI 303: Water and Effluents 2018			
303-1	7.3	P	
303-3	7.3	P	
303-4	7.3	F	
303-5	7.3	P	
GRI 304: Biodiversity 2016			
304-1	7.4	F	
304-2	7.4	F	
304-4	7.4	F	
GRI 305: Emissions 2016			
305-1	7.4	F	
305-2	7.4	F	
305-3	7.4	P	
GRI 306: Effluents and Waste 2016			Company
306-2	7.3	P	
306-3	7.3	F	
306-4	7.3	P	
306-5	7.3, 7.4	F	
GRI 307: Environmental Compliance 2016			
307-1	7.3	F	
GRI 308: Supplier Environmental Assessment 2016			
308-2	7.2	F	

Social Topics

GRI Standard	Report Section	Coverage	Boundary of Disclosure
GRI 103: Management Approach 2016			
103-1	3.2, 4.3, 5.4, 5.5, 5.6, 5.7, 6.1, 7.1, 7.2, 8.1, 9.3	F	
103-2	4.3, 5.4, 5.5, 5.6, 5.7, 6.1, 7.1, 7.2, 8.1	F	
103-3	4.3, 5.4, 5.5, 5.6, 5.7, 6.1, 7.1, 7.2, 8.1	F	
GRI 401: Employment 2016			Company
401-1	6.1	F	
401-2	6.1	F	
401-3	6.1	P	
GRI 402: Labor/Management Relations 2016			
402-1	6.5	F	

GRI Standard	Report Section	Coverage	Boundary of Disclosure
GRI 403: Occupational Health and Safety 2018			
403-2	6.3	P	
403-3	6.3	P	
403-5	6.3	P	
403-6	6.1, 6.3	P	
403-9	6.3	P	
403-10	6.3	P	
GRI 404: Training and Education 2016			
404-1	6.2	P	
404-3	6.2	F	
GRI 405: Diversity and Equal Opportunity 2016			
405-1	6.1	F	
405-2	6.4	P	
GRI 406: Non-discrimination 2016			
406-1	6.4	F	
GRI 407: Freedom of Association and Collective Bargaining 2016			
407-1	6.5	P	
GRI 408: Child Labor 2016			
408-1	6.5	P	
GRI 409: Forced or Compulsory Labor 2016			
409-1	6.5	P	
GRI 411: Rights of Indigenous People 2016			
411-1	-	NA	
GRI 412: Human Rights Assessment 2016			
412-2	6.2	F	
GRI 413: Local Communities 2016			Company
413-1	7.1	P	
413-2	7.1	F	
GRI 414: Supplier Social Assessment 2016			Company
414-2	7.2	F	
GRI 415: Public Policy 2016			Company
415-1	4.3	F	

GRI Standard	Report Section	Coverage	Boundary of Disclosure
GRI 416: Customer Health and Safety 2016			
416-1	5.4	F	
416-2	5.4	F	
GRI 417: Marketing and Labelling 2016			Company
417-1	5.6, 5.7	F	
417-2	5.6	F	
417-3	5.6	F	
GRI 418: Customer Privacy 2016			Company
418-1	5.5	F	
GRI 419: Socioeconomic Compliance 2016			Company
419-1	4.3, 5.4, 6.4, 8.1	F	

Other Topics (non GRI)

GRI Standard	Report Section	Coverage	Boundary of Disclosure
GRI 103: Management Approach 2016			
103-1	3.2, 4.3, 5.3, 5.4, 5.7, 6.1, 6.3, 6.4, 7.2, 9.3	F	
103-2	4.3, 5.3, 5.4, 5.7, 6.1, 6.3, 6.4, 7.2	F	
103-3	4.3, 5.3, 5.4, 5.7, 6.1, 6.3, 6.4, 7.2	F	
Responsible Gaming			Company
Duration of Responsible Gaming trainings (hours)	5.3, 5.7	F	
Evaluation of Responsible Gaming training programs	5.3	F	
Products with Responsible Gaming information (percentage)	5.7	F	
Risk Management			Company
Risk management approach	4.3	F	
Responsible Buying			Company
Suppliers' evaluation (process, frequency)	7.2	F	
Business Continuity			Company
Operations assessed for risks which could result to a cease of operations (percentage)	4.3	F	

GRI Standard	Report Section	Coverage	Boundary of Disclosure
Products & Services Quality			Company
Products with lifecycle assessments related to quality (percentage)	5.4	F	
Labor Practices			Company
Grievances about labor practices filed, addressed, and resolved (number)	6.4	F	
Information Security			Company
Information security events reported and actions taken (number)	4.3	F	
Products & Services Compliance			Company
Incidents of non-compliance with regulation and voluntary codes concerning provision and use of products and services (by number, outcomes)	5.4	F	
Office Work Conditions			Company
Concerns related to Health and Safety at workplace (by number, outcomes)	6.3	F	
Employees with overtime work (by percentage, average overtime hours)	6.1	F	

9.4 Glossary

Term	Refers to
'3.1' or '5.6' etc.	The area and section of this Report (e.g. used in the GRI, Global Compact and Stakeholder Tables). For example, the term '5.6' makes reference to chapter 5 (Responsible Gaming), section 6 (Responsible Communication).
'B2B'	The form of commerce where a company makes a commercial transaction with another, such as sourcing materials for their production process.
'B2C'	The form of commerce where a company sells consumer goods or services to directly to its customers through multiple distribution channels.
'B2G'	The form of commerce where a company provides goods and services to government agencies (i.e. federal, state or local).
'Carbon dioxide' or 'CO$_2$'	The gaseous chemical compound derived from the combustion of fossil fuels (oil, gasoline, natural gas, etc.) and organic compounds (wood, plastic, etc.), which contributes to the greenhouse effect.
'COBIT'	The Control Objectives for Information and Related Technologies, a framework created by the international professional association ISACA, which provides a set of controls over information technology and organizes them around a logical framework of IT-related processes and enablers.
'Corporate Social Responsibility' or 'Corporate Responsibility'	The voluntary commitment of companies to include in their corporate practices economical, social, and environmental criteria and activities, which are beyond the legislative requirements and are related to their impact on Stakeholders.
'Customers'	The end users (players) in countries where INTRALOT is a licensed operator (B2C) as well as Lottery Operators (B2B) in countries where INTRALOT is a provider of technology or manages lottery operations.
'EFQM'	The European Foundation for Quality Management, a non-profit organisation located in Brussels, which promotes Business Excellence and within this frame, also Corporate Responsibility.
'European Lotteries Association' or 'EL'	The umbrella organisation of national lotteries in Europe, who only offer gaming and betting services in the jurisdictions they are licensed by the respective national government.
'Electronic Gaming Machines' or 'EGMs'	The gaming machines with three or more reels which spin when a button is pushed.

'Global Compact'	The United Nations Global Compact, an initiative to encourage companies and organizations worldwide to adopt sustainable and socially responsible policies as well as to report on their implementation, stating ten principles in the areas of human rights, labor, the environment, and anti-corruption.
'INTRALOT' or 'Company'	INTRALOT S.A., the Headquarters of INTRALOT Group.
'INTRALOT Group' or 'Group'	All companies of the Group, including INTRALOT S.A. and its subsidiaries.
'NFC'	The Near-field communication technology, a set of communication protocols that enable two electronic devices to establish communication by bringing them in close distance with each other.
'Player'	The end users of INTRALOT's games.
'Report'	The Corporate Responsibility Report 2019.
'Sales network'	The Points of Sale of INTRALOT's games.
'Video lottery terminal' or 'VLT'	The gaming machine that allows players to bet on the outcome of a video game.
'World Lottery Association' or 'WLA'	The global professional association of state lottery and gaming organizations from more than 80 countries.

9.5 Feedback Form

Your opinion helps INTRALOT improve

We invite you to share your opinion with INTRALOT and help us improve the Corporate Responsibility Report by sending us the following questionnaire:

Which Stakeholder group do you belong to?

☐ Players   ☐ Customers   ☐ Suppliers

☐ Business Partners ☐ Retailers   ☐ States

☐ Employees   ☐ Local Communities ☐ NGOs

☐ Media   ☐ Shareholders

☐ Other:_____

What is your overall impression of the Report?

	Very Good	Good	Average	Poor
Coverage of basic issues regarding the company's operations	☐	☐	☐	☐
Completeness of quantitative data	☐	☐	☐	☐
Completeness of qualitative data	☐	☐	☐	☐
Graphics and illustration	☐	☐	☐	☐
Balance between sections	☐	☐	☐	☐

What is your opinion regarding the following sections of the Report?

	Very Good	Good	Average	Poor
INTRALOT Group	☐	☐	☐	☐
Corporate Responsibility	☐	☐	☐	☐
Corporate Governance and Compliance	☐	☐	☐	☐
Responsible Gaming	☐	☐	☐	☐
Employee Wellbeing	☐	☐	☐	☐
Societal Support	☐	☐	☐	☐
Economic Sustainability	☐	☐	☐	☐

Are there any sections that need to be extended/shortened?

_____
_____
_____
_____

Do you have any comments or suggestions about the Report?

_____
_____
_____
_____

Personal Data (optional):

Full name:_____

Company/Organization:_____

Address:_____

Phone/Fax: _____

E-mail:_____

Please return this form to:

INTRALOT S.A., Group Corporate Affairs
64, Kifissias Ave. & 3, H. Sabbagh / S. Khoury
St., 151 25 Athens, Greece
e-mail: corporateaffairs@intralot.com

Report evaluation information will be statistically processed toward the sole purpose of making reporting improvements. All personal data are treated as confidential and are protected as stipulated by law.