

***intralot***

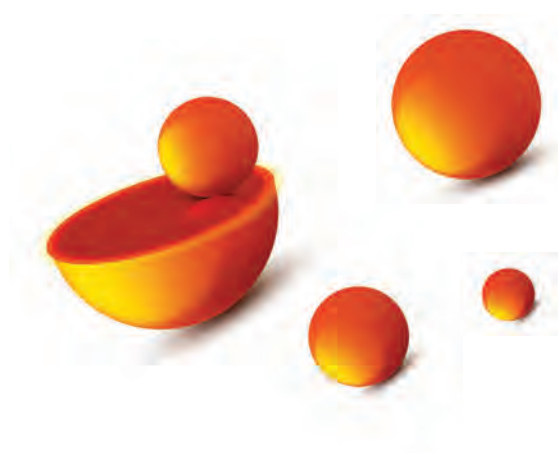


Communication  
on Progress 2021



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As a special initiative of the UN Secretary-General, the United Nations Global Compact is a call to companies everywhere to align their operations and strategies with ten universal principles in the areas of human rights, labour, environment and anti-corruption.

Launched in July 2000, the UN Global Compact (UNGC) is a leadership platform for the development, implementation and disclosure of responsible and sustainable corporate policies and practices.

# The Ten Principles of **UN Global Compact**

The UN Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labour standards, the environment, and anti-corruption:

## **HUMAN RIGHTS**

- 1 • Businesses should support and respect the protection of internationally proclaimed human rights; and
- 2 • Business should ensure that they are not complicit in human rights abuses

## **LABOUR**

- 3 • Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining
- 4 • The elimination of all forms of forced and compulsory labour
- 5 • The effective abolition of child labour; and
- 6 • The elimination of discrimination in respect of employment and occupation.

## **ENVIRONMENT**

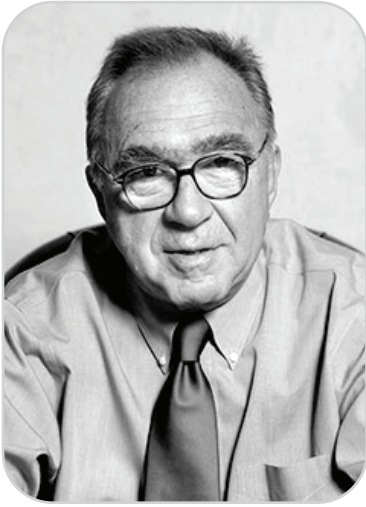
- 7 • Businesses should support a precautionary approach to environmental challenges;
- 8 • Undertake initiatives to promote greater environmental responsibility; and
- 9 • Encourage the development and diffusion of environmentally friendly technologies

## **ANTI-CORRUPTION**

- 10 • Businesses should work against corruption in all its forms, including extortion bribery.

“We are committed to **building shareholder value** and this can only be done in conjunction with the strong support of our **employees, customers, partners and the communities** we serve.”





## Message from the Chairman & CEO

I am pleased to confirm that INTRALOT reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely ,

**Sokratis P. Kokkalis**

Chairman & CEO,  
INTRALOT Group

“We operate as a **responsible corporate entity** to reduce our impact on the environment that surrounds us. This means building long-term relationships with our stakeholders in order to **deliver added value for our communities.**”







# ABOUT **INTRALOT GROUP**

## Vision

### **Shaping the future of gaming**

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.

# Nature of business



**1992**

Establishment of the Company



**41**

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



**€0.4bn**

turnover worldwide



**1,800**

employees global workforce



**300k**

proprietary terminals deployed worldwide



**UN GLOBAL COMPACT**

signatory member



**WLA RG**

Awarded with the Responsible Gaming certificate

INTRALOT is a leading gaming solutions supplier and operator, active in 41 regulated jurisdictions around the globe being a technology-driven corporation uniquely positioned to offer to lottery and gaming organizations across geographies market-proven flexible, reliable and secure gaming 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, under three types of contractual arrangements:

- Technology and Support Services Contracts.
- Management Contracts.
- Licensed Operations.

The company invests in developing next-generation products, focused on players' experience, the trends of the world-wide gaming ecosystem, and the efficiency of its operators to provide engaging responsible entertainment for their players through all distribution channels and across all verticals (Lottery, Betting, Interactive, VLTs), while driving its customers' growth for higher contribution to good causes in their communities. INTRALOT 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, while its services cover the full range of day-to-day operational activities of Lottery organizations.

The Company maintains the highest industry certifications on quality and safety management systems. It is the first vendor in the gaming sector certified in 2008 with the WLA SCS:2016 (Security Control Standard) and it has been certified according to ISO 27001:2013 for its Information Security Management Systems. Both certifications cover INTRALOT Headquarters and 20 additional subsidiaries' operations around the world. Furthermore, INTRALOT has been certified according to ISO 9001:2015 (Quality Management Systems), ISO 14001:2015 (Environmental Management Systems), ISO 20000:2018 (IT Service Management Systems), ISO 29993:2017 (Learning Services Outside Formal Education) and ISO 37001:2016 (Anti-Bribery Management Systems).

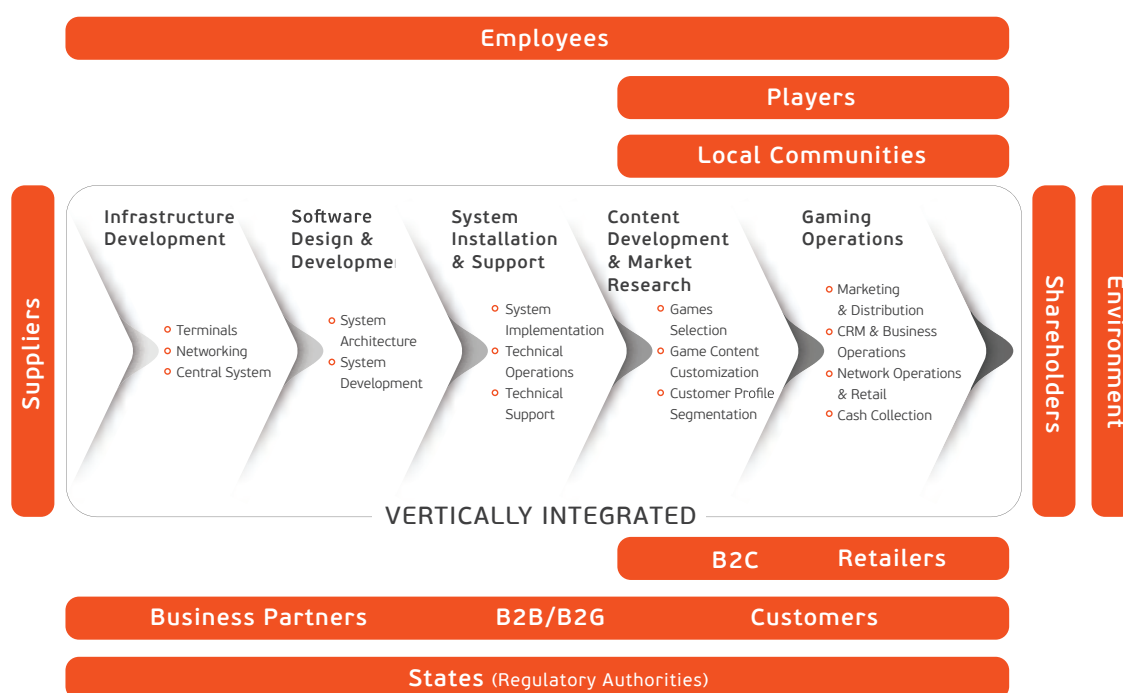
INTRALOT is an Associate Member of the World Lottery Association, an Associate Member of the European Lotteries, a Level I partner of the North American Association of State & Provincial Lotteries, a Gold Sponsor of the Asia Pacific Lottery Association, a Silver Member of the Gaming Standards Association and an Associate Member of the Global Lottery Monitoring System, the global lottery alliance against sports competition manipulation.

## 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)

For its operations, the Company 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). INTRALOT 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 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 Company remains committed to safeguard the interests of Shareholders, contribute to the Local Communities, and reduce its impact on the Environment.

## Value Chain



“For INTRALOT, creating a meaningful and inspiring legacy is key. We genuinely **care about people and the community**, so that every experience we create together is truly **impactful and sustainable**.”





# HUMAN RIGHTS

01

Businesses should support and respect the protection of internationally proclaimed human rights; and

02

Business should ensure that they are not complicit in human rights abuses



# 01

Businesses should support and respect the protection of internationally proclaimed human rights

## Actions realized

INTRALOT is committed to support and fully respect human rights, as expressed by the United Nations, the International Labor Organization (ILO) and the relevant legislation. The Company strictly follows the internationally recognized human rights principles and strives to protect human rights. Based on these principles, INTRALOT:

- Has signed the United Nations Global Compact since 2009.
- Has included its commitment to refrain from activities which violate human rights (e.g. discrimination, harassment, violence) within its Code of Conduct, as well as to respect human rights within its Official Employment Guide, Internal Regulation Charter and Recruitment and Selection Policy.
- Includes in its employment contracts the familiarization and acceptance of corporate policies (e.g. Official Employment Guide, Internal Regulation Charter, Code of Conduct), including their provisions on human rights.

## Measurement

Outcomes	Indicator	2020	2021
	Complaints and grievances concerning human rights violation (number)	0	0
	Fines imposed regarding human rights issues (number)	0	0

## 02

Business should ensure that they are not complicit in human rights abuses

### Actions realized


INTRALOT strictly follows 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, the Company:

- Has established a grievance mechanism for employees to submit complaints and report concerns or incidents regarding human rights.
- Systematically monitors the relevant ILO's labour legislation, which includes provisions related to human rights.

Currently, INTRALOT is finalizing the policy 'Elimination of Violence and Harassment' to prevent and address violence and harassment in the workplace, which complies with the Greek Law No. 4808 and the International Labor Organization's (ILO) Convention No. 190 (ILO's C190), aiming to end violence and harassment in workplaces.

### Measurement

Outcomes	Indicator	2020	2021
	Employees trained on human rights issues, policies and processes (number)	0	0
	Security personnel trained on human rights policies and procedures (%)	0	0

A person with long dark hair, wearing a white shirt, is sitting cross-legged on a rooftop. They are holding a laptop on their lap. The background shows a cityscape at sunset or sunrise, with a large, bright orange circle (representing the sun) partially obscured by the person and the laptop. The sky is filled with soft, white clouds. The overall mood is peaceful and productive.

“Our corporate values promote a **positive work ethos**. We seek to create a work environment in which our **employees feel valued for their contribution** to the company’s performance.”



# LABOUR

03

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

04

The elimination of all forms of forced and compulsory labour

05

The effective abolition of child labour; and

06

The elimination of discrimination in respect of employment and occupation.

# 03

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

## Actions realized

INTRALOT respects labor rights and does not restrict employees to exercise their right to freedom of association, while the Company abides by the relevant applicable legislation regarding the minimum notice period for operational changes.

The Company's commitment to comply with the appropriate employment laws has been included within its Code of Conduct. 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. Furthermore, the Company promptly resolves employee matters in a mutually beneficial way, regardless of their participation in employee unions.

## Measurement

Outcomes	Indicator	2020	2021
	Employees covered by the National Collective Labor Agreement (%)	100	100
	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk (%)	0	0



## Actions realized

INTRALOT strictly follows the internationally recognized human rights principles, as expressed by the United Nations, the International Labor Organization (ILO) and the relevant legislation, and is committed not to tolerate any forced or compulsory labour in any of its premises.

INTRALOT has included its commitment to comply with the appropriate employment laws within its Code of Conduct. The Company systematically monitors the relevant ILO's labor legislation, which includes provisions related to the elimination of forced or compulsory labour and working conditions. Furthermore, INTRALOT has established a grievance mechanism for employees to submit complaints and report concerns or incidents regarding human rights, including any incidents of forced or compulsory labour.

## Measurement

Outcomes

Indicator	2020	2021
Operations identified as having significant risk for incidents of forced and compulsory labour (number)	0	0

# 05

The effective abolition  
of child labour

## Actions realized

INTRALOT strictly follows the internationally recognized human rights principles, as expressed by the United Nations, the International Labor Organization (ILO) and the relevant legislation, and is committed not to tolerate child labour in any of its premises.

INTRALOT has included its commitment to comply with the appropriate employment laws and its opposition towards child labour (i.e. not to apply or tolerate any form of child labour) within its Code of Conduct. The Company systematically monitors the relevant ILO's labor legislation, which includes provisions related to the abolition of child labour. Furthermore, INTRALOT has established a grievance mechanism for employees to submit complaints and report concerns or incidents regarding human rights, including any incidents of child labour.

## Measurement

Outcomes

Indicator	2020	2021
Operations identified as having significant risk for incidents of child labour (number)	0	0

# 06

The elimination of  
discrimination in  
respect of employ-  
ment and occupation.

## Actions realized

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).

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. As stated in its Code of Conduct, the Compa-

ny does not allow or tolerate any kind of discrimination due to gender, race, color, nationality, ancestry, citizenship, sexual orientation, religion, age, physical or mental disability, medical condition or marital status. Furthermore, INTRALOT has established a grievance mechanism for employees to report any discrimination or harassment incident and does not tolerate any retaliation against an employee who reported such incident.

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. Additionally, all employment contracts are terminated according to the relevant legislative provisions.

INTRALOT plans to join the European Commission's initiative 'Diversity Charter Greece', which was launched by KEAN – Cell of Alternative Youth Activities in 2019 to promote diversity among companies. The Charter covers all fields of discrimination (e.g. in relation to gender, age, ethnicity, disability, sexual orientation, religion) and specifically emphasizes on gender equality at work. Approximately 150 companies and organizations with over 50,000 employees have already signed the Charter, which is supported by the Greek General Secretariat for Gender Equality of Ministry of Interior, the Economic and Social Council of Greece, the Federation of Municipalities in Greece and the Hellenic Federation of Enterprises.

## Measurement

Outcomes	Indicator	2020	2021
	Employees with salaries equal to the legal minimum salary (%)	3.9	4.6
	Employees with salaries above the legal minimum salary (%)	96.1	95.4
	Women employees in overall workforce (%)	32.6	34.4
	Women in Board of Directors (%)	0	22.2
	Women employees in the top 10% of employees by total compensation (%)	10	14
	Difference between the average base salary of full-time men employees compared to full-time women employees (%)	27.7	27.8
	Complaints or grievances concerning discrimination incidents or unfair treatment (number)	0	0
	Fines imposed regarding discrimination incidents or unfair treatment (number)	0	0

“We have committed ourselves to **preserving the environment** by promoting actions that guarantee sustainability and continually **improving our environmental management systems.**”





## ENVIRONMENTAL

- 07 Businesses should support a precautionary approach to environmental challenges;
- 08 Undertake initiatives to promote greater environmental responsibility; and
- 09 Encourage the development and diffusion of environmentally friendly technologies



# 07

Businesses should support a precautionary approach to environmental challenges;

## Actions realized

While environmental protection is a particularly important aspect for most industries, the gaming industry has relatively low environmental impact. However, INTRALOT is aware of the future repercussions of environmental degradation and monitors its environmental performance.

Being committed to environmental management and protection, INTRALOT:

- Has included its commitment to minimize its environmental impact, conserve resources and reduce waste and emissions in its Code of Conduct and all employees are obliged to report any actual or potential violation of environmental laws or any event that may result in a discharge or emission of hazardous materials.
- 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, through which the Company systematically identifies and evaluates the environmental impact of its activities, based on the environmental impact's severity and likelihood of occurrence.
- Has appointed an Environmental Risk Officer to monitor environmental risks, propose changes to the EMS and ensure proper understanding and implementation.
- Reviews environmental legislation and regulations to comply and apply their provisions.

## Measurement

Outcomes	Indicator	2020	2021
	Completed or pending legal actions regarding environmental issues (number)	0	0
	Fines imposed regarding non-compliance with environmental laws and regulations (number)	0	0
	Non-monetary sanctions imposed regarding non-compliance with environmental laws and regulations (number)	0	0

## Actions realized

INTRALOT seeks to promote environmental protection issues and encourages initiatives related to environmental protection.

The Company:

- 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.
- 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.
- Utilizes internal communication means (e.g. email, Corporate intranet portal, posters) to raise employee awareness on environmental protection and efficient use of energy sources.
- 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.
- Briefs newly hired employees on recycling through the Corporate Induction Program.

In 2021, INTRALOT implemented the internal awareness campaign 'Going Green at the Office' with simple tips to reduce energy consumption and waste, reuse paper and other materials (e.g. food and beverage containers), as well as recycle paper, metals, glass, plastic, domestic batteries, light bulbs, and electronic devices. Furthermore, the Company plans to replace part of its gasoline vehicles with newer hybrid vehicles in 2022, which have lower fuel consumption and fewer emissions.

## Measurement

Outcomes

Indicator	2020	2021
Environmental protection investments (€)	11,583	5,670
Electricity (KWh)	1,741,260	1,691,027

# 09

Businesses should support a precautionary approach to environmental challenges;

## Actions realized

Although INTRALOT's operations are not energy intensive, the Company consciously seeks to reduce energy consumption. Additionally, the Company 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.

Aiming to use environmentally friendlier technologies in product design, INTRALOT:

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

Furthermore, despite the fact that 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. Indicatively, INTRALOT:

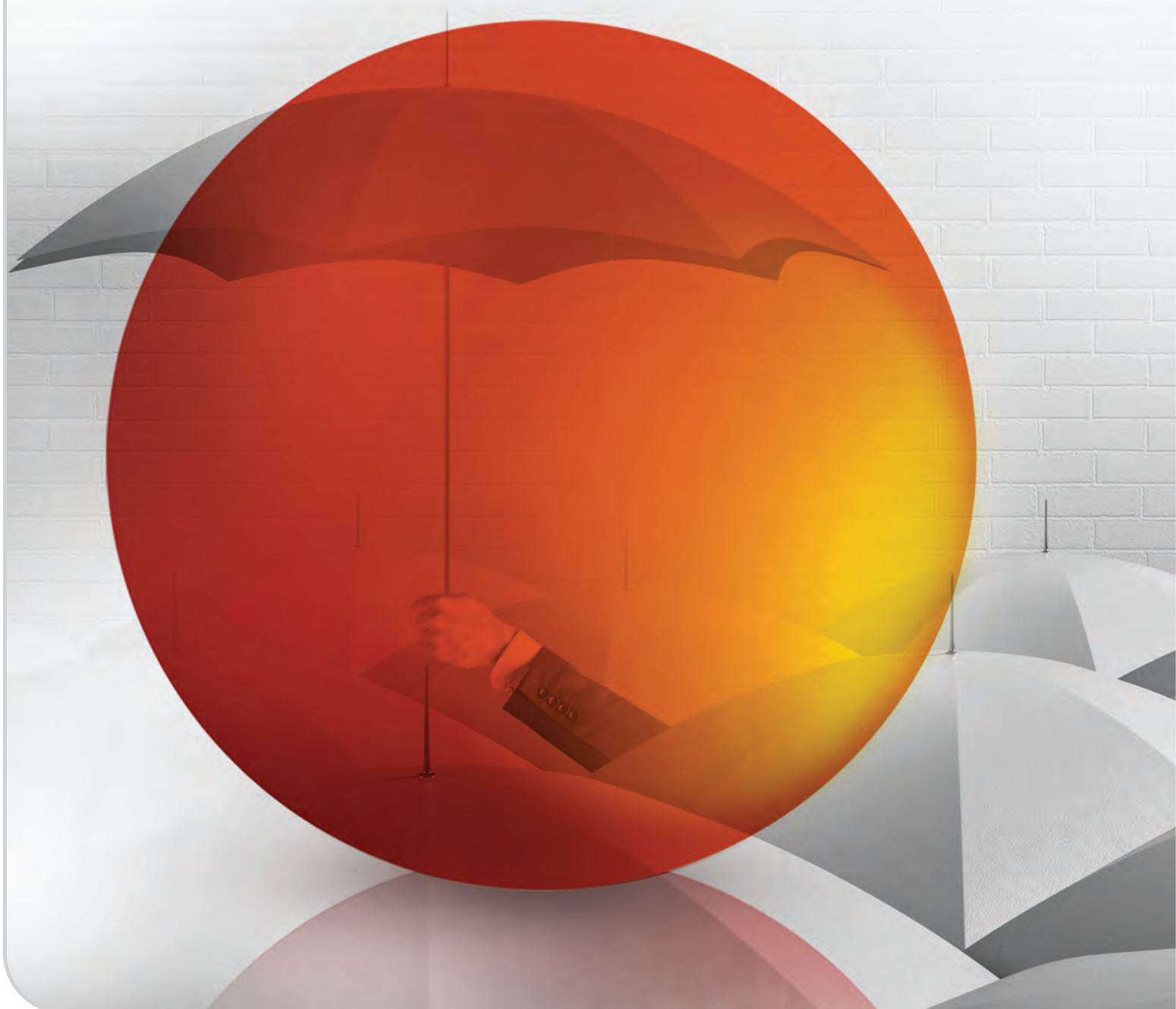
- Utilizes remote session technologies and conference calls to reduce the number and frequency of business travels.
- Extensively uses e-learning training programs.
- Combines trips and activities to minimize the number of flights required.
- Uses the most direct routes possible, since take-offs and landings increase the amount of fuel consumed.

## Measurement

Outcomes	Indicator	2020	2021
	Total energy consumption (GJ)	14,238	12,544
	Total Direct (Scope 1) and Indirect (Scope 2) Greenhouse gas emissions (tn)*	1,569.6	1,439.4
	Direct (Scope 1) Greenhouse gas emissions	520.1	420.2
	Indirect (Scope 2) Greenhouse gas emissions (i.e. due to electricity consumption)	1,049.5	1,019.2

\*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), National Inventory Report 2021 for Greece (Electricity)

“Being committed to **operate transparently and ethically**, INTRALOT aspires to the highest anti-corruption and ethical standards related to business practices.”







# ANTI-CORRUPTION

10 Businesses should work against corruption in all its forms, including extortion bribery.

# 10

Businesses should work against corruption in all its forms, including extortion bribery.

## Actions realized

Being committed to operate transparently and ethically, INTRALOT aspires to the highest anti-corruption and ethical standards related to business practices. The Company has signed a Memorandum of Understanding and became a member of the Business Integrity Forum, an initiative launched by Transparency International - Greece network.

INTRALOT has included issues related to anti-corruption in its Code of Conduct (which has been acknowledged and signed by all employees) and 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, being one of the few externally certified companies in the gaming industry worldwide. Furthermore, the Company has developed an Anti-Corruption Policy, which highlights its principles on the following issues:

- Legal Environment.
- Defining 'Corruption'.
- Defining 'government officials'.
- Corruption in the Private Realm.
- 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 report any concern about a potential bribery or corruption case to the Human Resources Department and the Internal Audit Unit, by name or anonymously. Specifically, INTRALOT:

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

Furthermore, INTRALOT:

- 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 169 existing suppliers in 2020, as well as 185 existing and 16 new suppliers (all of whom were approved) in 2021.

- Includes anti-corruption contractual clauses in all agreements with suppliers to ensure compliance with relevant anti-corruption laws, while such provisions are not included in contracts with customers, since they are either State Lotteries or private companies licensed by the State.
- 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.
- 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.
- Has developed Anti-Money Laundering Guidelines to ensure that services offered via its global operations are not used for money laundering purposes, which are mandatory for all employees. The Company 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 during 2020-2021.

## Measurement

Outcomes	Indicator	2020	2021
	Employees trained on anti-corruption and anti-bribery issues (%)	23	28
	Completed or pending legal actions regarding compliance issues (number)	0	0
	Fines imposed regarding compliance issues (number)	0	0
	Non-monetary sanctions imposed regarding compliance issues (number)	0	0
	Value of contributions made to politicians and political parties (€)	0	0
	Corruption incidents (number)	0	0
	Bribery incidents related to employees (number)	0	0

# COMMUNICATING **THE CoP**

INTRALOT plans to make its Communication on Progress available to its Stakeholders through the following means:

- Corporate website, [www.intralot.com](http://www.intralot.com)
- UN Global Compact database
- Social Media
- Information e-mail to all employees

For any further inquiry you may contact the Group Director, Corporate Affairs of INTRALOT, Mrs. Chryssa Amanatidou via:

Email: [contact@intralot.com](mailto:contact@intralot.com)

Phone: (+30) 210 615 6000

***intralot***