SUSTAINABLE
growth

intralot

ONE WORLD
ONE LIFE
ONE GAME

intralot

Technology for Gaming
Gaming for Life

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Message
from the Chairman

I am particularly encouraged by our progress and engagement in enhancing our Sustainability Strategy. Corporate sustainability disclosures that connect financial with social and environmental performance play a critical role in improving business processes, in informing decision making and in changing both internal and external perceptions of value.

At INTRALOT, managing the impact of our operations is driving internal change, helping the company to better meet the needs of local communities where it operates. Stakeholder engagement on public policy issues related to the company's business is a means to create shared value for our shareholders as well as to fulfill our responsibilities to our customers, employees and local communities.

A gaming technology leader and global corporate citizen that seeks to endorse global best practices, INTRALOT aims to maximize the positive impact of business operations on society and the generation of resources for good causes.

Sokratis P. Kokkalis

Chairman, INTRALOT Group

Message from the CEO

Year 2014 was a transition year for INTRALOT. As the gaming sector undergoes rapid regulatory and technological changes with the end consumer as the main focus, our company embarked on a process of change guided by a new three-tier strategy: to strengthen our product offerings, to make the transition from technology provider to B2C operations offering a personalized gaming experience to the player, and to focus on global operational excellence. INTRALOT's goal is to retain competitive advantage by embracing technology innovation as an enabler and capitalizing on business know-how to offer a responsible and engaging gaming experience while improving the long-term sustainability of business operation.

INTRALOT's Sustainability Report 2014 presents several achievements made toward this goal. We have developed key innovative solutions that secure a monitored, safe and responsible gaming player environment. These include the new Pre-commitment and Player services tool, the innovative responsible gaming module of our trademarked iGEM monitoring system for EGM, as well as the new iRG game design tool for testing the social impact of games across products and channels.

We have also made progress toward the creation of a systematic process for monitoring the social and environment impact of operations globally. We have revised our supplier Code of Conduct and devised a new, all-encompassing supplier engagement process so as to advance the standards of the UN Global Compact in our supply chain, including labor, health & safety, human rights, quality, and environmental standards.

A new, group wide responsible gaming training program has been developed and shared through GLN, our awarded global intranet platform, to all corporate employees. Further, train-the-trainer programs, as well as responsible gaming training for marketing personnel, have been reinforced.

We are making steady progress in the transition to cloud technology and, in addition to energy, emissions and utilities, have also launched a new process for monitoring the consumption of natural resources in hardware production.

The accomplishments made in 2014 are reflected in the quantity and quality of disclosures of the present report, made under the strictest international standards, the G4 guidelines of the Global Reporting Initiative.

Our achievements have earned us several well-deserved landmark recognitions. INTRALOT has been awarded Responsible Gaming certification at the highest level as a gaming vendor by the World Lottery Association and several subsidiaries across regions have received equivalent certifications as lottery operators by the World Lottery Association as well as the European Lotteries. Our company has also become the first vendor in the gaming industry certified with the ISO 29990:2010 standard for the training services offered by the corporate Learning Center to employees and customers alike. Finally, INTRALOT has also renewed its business excellence credentials, awarded by top organizations like the EFQM and EBEN.

Our achievements give us renewed confidence on our strategy of sustainable leadership through product solutions that offer engaging, safe and responsible gaming entertainment. We hope the incursion into our sustainability programs and practices demonstrates our efforts to make the world, as much as ourselves, a better place.

Antonios I. Kerastaris
CEO, INTRALOT Group

01.
About
INTRALOT Group

leadership

1.1 INTRALOT AT A GLANCE

The INTRALOT Group is a leading partner of licensed gaming operators worldwide, supplying them integrated gaming and transaction processing systems, pioneering hardware & software, innovative game content, sports betting management as well as interactive gaming services, and is a licensed gaming operator in its own right, operating in several countries around the world.

Based on its extensive know-how, advanced product development standards and substantial experience in operating lottery games, INTRALOT's gaming solutions ensure maximum efficiency and outstanding performance for its customers while complying with the international standards of security and responsible gaming.

Established in 1992, INTRALOT has been publicly listed on the Athens Stock Exchange since 1999. The company's footprint straddles all five continents, with presence in 57 jurisdictions. In 2014, INTRALOT operated a diversified and stable portfolio of 78 contracts, employed a workforce of over 5.400 and corporate revenues reached over €1.85 billion.

OUR VISION

INTRALOT's vision is to retain its leading position in the gaming industry by consistently offering added value to all stakeholders, including customers, shareholders and employees, while advancing the public causes of state regulated lotteries.

OUR MISSION

INTRALOT's mission is to provide state-of-the-art integrated gaming and transaction processing systems, game content and value added services to gaming organizations and non-lottery businesses worldwide, ensuring their responsible, secure, reliable and profitable operation.

VISION

MISSION
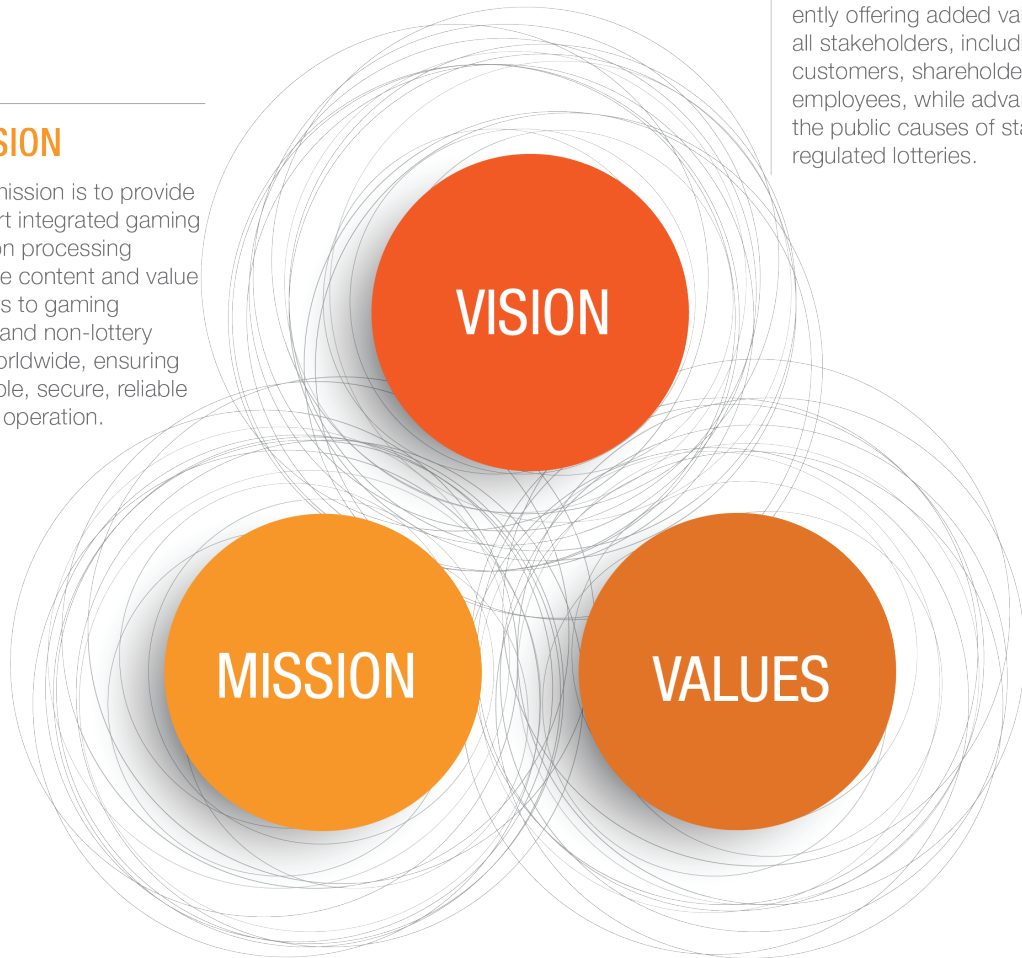
VALUES

OUR VALUES

- Innovation and Flexibility to design and develop innovative and effective solutions that meet specific market requirements and customer needs;
- Professionalism and Consistency in business performance, thus securing customer satisfaction, continuous improvement and growth;
- Commitment to Responsible Gaming by developing product solutions with forefront Responsible Gaming technologies and offering services that advance best practices and promote a safe and responsible gaming environment;
- Excellence and Ethical behavior across the entire product chain, as per INTRALOT's Code of Corporate Governance and Corporate Code of Conduct;
- Integrity and Responsibility towards all corporate stakeholders and respect for the social role of state regulated lotteries.

Within over 20 years of operation, INTRALOT has achieved impressive global expansion and has become a leader of the gaming sector, a "one-stop-shop" offering fully integrated, secure, and efficient solutions for every aspect of any gaming entertainment, through retail networks as well as via the Internet and mobile channels.
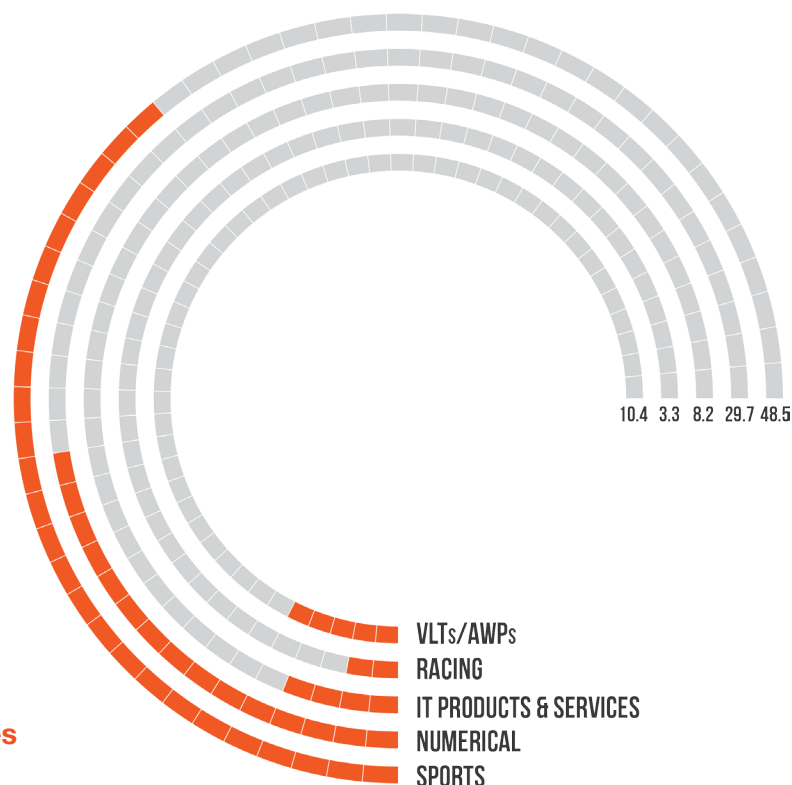
Fig. 1: Products & Services Categories
(% sales revenues)

10.4 3.3 8.2 29.7 48.5

VLTs/AWPs
RACING
IT PRODUCTS & SERVICES
NUMERICAL
SPORTS

The various contracts that INTRALOT holds in different jurisdictions can be grouped, in terms of complexity, liability and risk, as follows:

◉ Technology supplier and provider of support services;

◉ Management contracts;

◉ Commercial operator/Licensee.

11.3%

TECHNOLOGY & SUPPORT SERVICES

✓ Hardware & Software
✓ Telecommunications Solutions
✓ Maintenance
✓ Support

7.5%

MANAGEMENT CONTRACTS

✓ Daily Operation
✓ Marketing Services
✓ POS Management
✓ Risk Management

81.2%

LICENSED OPERATIONS

✓ Lottery Operations

KEY GEOGRAPHIES BY CONTRACT ROLE

Argentina, Australia, China, Croatia, Dominican Republic, Germany, Greece, Ireland, Italy, Malaysia, Mexico, Netherlands, New Zealand, Philippines, Romania, Suriname, Taiwan, United States

Brazil, Morocco, Russia, Turkey

Azerbaijan, Bulgaria, Cyprus, Greece, Italy, Jamaica, Malta, Moldova, Peru, Poland, Russia, Slovakia, South Africa, South Korea

Fig. 2: Contracts Breakdown &
Key Geographies by Contract Role

1.2 WORLDWIDE PRESENCE

INTRALOT has been awarded contracts for a wide range of product, including systems, terminals, alternative distribution channels, VLTs, etc., and gaming applications, such as lotteries, instant lotteries and fixed odds betting, in all five continents.

57 JURISDICTIONS

78 CONTRACTS

5,400 EMPLOYEES

1.85BN. REVENUES IN 2014
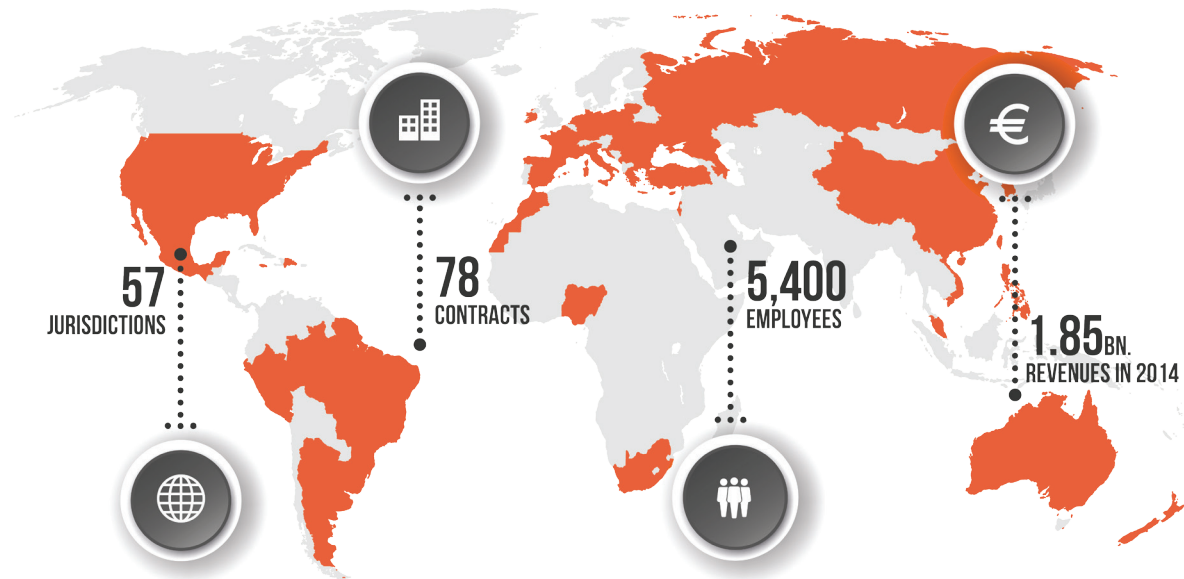
Fig. 3: Global Presence

1.3 SHAREHOLDING STRUCTURE

INTRALOT S.A. – "Integrated Lottery Systems and Gaming Services", with the distinct acronym "INTRALOT," is a business corporation established in compliance with the Laws of the Hellenic Republic and whose shares are traded in the Athens Stock Exchange. INTRALOT's headquarters are based in Athens – Greece, at 64 Kifissias Ave. & 3 Premetis Str., GR-151 25 Maroussi.

The share capital of the Company amounted at year's end to forty seven million six hundred eighty eight thousand five hundred sixteen euro and thirty cents (€47,688,516.30) divided by one hundred fifty eight million nine hundred sixty one thousand seven hundred twenty one (158,961,721) nominal shares at thirty cents (€0.30) each. All Company shares are admitted to the Athens Stock Exchange for negotiation, in the Main Market category, under the "Travel & Leisure - Gambling Sector". Company shares are commonly registered shares with a voting right.

The shareholding structure of INTRALOT on 31.12.2014 was the following:

01 FREE FLOAT   **04** NOVOMATIC AG
02 SOKRATIS KOKKALIS **05** MAKURIA CREDIT
03 KONSTANTINOS DIMITRIADIS   MASTER FUND

04 5.07%
03 8.2%
01 61.7%
20%
02
5.02%
05
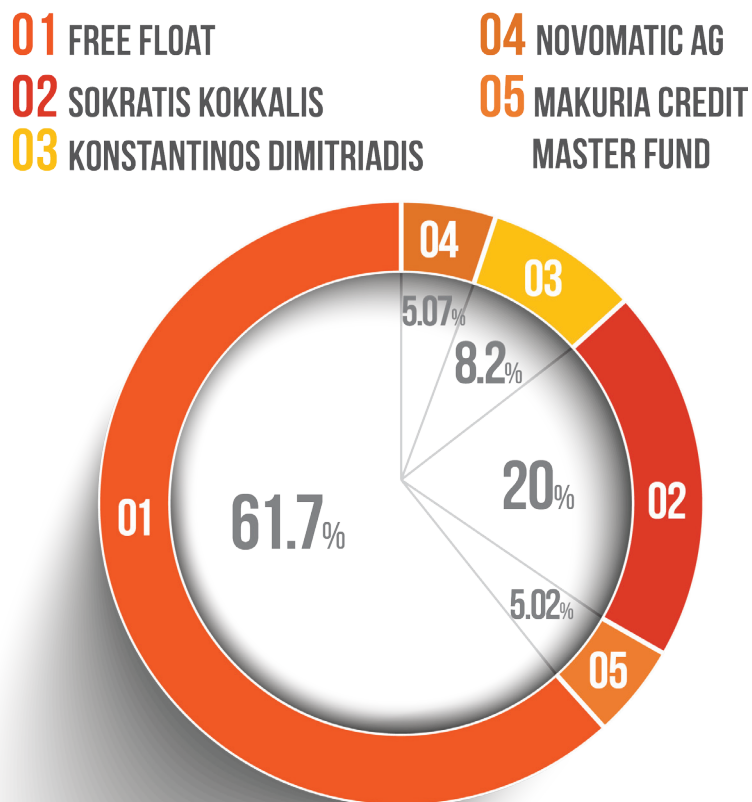
As of year's end, INTRALOT's share participates in the following stock market indices:

- Athex Composite Share Price Index (GD);
- Athex All Share Index (DOM);
- Athex Composite Index Total Return Index (SAGD);
- FTSE/Athex Travel – Leisure (DTA);
- FTSE/Athex Market Index (FTSEA);
- FTSE/Athex Mid Cap Index (FTSEM);
- FTSE/ATHEX Global Traders Index (FTSEGT);
- FTSE/ATHEX Global Traders Index Plus (FTSEGTI);
- Hellenic Mid & Small Cap Index (HELMSI).

1.4 GAMING & TRADE MEMBERSHIPS

INTRALOT is an active member in the major gaming and trade associations as well as social responsibility organizations. It proudly supports their mission and the value of responsible growth they stand for. A longtime member of all gaming association across continents, INTRALOT advances the achievement of their strategic objectives leveraging emerging gaming technology into innovative and responsible gaming entertainment.

Furthermore, the company also participates in the governing board of several of these organizations, closely engaging with the business community and relevant stakeholders in addressing issues of common interest.

Finally, INTRALOT offers various forms of support to the activities of these organizations thus contributing to the advancement of their mission.

TABLE 1: STRATEGIC MEMBERSHIPS
INTRALOT's Participation in Lottery & Gaming Associations
Platinum Contributor to WLA (World Lottery Association)
Premium Partner of EL (European Lotteries and Toto Association)
Top Sponsor of NASPL (North American Association of State and Provincial Lotteries)
Associate Member of CIBELAE (Corporación Iberoamericana de Loterías y Apuestas del Estado)
Associate Member of APLA (Asia Pacific Lottery Association)
Gold Member of GSA (Gaming Standards Association)
Gold Member of AGEM (Association of Gaming Equipment Manufacturers)
Corporate Social Responsibility Memberships
National Partner of EBEN GR (European Business Ethics Network)
Member of the United Nations "Global Compact Network" for Corporate Social Responsibility
National Partner of Hellenic Network of Corporate Social Responsibility - CSR Europe

Participation in Trade Associations

The Hellenic Federation of Enterprises

The American-Hellenic Chamber of Commerce

The Hellenic-American Business Council

Greek-Latin American Business Council

Greek-Israeli Chamber of Commerce

Greek-Serbian Business Council

The Hellenic-Dutch Association

The Greek-Turkish Business Council of the Federation of Greek Industries

The Greek-Russian Business Council of the Federation of Greek Industries

The Hellenic-Romanian Chamber of Commerce and Industry

The Hellenic-Australian Business Council

The Hellenic-Chinese Chamber

Hellenic-Vietnamese Business Council (founding member)

,,

According to data of the European lotteries, EL members give over 21 billion euros back to society, as revenues generated by Lotteries are returned to the State budgets and earmarked for good causes, such as sports, arts and culture, charity/social projects, science/health/research, education/youth, environment/climate change and development, for the benefit of society.

Source: www.european-lotteries.org

PUBLIC INTEREST CAUSES SUPPORTED BY THE GAMING SECTOR

SCIENTIFIC RESEARCH

State lotteries contribute to the financing of research. Lotteries finance large and small initiatives by scientific organisations to bring science to a wider audience, helping various non-profit organisations to bring scientific knowledge to the attention of the general public. They also contribute to making scientific careers attractive to young people.

SPORTS, CULTURE & CULTURAL HERITAGE

Lotteries are among the most important patrons of the arts and of grass roots and amateur sport. Revenue from lottery funds helps to underpin projects in the field of culture and heritage.

SOCIAL INCLUSION & WELFARE

A number of state lotteries were set up centuries ago with the specific purpose of donating revenue from gambling to charitable causes, helping those that were most in need. Today, social projects and charities are the second most important beneficiaries of lottery funding in the EU area.

Fig. 5: Public Interest Causes Supported by the Gaming Sector

1.5 AWARDS & DISTINCTIONS

EU Industrial Research & Development Investment Scoreboard

For the ninth consecutive year INTRALOT Group was ranked amongst the top 1,000 European and world top 2,500 organizations of the 2014 EU Industrial Research & Development Investment Scoreboard released by the European Commission. INTRALOT's demonstrated commitment to innovation has resulted in the rank #589 out of the 1000 most significant R&D investors in Europe. The R&D Scoreboard measured the total value of INTRALOT's global R&D investment financed with its own funds, irrespective of the location where the relevant R&D takes place. The 2014 Scoreboard revealed that the world top 2500 R&D investors continued to increase their investment in R&D (4.9%) well above the growth of net sales (2.7%). The EU companies increased R&D by 2.6% and decreased sales by 1.9%. The EU Industrial R&D Investment Scoreboard is published annually by the European Commission, DG Research and Innovation and Joint Research Centre.

EBEN Gold award

INTRALOT was distinguished in 2014 with the Gold certified award in Social, Environmental and Ethical Governance by the European Business Ethics Network (EBEN), following a comprehensive assessment process.

The award received by INTRALOT recognizes top performance in the sectors of Business Analysis, including best practices in Corporate Social Responsibility & Reporting and effective IT management. INTRALOT also maintained its distinction in the areas of Regulations & Communications in internal auditing and Performance Assessment, received in previous years.

The European Business Ethics Network is the most active European cross-national network dedicated to the promotion of ethics and governance in academia, business, the public sector and civil society, counting over 42 member countries.

Business Excellence Award

INTRALOT received the honorary award for business excellence from the Hellenic Management Association, at the 2014 Business Excellence Awards. The honorary distinction recognizes INTRALOT for its enduring participation in the certification process and for its continued commitment to business excellence. INTRALOT holds the "Recognised for Excellence (R4E) in Europe - 5 Stars" award of the European Foundation for Quality Management (EFQM) since 2011, for its commitment to operational excellence and the highest quality standards, its ability to innovate and pledge to create value for customers and stakeholders alike. Corporate engagement with EFQM dates back to 2007, when INTRALOT first received the "Committed to Excellence" distinction.

True Leader Award by ICAP

INTRALOT Group has received the "True Leader" Award by ICAP Group for the fourth consecutive year. INTRALOT was distinguished for its leading position in its sector, its solid financial performance, its human resources development, as well as its high ICAP Credit Score. ICAP Group is one of the most successful regional Business Services Groups in South Eastern Europe, and is approved by the European Securities and Markets Authority – ESMA and by the Hellenic Capital Market Commission as a Credit Rating Agency (CRA). Moreover, it is the only company in Greece recognized by the Bank of Greece as an External Credit Assessment Institution (ECAI) in regards to the New Regulatory Framework of Basel II.

Global Expansion INFOCOM Award

INTRALOT has won the Business Excellence Award in the category of Global Expansion at the InfoCom Awards 2014, at the 16th InfoCom World Congress "Techonomy: Time for Synergies." The Business Excellence Award recognizes INTRALOT's successful global reach and excellence in doing business worldwide. INFOCOM World Congress is the largest event on digital technologies in SE Europe, attracting more than 3,500 delegates per year, engaging all interested parties in the latest developments happening in the Technology, Informatics, Telecommunications & Media sectors.
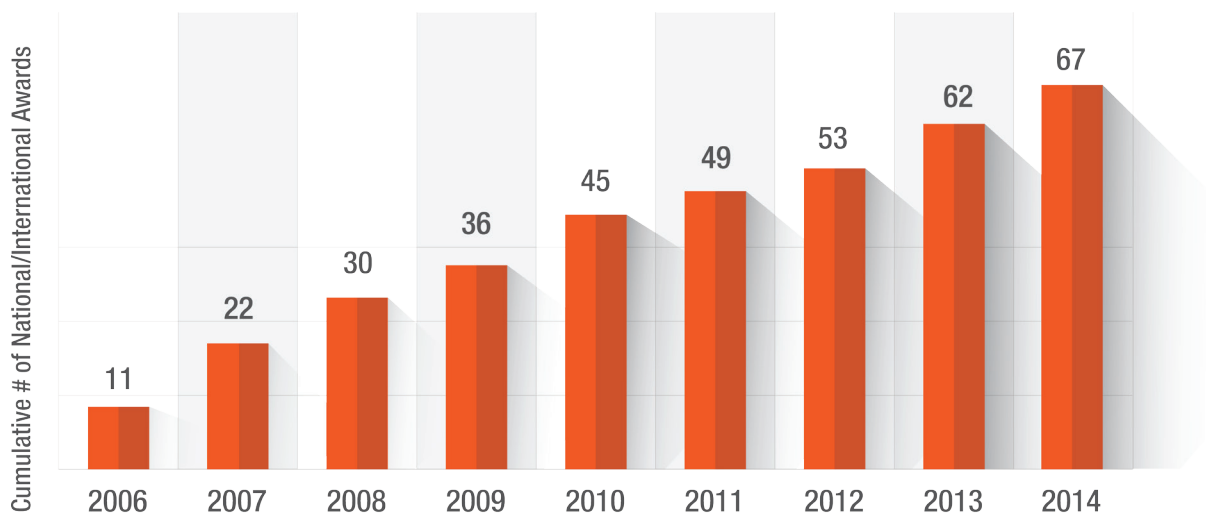
Fig. 6: Cumulative Number of National & International Awards

02.
Sustainability in INTRALOT Group
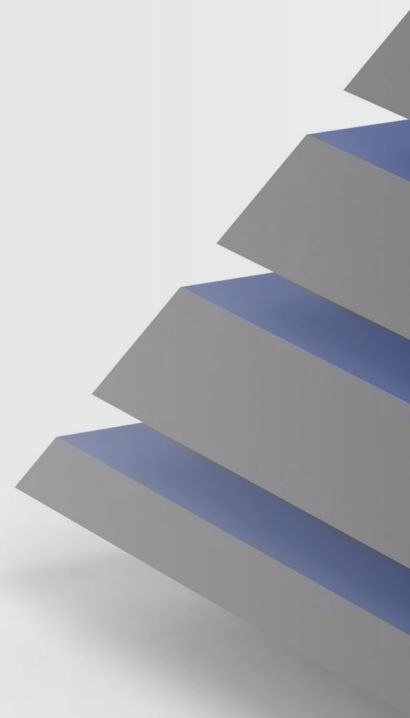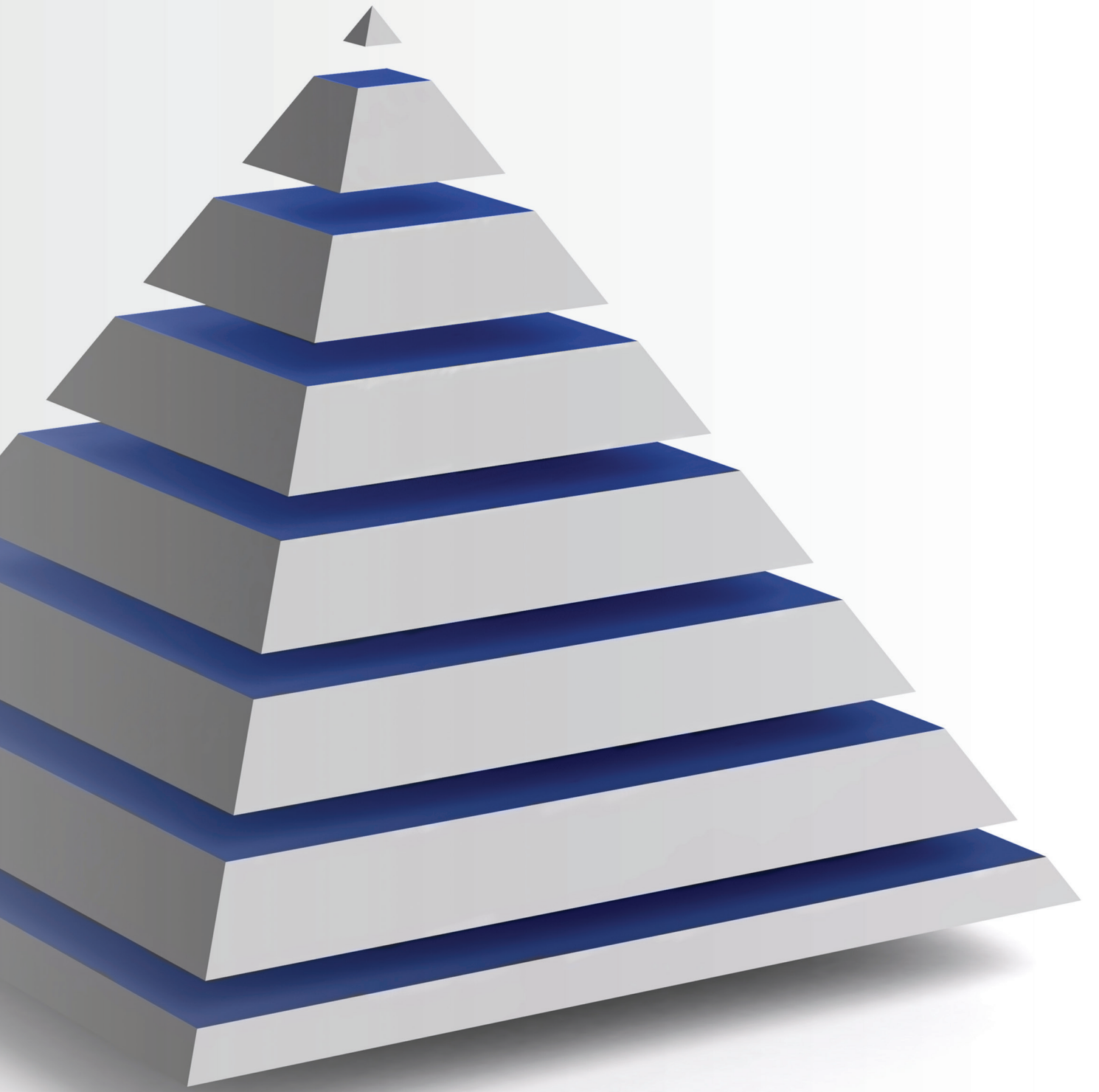
value

2.1 MAIN RISKS & OPPORTUNITIES

The gaming sector presents several distinctive features. Being historically associated with the social function of states, the sector is highly regulated.

In recent years, financial crisis and competitive pressures driven from globalization have increased the prospects of collaboration with government authorities toward the generation of added revenues for good causes.

Further, technology innovation has enabled the emergence of new gaming channels and with it new means to safeguard the values of safety, integrity, responsibility and the social mission of gaming.

INTRALOT is well equipped with operational know-how, forefront gaming technology and human capital to seize the opportunities and mitigate potential risks posed by this emerging environment.

TABLE 1: MAIN SOURCES OF RISK & RISK MANAGEMENT

Source	Description	INTRALOT Policies & Practices
Macroeconomic environment	**Consumer spending on gaming entertainment is volatile and is affected by prevailing economic cycles in the market. Despite being more resilient than other sectors of the economy, gaming companies are exposed to this volatility while certain market and game categories are more exposed to these cycles than others. Economic cycles also expose economic activity to inflation, credit, interest rate and, in international operations, foreign exchange risks.**	**With its international expansion, INTRALOT has achieved significant diversification and has reduced its dependency on the performance of individual markets and economies. Nevertheless, being present in countries as diverse as Australia, Germany, Korea, Peru and USA, among others, INTRALOT monitors and evaluates the structural and situational environment of business operations and customizes product and services solutions to enable the growth of resources for good causes in a healthy and responsible gaming environment.**
Social	**INTRALOT has operations in countries of very diverse social, cultural and religious profiles. The social fabric and local cultural heritage pose differentiated risks for gaming companies.**	**INTRALOT maps the profile of the local communities where it has operations and monitors environment of gaming operations so as to minimize any potentially undesirable impact on social cohesion, religious heritage or cultural identity.**
Legal Framework	**The gaming sector is exposed to national and international legal risks, including potential instances of legal breaches of law by minors, violation of jurisdictional prohibitions for safeguard of safe and legal gaming, fraud and corruption.**	**INTRALOT's legal and compliance teams are responsible for monitoring legal developments in the countries where the company has presence, minimizing legal risks in a preemptive manner (see also section 3.5 of the present report).**

Political and Regulatory Environment	The social mission of lotteries and gaming organizations make them vulnerable to various decisions of governments that can affect financial performance. Further, gaming operations are subject to changes in public procurement and licensing rules or process.	Corporate decisions to enter new markets are preceded by a systematic assessment of prevailing local environments.
Taxation Regimes	Companies of the gaming sector operate under a constantly evolving web of national, regional and global regulation. Taxation Law undergoes changes in several markets where the company has presence.	INTRALOT monitors and evaluates these developments. Further, international operations secure diversification of the risk posed by taxation regimes for financial performance and economic sustainability.
Responsible Gaming	Even though gaming is in most cases a healthy and entertaining human activity with cultural roots in Antiquity, it can develop into a pathological addictive behavior, with serious personal, economic and social consequences.	INTRALOT has adopted the leading standards of best practice in the gaming sector and a strict and integrated framework of policies and programs for responsible gaming (featured in chapter 4 of the present report).
Information Technology	For tech companies with business dependencies on the cyberspace, a plethora of evolving cyber threats may pose potential security issues.	Acknowledging the strategic importance of information security for the protection of its assets and mission, INTRALOT has developed internationally certified ISMS and ITSM systems covering the provision of managed IT Services, identifying and addressing potential threat sources, human or natural.

Supply Chain	INTRALOT produces in-house or outsources the production and assembly of hardware equipment, which relies on the continuous supply of raw materials and other natural and human resources. Risks to the supply chain range from unpredictable natural factors to potential quality, integrity, labor or human rights issues. These can affect workflows and scheduling, among other.	INTRALOT has established stable supplier partnerships and conducts regular screenings of the quality, labor, occupational health & safety, governance and environmental standards of all major 1st degree suppliers. Mitigation plans result from the collaboration of the logistics, finance, technical and quality management teams.
Environmental Risks	A low-risk sector, gaming operations require the consumption of natural resources, mainly metals and electronic components used in the production of hardware, energy consumption for production and for business operation, as well as office consumables and packaging materials.	INTRALOT is committed to producing energy efficient and durable products, to monitoring the use of materials used in production, to increasing the use of recyclable materials, and to designing products with no restricted substances.

2.2 STRATEGIC OBJECTIVES

The gaming sector could arguably be considered socially responsible by nature. It is a highly regulated sector and in several jurisdictions worldwide revenues from gaming operations are allocated by law to the realization of several social causes by governments. The most traditional element of the market, lotteries, are prime examples of public-private partnerships serving various public causes as most state lotteries today are privately managed.

Drawing from its corporate strategy of sustainable leadership of the gaming sector, INTRALOT's sustainability strategy is to create shared value for all its stakeholders, through the generation of economic resources for good causes, responsible gaming operations, technology and product innovation, and the development of education and human capital in the communities where the company operates.
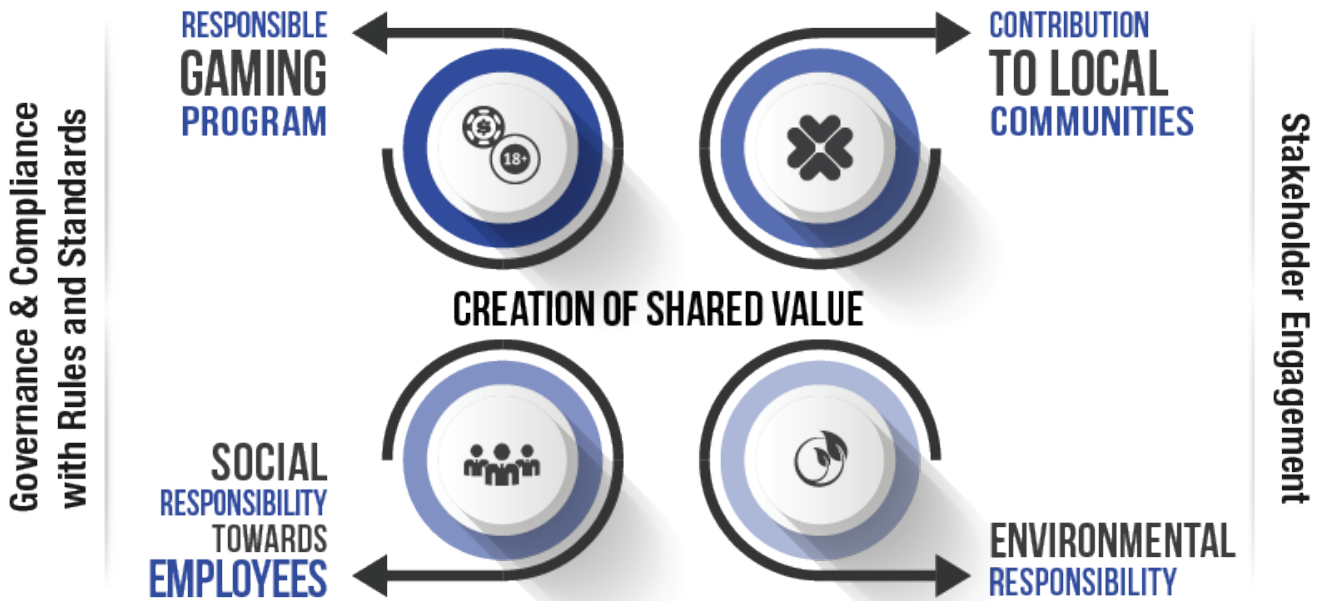
Fig. 1: Sustainability in INTRALOT

The strategic objectives of INTRALOT's sustainability program are defined depending on the different contract roles assumed in the countries and jurisdictions where it has presence (see section 1.1).

As a commercial operator, INTRALOT seeks to contribute to the development of local communities, and to promote policies and best practices of responsible gaming through player education, marketing and advertising communications, and treatment referrals. As a global technology supplier, INTRALOT also has an enduring commitment to research, either in-house or in collaboration with relevant stakeholders, in fields, such as STEM, that foster product and services innovation in the gaming sector while also advancing the development of human capital.

COMMERCIAL OPERATOR

✓ Development of local communities: education and the creation of human capital, transfer of knowledge and know-how
✓ Policies and best practices of responsible gaming focus on: player education, marketing and advertising communications, and treatment referrals.

TECHNOLOGY SUPPLIER

✓ Research, either in-house or collaborative with relevant stakeholders, toward product and services innovation enabling safe and responsible gaming
✓ The promotion of partnerships between the research community and the gaming market
✓ Game Design

Fig. 2: Sustainability Priorities by Contract Role

INTRALOT operations also present distinctive features as business activities range from the provision of customized gaming platforms to full management of end-to-end gaming operations either for its own or other licensed operations, depending on the market. This multiplicity of contract roles affects the focus of the sustainability activities the company engages in.

Fig. 3: The Gaming Sector & Shared Value

OPERATORS
Loyal, transparent and responsible partnership with customers and suppliers

SOCIETY
Protection of vulnerable groups and mitigation of risks

SUSTAINABLE GROWTH

PLAYERS
Entertaining, safe and low risk gaming experience

STATES
Resources for the advancement of public causes, including social inclusion and welfare, research and education, culture and sports

INTRALOT has adopted policies and programs in the following main areas:

Contribution to Local Communities

The INTRALOT Group contributes to the local communities where it operates through the transfer of technology and know-how and through the employment, the occupational safety and the specialized training of its local workforce and sales network. Further, the company contributes to the enhancement of the quality of life and community development through social programs that aim at advancing education and human capital; supporting social welfare and human development; and preserving cultural heritage.

Corporate Governance & Compliance

INTRALOT complies with the regulatory framework of each and all jurisdictions where it has presence as well as with relevant corporate or industry standards. Furthermore, the company abides by the strictest ethics standards in its relations with both internal and external stakeholders. It has adopted a set of rules and standard procedures in a Code of Corporate Governance and Code of Conduct, which ensure the integrity, security and professionalism of businesses practices and conduct.

Responsible Gaming

INTRALOT has adopted Responsible Gaming as a key element of its Corporate Responsibility strategy. A responsible leader of the gaming sector, INTRALOT is committed to addressing the potential social and economic impact of its operations. INTRALOT has developed the enabling technologies and the operational know-how required to implement industry best-practice Responsible Gaming strategy and has adopted a responsible gaming program tailored to the needs of customers and/or players in any jurisdiction globally.

Social Responsibility towards our Employees

INTRALOT corporate employee policies and procedures aim to offer its staff a stable and favorable working environment that maximizes the talent of company professionals, motivates them to excel in their functions, and supports their professional and personal development.

Sustainability of our planet

INTRALOT has developed a company-wide system that monitors its environmental performance and regularly engages or facilitates green initiatives that are relevant to its operations and have an impact on local communities.

2.3 ACHIEVEMENTS BY MATERIAL ISSUE

As a result of a process of engagement with internal and external stakeholders, INTRALOT has identified and ranked the sustainability issues of relevance to the company. The prioritization of these issues supports corporate decisions on where to focus resources, on setting goals and improving business practices, as well as on monitoring, evaluation and reporting processes.

The economic, social and environmental issues considered as potentially material are prioritized according to the following criteria:

◉ Their potential impact on INTRALOT;

◉ Their importance to stakeholders.

The issues identified are as presented in Fig. 4 and constitute the scope of the current report.
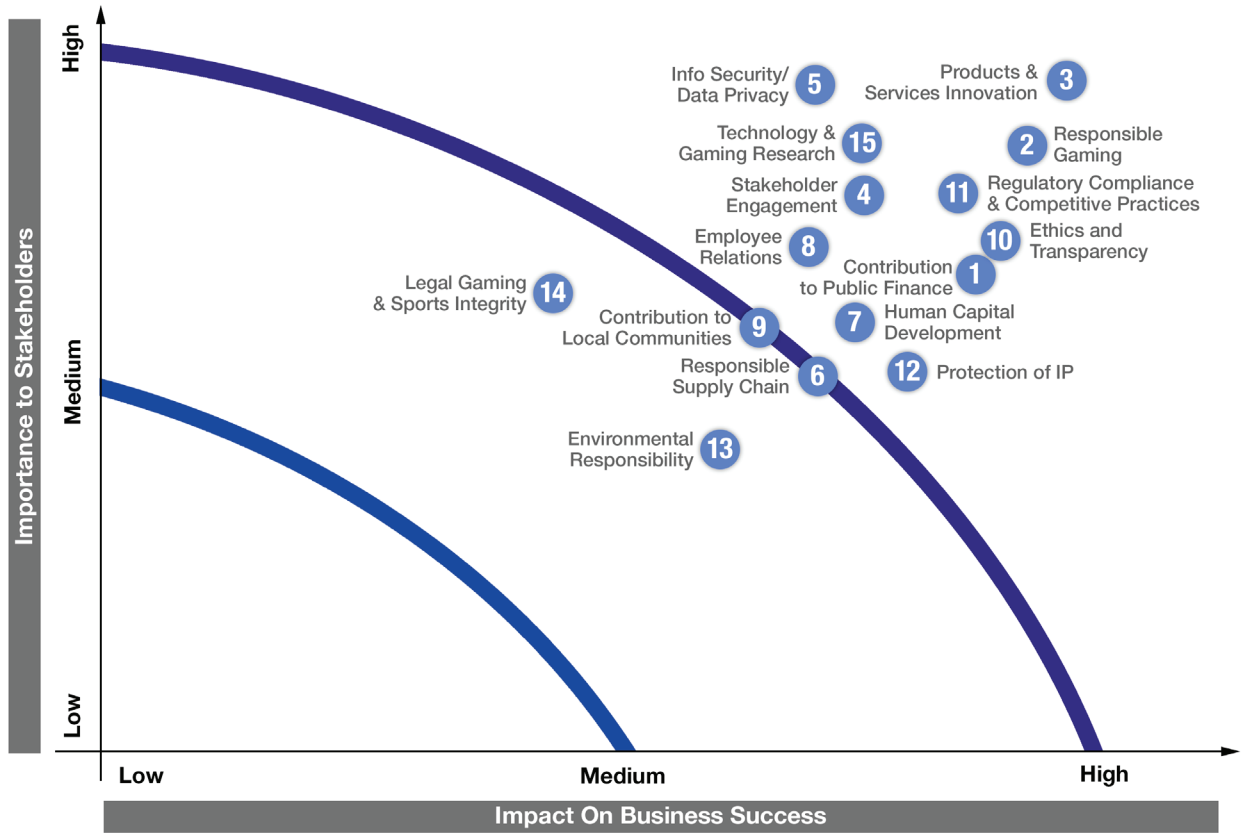
Fig. 4: Materiality Assessment: Results

TABLE 2: INTRALOT ACHIEVEMENTS BY MATERIAL ISSUE

| INTRALOT Material Issues	Achievements 2014	Aspect Boundaries within/outside INTRALOT
Contribution to Public Finance & Social Product	• Payments to government bodies €28,986,000. • INTRALOT Group Social Product €916,034,000.	**Outside**
Responsible Gaming	• INTRALOT SA became the first among sector leaders to receive RG certification as a gaming vendor by the WLA. • Newly acquired EL Responsible gaming certification by INTRALOT's subsidiary Totolotek. • Responsible Gaming Pre-Commitment system – A novel technology enabling personalized game limits and player self-exclusion functionalities. INTRALOT designed and has added the new Responsible Gaming Module to its iGEM Monitoring System. • iRGD – INTRALOT Responsible Gaming Designer is a novel responsible gaming assessment tool developed by INTRALOT and AIT. • New extended group wide responsible gaming training program, in accordance to the WLA Framework, offered on the corporate intranet and through the GLN by the corporate Learning Center. • Reinforcement of training for call center personnel and new media players, where applicable.	**Within & Outside**
Products/Services Innovation	• Products and Services are presented on table 1 of chapter 6 of the present report.	**Within & Outside**
Stakeholder Engagement	• Corporate participation in a stakeholder engagement exercise. • Conclusion of stakeholder engagement with the WLA and design of new RG certification standard for gaming vendors. • Materiality assessment exercise.	**Outside**

Technology & Gaming Research	• €14.8 million on R&D.	**Within & Outside**
Responsible Supply Chain	• INTRALOT designed a new and extended supplier questionnaire for 1st degree suppliers on supplier labor, health & safety, and environmental standards.	**Within & Outside**
Human Capital Development	• Estimated 64.369 hours of employee training. • Training aggregate satisfaction rate 92.3%.	**Within**
Employee Relations	• Improved gender diversity in management ratio.	**Within**
Contribution to Local Communities	• Estimated Group contributions to local communities €5million.	**Outside**
Ethics, Governance & Transparency	• Two new board committees approved by BOD decisions.	**Within & Outside**
Regulatory Compliance & Competitive Practices	• 20.1% increase in the number of GRI G4 Sustainability reporting disclosures.	**Within & Outside**
Protection of IP	• 99 patents & designs. • 97 patents pending.	**Outside**
Environmental Responsibility	• 31 physical servers moved to cloud. • Inclusion of Group wide data in the estimation of Energy Intensity and Emissions Intensity ratios. • Reduction of utilities consumption at headquarters.	**Within & Outside**

03.

Governance & Compliance
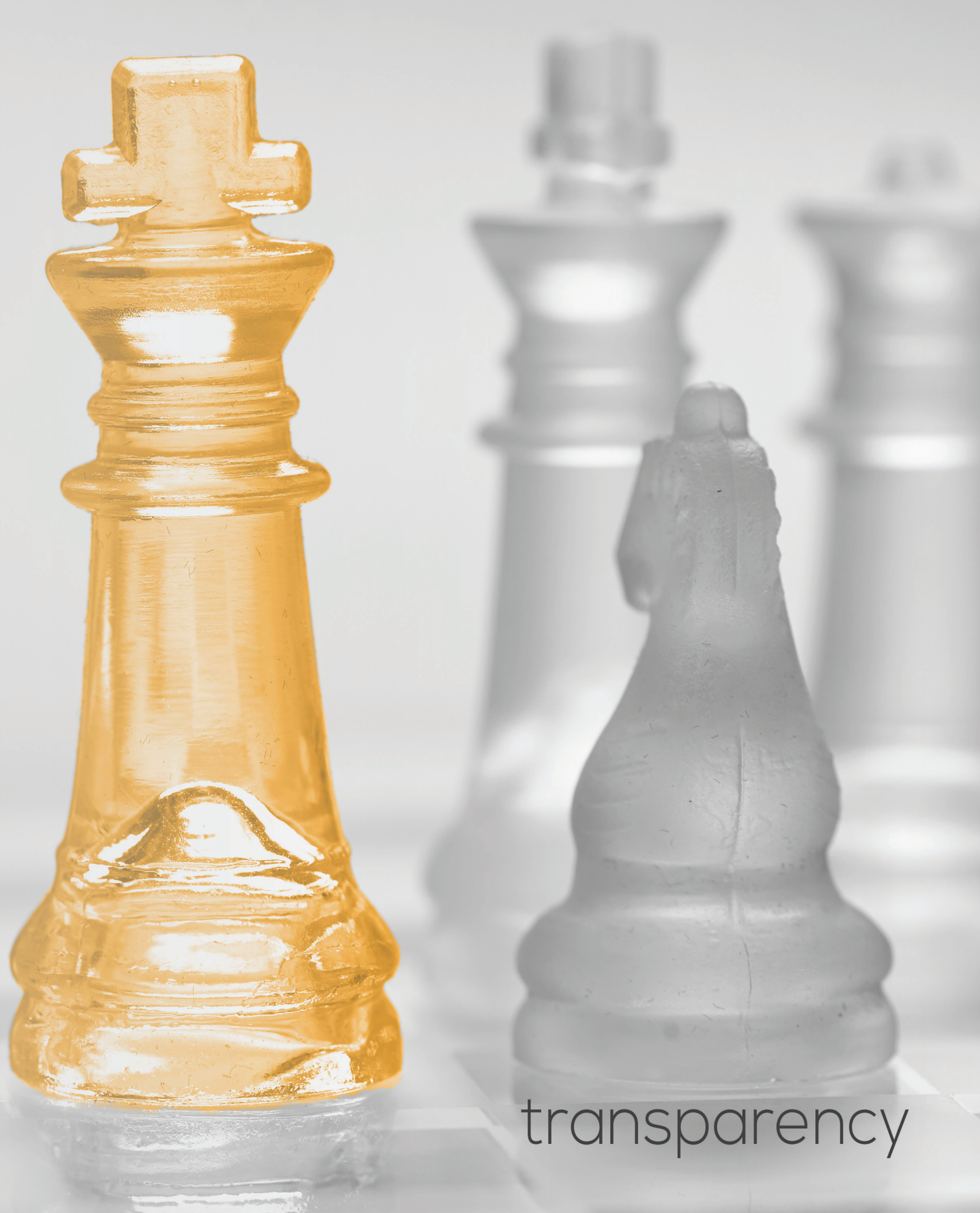
transparency

3.1 OVERVIEW

INTRALOT Group operations and management procedures are subject to international laws and regulations as well as to the governmental oversight and regulatory framework of each jurisdiction where it operates.

The main goals of the Code of Corporate Governance are:

1. To adopt best corporate governance practices under the guidance of the members of the Board of Directors to this purpose;

2. To improve information sharing with both private and institutional shareholders;

3. To effectively comply with the requirements of Law 3873/2010 that incorporates the European Parliament Directive 2006/46/EC into the Greek legal framework.

The Code abides by the principles of OECD Corporate Governance, as published in 2004, the standards laid down in the Greek Code of Corporate Governance for listed companies of the Hellenic Federation of Enterprises, and the best practices applicable to Member States of the European Union. In accordance with Law 3873/2010, the code is also the reference framework on which the annual management report and Board of Directors statements of corporate governance therein are based.

As a listed company, INTRALOT SA fully complies with the provisions of the Greek law, including Laws 2190/1920, 3016/2002, 3693/2008, 3873/2010 and 3884/2010. Furthermore, the company abides by the strictest ethics standards in its relations with both internal and external stakeholders. INTRALOT is also governed by its own adopted Code of Corporate Governance, which ensures the integrity, security and professionalism of businesses practices and conduct. The Code is posted on the corporate website, www.intralot.com.
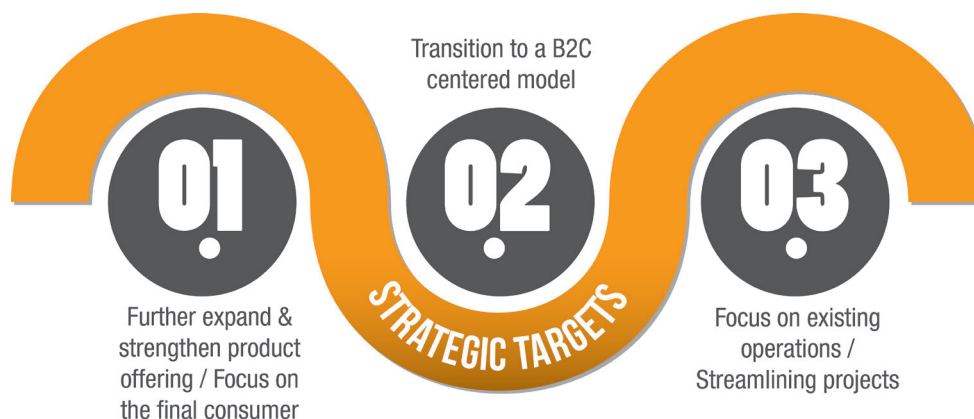
3.2 NEW ORGANIZATIONAL STRUCTURE & STRATEGY

In the beginning of 2014, INTRALOT announced a new organizational structure, created in response to its growing global footprint, the need to better serve customers and their fast evolving needs, as well as to optimize its operations, to enhance the offering of top-quality and innovative products and services, and to increase shareholder value. The new organization was the outcome of a thorough strategic and organization study conducted in collaboration with the global management consultants The Boston Consulting Group.

The major divisions of the new organizational structure of the Company are: Products & Services, Global Operations & Sales and Technology. The appointment of Mr. Antonios Kerastaris as Group CEO, signaled the beginning of a new era for the company.

The gaming sector is undergoing rapid regulatory and technological changes with large scale mergers and acquisitions and the final consumer being the center of attention. In this environment INTRALOT has embarked on a process of change that sets the basis for even greater future success with a new Group strategy, defined by three main pillars:

Transition to a B2C centered model

01 Further expand & strengthen product offering / Focus on the final consumer

02 STRATEGIC TARGETS

03 Focus on existing operations / Streamlining projects

Fig. 1: Strategic Targets

The first pillar is to further expand and strengthen the Company's product offering. INTRALOT's strategy focuses on the final consumer, the player, whose needs and preferences are the key to success. The company invests in Customer Relationship Management (CRM), as the basis for the design of more competitive products. In this direction, the Company announced in February 2015 its strategic partnership with the company Bit8.

The second pillar is the company's transition from technology provider (B2B) to the B2C operations. This constitutes a shift from the traditional B2B business to end consumer and B2C operations, a business segment that the Group has systematically developed in recent years.

The third major pillar is the focus on operational excellence. The Company is implementing organizational changes aiming at streamlining projects on all 5 continents as well as producing a cultural shift, further strengthening the management of the Group's subsidiaries globally.

3.3 THE BOARD OF DIRECTORS

INTRALOT Group is managed by a Board of Directors, consisting of a minimum of seven (7) to eleven (11) members elected by the annual General Meeting of shareholders, which also determines the term of their service. A legal entity may also be elected to the Board.

As of November 2014, the Company has elected a new Board of Directors, as follows:

TABLE 1: BOARD OF DIRECTORS

Name	Position	Executive	Non-Executive	Independent
Sokratis P. Kokkalis	**Chairman**	✓		
Constantinos G. Antonopoulos	**Vice Chairman**		✓	
Antonios I. Kerastaris	**Member**	✓		
Constantinos S. Kokkalis	**Member**		✓	
Dimitrios Ch. Klonis	**Member**		✓	
Petros K. Souretis	**Member**		✓	
Sotirios N. Filos	**Member**		✓	✓
Anastasios M. Tsoufis	**Member**		✓	✓
Ioannis P. Tsoukaridis	**Member**		✓	✓

Assessment of the members of the BoD

For the members of the BOD there is no documented assessment procedure in place at present but their competences, qualifications and expertise are taken fully into consideration during the annual general assemblies. Further, availability for the fulfillment of their duties and the existence and nature of additional positions in other listed companies is also taken into account.

In addition to assessing the BoD via the Agenda of the shareholders' Annual General Meeting, the BoD monitors and reexamines the implementation of its decisions on a yearly basis.

3.4 BOARD COMMITTEES

The principles of corporate governance adopted by the INTRALOT Group affect the way corporate goals are set and achieved, how monitoring systems and risk assessment procedures are adopted, and how transparency is assured and the Group's competitiveness promoted.

The company's board committees have consulting competence and submit their recommendations to the Board of Directors for due examination and action.

As of 31 December of 2014, the Board Committees of the INTRALOT Group are as follows in Fig. 2:

Fig. 2: Board Committees

More information regarding the main responsibilities of the Managerial and Supervisory Bodies are posted on the Company's website: **www.intralot.com** (Investor relations / Corporate Governance).

Conflict of interest

INTRALOT requires that employees disclose any situations that would reasonably be expected to give rise to a conflict of interest, i.e., when an employee's private interest interferes, or appears to interfere, with the interests of INTRALOT. All INTRALOT employees are fully informed about the nature and risks of such conflicts of interest and the different forms that they may take, through the company's Code of Conduct (available at the company's internal portal), which they are required to familiarize themselves with.

When they suspect a conflict of interest, or something that could reasonably be perceived as such, employees are required to report it to their supervisor or director, who then works with the employee to determine whether there is a conflict of interest and, if so, how best to address it.

3.5 RISK MANAGEMENT

Financial Risks

The Company regularly makes an assessment and identification of risks in line with its strategic and business planning and always takes into account the conditions of the market and the industry, political developments, changes in technology, and macro-economic indicators. The activities of the company are monitored via a highly detailed budget, which is assigned to each business unit and each market and is adapted on a regular basis taking into account external factors and changes. Moreover, the management has designed and implements ongoing monitoring targets to guarantee that the Internal Audit System is effective. The Internal Audit System provides Management with a specialized assessment of the inspection mechanisms that are in place in the company, and makes suggestions for their improvement where necessary.

Certain areas are considered to be high risk for financial fraud and are thus monitored with the appropriate anti-corruption policies and measures. Protection against such fraud is assisted through the use of a code of conduct, detailed work regulations, clearly defined duties and responsibilities, procedure monitoring and authorization limits. All relevant measures and activities are subject to internal inspection, the results of which are presented to the management board. Moreover, all employees are required to be fully familiar with these procedures.

As INTRALOT continually develops, compiles and owns certain confidential information (including trade secret information and customer and supplier information) that has great value for its business, employees are required to treat this kind of information confidentially and to prevent the unauthorized disclosure of such information. Employees are required to protect INTRALOT's confidential information and to use it only for appropriate, authorised purposes, and not to disclose confidential information to any person who is not an employee of INTRALOT unless they are authorized to do so.

Moreover, all employees are required to protect INTRALOT's assets and ensure they are used efficiently, i.e. for legitimate business purposes only. They are prohibited from soliciting or conducting outside business during paid working time or from using INTRALOT's funds or assets for personal gain or for any unlawful or improper purpose.

All employees are obliged to deal fairly with fellow employees and with INTRALOT's customers, suppliers, competitors and other third parties and to not take unfair advantage of anyone through manipulation, abuse of privileged information, misrepresentation or any other unfair

dealing practice. They are prohibited from using corporate gifts or entertainment as forms of compensation and may give or receive gifts and entertainment 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. All gifts and entertainment expenses are properly accounted for on expense reports.

INTRALOT has developed a framework for monitoring information systems and has a specific procedure for protection against any problems in the system through an approved Business Continuity programme. Moreover, specific access rights to all information systems by all employees have been defined, depending on the employee's position and role within the company. The company also keeps an entry log.

Occupational risk management

Potential risks in this area are identified and controlled in accordance with Greek legislation and European and international codes of practice. The company's facilities are accompanied by written occupational risk assessment, which also contain the measures that need to be taken for removing, minimizing and controlling risk. These assessments are revised when the work environment and work conditions are modified and are made known to all employees so that each may be familiar with any risks involved and the steps that need to be taken in order to deal with them.

3.6 CORPORATE STANDARDS & CERTIFICATIONS

Product Quality & Quality Management

INTRALOT has been certified according to ISO 9001: 2008. The Company is conducting business in line with its ISO 9001 Quality Manual, which sets the framework for INTRALOT's Quality Management System, presents the corporate philosophy and fundamental principles, and makes reference to documented procedures describing in detail company processes and functions.

The Company works closely with its suppliers and subcontractors, in order to communicate and share in the company's quality policy and requirements. Quality control audits are conducted by senior quality engineers to help them improve the quality of the delivered products or services.

Product Safety

INTRALOT is committed to delivering safe, quality products to its customers. All gaming terminals supplied to a market comply with the highest safety regulations laid down for the specific market. Each terminal is labeled so that the regulation of compliance is clearly identified (CE, FCC, C-Tick).

Safety compliance is taken into consideration from the initial stage of design of the product. To test and certify product compliance INTRALOT works with internationally accredited laboratories, such as the Underwriters Laboratories.

In addition to the gaming terminals, INTRALOT develops and provides gaming software to Lottery operators. The company verifies the credibility and integrity of the games, and ensures that they are fair, secure, and can be operated correctly. Thus, the games are designed to meet the relevant standards, which are widely accepted and used by gaming regulatory agencies. The gaming products are certified by independent inspection and certification laboratories, such as the Gaming Laboratories International.

Service Complaint Procedure

Based on the ISO 20000 certified Service Management System, a customer complaint process has been established in order to be able to capture, analyze and respond to complaints. In combination with the root cause analysis process of the service management system, continual improvement is ensured in order for INTRALOT to be able to improve its excellence in service management and delivery.

All complaints are recorded and must be solved in a timely manner. The complaint process is the subject of periodic review in order to check for patterns in the type, nature and handling of the complaint and to make adjustments accordingly.

What constitutes a complaint and the process whereby it will be managed and resolved is agreed upon between INTRALOT and the customer. The Service Complaint Procedure is also leveraged as a source of service improvement.

Certifications

Being a leading international supplier of integrated gaming and transaction processing systems in over 50 jurisdictions worldwide, information security management is critical to INTRALOT business success. The provision of secure and fair lottery games to citizens is a matter of social responsibility. INTRALOT has established a state-of-the-art framework for the governance of enterprise business processes that binds its customer focused strategy, as follows.

- INTRALOT Shareholder's Trust, driven by:

  - Competitive advantage through the provision of differentiated products and services with embedded security, which, in turn, drives customer acquisition and retention.

  - Brand name protection and increase of reputation by creating a corporate image which respects information protection.

  - Legal compliance through the implementation of the appropriate operational governance framework imposed by national and international legislation (e.g. Privacy Act, Security of E-transactions, Anti-Money-Laundering).

- INTRALOT Customer's Trust, ensuring:

  - Integrity of operations, service availability, protection of the confidentiality of customer information.

  - That the appropriate framework for the governance of enterprise business processes is in place for ensuring operational excellence.

  - Player trust also contributing in increasing sales by attracting and retaining players.

  - Contractual compliance.

- Intellectual Property Protection, through effective information security governance and patenting framework.

- INTRALOT Critical Information Protection, from unauthorized disclosure and from manipulation or loss.

- INTRALOT employee and partner trust, through the establishment of a privacy friendly environment and ensuring accountability is in place.

Acknowledging the strategic importance of security for the company's business success, INTRALOT is the first international vendor in the gaming sector that has been certified according to the World Lottery Association (WLA) Security Control Standard in 2008. Moreover, the Company has been certified with the ISO 27001 for its Information Security Management System (ISMS).

The scope of the double WLA SCS: 2012 and ISO 27001:2013 certification covers INTRALOT S.A., INTRALOT Nederland BV in the Netherlands, INTRALOT GERMANY GmbH, INTRALOT's subsidiary in Malta MALTCO Lotteries Ltd., INTRALOT Inc. in the USA, INTRALOT Australia Pty Ltd., INTRALOT Gaming Services (Australia), INTRALOT operations at the Greek National Lottery (OPAP SA), the Greek Horseracing Organization, ODIE SA, as well as INTRALOT scratch tickets operations in Greece (Hellenic Lotteries).

INTRALOT has also been certified according to ISO 9001 since 2002.

INTRALOT is also the first international vendor in the gaming sector to achieve ISO 20000 certification on Information Technology Service Management. INTRALOT's service management system covers the provision of managed IT Services such as integrated gaming and transaction processing systems & services and interactive gaming services, as provided to licensed lottery, gaming and casino organizations and entities worldwide.

All INTRALOT certifications are being governed by the COBIT 5 framework that the company introduced in order to ensure a holistic approach that covers its business processes end-to-end and in alignment with its business strategy.

INTRALOT's new certification achievements are as follows:

⊙ **Responsible Gaming Certification for WLA Associate members**

INTRALOT was granted the certificate of alignment with the criteria set in the RG certification Standards for Associate members following an external audit performed by the WLA approved assessor, TUV Nord, which completed an in depth independent assessment of INTRALOT's products and services and best practices transferred to lottery customers.

The new RG certification offers a standard for benchmarking and demonstrates INTRALOT's due diligence and social responsibility across its activities. INTRALOT has integrated the WLA framework throughout corporate policies and practices across operations globally, and is committed to the continuous development of the programs defined therein for gaming vendors.

⊙ **INTRALOT subsidiary Totolotek receives Responsible Gaming Certification**

INTRALOT's subsidiary in Poland, Totolotek, was awarded RG certification by the European Lotteries. The certification rewards corporate policies and best practices along the main program areas of EL's framework. Details concerning Responsible Gaming policies and programs as well as the strategic significance of Responsible Gaming for INTRALOT are presented in chapter 4 of the present report.

⊙ **ISO 29990:2010 Certification for INTRALOT Training Services**

INTRALOT is the first vendor in the gaming industry certified with the ISO 29990:2010 standard for the training services provided by the Company's Learning Center. This unique certification covers the full training process, including analysis, design, delivery, monitoring and evaluation of project-based training.

INTRALOT's Learning Center is a dedicated team of specialized training professionals committed to providing INTRALOT Customers worldwide with high-quality, professional training services. ISO 29990:2010 is a standard that aims to improve the quality of offerings on the global market concerning non-formal education and training, such as vocational training, life-long learning and in-company training. The certification process was managed by TUV Hellas, an internationally recognised certification body.

⦿ **INTRALOT has expanded its WLA SCS & ISO 27001 certifications in the USA & Australia**

INTRALOT has been awarded the World Lottery Association Security Control Standard (WLA SCS:2012) and ISO/IEC 27001:2013 certifications for its operations in the United States of America and Victoria, Australia, in line with the Group strategy to expand its certifications in various jurisdictions where the company operates. The certifications of its US subsidiary, INTRALOT Inc., and the Australian INTRALOT Gaming Services Pty Ltd. (IGS) that operates in Victoria, cover all corporate functions of each operation, formalizing the existing management systems that control the integrity of the games and corporate conduct as a whole. INTRALOT Inc. currently supports 12 lotteries in the US, while INTRALOT Gaming Services (IGS) operates the monitoring system of 27,500 EGMs in Victoria through its iGEM electronic monitoring system.

⦿ **INTRALOT expands its WLA SCS & ISO 27001 certifications in Germany, Malta, Greece & South Africa**

INTRALOT has been awarded the World Lottery Association Security Control Standard (WLA SCS:2012) and ISO/IEC 27001:2013 certification for its operations in Germany, Malta and Greece, gradually implementing its certification expansion strategy. The certifications of its German subsidiary INTRALOT Germany, MALTCO Lotteries in Malta and Hellenic Lotteries in Greece, cover all corporate functions of each operation, formalizing the existing management systems that control the integrity of the games and corporate conduct as a whole. INTRALOT Headquarters certifications complement those of its clients, as for example in the case of GIDANI, which successfully finalized its yearly ISO 27001 and WLA SCS certification audit.

All INTRALOT certifications are being governed by the COBIT 5 framework that the company introduced in order to ensure a holistic approach that covers its business processes end-to-end and in alignment with its business strategy.

INTRALOT is the first international vendor to receive the Gaming Standards Association (GSA) Point to Point SOAP/HTTPS Transport and Security Specification and is one of the two companies that have been certified internationally according to the GSA Game to System (G2S) Message Protocol standard, both of them for its VLT Monitoring system, i-GEM.

As per its WLA SCS and ISO 27001 Information Security Management System (ISMS), INTRALOT abides by the above principles of integrity, player trust, compliance, quality and operational excellence. The company ensures that a continual security improvement framework is in place for the design, development, implementation, testing and support of state-of-the-art gaming systems. A mature ISMS and adherence to the WLA SCS enables INTRALOT to constantly identify emerging threats faced, assess the risk of each and implement appropriate security controls. All systems provided to customers ensure a trusted and socially responsible lottery experience.

INTRALOT's International Information Security Management System (ISMS) was updated following the changes in international standards as well as towards serving the emerging business needs of the INTRALOT Group. The key changes target at achieving improved security through simplicity. Furthermore, a special internal website was created for the information of all corporate employees of the current policy framework and practices.

Recognizing that its use of multiple frameworks from several fields, such as quality, security, compliance and service management, needed to be managed in a simpler and more effective manner, INTRALOT introduced the COBIT 5 governance framework, in order to ensure a holistic approach that covers its business processes end-to-end and in alignment with its business strategy. A single, systemic holistic framework that helps it reduce complexity, ensure improved monitoring and information quality toward decision making, increase the value gained from technology and enable innovation.

Committed to staying ahead in the detection and management of risk, INTRALOT is currently working on the maturation of the COBIT 5 implementation by continually processing feedback from metrics and analyzing effectiveness. At the same time, the company is implementing COBIT 5 for Information Security and looking forward to subsequent COBIT products such as COBIT 5 for Risk.

Training on Security Policies and Practices

All INTRALOT employees are required to complete corporate employee induction training upon recruitment. This training includes a module in the main security policies and best practices as well as an overview of the Information Security Management System (ISMS).

In addition, employees are required to follow security training updates on an annual basis. The training is offered to the entire Group through the Global Live Network and made available in the company's i-space intranet portal.

TABLE 2: NEW OR RENEWED CERTIFICATIONS & CORPORATE OR INDUSTRY STANDARDS

Country	Certifications & Standards
Australia	INTRALOT Gaming Services Pty Ltd. (IGS) WLA SCS:2012 and ISO 27001:2013 certification
Germany	WLA SCS:2012 and ISO 27001:2013 certification
Greece	INTRALOT SA was awarded Responsible Gaming Certification for WLA Associate members. ISO 29990:2010 Certification for INTRALOT Training Services INTRALOT Scratch Tickets Operations WLA SCS:2012 and ISO 27001:2013 certification
Malta	MALTCO WLA SCS:2012 and ISO 27001:2013 certification
Poland	Totolotek was awarded RG certification by the European Lotteries
USA	WLA SCS:2012 and ISO 27001:2013 certification covers INTRALOT Inc. (2014)

04.
Responsible
Gaming
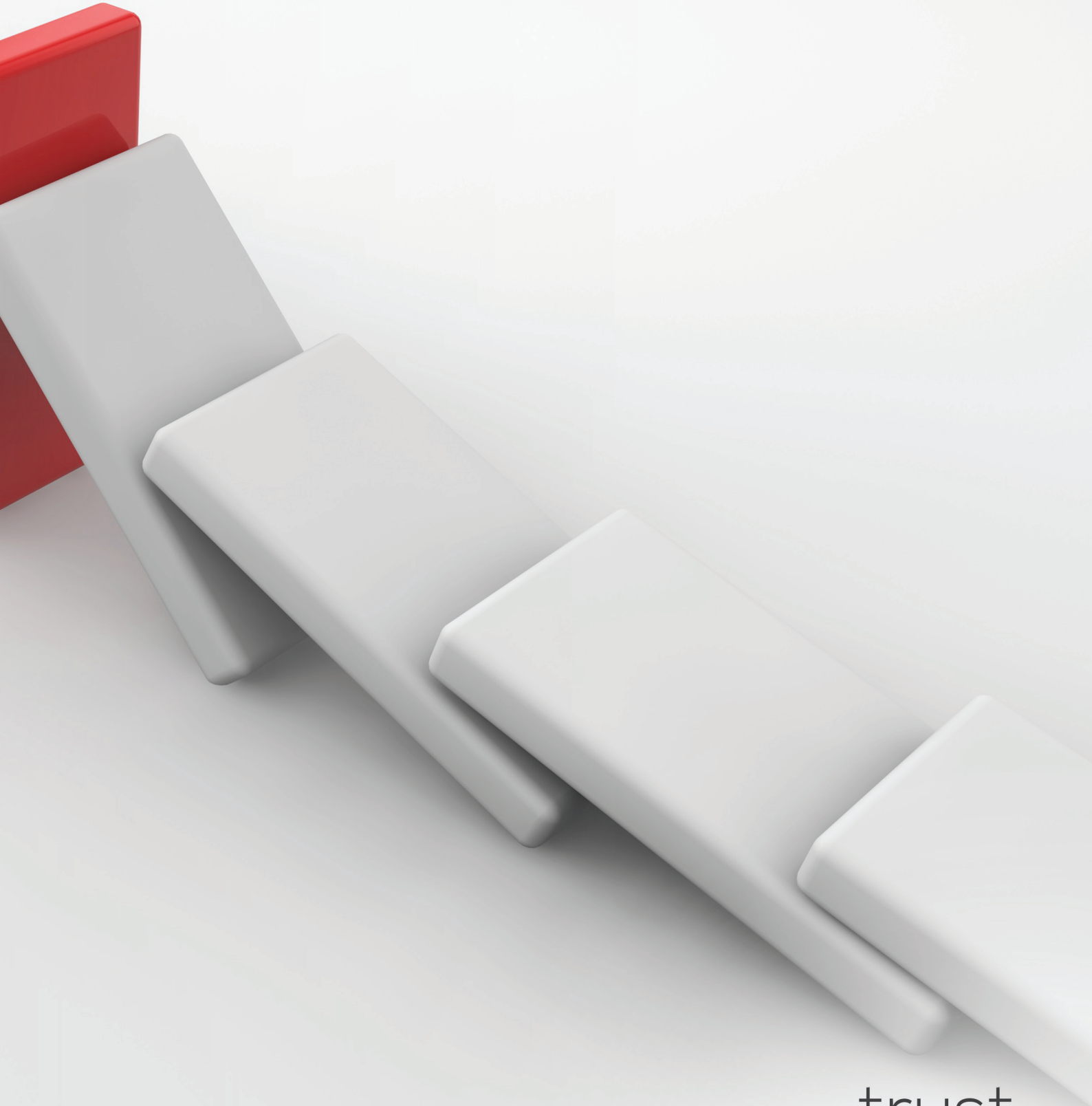
trust

4.1 STRATEGY

Technology is driving disruptive change in the gaming sector. There is fast multiplication and integration of gaming channels and products, and an increase in the offer and the use of the online channel. At the regulatory level, the liberalization of the online gaming sector is progressing at a steady pace. As a result, special attention is being devoted to issues such as responsible gaming policies and practices for the protection of vulnerable groups, security and the prevention of fraud.

In this new technological and regulatory context, the gaming market is increasingly competitive and leaders must gain or retain competitive advantage by investing and demonstrating technological savvy and leadership above and beyond the threshold for compliance. The rise of mobile technology opens a new world of opportunity for responsible gaming entertainment. What is more, mobile technology supports corporate social responsibility by making it possible to personalize responsible gaming messages and other signage of varied social content or target, instead of just broadcasting one message to all players alike. Player engagement is also taken to a new level with endless opportunities for content marketing and active participation of the player in the selection of favorite good causes.

Responsible gaming is natural key element of INTRALOT's corporate social responsibility strategy as it furthers both issues of compliance and the creation of value, for the company and its strategy of sustainable leadership of the gaming sector, for customers and their competitive advantage and for society through the generation of resources for good causes.

The company has the enabling technologies and the operational know-how required to develop and implement a tailored industry best-practice Responsible Gaming program in any jurisdiction globally, and regularly monitors research and integrates latest findings in the development of products and services.

The company ensures that players have the choice of well-designed games in a secure and supportive environment, and implements strategies for preventing underage, illegal and problem gambling, and minimizing any potential undesirable impact on society. Further, INTRALOT raises awareness about responsible gaming policies and best practices near all relevant stakeholders.

TABLE 1: INTRALOT RG BEST PRACTICES

⦿ Compliance with all Laws and Regulations;

⦿ Ensuring that the interests of players and vulnerable groups are protected;

⦿ Continually develop or improve appropriate practices and processes by taking into account information and research conducted;

⦿ Continually develop a better understanding of the social impact of gaming;

⦿ Promote implementation of Responsible Gaming Practices both in our internal activities and externally near our customers and other relevant stakeholders;

⦿ Educate the public by offering accurate and balanced information enabling informed choices regarding gaming activity;

⦿ Continually improve, and report on, responsible gaming activities.

4.2 RESPONSIBLE GAMING PROGRAM

As an Associate Member and main Sponsor of the WLA and the EL associations, INTRALOT proudly supports their mission and the value of responsible growth it stands for. INTRALOT implements a responsible gaming program according to the principles and framework of the WLA and the compliance program of the European Lotteries, as per figure 1 below.

RESPONSIBLE GAMING FRAMEWORK

Research   Game Design   Marketing & Advertising   Player Awareness   Reporting, Measurement & Certification

Employee Training   Remote Gaming   Treatment Referral   Stakeholder Engagement   Retailer Program

Fig. 1: Responsible Gaming Framework for Lotteries

TABLE 2: RESPONSIBLE GAMING ACHIEVEMENTS	
Program Area	**Activities 2014**
Research	• Development of collaborative project GameLot with the gaming innovation cluster of the Corallia Clusters initiative. The purpose of GameLot is the development of tools/platforms/games in the cognitive area of interactive games. • Ongoing partnerships with the Center of Excellence for Research and Education Athens Information Technology (AIT) and with Hohenheim University's Research Center on Gambling.
Employee Training	• Extended employee training program on responsible Gaming and corporate sustainability policies and programs, designed by INTRALOT's Learning Center with the collaboration of the Department of Corporate Communications. • Reinforcement of training for call center personnel and new media players, where applicable. • New trainings at subsidiaries in Malta, Peru and Poland.
Stakeholder engagement	• Participation of INTRALOT SA in a stakeholder engagement exercise and assessment. • As the national lotteries' operator in Malta, INTRALOT subsidiary Maltco Lotteries funds the newly established Responsible Gaming Foundation of Malta. The foundation's management includes representation from the Ministry of Education, the Ministry for Social Solidarity, LGA and the industry. • Dissemination of RG policies and best practices in corporate intranet as well as in social media.
Game design	• New IRGDesigner Tool for testing the social impact of games
Measurement, Reporting & Certification	• INTRALOT SA was awarded Responsible Gaming certification as a vendor by the WLA. • Totolotek was awarded Responsible gaming certification by the EL • INTRALOT received ISO 29990:2010 for its training services offered by the corporate Learning Center. • Increase in corporate sustainability measurements conducted and in the number of GRI G4 disclosures.

Research and Innovation

Innovation is the driving force behind INTRALOT's growth and development, earning the company its current position as a technology leader. Innovation in gaming is driven by gaming research. INTRALOT produces in-house research, facilitates research of relevance to the gaming industry and actively seeks research partnerships focused on innovation-driven products and services.

INTRALOT leads an industry that draws from interdisciplinary research in scientific fields such as mathematics, engineering, ICT, statistics and stochastic processes, areas with strong potential for disruptive innovation and cross-sector synergies.

Research is a material issue of strategic importance for the company because it is leveraged in product innovations, new design and new technology functionalities, advancing business goals while offering avenues for professional development to staff and also supporting on the job learning and human capital.

The current goal of INTRALOT R&D is to leverage trends in mobile technology, multiple gaming channels, the internet of things, cloud computing and HTML5, which are converging toward a "anytime anywhere" environment, while addressing various social responsibility issues material to the gaming sector.

In addition to being an ethical and a regulatory requirement, responsible gaming is a business imperative for companies in the gaming sector as it has acquired a central role internationally, gaining importance in the eyes of society as well as industry stakeholders. Companies are now required to implement specific protection measures and procedures and comply with applicable legal and regulatory responsible gaming frameworks. Thus, they demand high standards from their suppliers and stakeholders and their systems must have added flexibility and parameterization, to ensure easy adaptation to different operating environments.

INTRALOT is committed to engage-in, initiate, communicate research or studies, including from independent sources, in order to contribute to the understanding of problem gambling, create new technologies that prevent problem gambling, or improve gaming practices so as to enable responsible gaming. The company incorporates research results into its products or business practices and works with appropriate stakeholders to disseminate information about responsible gaming and problem gambling.

In-house Research

For the ninth consecutive year INTRALOT Group was ranked amongst the top 1.000 European and world top 2,500 organizations of the 2014 EU Industrial Research & Development Investment Scoreboard released by the European Commission. INTRALOT's demonstrated commitment to innovation has resulted in the rank #589 out of the 1,000 most significant R&D investors in Europe. INTRALOT was also classified 33th at the "Technology Hardware & Equipment" European Industrial Sector list of the Scoreboard.

The R&D Scoreboard measured the total value of INTRALOT's global R&D investment financed with its own funds, irrespective of the location where the relevant R&D takes place. The 2014 Scoreboard revealed that the world top 2,500 R&D investors continued to increase, relative to 2013, their investment in R&D (4.9%) well above the growth of net sales (2.7%). The EU companies increased R&D by 2.6% and decreased sales by 1.9%. The EU Industrial R&D Investment Scoreboard is published annually by the European Commission, DG Research and Innovation and Joint Research Centre.

In 2014, INTRALOT spent €14.8m in R&D, on IT revenues of €209.8m. Further, at year's end, the company held 99 patents worldwide plus 97 additional patents pending approval. INTRALOT technical R&D efforts focus on the following areas:

- ◉ Responsible gaming technologies;
- ◉ Gaming concept design/ development;
- ◉ Retailer terminal design;
- ◉ Data communications;
- ◉ Data mining;
- ◉ Central Systems infrastructure;

- ◉ Software development;
- ◉ New sales channels;
- ◉ Content Delivery and Interactive Multimedia;
- ◉ Value-added services;
- ◉ Alternative & Electronic payment methods.

INVESTMENT IN R&D

€16.6 **2011** | €17.5 **2012** | €15.2 **2013** | €14.8 **2014**

€ MILLIONS

Fig. 2: Investment in R&D (€ millions)

4.3 RESPONSIBLE GAMING TECHNOLOGY

As a vendor and supplier of gaming equipment, product portfolios and management services, INTRALOT's main tool for implementing its Responsible Gaming Program is technology.

Technology can be used to deter the participation of minors and of players with pathological behavior in gaming, and to generally prevent excessive gambling. Further, technology can support a healthy gaming environment, both in land-based and in interactive/alternative channels, so as to enable players to make informed gaming choices.

Finally, technology can ensure a fair and safe gaming experience by preventing the incidence of fraud.

INTRALOT technologies and the functionalities of its IT system are based on industry best practices and are tailored to the operational needs of our customers, actively supporting their efforts and responsible gaming strategies. Moreover, INTRALOT has the necessary expertise to further develop its customer's responsible gaming strategies under the framework of management consulting services, which it offers customers upon their request.

LOTOS™ O/S

LOTOS™ O/S (Open System) is INTRALOT's technologically advanced, innovative and comprehensive Gaming & Transaction Processing Platform. It enables the management and administration of all types of games, systems, terminals & services through a unified platform.

R&D activities support the LOTOS O/S platform evolution (central system, terminals and telecommunications) and offer innovative solutions in sectors such as business intelligence, financial and business data management, information security, fraud detection, electronic system and casino monitoring, betting risk management, interactive gaming, subscription services, internet sales channels & media (PCs, mobile handhelds and tablets, interactive TV, social networks) and value-added services (trade transactions, news services, etc).

INTRALOT's LOTOS™ Operating System and integrated terminals support and enable responsible gaming by monitoring registered players' behavior, applying gambling limits, sending warning messages, educating about gambling risks, and displaying video or multimedia animations that convey messages about responsible gaming.

The responsible gaming functions of INTRALOT's LOTOS™ system result from the various applications/project components, such as the gaming system, the data warehouse, the portal, the main transmission system and mostly the player's card, which indeed can work together to provide added responsible gaming capabilities to a gaming system. A brief list of functions follows.

TABLE 3: RESPONSIBLE GAMING: SYSTEM FUNCTIONS

- Age verification and verification of other data, such as home address and personal Tax Identification Number (TIN), either via online interface of the system with a third party or offline by authorized personnel and standardized procedures.

- Player warnings based on player patterns of gaming behavior.

- Set financial limits (by operators and by players) for different time periods (e.g. daily, weekly or monthly).

- Data analysis and reporting.

- Monitoring player behavior.

- Customization of gaming.

- Internet and interactive channels (e.g., definition of player limits, self-exclusion mechanisms and disconnection from the system, access to gaming history, display of messages on responsible gambling, etc.).

- Implementation of self-assessment tests for players who are concerned about their gaming behavior.

- Agent education and training.

- Player education and training.

4.4 NEW RESPONSIBLE GAMING ACHIEVEMENTS

Responsible Gaming Certification for WLA Associate members

INTRALOT was awarded for its global lottery operations with the prestigious WLA Responsible Gaming Framework Certification for associate members by the World Lottery Association (WLA). As a leader of the gaming sector and a Platinum Contributor of WLA, the certification is the result of a 3-year process that started in 2012, when INTRALOT was invited, together with other industry leaders, to participate in a consultation and in the creation of a Responsible Gaming (RG) standard for lottery vendors. Other participants included GTECH, Scientific Games and Pollard Banknote. The final standard was released in the end of 2014.

INTRALOT was granted the certificate of alignment with the criteria set in the RG certification Standards for Associate members following an external audit performed by the WLA approved assessor, TUV Nord, which completed an in depth independent assessment of INTRALOT's products and services and best practices transferred to lottery customers.

The new RG certification offers a standard for benchmarking and demonstrates INTRALOT's due diligence and social responsibility across its activities. INTRALOT has integrated the WLA framework throughout corporate policies and practices across operations globally, and is committed to the continuous development of the programs defined therein for gaming vendors.

RESEARCH

CLIENT EDUCATION

EMPLOYEE PROGRAM

STAKEHOLDER ENGAGEMENT

PRODUCT & SERVICE DEVELOPMENT

ADVERTISING & MARKETING COMMUNICATIONS

REMOTE GAMING ENVIRONMENT

REPORTING, MEASUREMENT & CERTIFICATION

Fig. 3: Responsible Gaming Framework for Gaming Vendors

iRGD – INTRALOT Responsible Gaming Designer

Offering responsible games to players is not a onetime task. It requires ensuring appropriate game design with embedded responsible gaming characteristics, as well as continuously monitoring the impact of changes in the structure, the features and the environment in which the game is offered. As an integral part of its game design process, in 2014 INTRALOT R&D labs, in collaboration with its research partner AIT-Athens Information Technology and the expertise of independent international scientists, has created a novel responsible gaming assessment tool, the iRGD tool.

iRGD evaluates structural, situational and custom responsible gaming characteristics per game and provides results and recommendations for improvement. The tool analyzes:

◉ Structural characteristics: game features that relate to the initiation, development and maintenance of playing over time;

◉ Situational characteristics: game features primarily related to the gaming environment (e.g. retailer shop, Video Lottery venue, Internet or Mobile channel);

◉ Responsible gaming characteristics: features that may impact the players gaming pattern (i.e., self-imposed time and/or financial limits, etc.).

IMPLEMENTATION CONTEXT

Fig. 4: Game Evaluation Tool: Snapshot

With a friendly interactive user interface and available to any gaming operation irrespective of market, vendor or technology, iRGD offers customers:

- ⦿ Social impact evaluations per game, channel or territory;

- ⦿ Detailed reports per characteristic, based on which specific game or gaming improvements can be decided and planned;

- ⦿ A repository of data and gaming intelligence per game, channel and territory, for ulterior reference in CRM and records generation.

iRGD can be used by:

- ⦿ Game designers, for embedding responsibility in gaming during the design process;

- ⦿ Compliance departments, for providing records towards responsible gaming certification or audit processes;

- ⦿ Sales and Marketing teams, for gaining a better understanding of game features;

- ⦿ Corporate Management, for gaining additional insights on gaming and game environment characteristics;

- ⦿ Internal auditors, for evaluating responsible gaming in the corporate offerings.

Responsible Gaming Pre-Commitment System

Pre-Commitment measures on game play are the main tools to enable a sustainable and Responsible Gaming environment and have become a key component to an effective Player Services agenda offered by contemporary gaming systems (land-based and internet). INTRALOT has recently designed and added the Responsible Gaming Module to its iGEM Monitoring System, which is a technology platform for monitoring and managing large networks of electronic gaming machines (EGM).

INTRALOT's Responsible Gaming Module follows the latest gaming standards and globally accepted best practices in Gaming. Players can register via web or in any gaming venue and get a player card and credentials to access their account, which allows them to set personalized game limits or to self-exclude. It also offers detailed real time and historical information on their gaming activity, including the time of play and financial losses. The system also allows the use of anonymous player cards for pre-commitment purposes, for the players who wish to play anonymously.

This novel technology offers the player various options, including:

- ⦿ Allows either a Voluntary Scheme, where EGMs can be played by non-registered players, or a Mandatory Scheme, where the use of a player card, with player-set limits, is necessary to activate the games;

- ⦿ Supports Anonymous or Named Registration: either or both options can be active at any installation, but the Named Registration may offer additional services, such as game history reporting and link to/re-activation of an account, in case of loss of card and credentials;

- ⦿ Configuration to Stop Game Play when a limit is reached, or to Allow Game Play after that limit, with warnings or with no warnings. Players are informed in real time about their gaming activity before and after the set limits;

- ⦿ Offers fully configurable limits that can be switched on and off: financial loss, play time, bet level, applicable on a daily, weekly, or monthly basis;

- ⦿ Supports configurable warning messaging and warning levels;

- ⦿ Incorporates self-assessment questionnaires available via a web site to all players, allowing them to measure their risk level (on an ascending scale from green, yellow, orange, to red) of excessive gaming behavior;

The system also includes web links to resources and to organizations engaged in responsible gaming and problem gambling and enables collaborative services with external systems, conveying responsible gaming rules and personalized signage to players according to their risk level or loyalty class.

INTRALOT is one of a handful of technology providers to state-licensed gaming organizations that has developed a state-of-the-art large scale Pre-commitment system and is the only company that has optimally combined the security, monitoring and control of EGMs with Player Pre-Commitment through its iGEM Monitoring System. INTRALOT has already successfully deployed both the EGM-centric and the player-centric features of iGEM in Australia with great success.

Totolotek Responsible Gaming Certification

INTRALOT subsidiary Totolotek S.A., a member of EL as of 2008 and an official partner of UEFA, is the first company in the Polish betting market to introduce a comprehensive sustainable development policy. In response to the needs and expectations of the Polish business environment and well beyond the regulatory requirements, Totolotek shares in the Group's corporate values of user safety and product safety, fair play and operational transparency.

In 2015 Totolotek S.A., a leading and the longest operating company in Poland's betting market, received accreditation in responsible gaming by the European Lotteries. The certification is a result of coordinated efforts and a reward to effective implementation of INTRALOT Group's industry standards and CSR framework, implemented in subsidiaries of the Group worldwide.

TABLE 4: TOTOLOTEK S.A. RESPONSIBLE GAMING PROGRAM

Program Area	Activities 2014
Research	Totolotek conducted its proprietary and internal research on the scale of player addiction problems in the Polish gaming sector, in collaboration with IQS, an independent research organization. The research team involved psychologists and sociologists of the Gambling Addiction Fund and the Centre for Addiction Treatment Therapy Naleczow and as well as leading researchers from the Polish Addiction and Mental Health Therapy Association.
Employee Training	Totolotek integrated responsible gaming activities into job descriptions of all corporate employees and conducted a companywide corporate employee training program.
Sales Agents Program	Totolotek prepared a specific Responsible Gaming training program as well as training materials for sales agents. Totolotek also developed a renewed process for monitoring and evaluating the performance of its own POS regarding Responsible Gaming. Furthermore, the Responsible gaming framework has been integrated into the company's Internal Audit procedure.
Game design	There is a documented and structured process for assessing the social impact of all products of Totolotek's product portfolio.
Remote gaming channels	Remote gaming functionalities, self-exclusion option, time and monetary limits for players, as well as data protection controls are available to the player. What is more, clearer, visible and transparent presentation of Responsible Gaming policies and practices has been made available on all web pages of the company.
Advertising and marketing	Access to the responsible gaming page is available from any page of the corporate website. A self-assessment questionnaire has also been created and offered to players to allow them to test the presence of potential addiction symptoms. Totolotek's marketing code of conduct includes all elements of responsible gaming policy and marketing materials include multiple responsible gaming signage, such the messages *play with your mind* and +18.
Treatment referral	Totolotek engaged with organizations treating users with symptoms of problem gambling, health treatment centers and multiple mental health professionals. Totolotek selected a treatment service to provide remote support in the form of a treatment referral to players and free helpline.

TABLE 4: TOTOLOTEK S.A. RESPONSIBLE GAMING PROGRAM	
Program Area	**Activities 2014**
Player education	Totolotek created a special awareness program to educate players on the risks of gambling and responsible gaming practices. The information is available online and at points of sales, including the information about treatment referral. The same applies to age restriction measures.
Stakeholder engagement	Totolotek engages regularly on a formal basis with stakeholders on issues concerning problem gambling. The results of stakeholder engagement are incorporated into strategic decision-making processes.
Reporting, measurement and certification	Committed to a regular measurement and reporting cycle, RG policies and programs are reported to the mother company and included in the present Sustainability report.

4.5 COLLABORATIONS IN RESEARCH & EDUCATION

Technological innovation is creating a skills-gap in the labor market. On the other hand, government spending on tertiary education (as a proportion of all spending in education) is declining, averaging 69% in 2011 in OECD countries, as compared with 75% spending in 2000.

As a multinational corporate citizen, the INTRALOT Group supports efforts to bridge the labor market with university research and education in areas of strategic importance to business innovation and operational excellence. Toward this end, the company has developed a series of partnerships, as follows.

Corallia Gaming Cluster

INTRALOT actively supports efforts to kick-start technology entrepreneurship in the gaming sector. Toward this goal, the company has an ongoing partnership with the Corallia Clusters Initiative since 2010. Corallia is a non-profit organization created with seed money from the Greek government and the European Union whose goal is to be a facilitator of innovation.

The gi-Cluster (www.gi-cluster.gr) bears the stamp of a Greek industrial cluster edge innovation with considerable potential to become a world-class pioneering initiative in a highly competitive and extrovert sector of the economy. Established in early 2012 with the support of INTRALOT Group and Corallia as cluster facilitator, the gi-Cluster's mission is to create a leading, fully functional business innovation ecosystem, producing new technologies and competitive products and building on scientific knowledge and on business and research talent from all areas of Technology & Gaming, so as to have positive impact on the position of Greece in international competitiveness rankings.

To date, the main products & services born in Greece to the gi-Cluster include five main gaming technology product categories or creative content and two main support services areas, as per Table 5.

TABLE 5: GI-CLUSTER PRODUCTS & SERVICES	
Product Categories	**Support Services**
• Platforms and social networking content • Three-dimensional machines (3D engines) • Serious Games • i-Gaming • Digital Signage	• Creative Content • Research and gaming systems development

The gi-Cluster has been awarded the Bronze Label by the European Secretariat for Cluster Analysis (ESCA), the European excellence cluster certification body.

The strategy of the gi-Cluster is to serve as a national vehicle rallying creative industries' innovation potential and leading to synergies for other sectors of the economy. To illustrate, such synergies include:

- ⦿ The development of tourism applications;

- ⦿ The digitization of cultural content;

- ⦿ The development of digital educational tools.

Thus, the gi-Cluster has contributed to the emergence of the Creative Economy as an important vehicle for research, innovation and growth in Greece. During the period 2013 to 2015, the gi-Cluster has managed to achieve a 317% increase in the number of members, now boasting 50 members including 40 companies and 10 research and academic institutions. The SMEs of the cluster show a 29% increase in turnover, a 22% increase in employment, a 19% increase in exports and a 120% increase in joint academia-industry research projects.

It is important to note that over the next three years the European market of digital industries alone will increase by €63 billion and create as many as 5 million new jobs. The significant boom in the industry is directly related to the catalytic introduction of IT in Creative Industries, which creates a new environment of cross sector partnerships that combine application development, providing web services and data management, with visual arts, social sciences & humanities, audiovisual productions and other areas, targeting the multiplier factor and resulting in competitive advantage in sectors like Tourism and Culture.

INTRALOT Interactive, in collaboration with four (4) more companies members of the gi-Cluster, are currently implementing the collaborative project GameLot, which has been approved in 2013 by the Directorate for Support of Research Programs, Department A, of the General Secretariat for Research and Technology, Operational Programs, of the Hellenic Ministry of Education and Religious Affairs, Culture and Sports. The commercial exploitation of GameLot, whose purpose is the development of tools / platforms / games in the cognitive area of interactive games, is expected to start within 2015 upon successful project completion.

Athens Tech

Athens Tech College is an Athens-based international technology education organization, created with the aim to connect technology to entrepreneurship and to new ideas and their practical market applications. Athens Tech offers Bachelors and Master degree programs in cutting-edge technology fields in collaboration with the University of Sheffield, one of the best universities in the United Kingdom and a member of the prestigious Russel Group. The study programs, which include advanced software engineering in mobile development, big data analytics, internet security, telecommunications, as well as business and innovation, prepare students and alumni for IT and technology research and entrepreneurship. INTRALOT Group employees and their families benefit from corporate scholarships for the completion of Athens Tech degree or executive education programs.

Athens Information Technology

INTRALOT co-founded, annually supports, and has a partnership with Athens Information Technology (AIT), a non-profit Center for Research & Education in the fields of Information Technology, Telecommunications and Innovation Management.

TABLE 6: MAIN PROJECT COLLABORATIONS WITH AIT	
Educational Game of ISMS scenarios	**Responsible Gaming Game Design Tool**
Collaborative storytelling and visual design and development of a 2D interactive and media rich educational game aimed at assessing the acquired know-how of INTRALOT employees on policy aspects with respect to INTRALOT's Information Security Management System (ISMS).	Design and implementation of an Addiction Detection Engine (ADE) which comprises of three major modules: • A game-evaluation module that comprises a decision tree that allows game designers to evaluate whether a proposed game-design has high risk of being addictive or not. • A player addiction detection module that constantly monitors player's historical behavioral data. • A self-awareness feedback module involving an appropriate self-evaluation questionnaire.
Gamez-on	**Novel Image and Video Processing Technologies**
Definition and implementation of a Gaming Ecosystem for new game development and game playing. Gamez-on facilitates the rapid development of game concepts into open peer-to-peer game projects that can run over multiple hardware platforms through the provision of libraries and collaborative development tools.	Research and development of novel image and video processing technologies and their application for: 1. The improvement of INTRALOT's Lottery Ticket Reader; 2. The design and implementation of a Barcode Reader; 3. The improvement of INTRALOT's Kinect-enabled DreamTouch terminal.

Hohenheim University Research Center on Gambling

Promoting the notion of responsible gaming, INTRALOT supports as of 2008 the Hohenheim University Gambling Research Center, which conducts research on the various economic and social aspects of gambling and its impact on player behavior, habits and lifestyle. The Gambling Research Center was established in December 2004 and is the only academic gambling research centre in Germany. It is dedicated to research in the subject areas of regulatory and consumer policy, consumer behavior, public and private law, finance and tax, applied mathematics, statistics and econometrics, communication and marketing sciences, and theories of gaming. While gambling research centres in other countries focus mainly on either the psychological or the legal aspects of gambling, the Gambling Research Centre at the University of Hohenheim stands out due to its multidisciplinary approach to gaming research, boasting a 25-member Scientific Board with diverse scientific backgrounds and expertise. Moreover, the head of the center is a member of the executive board of the European Association for the Study of Gambling (EASG).

In 2014, the Gambling Research Center was able to look back on 10 years of existence. The main research topics comprised national and international gambling law and regulation, match fixing, advertising guidelines, responsible gambling as well gender issues in gambling.

4.6 EMPLOYEE TRAINING ON RESPONSIBLE GAMING

INTRALOT's Learning Center is a department dedicated to the provision of training services. Within the scope of the Department is 'project-based' training – i.e. role-based training provided to the personnel of Lottery Organizations and to that of INTRALOT Subsidiaries (both referred to as 'Customers') on the Lottery systems provided by INTRALOT. The aim is to enable the designated personnel of a Lottery Organization to effectively and efficiently operate the new systems as this pertains to different roles and allocated tasks.

The Learning Center's training methodology covers the entire training process - analysis, design, development, execution and evaluation of provided customized, industry-specific training programs, thus safeguarding the efficient launch and operation of a Lottery. The Learning Center's training methodology is subject to ISO 9001, ISO 27001/WLA SCS and EFQM certifications and proven in more than thirty projects around the world.

INTRALOT's Learning Center has the responsibility to effectively design and execute the Training Program. The Learning Center works closely with persons designated by the Customer in order to provide the best possible training solution. It also works closely with the organization & human resources department for the provision of skills development and the advancement of knowledge among INTRALOT personnel.

As a leader of the gaming industry, INTRALOT has a full-fledged commitment to responsible gaming principles and practices. The supply of responsible gaming products and services depends to a great extent on the Company's most strategic resource, its workforce. INTRALOT corporate training policy on responsible gaming is to educate and to enable its employees to uphold the highest standards and to follow best practices in order to ensure a fair and safe gaming experience to players and protect them, as well as society in turn, from adverse consequences of gaming.

The high-quality training provided is developed in-house by content developers of the Learning Center, who work closely with INTRALOT subject-matter across different departments, including with INTRALOT's responsible gaming executive.

The responsible gaming training program is designed, implemented, evaluated, and continuously improved by the training experts of the Learning Center and has steadily grown and matured into an integrated training framework. Responsible gaming awareness training is provided to all employees as part of their Induction Program.

The training program on responsible gaming policies and practices is comprised of the following modules, described hereafter:

TABLE 7: RESPONSIBLE GAMING: OVERVIEW OF EMPLOYEE TRAINING PROGRAMS	
Employee Training on Responsible Gaming	
Corporate Level	• Induction to Responsible Gaming: All new INTRALOT employees
Job-Specific Level	• Best RG Practices for Marketing Personnel • RG Technology Updates: INTRALOT Senior Technical Management • RG Awareness & Best Practices for Retailer Trainers (Train-the-Trainer) • RG Awareness & Best Practices for Business & Support Personnel (Commercial/ Management, Call Center) • Other modules, as per job role, per product offering (back-end/front-end training)

Induction to Responsible Gaming

Upon recruitment, all new INTRALOT employees undergo an induction program. Among other, the induction program includes a specific module on the important topic of Responsible Gaming, which is intended to:

⊙ Educate/Raise awareness of our employees on responsible gaming principles and policies;

⊙ Communicate the significance of responsible gaming for the competitive advantage of the Company's core business;

⊙ Provide examples of responsible gaming practices of INTRALOT.

Best RG Practices for Marketing Personnel

An important component of an effective responsible gaming program has to do with marketing operations. In jurisdictions where INTRALOT undertakes the marketing of products, the local marketing staff of INTRALOT is trained by our Marketing experts from headquarters on how to conduct marketing operations based on best responsible gaming practices, as applicable to the local jurisdiction. Moreover, members of the Game Design Department are trained on structural characteristics of games and situational risks associated with gaming.

RG Technology Updates for INTRALOT Senior Technical Management

As a world leading gaming vendor and operator committed to the principles of responsible gaming, it is important for INTRALOT to always be up-to-date on all gaming-related technology developments. To this effect, sessions on the latest developments in responsible gaming technology are periodically scheduled for the Senior Technical Management of INTRALOT. The information provided is kept in a special collaborative site on the corporate portal and is easily accessible to the designated INTRALOT employees.

RG Awareness & Best Practices for Retailer Trainers (Train-the-Trainer)

INTRALOT places special emphasis on its Train-the-Trainer programs intended for Retailer Trainers and more specifically on how the participants can raise awareness of retailers on responsible gaming and on how RG practices and procedures can be incorporated into the retailers' daily sales operations.

RG Awareness & Best Practices for Business & Support Personnel (Commercial/Management, Call Center)

The topics included in this training module are the same as those included in the module above, but differ only in the learning objectives (which are based on the intended audience), the depth of the knowledge provided and the evaluation method. For example, in those sessions where the intended audience is Business Users (primarily Commercial/Management personnel) the objective is to train them on the same RG topics that retailer trainers are trained on but without the requirement to demonstrate their knowledge through presentations. Similarly, Service Personnel (e.g. Call Center) is also trained on the same topics but their training evaluation method is based on how to convey their knowledge to retailers over the phone. Also, in this case, there is much less emphasis on the 'sales' approach and more on the other topics.

Other Training Modules

Finally, it should also be noted that apart from the modules listed above and that relate directly to responsible gaming, INTRALOT also provides its employees with other training sessions that can be associated with responsible gaming, such as annual training on INTRALOT's Information Security Management System (ISMS), which is in accordance with WLA standards and emphasizes the importance of information confidentiality, integrity and availability.

Training Delivery Methods

Different training delivery methods are applied, as per module and intended audience, so as to bring about the desired training result. One of these is instructor-led training (ILT), held in suitably equipped physical classrooms. With the exception of the modules intended for the Marketing and Technology personnel, which are conducted by highly-qualified specialists, all other training modules are conducted by experienced, certified trainers of the Learning Center.

In addition, a variety of e-learning methods are used, including asynchronous training – i.e. e-courses on INTRALOT's e-learning platform - and synchronous training – i.e. live, virtual classroom training sessions. The Responsible Gaming Awareness/Updates training is an example of an RG training module created in-house by the Learning Center as an asynchronous e-learning course, which is readily available (anytime/anyplace) to all INTRALOT employees around the world.

Evaluation of Employee Training Programs on Responsible Gaming

Depending on the learning objectives of each module, discussion, questions and answers, role plays, quizzes and other training methods are employed aiming at determining the knowledge attained by the trainees from each training course. Moreover, in accordance with best international quality assurance practices and standards, a detailed course evaluation is conducted at the end of each training module. The course evaluation form provided to the participants includes multiple choice and open-ended questions regarding the course (e.g. information usefulness, points that need improvement, etc.). The Training Evaluation Forms are submitted by the trainees on an anonymous basis. The trainers also provide feedback concerning the training sessions. All results are then processed by the Learning Center and a composite Training Evaluation Report is prepared. The data is also kept in the training database which is regularly audited, in accordance with all certifications the Learning Center complies with.

The principal aim of the training evaluation process is to utilize the input provided so as to ascertain where the training was effective or where extra training may be required so as to bring about the desired result – employees who are aware of, and adhere to, responsible gaming practices.

4.7 MARKETING STANDARDS & RESEARCH

Responsible gaming is embedded in the products, tools and systems offered by INTRALOT to its customers. In addition to having the technology that supports it, the company's marketing and advertising campaigns in all jurisdictions where it has a presence abide by responsible gaming principles and actively promote best practices.

INTRALOT's market research experts possess the professional knowledge to unlock customer insights. The research tactics range from usage & attitudes, segmentation and tracking studies, to retail field researches and data collection, utilizing all available methods up to online terminal applications.

INTRALOT is a member of ESOMAR and abides by ESOMAR's Code & Guidelines for conducting market research, including research on customer satisfaction and mystery shopping.

ESOMAR is the essential organisation for encouraging, advancing and elevating market research worldwide. Since 1948 ESOMAR's aim has been to promote the value of market and opinion research in effective decision-making. ESOMAR facilitates an on-going dialogue with its 4,900 members, in over 130 countries, through the promotion of a comprehensive programme of industry specific and thematic conferences, publications and best practice guidelines. ESOMAR also provides ethical guidance and actively promotes self-regulation, in partnership with a number of associations across the globe. All ESOMAR members, as well as their company contact details, are listed in the ESOMAR Members search function. Members agree to abide by the ICC/ESOMAR International Code on Market and Social Research, which has been jointly drafted by ESOMAR and the International Chamber of

Commerce and is endorsed by the major national and international professional bodies around the world.

Player satisfaction is an ongoing process, whose success largely depends on the effective translation of the latest trends into the right products and services. INTRALOT continuously deepens its understanding of the player by analysing their actual behaviour, captured in the tens of millions of player-initiated transactions the company enables globally. The level of players' satisfaction is further monitored on a regular basis through market research commissioned and conducted in terms of the aforementioned research parameters and the data collected in over 50,000 questionnaires across all continents are processed so as to exceed player expectations for a fair, healthy and safe gambling experience.

Specifically for electronic channels, where player identification and gaming profiles can be leveraged to enforce warning and preventing mechanisms, a dedicated monitoring process triggers personalized messages informing players about potentially excessive and problematic gaming behavior.

Following are some of the responsible gaming monitoring activities:

1. Mystery Shopping

Mystery shopping researches are conducted regularly to test compliance of the network to Responsible Gaming guidelines. Sales inspectors visit agents to ensure that they are complying with the conditions of their license and their obligations. Specifically, their goal is to determine whether the Point of Sale staff:

- Sells tickets to or pays prizes to persons under 18 years of age. Alleged players that look younger than their age but are above the age limit make shop visits to examine compliance on requesting ID when in doubt;

- Is not adequately trained to sell tickets;

- Pays on winning tickets that are obviously counterfeit;

- Sells tickets or pays prizes to self-excluded players.

Any retail outlet where any of the issues described above have occurred may have its authorization to sell products removed.

2. Inspection

INTRALOT takes all reasonable measures to ensure retailers do not sell lottery games to minors. In the case someone suspects that an illegal transaction is taking place, a tip-off number is made widely available at Points of Sale that enables agents to report improper conduct. Reports of misconduct trigger investigation and remedial action.

TABLE 8: RESPONSIBLE GAMING MONITORING	
No. of Inspector Visits and/or Mystery Shopping	
2013	2014
7,527	13,035

4.8 PLAYER EDUCATION & TREATMENT REFERRALS

INTRALOT implements a series of responsible gaming education activities aimed primarily at the prevention of problem gambling and at offering information to various groups of players based on their classification into low-, medium- and high-risk categories. Furthermore, the company believes that the treatment of players who develop symptoms of addictive gambling behavior must be undertaken by experts in the provision of health services to addicted gamblers. INTRALOT cooperates with such bodies in several of the jurisdictions where it operates, disseminates information about their work and refers any problem gambling incidents to these organizations.

Several of INTRALOT's lottery customers have developed collaborations with specialized organizations dealing with gambling addiction and problem gambling therapy. As a supplier, INTRALOT promotes regular information about the availability of this support near retailers. In jurisdictions where the company is a lottery operator it has developed treatment referral collaborations.

TABLE 9: RESPONSIBLE GAMING PROGRAM: HIGHLIGHTS 2014	
Bethany	IGS is a regular participant in the venue and community support program Bethany, charged with visiting gambling venues in the SW Australia region region to provide training for staff and acting as a link between gaming venues and counselling and support services. Bethany works closely with a wide range of community groups including schools, teaching the community to recognise and help problem gamblers.
Gioconsapevole	INTRALOT Italia renewed the Gioconsapevole advertising campaign, seeking to promote the Gioconsapevole initiative, a practical measure to prevent and reduce gaming-related addictions led by the Italian Gaming and Regulatory Authority, AAMS. INTRALOT Italia and S.I.I.Pa.C - Italian Organization for the Treatment of Compulsive Disorders, have launched a free telephone line to assist players who are affected by pathological gaming behaviour. INTRALOT Italia actively promotes the activation of the free phone line (800.589.372). Skilled operators provide players with potential risk of gambling addiction with expert counseling services and adequate support.
Responsible Gaming Awareness Week	IGS was an active participant in the Responsible Gaming Awareness Week organized by the Victorian Responsible Gaming Foundation, in Australia, whose mission is to provide problem gambling counselling and other services for those affected by problem gambling, to run community education and information campaigns to support responsible gambling and to commission research on problem gambling issues.

05.

Economic
Sustainability

prosperity

5.1 INTERNATIONAL PROSPECTS OF THE GAMING SECTOR

Regulation and technology convergence are driving the lottery industry towards new business models, where strong player focus will be a key element of success. The liberalization of gaming markets and particularly the rapidly evolving Internet and mobile market pose substantial opportunities for growth, and so does the trend towards privatization and the legalization of lottery games.

These opportunities have emerged from the need of governments to increase their revenues, so as to fund budget deficits and meet other financial obligations under dire economic circumstances. For their part, in this new economic and technology environment players are seeking increased, more sophisticated gaming entertainment value through highly branded games with attractive services and loyalty schemes. Further, the newer generation of players, akin to the mobile gaming channels, have a strong drive towards engagement in social causes as well as receptiveness to brands with demonstrated political citizenship.

In an increasingly competitive market, how the company sells is as important as what it sells. INTRALOT is developing business intelligence both about internal processes and about player behavior so as to optimize business operations worldwide. As it strengthens its transition towards the fast growing consumer demand for entertainment through personalized game offerings, INTRALOT is closely monitoring the sector's developments so as to selectively and responsibly participate in projects with high growth potential, with major focus on the B2C segment through retail and interactive channels.

5.2 FINANCIAL PERFORMANCE

Regarding the Group's financial results in 2014, revenues increased by over 20% to €1,853.2 million from €1,539.4 million in 2013, an increase of €313.7million. Net of a negative FX impact of €82.0m, revenues reached €1,935.2m, posting an increase of 25.7%. EBITDA (Earnings before Interest, Tax, Depreciation and Amortization) reached € 175.4 million in 2014.

Cash Flow from Operations reached €95.4m in the FY 2014 period, increased by 17.3% compared to the same period of 2013 (€81.3m).
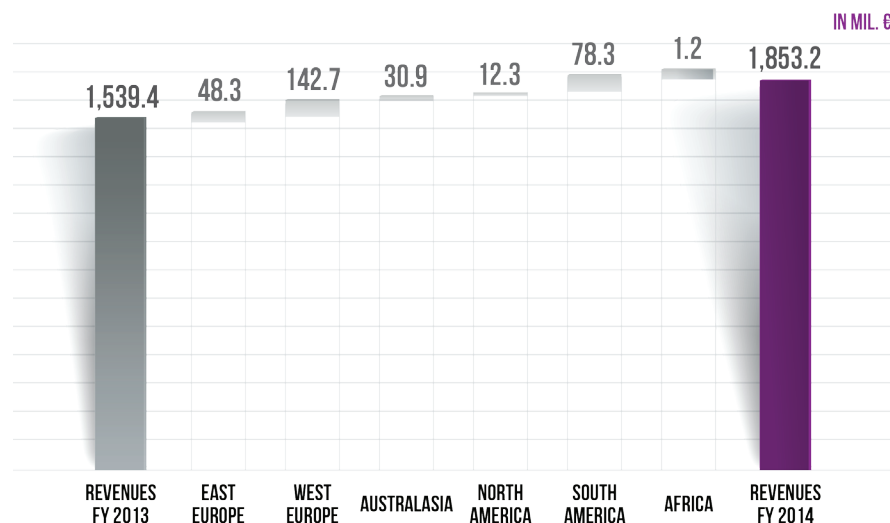

Fig. 1: Revenues: Increase by Region

TABLE 1: FINANCIAL RESULTS			
(in thousand €)	2012	2013	2014
Total Revenues	1,404,083	1,565,382	1,886,060
Sales (PL)	1,374,021	1,539,430	1,853,164
Other Income (PL)	18,602	17,361	19,309
Finance Income (CF)	11,460	8,591	13,587
Operating costs	1,106,423	1,247,155	1,571,938
Employee wages & benefits	113,436	117,774	126,265
Payments to providers of funds	53,929	54,457	89,828
Dividends paid (CF)	20,320	16,645	23,663
Interest paid (CF)	33,609	37,812	66,165
Payments to governments	23,602	35,493	28,986

TABLE 2: KEY ECONOMIC INDICATORS			
(in thousand €)	2012	2013	2014
Total Assets	1,114,807	1,135,170	1,355,092
Invested Capital*	899,462	874,837	1,107,259
Revenues	1,374,021	1,539,430	1,853,164
Operating Income (Ebitda)	177,536	194,831	175,445

*Equity plus Debt

The Annual Report 2014 is available at the Company's website www.intralot.com.
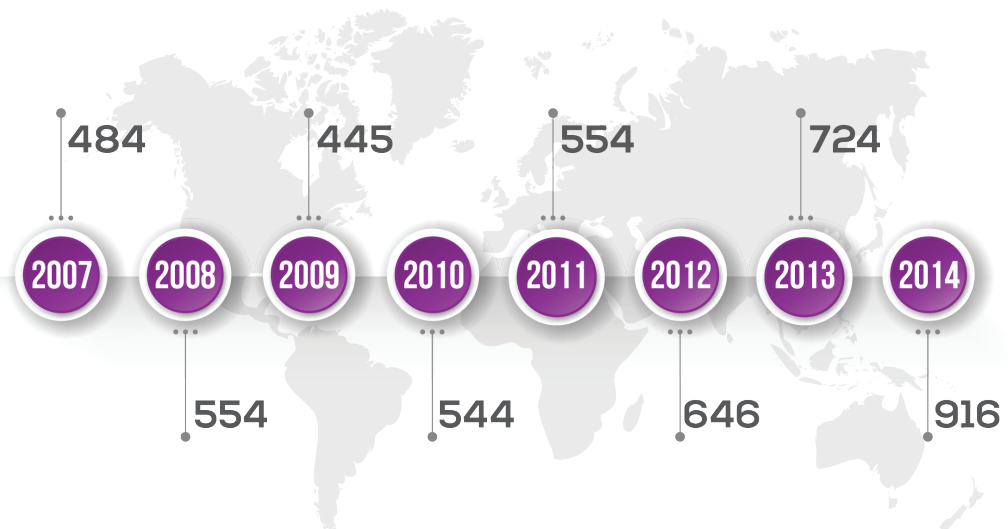
5.3 SOCIAL PRODUCT

In year 2014, the INTRALOT Group generated €916 million in social product and its accumulated social product since the year 2007 to date reaches €4.8 billion. INTRALOT generated €88 million in social product in Greece, where corporate headquarters are located. The company's accumulated social product in Greece since 2007 reaches €921 million.

SOCIAL PRODUCT (€million)
€4.8 bn. Social Product 2007-2014

484   445   554   724

| 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |

554   544   646   916

SOCIAL PRODUCT (€million)
€921m Social Product Greece 2007-2014

2007	119
136	2008
2009	133
120	2010
2011	105
107	2012
2013	113
88	2014
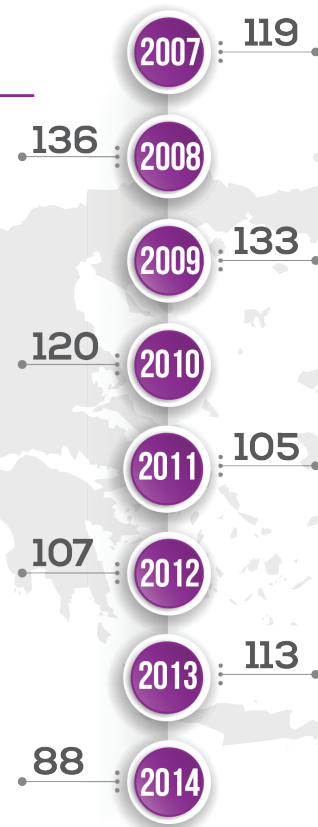
**Fig. 2: INTRALOT Group
Social Product 2007-2014**

9% 18% 24% 10% 25% 14%

CORPORATE REINVESTMENT
SALES FEES
PAYMENTS TO GOVERNMENTS
PAYMENTS TO PROVIDERS OF FUNDS
SOCIAL PRODUCT OF SUPPLIERS
EMPLOYEE WAGES & BENEFITS
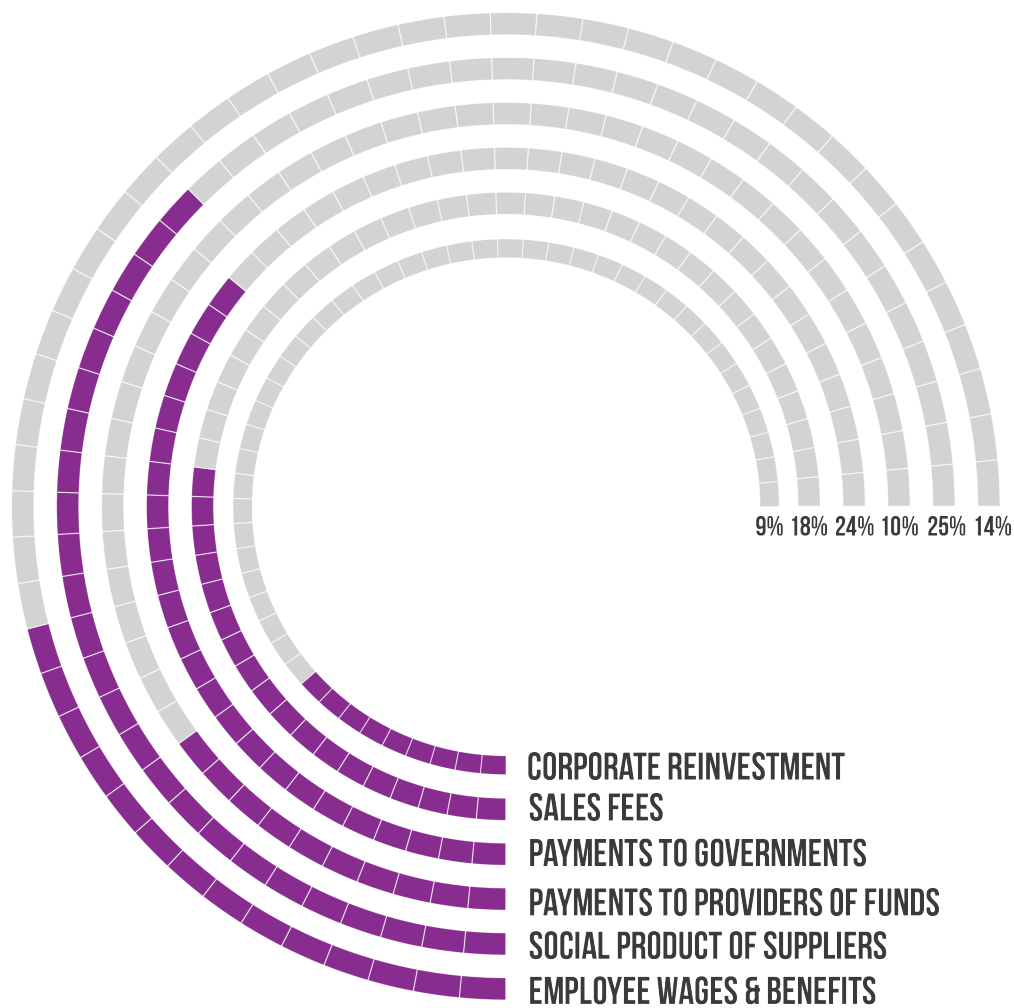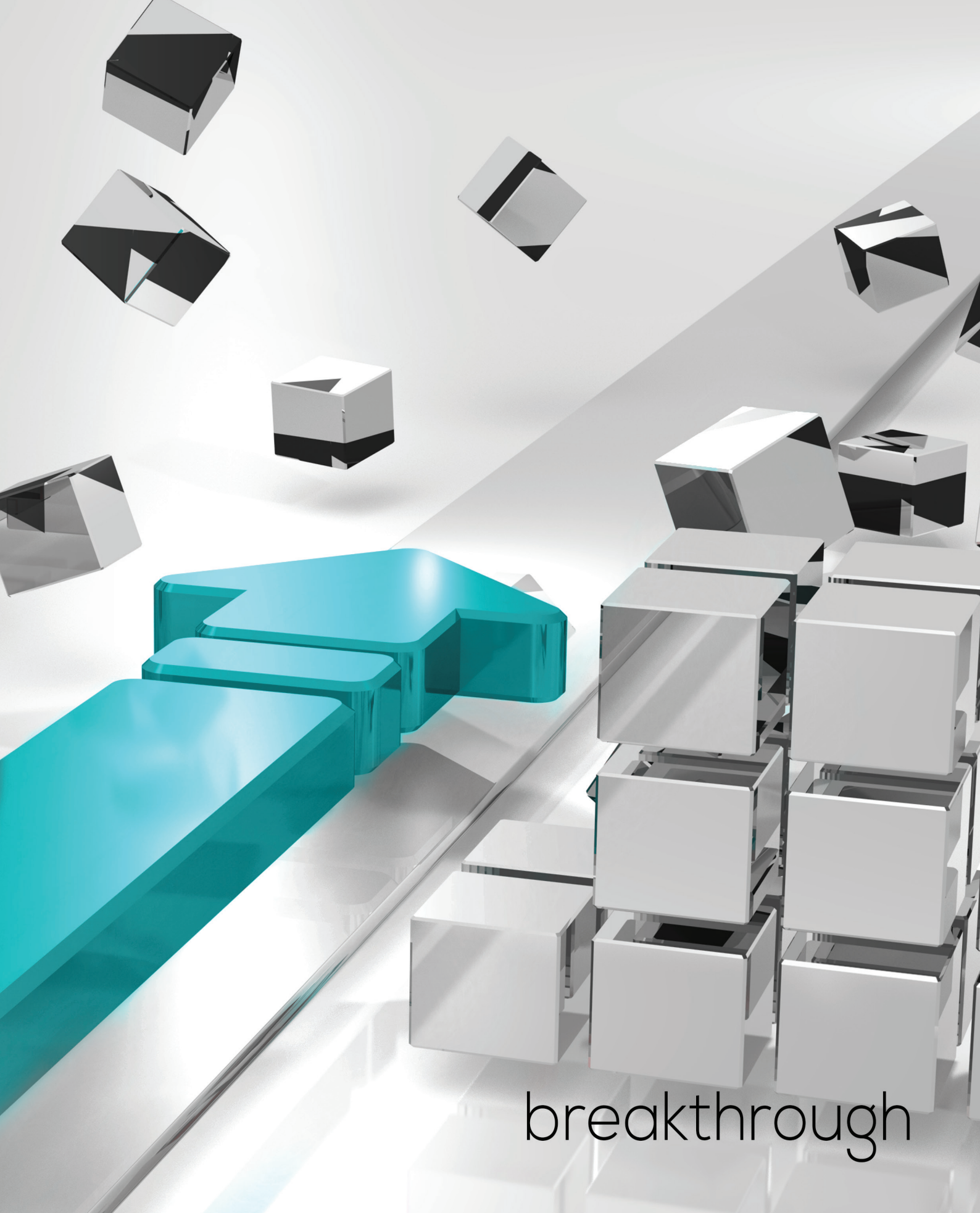
Fig. 3: INTRALOT Group Social Product Breakdown 2014

06.
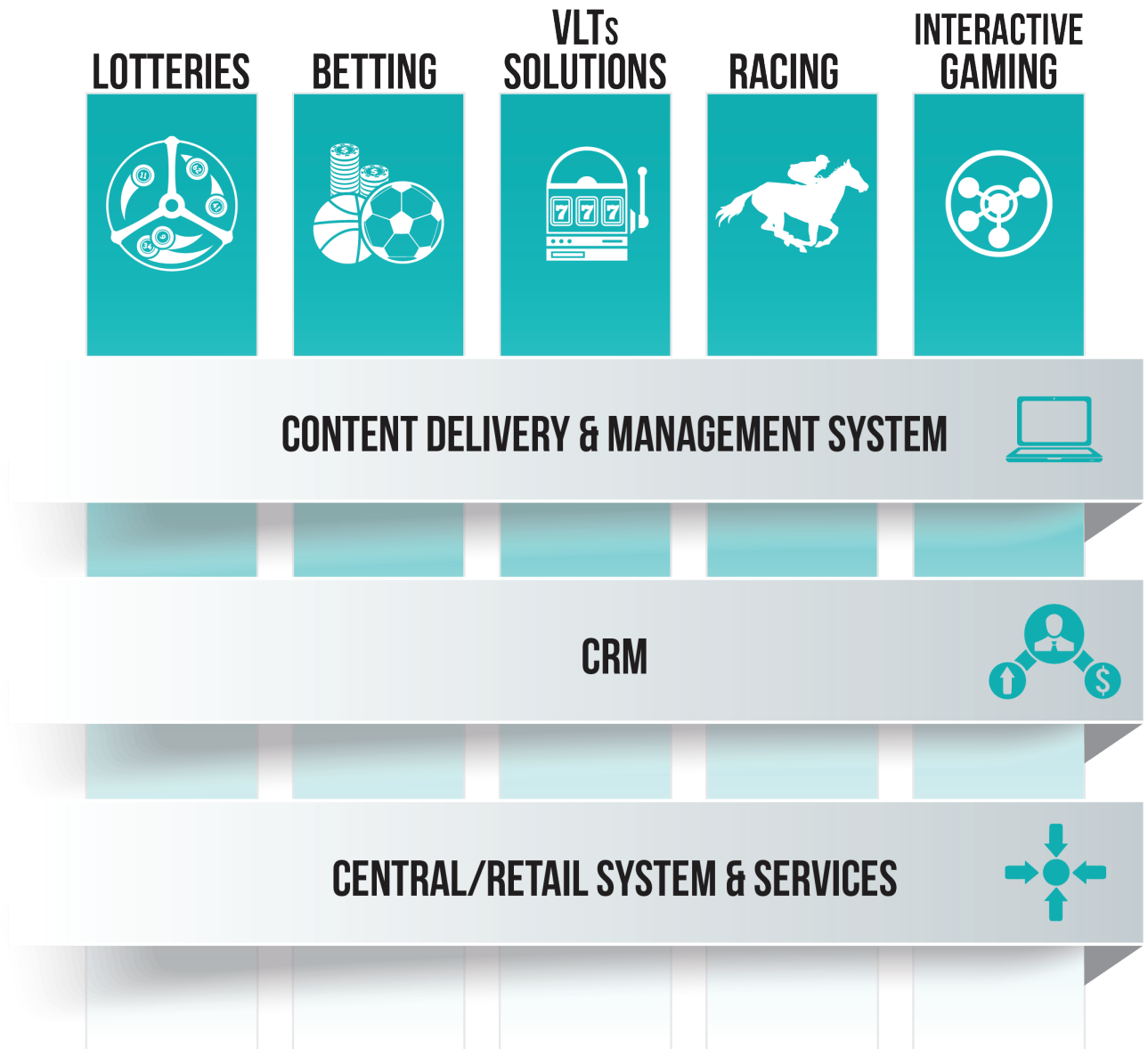## Products
& Services

breakthrough

6.1 OVERVIEW

INTRALOT designs, develops, operates and supports the full range of innovative and customized combination of software and hardware technology, as well as services for the gaming industry. It offers to the end-customers not only fun, but also responsible gaming choices while generating, at the same time, significant value for the Lotteries and their beneficiaries.

Originally perfected in lottery operations, INTRALOT's expertise has also been applied to betting markets around the world, making the company one of the world's leading retail fixed-odds betting operators. Moreover, by capitalizing on its experience as an operator, INTRALOT has succeeded in unifying its operational services and its technology, thus becoming the only one-stop-shop gaming solution provider in the market.

Moving forward, in order to better serve its customers' continuously evolving needs in a transforming gaming market, streamline its product development and facilitate innovation, INTRALOT has consolidated all products and services under one global division, creating in that way a centralized product development and R&D. Both product development and R&D operations, are fully compliant with the latest global environmental standards and principles, so as to maximize the quality of its offerings to the end-customer, while minimizing their overall environmental footprint.

The company's game library includes hundreds of different games of which more than 100 are interactive games and are available across channels. More specifically, our games offering mix comprises of Numerical Lottery Games, Monitor Games, TV Lottery Games, Instant Games, Sports Pool Games, Fixed-Odds Betting, Racing, Virtual Games, Video Lottery, and Interactive Games.

Nevertheless, the company's objective is to expand its product portfolio by investing in new products that ultimately add value to the overall players' experience mostly through the adoption of a true "best-of-breed" product mix model. As a result, INTRALOT's product strategy in the following years will focus more on players' needs and channels such as mobility, diverse gaming content, and an innovative player engagement platform, the CRM platform. Starting in 2014, the focus was placed in utilizing mobile technology to cover the needs of both players and retailers in ground-breaking ways, as well as optimizing the customer's experience with the Lottery.

LOTTERIES   BETTING   VLTs SOLUTIONS   RACING   INTERACTIVE GAMING

CONTENT DELIVERY & MANAGEMENT SYSTEM

CRM

CENTRAL/RETAIL SYSTEM & SERVICES

Fig. 1: INTRALOT Products & Services

6.2 PRODUCT CATEGORIES

Lotteries & Mobile

Placing the customer in the center of our philosophy, INTRALOT strives to bring only the best solutions in the new era of gaming. The objective is to develop games that respond to players' needs by establishing strong brands and delivering them through the appropriate network. The company's roadmap is designed so as to appeal to new demographics, as newer generations become the next target customers; embrace and optimize new games and technologies and cross channel capabilities; and ensure business continuity with the traditional customer base.

While INTRALOT's specialty is developing new market innovations to help the lottery increase sales, at the same time it focuses on making things easier for the Lottery and its retailers. Lottery operators can rely on INTRALOT to get the full benefit and the support that comes from the combined experience and expertise in successfully addressing the contemporary key challenges in several markets. The company aims to build strong partnerships by being close to the needs of our customer, adapting and customizing our solutions to specific requirements and providing the technology and business services to understand, manage and ultimately engage its end-customer.

The company's product portfolio encompasses all traditional game types, from Lotto and Number games to innovative game concepts that expand the players' entertainment to new heights.

What is more, INTRALOT has captured the trend of the market towards the mobile sphere by incorporating mobile features as a standard in its offering since 2014.

The proliferation of smartphone and tablet mobile devices (estimated to reach a global adoption rate of 65% by 2020 according to the GSMA Global Mobile Economy Report) creates a definitive turn in the end-customer's habits towards mobility, impulsiveness and immediacy. INTRALOT is strategically positioned to capture and capitalize on this habitual turn with its Native Mobile Applications product line.

The product line consists of innovative native applications, offering an intuitive user experience in cooperation with a powerful Player Account Management system, which transfer the traditional lottery experience to the mobile in a unique and engaging manner. This way, INTRALOT provides significant added value to lottery operators by enabling them to access not only new revenue channels, but also new customer demographics.

Betting

As one of the world's leading fixed-odds betting operators in the traditional, non-internet based regulated gaming space, INTRALOT operated 19 sports betting contracts in 19 jurisdictions during 2014, making an overall contribution of 48,5% to INTRALOT's product sales. Some of the world's largest betting operations, including a variety of State Lotteries and licensed operators, are provided with leading market services handling all aspects of the betting business, including product customization, creation of sports programs and odds compilation, risk management and sports trading, as well as training and support.

Striving to create products and services that are easily available to the end-customer and business partners alike, the Betting division utilizes active multi stakeholder engagement and carries out continuous life cycle assessments to create more value for the organization. A strong emphasis on collaboration between the highly skilled and specialized teams comprising the Betting division ensures excellent resilience to changes in the market, while the experience and expertise of senior staff ensure new trends and products are not only correctly anticipated, but also turned into profitable and sustainable additions to the product portfolio. A net positive mindset and triple bottom line thinking ensure areas, such as responsible gaming, are kept well within the corporate spotlight, while the use of smart technologies enables the department to save time, energy, and resources by automating procedures.

Racing

INTRALOT brings the excitement of the world's best international horse and greyhound racing action to operators' betting shops as well as to desktop and mobile channels, by aggregating premium racing content, providing betting technology and services, as well as localization and delivery services for a true end-to-end racing solution.

Horse and greyhound racing is aggregated from the UK, Ireland, Australia and New Zealand for a near 24/7 betting offering. We deliver the racing events as well as all necessary supporting information required (odds, programs, statistics, and results).

INTRALOT offers the option of fully outsourcing operations depending on an operator's capacity or business model and combined with acquired experience on operating in regulated markets, high value is added to corporate services and offerings.

Interactive Gaming

INTRALOT's Interactive Games have been laying the foundation for the lottery of the future, driven by the best practices and lessons learned over 22 years providing industry-leading technology and interactive gaming solutions to our customers.

Through INTRALOT's commitment to customer experience and its ever-growing portfolio of interactive games, Lotteries are provided with the essentials to evolve and become more interactive. Sharing corporate expertise with customers helps them engage players and offer them not only added entertainment value, but also more rewarding plays sessions in a multi-channel environment.

Interactive Games are continuously innovating through R&D initiatives, support of local small business and startup entrepreneurship, and close cooperation with universities and research institutes (as per section 4.5 of the present report).

Additionally, being among the leading suppliers of interactive gaming systems and content to Lotteries around the world has given INTRALOT the momentum to reach millions of players, and simultaneously uphold the highest standards for responsible gaming.

Retail Solutions

INTRALOT designs and supplies a full range of gaming retail solutions to customers around the world. Its terminals are bundled with the necessary software to operate lottery games, also developed by INTRALOT, along with the necessary infrastructure to support modern telecommunication networks, such as landline, mobile and satellite. INTRALOT's terminals and peripherals provide retailers with solutions of every size that can be tailored to specific needs thus enabling a safe and responsible business environment. By the end of 2014, INTRALOT's total active lottery terminals number amounted to about 182,000.

In 2014 INTRALOT developed PROTON, a stylish retailer's terminal for limited space applications. This application is the new member of optical-reading retailers' terminals, which integrates INTRALOT's patented ICON Digital Imaging technology for instantaneously playslips and barcodes reading. PROTON also comes with an integrated thermal printer capable of printing all types of lottery tickets supporting advanced graphics and any type of barcode printing.

Exceptionally small dimensions and minimum footprint make PROTON the ideal solution for use in small shops, venues, in-lane placement and any other point of sale with limited space. Contrary to what its small size may imply, PROTON bundles all the capabilities found in full size lottery terminals, in a single, compact, "all-in-one-box" solution.

Also in 2014, INTRALOT released the compact version of the vending terminal DreamTouch™, complementing the family of Vending solutions for limited space applications. DreamTouch Compact is a space-saving solution for customers who do not have sufficient area for a full-sized vending terminal.

DreamTouch-Compact™ uses a 32" touch screen interactive display, and offers a variety of up to 12 different scratch ticket types, a wide portfolio of lottery/Video gaming products, as well as a new retail channel offering advertisement and digital signage services. Capitalizing on impulse play, it provides an interactive and entertaining experience for Lottery players by incorporating a high resolution graphical user interface, which enables quick product identification and makes purchasing fun and exciting.

Content Network Solutions

Advertising and targeted messaging within the retail network is one of the most effective means of communication with the end-customers. LOTOS™ Horizon is INTRALOT's integrated solution for content management, content delivery and content play-out in retail networks.

Horizon offers high-quality, rich multimedia content, with multiple graphic layers that capture the players' attention at the moment they make purchasing decisions. Messaging and advertisement may relate to the games themselves, including drawings, results, jackpots and information, but at the same time push responsible gaming alerts and notifications. The Horizon solution incorporates social messaging as another standard feature of the solution along with public announcements, amber/silver alerts and weather alerts. Operators are presented with a convenient, centralized management solution that allows them to engage customers with in-store visual entertainment to increase traffic, player satisfaction and, ultimately, sales.

Content Delivery & Management System

INTRALOT pioneered by launching a state-of-the-art content delivery and management platform. This Interactive Gaming Console (iGC) facilitates and enables centralized management and control of content distribution, for multiple game verticals (betting, lottery, instant casino, bingo), across multiple sales channels (desktop, mobile, smart TV, SST).

The iGC shifts the focus towards organizations that aim for maximizing the value of their offering by providing the optimal User Experience to the players across all channels, hence creating brand recognition to its customers.

The iGC offers advanced front-end capabilities for increasing the effectiveness of marketing strategies and eliminating the effort required from the operator's side, up to now, for maintaining a separate portal. The platform allows operators to introduce changes in a faster manner so as to meet the ever demanding time to market while at the same time unburdens them from relying on external resources to implement such changes.

The Interactive Gaming Console provides the right tools to drive game specific content and features surrounding the game, to form the Game Ecosystem. It is capable to adapt content and functionality to different screen sizes. Combined with content adaptation and based on a customer's profile and past behavior, INTRALOT can offer the most tailored user experience in relation to each player's portal and his access channels.

CRM Platform

The key companion of iGC is an innovative (real-time) player account and relationship management system that meets the growing demands of the lottery industry and enables the expansion of sales and services across all virtual sales channels and product verticals. INTRALOT's iGaming Platform enables a unified approach to player registration, verification, single e-wallet and banking integration and e-payments through all sales channels. It additionally supports seamless integration of loyalty cards through the retail network, a feature that proves to be essential for all lotteries wishing to fully converge their networks.

The platform supports all the required functionality traits for successfully managing a diverse games portfolio addressing different players segments, which among others can include: lottery games (incl. lotto, keno type games, e-instant scratch games, bingo games, etc.), sports betting, casino games, racing, virtual games, poker and other skill games.

If one were to analyze the iGaming Platform's key benefits, the maximization of Player Lifetime Value and the reduction of Costs via Artificial Intelligence would be two of the most dominant ones. The rest of the benefits mix would comprise of the elimination of unnecessary technical limits, the relaxation of operational interdependencies, the unification of each player view through player management solutions and CRM, as well as many innovative marketing features that ultimately add value to the overall operational activities of the company.

The platform fully manages all stages of the player lifecycle with a revolutionary automatic conversion & retention tool so as to never leave players unattended and can be combined with any Marketing Plan for player Acquisition and Retention. This is made possible with the industry leading real-time and behavioral segmentation capabilities of the platform, allowing the operator to interface with the player in a personalized way, whether this is on loyalty programs, bonuses, promotions, push notifications, newsletters or proposed games content.

Player Lifecycle begins with the first interaction of the player with any of the front-end channels, resulting in multiple prospect player types, all managed under the unified player account approach. Most importantly, ROI based reporting and alerts within the Marketing Tools, allows the Operator to reduce churn effectively and maximize Player Lifetime Value.

VLTs Solutions

INTRALOT's gaming systems have been designed from the bottom-up to deliver value to all industry stakeholders, including customers, operators, players and the community. Sustainability is an integral aspect of the way our products are developed, ensuring that resources are efficiently utilized and business continuity is guaranteed. iGEM and GLS are two of our products that provide an indicative example of how they are designed to promote safety, transparency, and sustainability, by ensuring that gaming operation is performed in accordance to a jurisdictions' legal requirements and in a way that protects all gaming stakeholders.

6.3 INTRALOT SERVICES

INTRALOT's services cover the full range of day-to-day operational activities of Lottery organizations.

From the moment of catching the player's attention through the proper advertising tactic, all the way to the winning numbers announcement, INTRALOT has the experience to assist Lotteries in forming the holistic playing experience desired by the player. The international expansion of INTRALOT operations, as well as the constant monitoring of Lotteries around the world, allowed for ample familiarity of the core values per game type to be compiled by the team of in-house marketing professionals and are made available for customized implementation in all our clients.

The main service areas are described in the sections that follow.

Technical Support and Training

INTRALOT provides a broad range of solutions and gaming products that are complex and require ongoing support and maintenance. As a result, the company offers after-sales technical support to facilitate uninterrupted and efficient gaming operations and minimize sales downtime. These support services include help desk support for retailers and lottery personnel as well as preventive and corrective maintenance of central systems and field maintenance of equipment installed at retailer locations. INTRALOT offers a variety of service level options, which are customized according to the needs and budgets of the end-customers. The company also provides a comprehensive training portfolio that includes detailed operational and technical support, marketing seminars and training modules. These training modules are also tailored to each customer and can cover both new and mature lottery and betting operators.

System Operation Services

INTRALOT's system operation services include the operation and administration of gaming systems, networks and technology infrastructures to ensure continuous system availability, quality of delivered services and flexibility in resource utilization. System operation services include typical information and communication technology processes, as well as game draw procedures, retailer management monitoring and accounting, as well as information and statistics compilation for games and operations.

Content Design

INTRALOT unifies all learning that is generated throughout the customer gaming lifecycle, analyzes preferences and translates them into game characteristics - always respecting responsible gaming principles. We dedicate thousands man-months per year on game research, design and development. By being good listeners, we develop initiatives that result in incremental sales for the Lottery.

Content Design services include prize structure design, virtual presentation design, and game portfolio management.

Marketing Services

INTRALOT offers marketing consulting and support to end-customers throughout a contract's lifecycle. Local marketing teams provide consulting with the assistance of INTRALOT's global marketing resource center, which offers global insight and an overall strategic perspective to each contract. Marketing Services include: Market Research and Analysis, and Marketing Communication Services.

Sales Network

INTRALOT has developed and managed wide distribution networks through its operations in various lotteries around the world. Our scope is to deploy efficient sales networks equipped with state of the art terminals matching into the requirements of different types of Points of Sale (POS). From location selection to wholesale retailing negotiations, INTRALOT can assist in the launch and management of a retail network.

INTRALOT main areas of expertise cover the deployment and management of the retail Network, trade marketing, POS design and retailers' training.

Managed Services

INTRALOT is running successfully its own iGaming operations in regulated markets across continents and at the same time remains at the forefront of establishing innovative business models in collaboration with Lotteries. To this end, fully outsourcing the iGaming and IT Operations is a valuable option, allowing the Lottery to dedicate its resources to the Organization's core goals. Other complementary managed services in relation to Marketing Strategy and Assets, Product Management, Payments, Fraud & Security and Business Intelligence add value to the overall corporate strategy and help provide insight as to the market conditions.

Universal Player Services strategy is evaluating different KPIs depending on the market maturity, entrance conditions of the operator or time of introduction of a new product.

Additionally, an entire set of managed services regarding Player Acquisition, Player Conversion, Player Retention & Lifetime, Content management and a Customer Contact Center-C3 provide all the necessary tools to build a solid player-centric corporate vision and strategy. Most importantly, the operational services focus on Player Lifecycle Value Optimization, the latter being compatible not only with player yield but also with responsible gaming principles.

6.4 LOTOS™ GAMING PLATFORM

LOTOS™ O/S is INTRALOT's technologically advanced, innovative and comprehensive Gaming & Transaction Processing Platform. It enables the management and administration of all types of games, systems, terminals & services through a unified platform.

Designed to exceed even the most demanding requirements, LOTOS™ O/S is an all-inclusive, fully integrated solution to the ever increasing and diverse technical and commercial needs of Gaming Operators and Transaction Processing Organizations alike. LOTOS™ enables the real time management, control, administration and support of online gaming operations. Customers in more than 60 jurisdictions use LOTOS™ platform to deliver their online games and services. LOTOS™ is an integrated modular system which supports any type of game and sales channel.

LOTOS™ is based on open system architecture which allows connectivity with any third-party software and hardware platforms as well as with INTRALOT terminals, third-party terminals, self-service terminals, ATMs and cash registers. LOTOS™ also supports the provision of value-added services through seamless connectivity with partner systems, such as third-party gaming systems as well as mobile telecommunication companies, sporting venues and theatres, banks and public utility companies.

TABLE 1: PRODUCTS & SERVICES INNOVATIONS

LSC Operator	INTRALOT's Operator Lottery Scratch Chain (LSC) solution enables an operator to tailor specific products to each individual customer according to his specific needs and provide service excellence. Hellenic Lotteries are using the product to efficiently manage the entire operation cycle of the Scratch games, and offer personalized, customized, one-to-one experience with the customers.
LSC Retailer	LSC Retailer is a mobile application that transforms a smartphone into a lottery terminal, allowing the flexible, cost efficient Scratch Ticket operation at the retailer level. Deployed in Greece for Hellenic Lotteries, LSC Retailer has allowed for the fast recruitment of new points of sale, just-in-time product availability and real-time monitoring of all steps of the network chain.
iLook	iLook is an application that allows access to essential data that lottery customer service representatives need for strategic planning and decision making. The tool identifies critical sales and merchant data, complements it with demographic and locational information, and delivers it via the app in a highly secured environment.
Mobile Lottery Application	The Mobile Lottery Application is the first pillar of the native mobile applications product line offering an innovative, independent, end-to-end solution for porting and elevating the lottery experience to mobile devices. A feature-rich product, designed around a state of the art User Experience and User Interface with touch and gesture based control, enables players to navigate to the games of their choice, check results, participate in the games, manage their e-wallets and connect with the lottery retailers. Available as a companion or a real money-gambling version, the Mobile Lottery creates new revenue opportunities for existing and new lottery operations by enabling new distribution channels and attracting new players.
iGEM Monitoring System	Responding to the evolving needs of the global gaming market, INTRALOT's iGEM platform is continuously enhanced with new innovative features that add value and safeguard business continuity and profitability for operators, making INTRALOT a leading innovator in the gaming industry.

TABLE 1: PRODUCTS & SERVICES INNOVATIONS

	IGEM's capabilities are currently being expanded further with the addition of a number of extra features. A cutting edge Venue Management System will provide a unified experience across all platforms and channels, with a user friendly and efficient layout that simplifies processes and allows real-time performance monitoring and operational control. The new Player Services module expands the limits of traditional CRMs, adding features and tools that maximize marketing budget and help stakeholders secure and increase their market share. The Pre-Commitment Responsible Gaming system is a typical example of INTRALOT's field tested success in designing and implementing innovative systems that deliver value while promoting social sustainability. Since its introduction in Australia, it has set the standard in the industry and led other jurisdictions to consider introducing similar systems.
GLS- Game Licensing System	INTRALOT's GLS solution enables the Regulator to move from manual paper based licensing processes to an integrated on-line transaction system for all gaming licensing and compliance activities. External stakeholders (gaming operators, venues, etc.) can directly access GLS via an Internet web-portal (e-licensing), while the Regulator staff tasks are greatly facilitated and simplified by the GLS workflow capability. GLS consolidates, analyzes and reports on all data for both internal and external stakeholders. It introduces efficiencies by reducing processing costs, and enables better use of resources, better interaction with the gaming sector, and increased capability for regulatory activities across various gaming activities. GLS also improves the transparency of funding flows for compliance and monitoring purposes, and increases the gaming stakeholders' confidence that gaming is conducted with integrity.
RACING	RACING brings the excitement of the world's best international horse and greyhound racing action to operator's betting shops and desktop/mobile channels. INTRALOT aggregates premium racing content, provides technology and fixed-odds betting services as well as localization and delivery services for an end-to-end racing solution.
TRACK-BET™	TRACK-BET™ is a new high-frequency game that simulates fixed-odds betting on racing. The game is based on videos of pre-recorded real horse, greyhound and motorcycle races from international racetracks. Powered by a certified RGS platform, the game offers 24/7 betting opportunities featuring a wide choice of bet-types and betting options.

TABLE 1: PRODUCTS & SERVICES INNOVATIONS

Instant Win Games (IWG)	Our enriched portfolio of Instant Win Games (IWG) for interactive mobile and self-service platforms includes innovative play styles, game mechanics and rich interactive themes. Through the Playground delivery platform own content is aggregated with feed from several external Games Studios to support gaming operators at different steps in their evolution path towards content-driven interactive offerings.
DreamTouch-Compact™	Responding to the need for a smaller size Vending self-service system, the compact version of DreamTouch™ released in 2014, complements the family of Vending solution for limited space applications. DreamTouch-Compact™ uses a 32" touch screen interactive display and offers a variety of up to 12 different scratch ticket types, a wide portfolio of Lottery/Video gaming products as well as a new retail channel offering advertisement and digital signage services.
PROTON	INTRALOT developed PROTON, as a stylish "all-in-one-box" retailer's terminal for limited space applications. A PROTON user interfaces through a 7-inch touchscreen display that facilitates a specially adapted version of INTRALOT's Smart GUI ensuring solid operation and ease of use. This application integrates INTRALOT's patented ICON Digital Imaging technology in an optical-reading retailers' terminal for playslips and barcodes. An integrated thermal printer is capable of printing all types of lottery tickets supporting advanced graphics and any type of barcode printing.
LOTOS™ Horizon	LOTOS™ Horizon is INTRALOT's integrated solution for content management, content delivery and content playout in retail networks. It targets the Lottery, Betting, Racing, Gaming (VLT systems) and Digital Signage markets. LOTOS™ Horizon is designed to attract and affect the end-customer, though multimedia content display on dedicated TV/monitors managed via energy-efficient media players, as well as on self-service terminals and retailer terminals screens. It is therefore a valuable tool for B2C Operators, for promoting their products and activities, engaging players with in-store visual entertainment and increasing sales. LOTOS™ Horizon elevates the in-store player experience in addition to providing continuously updated information thus drastically reducing printing costs for the Operators.

TABLE 1: PRODUCTS & SERVICES INNOVATIONS

iGC	INTRALOT's Content Delivery and Management platform facilitates and enables centralized management and control of content distribution, for multiple game verticals (betting, lottery, instant casino, bingo), across multiple sales channels (desktop, mobile, smart TV, SST). This Interactive Gaming Console (iGC) supports many new advanced features some of which include the Flexible Drag & Drop Page/Grid Creation, Widgets management, Access Control, Digital Asset Management and Web Apps (Sports betting, Raffles, Virtual Games & Betslip preparation). iGC aims to maximize the value of the operators' offering by providing the optimal User Experience to the players across all channels, hence creating brand recognition to its end-customers.
iGP	INTRALOT's iGaming Platform combined with iGC, enables a unified approach to player registration, verification, single e-wallet and banking integration and e-payments through all sales channels. It supports seamless integration of loyalty cards through the retail network, a feature which proves to be essential for all Lotteries wishing to fully converge their networks. Platform's key benefits are the maximization of Player Lifetime Value and the reduction of Costs via Artificial Intelligence while other benefits include the elimination of unnecessary technical limits, the relaxation of operational interdependencies, the unification of each player view as well as many innovative marketing features that add value to the overall operation of the company.

07.
Contribution to Local Communities

engagement

7.1 INTRODUCTION

INTRALOT operates in full respect to the local context of the countries that host its operations and abiding by all local laws and gaming regulatory framework. INTRALOT's program of contribution to local communities, INTRALOT-We Care a Lot, is an integrated and targeted CSR program that seeks to create partnerships with relevant stakeholders and be a substantive contributor to the local communities through the transfer of technology and know-how and through the employment, the occupational safety and the specialized training of its local workforce and sales network.

Further, INTRALOT contributes to the enhancement of the quality of life and community development through social responsibility initiatives that aim at advancing education and human capital; supporting social welfare and human development; and preserving cultural heritage.

7.2 INTRALOT WE CARE A LOT PROGRAM

INTRALOT's program of contribution to local communities supports a series of activities in three main areas: education; social welfare; and sports & culture. In the year 2014 the initiatives in this program area were many, both at the level of the parent company and in its subsidiaries across the globe.
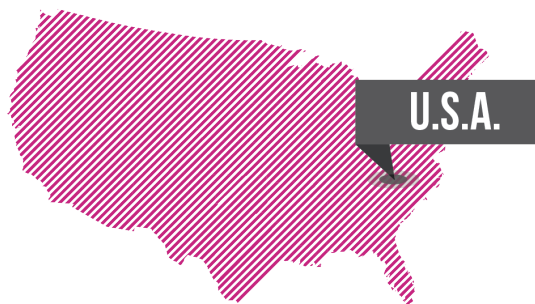
CONTRIBUTION TO LOCAL COMMUNITIES

EDUCATION & HUMAN CAPITAL

GREECE

- INTRALOT is the official sponsor of the Olympic swimming Olympic athlete Apostolos Christou, for his preparation for the 2016 Olympics Games to be held in Rio de Janeiro, Brazil.
- INTRALOT has developed a new academic partnership with the international technology education organisation Athens Tech, with the goal to bridge the world of technology with entrepreneurship and innovation.
- INTRALOT has a research partnership with the Center of Excellence for Research and Education Athens Information Technology (AIT), in Greece.
- INTRALOT annually supports the University of Hohenheim's Center for Research on Problem Gambling, in Germany.
- INTRALOT was an Award Sponsor of the Graduate Scholarship Program of the University of Piraeus, in Greece.

PERU

- United Way Match Fund – INTRALOT de Peru matches the donations made by its employees to United Way Peru (UWP) towards the advancement of education in Peru.
- Donation of educational and teaching support materials to Peruvian public schools.

U.S.A.

- INTRALOT, Inc. participated in several fund raisers for the public schools, colleges and daycares in the local communities where its offices are located. These contributions go toward helping supplement various educational areas that are often not funded or are underfunded by the school systems.
- INTRALOT, Inc. participated in fund raisers to support local education and children in Idaho. The contributions support student scholarships and need-based tuition.

- INTRALOT, Inc. sponsored 20 different Upward bound programs across Arkansas, college grant programs for under privileged high school students, including services like tutoring, advising, and preparing students for college.
- INTRALOT supported the Plan International USA, an organization that helps communities internationally build schools, dig wells, train teachers, fund scholarships, empower mothers and provide emergency relief to families in the wake of disaster.
- INTRALOT contributed to The Center for Children & Young Adults, a nonprofit organization that supports kids from abused, abandoned or neglected high risk homes. The organization offers shelter, treatment, care and guidance to youth, who also receive food, clothing, supervision, medical services, academic assistance and recreation.

Fig. 1: Contribution to Local Communities: Education & Human Capital

CONTRIBUTION TO LOCAL COMMUNITIES

SOCIAL WELFARE & HUMAN DEVELOPMENT

AUSTRALIA

- Donation to the Koala Foundation/Children's Care Centre Foundation, supporting clinical care, research and providing resources to families of patients of the Children's Cancer Centers.
- INTRALOT Australia organised its annual family day & fundraiser for corporate employees and their families. The funds gathered by donations by employees and the company was offered to the McGrath Foundation, toward Breast Cancer research.

- Annual Blood Drive, which registered a 5% donor increase.
- Christmas Donation to the Greek non-profit the Smile of the Child.
- Support to the Nikaia - Athens Diocese of the Orthodox Church of Greece.
- Donation to Transparency International Greece.

GREECE

ITALY

- INTRALOT Italia supported the Telethon Foundation by participating at the annual fund raising initiative Walk of Life, which aims to raise funds toward the advancement of scientific research in the fight against genetic diseases. The Telethon Institute of Genetics and Medicine (TIGEM) was founded in 1994 by the Telethon Foundation, one of Italy's major non-profit organizations, to promote the advancement of research aimed at the diagnosis, prevention and cure of human genetic diseases.
- INTRALOT Italia supported the Telethon Foundation by organizing a fundraising initiative at its 500 POS, where players had the opportunity either to make a donation to Telethon directly or to donate a portion of their winnings to the foundation. INTRALOT Italia also displayed information material at its retail network and allowed Telethon to display its brand on the perimetric advertising boards of the Olympic Stadium field.

CONTRIBUTION TO LOCAL COMMUNITIES
SOCIAL WELFARE & HUMAN DEVELOPMENT

PERU

- INTRALOT de Peru participated in United Way Peru's Calentando Corazones (Warming Hearts) program, aimed at offering in-kind goods to disadvantaged communities affected by weather conditions during winter season in Peru.
- Support to Fuente de Vida shelter of children with cancer.
- Joint organization with UWP of a Christmas Kermesse for 800 school children of disadvantaged communities.
- Sponsorship of cleft lip surgery of disadvantaged children in need.
- Donation to Huancayo Charity, which provides food and shelter to members of disadvantaged communities.
- Donation to Jaén Charity, which provides food and shelter to members of disadvantaged communities.

- Support to Atlanta Cancer Center – Each year Intralot Inc. makes in-kind donations to the Atlanta Cancer Center toward helping the children of cancer patients. The company also participates in the fundraisers hosted by the center.
- INTRALOT, Inc. is a supporter of multiple local Montana charities dedicated to supporting the local community.
- INTRALOT, Inc. is a main supporter of the Greek- American community in Georgia by supporting the Hellenic Public Radio as well as the local Hellenic School in Atlanta, GA.
- Samaritan's Purse/Operation Christmas Child – Each year in the fall, INTRALOT, Inc. contributes toward packing and shipping gift boxes to children in countries that are less fortunate.

U.S.A.
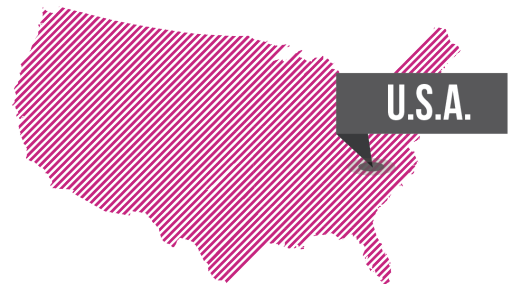
- INTRALOT, Inc. provided support to a Head Start Program for children ages 3–years old. The school identified as needing support is located in rural North Georgia. The household income for the children cannot exceed $15,000 per year. Intralot provided snacks, blankets and long-sleeved t-shirts for the 150+ children that attend the schools.
- Some of the organizations supported by INTRALOT/DC09 include: DC Fight For Children, Knock Out Abuse Against Women, Take Charge Juvenile Diversion Program, Inc., Annual Turkey Giveaway, DC Fire Fighters Association, Greater Washington Urban League, the Boys & Girls Clubs of Greater Washington DC and the Marriott Foundation for People with Disabilities, among others.

Fig. 2: Contribution to Local Communities: Social Welfare & Human Development

7.3 CORPORATE VOLUNTEERISM

INTRALOT seeks to drive social change and give back to society by leveraging corporate skills, resources and by engaging its workforce in fulfilling good causes in support of non-profits, government agencies and universities.

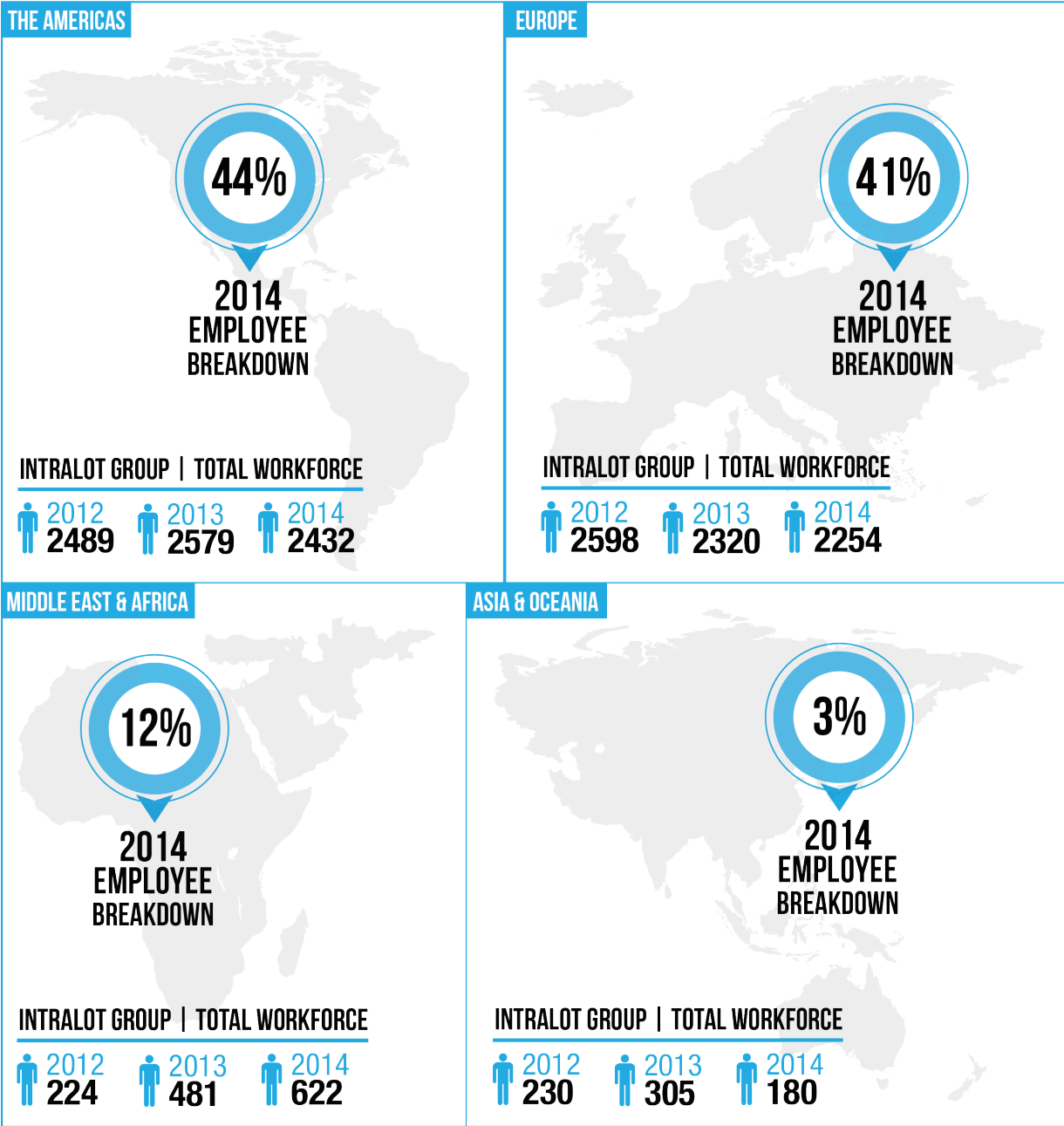| TABLE 1: CORPORATE VOLUNTEERISM: HIGHLIGHTS	
Greece	Blood Drive, in cooperation with the Athens hospital Aghia Sofia, where INTRALOT holds a blood bank;
	Bet4aSmile corporate betting fundraiser game, in benefit of the Greek charity The Smile of the Child, whereby employees could place bets on the performance of the members of the corporate running team at the Athens Classical Marathon.
	Christmas employee fundraiser in benefit of the Smile of the Child.
	Participation in sports events, such as the Annual Athens Classical Marathon, on behalf of the Hellenic Society for Persons with Autism;
Peru	INTRALOT de Peru funded the infrastructure improvements made at the school Villa El Salvador, corporate employees participated in the execution of the improvements.
	Corporate volunteer hair donation campaign of the employees of INTRALOT de Peru in benefit of children with cancer.
	INTRALOT de Peru volunteers participated in the Peruvian Society of Down Syndrome's Race in benefit of children with Down syndrome. About thirty(30) employees participated in the 5-km race.

08.
Our People

drive

8.1 HUMAN RESOURCES FACTS & FIGURES

INTRALOT's human resources are the Company's most important competitive advantage. INTRALOT's goal is to recruit qualified and talented professionals and to offer its staff a stable and favorable working environment that maximizes the talent of company professionals, motivates them to excel in their functions, and supports their professional and personal development. Toward this end, the Company has established, and continually develops, policies and procedures as far as recruitment, training and development is concerned, has developed an integral employee performance review system, and has built a well-structured and fair compensation and benefits policy.

A people-centered approach to management, whereby vital managerial, technical and administrative positions are carefully assigned to match personnel's diverse abilities and talent, is key for an organization to operate on its full potential and succeed in its mission. Furthermore, to succeed in the gaming industry a company must garner not only business, technology and commercial skills, but also have a deep understanding of the social and cultural environment of the different markets where it operates.

INTRALOT operates all over the globe, offering employment opportunities in an excellent working environment and providing its people with prospects for professional development and personal growth. The distribution of employees across different regions and by age segment follows:

EMPLOYEE BREAKDOWN BY REGION

THE AMERICAS

44%

2014
EMPLOYEE
BREAKDOWN

INTRALOT GROUP | TOTAL WORKFORCE

2012 **2489** | 2013 **2579** | 2014 **2432**

EUROPE

41%

2014
EMPLOYEE
BREAKDOWN

INTRALOT GROUP | TOTAL WORKFORCE

2012 **2598** | 2013 **2320** | 2014 **2254**

MIDDLE EAST & AFRICA

12%

2014
EMPLOYEE
BREAKDOWN

INTRALOT GROUP | TOTAL WORKFORCE

2012 **224** | 2013 **481** | 2014 **622**

ASIA & OCEANIA

3%

2014
EMPLOYEE
BREAKDOWN

INTRALOT GROUP | TOTAL WORKFORCE

2012 **230** | 2013 **305** | 2014 **180**

TOTAL STAFF 2012 **5541** | 2013 **5685** | 2014 **5488**

Fig. 1: Employee Breakdown by Region

2014

79% Middle & Upper Management Hired Locally

AGE DISTRIBUTION OF EMPLOYEES (%)

data based on 70% of INTRALOT Group

up to 30   **25%**

from 31-40   **35%**
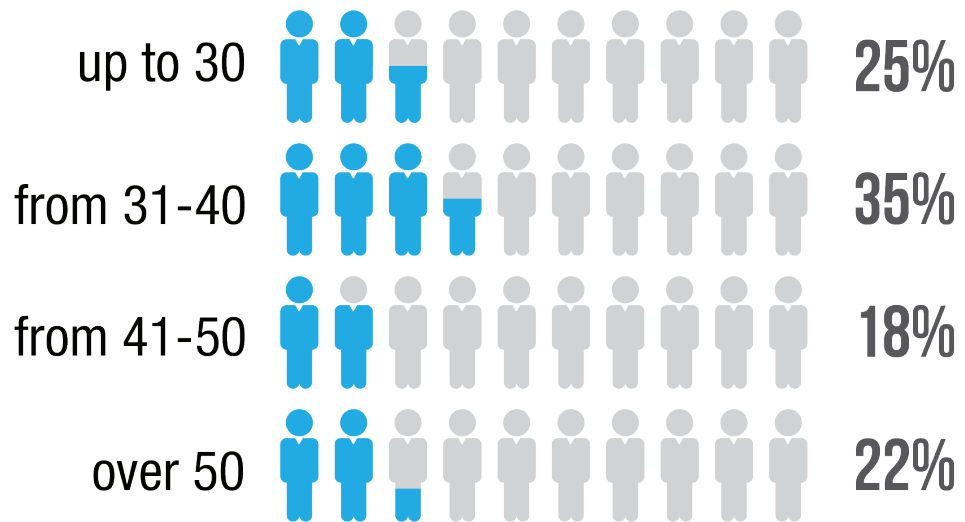
from 41-50   **18%**

over 50   **22%**

Fig. 2: Age Distribution of Employees (%)

INTRALOT has devoted considerable time and resources to strengthening the means and the infrastructure supporting its employee global mobility program. Every employee is given the opportunity to develop personally and professionally by having the experience of working in one of our subsidiaries. In this way, we transfer knowledge from the headquarters to the subsidiaries and vice versa.
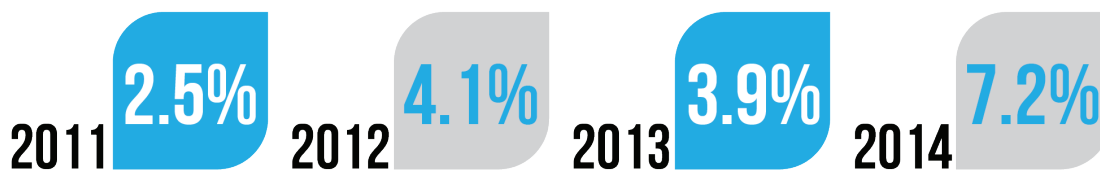
WORKFORCE TURNOVER (%)

2011 2.5%   **2012** 4.1%   **2013** 3.9%   **2014** 7.2%

Fig. 3: Workforce Turnover (%)

In 2014, INTRALOT Group implemented several novel employee programs across the globe. These initiatives are highlighted on table 1.

TABLE 1: LOCAL INITIATIVES: HIGHLIGHTS
Wellness Campaign – Awareness program on weight management, guidance on tobacco quitting and stress management.
Know Your Numbers Challenge - an online health assessment offered to employees across regions.
Hydrate Challenge- Employee awareness campaign aiming at encouraging daily water consumption.
Wellness your way – Employee awareness campaign on benefits of annual health risk assessment.
Sexual Harassment Awareness campaign.
Summer camps and/or summer activities for children of corporate employees.
Creation of Breast feeding facilities within corporate premises.
Annual health awareness week, featuring workshops and free health checks for employees.
Employee of the month/year awards.

8.2 EQUAL OPPORTUNITIES & DIVERSITY

INTRALOT is an Equal Opportunity Employer and implements a strict policy against any form of harassment in the workplace, as described in the company's Code of Conduct. The purpose of the Company's Code of Conduct is to help maintain the respect of laws, rules and regulations, to help prevent any conflict of interest or other inappropriate activity, and to foster a spirit of honesty and integrity not only among employees but also in relation to stakeholders, business partners and all other third parties. All INTRALOT employees and management are required to comply with this Code of Conduct at all times.

INTRALOT sources its human capital from the local and international markets, in an effort to establish a diverse workforce comprising of local and international managerial expertise with a deep understanding of lottery systems and business functions.

INTRALOT has also adopted an Internal Guide of Employment Policies & Procedures, ratified by the Hellenic Ministry of Employment and Social Protection.

According to corporate policy every employee is encouraged to report, to his/her supervisor and to the Human Resources Department, any event which he/she considers to be discriminating. No incident referring to discrimination has been reported or noted up to the end of December 2014. Data on workforce distribution follows:

TABLE 2: EVOLUTION OF WORKFORCE DISTRIBUTION BY GENDER & FUNCTIONS			
Total Workforce INTRALOT Group (%)	2012	2013	2014
Men	37%	38%	34%
Women	63%	62%	66%
Employment category (%) Level	2012	2013	2014
General Management	3.43%	3.33%	2.82%
Finance & Administrative	9.65%	6.20%	9.59%
Sales & Marketing	10.86%	7.87%	9.54%
Technical & Operations	76.06%	82.60%	78.05%
Gender Diversity in Management 2014 (%)	General Management		
Men	82%		
Women	18%		

8.3 HUMAN & LABOR RIGHTS

INTRALOT is a signatory to the United Nations Global Compact since 2009, a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labor, environment and anti-corruption.

INTRALOT is against child labor and forced or compulsory labor. INTRALOT observes the relevant labor legislation which includes the prohibition of child labor, forced labor set by the International Labor Organization (ILO), and the provisions related to human rights and working conditions in compliance with agreement and rules of employment.

The safety and security of all employees is of vital importance to INTRALOT. In order to maintain a safe work environment, INTRALOT does not tolerate violence or threats of violence in, or related to, the workplace.

The company respects labor rights and the rights of unions, and it imposes no constraints to employees' rights, or to the exercise of their right to freedom of association and participation in professional unions. There is a Workers' Union, to whom employees may communicate all issues, which are taken directly to company management.

8.4 INTERNAL COMMUNICATION

Effective internal communication in INTRALOT promotes employees' collaboration and creates a functional environment. For this reason, the company maintains an open door policy facilitating the information flow with all employees. The company has a grievance mechanism that employees may use to voice complaints, report incidents, and raise issues that impact or can potentially impact any aspect of corporate performance.

An indicative list of regular means of communication follows:

- Personal communication through respective managers or department heads;
- Intranet/ispace internal internet portal (available in three (3) languages - English, Spanish and Chinese);
- INTRALOT Global Live Network;
- Regular meetings;
- Corporate and social events;
- Employee surveys;

8.5 COLLECTIVE BARGAINING AGREEMENTS

All INTRALOT personnel (100%) are covered by the Local National Collective Labor Agreement, where applicable. The following table depicts the Company's human resources in relation to their employment category and type of employment agreement.

TABLE 3: HUMAN RESOURCES BY TYPE OF EMPLOYMENT (%)	
Employment type of agreement	**2014**
Long-term	67.63%
Fixed-term	32.37%
Full-time	94.72%
Part-time	5.28%

8.6 EMPLOYEE PERFORMANCE EVALUATION

INTRALOT conducts an Employee Talent Management & Performance Evaluation Review during December of each year. The primary purpose of the Employee Performance Evaluation Review is to assist personnel in professional development and in achieving corporate goals. Through the review, key elements in the employee's behavior are identified and assist in making suggestions for improvement and highlight maximum performance aspects.

The performance evaluation consists of three modules with different weights:

1. Skills, including job duties, attitude and managerial skills;

2. Commitment to principles;

3. Evaluation of contribution to projects.

The evaluation performance is conducted for all employees (100%) and is linked to the reward strategy, determining the distribution of salary increases and defining the needs for further training development and personal improvement.

8.7 ɪ-GAME

INTRALOT organizes a competition annually, entitled ɪ-game, aiming to encourage employees to identify issues for improvement or corporate needs and come up with innovative ideas to address them. The employee competition's goal is to distinguish ideas based on their innovation and creativity.

In the 2014 contest, the participating employees submitted ideas on the following four (4) categories: Technology, Game, Service and Process.

Applications were examined by an evaluation committee composed of top management executives, according to the following criteria:

- Relevance according to the definition of innovation provided at INTRALOT portal:

  - Innovative nature – uniqueness;

  - Applicability;

  - Relevance to INTRALOT's mission.

- Timing relevance in accordance to INTRALOT business strategy.

From this contest, three (3) ideas excelled and received an award: "Money Ladders" (by Georgiou Spiridon), "Skill it" (by Antonopoulos Dionysios) and "iBeacon" (by Apazoglou Chrysanthos and Fountas Nikolaos).

8.8 BENEFITS POLICY

INTRALOT's Benefits Policy has been established in the framework of social policies for its employees as well as their families. The purpose of these benefits is:

- To increase the long-term prosperity of the employees of the Company;

- To attract new employees, while retaining existing personnel;

- To increase productivity;

- To enhance job satisfaction.

The benefits concern permanent employees (long-term employment agreements). An indicative list of INTRALOT benefits follows:

TABLE 4: EMPLOYEE BENEFITS

EMPLOYEE BENEFITS*	• Private Medical & Life Insurance
	• Stock Options
	• Company Cars & Gas Card
	• Parking
	• Mobile Phone or Mobile Allowance
	• Blackberry
	• Free Home Internet Connection
	• Corporate Laptop
	• Low Interest Company Loans
	• Extensive Training
FRINGE BENEFITS	• Special Corporate Discounts: Mobile Services, Dental treatment, Restaurants, Cleaning Services, and Athletic Centers.
	• Memberships in Professional Associations
	• Christmas & Easter Appreciation Gifts
FAMILY BENEFITS	• Blood Bank
	• Medical Insurance for Family Members
	• Annual Kids Party
	• Scholarships at BA/BSc level and MA/MSc level
	• Gift Vouchers for Newborns

*According to the level of their position.

8.9 TRAINING & DEVELOPMENT

INTRALOT's corporate culture highly values learning, since education and training contribute both to the professional and personal development of each employee, and to Company growth overall. The Company offers a multitude of learning programs aimed at effectively meeting the learning requirements of all our employees worldwide. As a result, the learning cycle is continually in motion while our people actively contribute to the Company's prosperity.

The Company's yearly training plan takes into consideration organizational needs and aligns them with the professional and individual needs of the staff, resulting in a rich portfolio of programs offered via varied training methodologies.

The Organization and Human Resources Department works closely with INTRALOT's Learning Center, a specialized department dedicated specifically to training, for the provision of personnel development and the advancement of knowledge for all INTRALOT personnel.

The training services provided by the "Learning Center" are certified with the ISO 29990:2010 standard. This unique certification covers the full training process, including analysis, design, delivery, monitoring and evaluation of project-based training. ISO 29990:2010 is a standard that aims to improve the quality of offerings on the global market concerning non-formal education and training, such as vocational training, life-long learning and in-company training. The certification process was managed by TUV Hellas, an esteemed certification body.

TABLE 5: INTRALOT GROUP EMPLOYEE TRAINING: OVERVIEW	
In-House	• Induction to newly hires
	• Gaming sector overview, regulatory issues and product chain
	• Responsible gaming policies and best practices
	• ISMS as per WLA framework
	• IT skills & management tools
	• ERP & Change Management
	• Quality management
	• Departmental training, according to needs

TABLE 5: INTRALOT GROUP EMPLOYEE TRAINING: OVERVIEW

Outsourced	• Financial Management: IFRS, transfer pricing, ACCA
	• Funding for post-graduate degrees in ICT and Business Innovation
	• Leadership, coaching and soft skills training
	• PMP, ITIL, Microsoft, Siebel, SolidWorks, Cisco, Oracle, Java, Red hat
	• Social Media, Marketing
	• ISO
	• MS Office
	• Foreign Languages
	• Employee participation in Seminars and conventions of Lottery and gaming associations

Apart from instructor-led classroom training, a variety of e-learning methods are used to effectively train our personnel. These e-learning methods include asynchronous training on INTRALOT's Corporate e-learning platform as well as synchronous training - live, virtual training sessions. All training sessions are conducted in accordance with best industry training practices and all training services are subject to ISO 9001, ISO 27001/WLA SCS, ISO 29990 and EFQM certifications.

Global Live Network

The departments of Organization and Human Resources and the Learning Center organize monthly webcasts via INTRALOT's Corporate Global Live Network. Their aim is to enhance corporate communication and the sharing of corporate knowledge across all of INTRALOT's operations around the globe.

From January to December 2014 ten (10) webcasts of different topics were organized. All webcasts were presented by INTRALOT Executives from various HQ Divisions/Departments of the Company and from INTRALOT Subsidiaries worldwide.

Indicative curriculum of the Global Live Network were topics on new products and games, innovative technologies, and new generation services, in which almost 230 INTRALOT employees participated and interacted globally during 2014.

Training Indices 2014

The training data that follows concerns year 2014 training programs organized by INTRALOT S.A. for employees of INTRALOT S.A. headquarters and/or employees of selected Subsidiaries. It also includes information concerning training organized by subsidiaries locally.

TABLE 6: TRAINING INDICES

Classroom Training Indices

Training Indices	2011	2012	2013	2014
Number of training programs carried out	106	182	71	88
Number of hours devoted to employee training	6,610	7,951.5	2,720	10,809
Number of participations	534	797	280	933

E-Learning Training Indices

Training Indices	2013	2013 total	2014	2014 total
Total number of e-learning courses	Asynchronous:7 Synchronous:25	**32**	Asynchronous:7 Synchronous:10	**17**
Number of hours devoted to employee training	Asynchronous:540 Synchronous:377	**917**	Asynchronous:2000 Synchronous:362	**2,362**
Number of participations	Asynchronous:644 Synchronous:355	**999**	Asynchronous:1006 Synchronous:230	**1,236**

Employee Training Organized Locally by subsidiaries 2014

Number of hours devoted to employee training	**51,198**

8.10 OCCUPATIONAL HEALTH & SAFETY

INTRALOT is committed to complying with all relevant health and safety laws and to conducting business in a manner that protects the safety of its employees. Health and safety are integral parts of a broader environment and workforce sustainability strategy that reduces the risk of harm to employees and helps them remain healthy and productive. All employees are required to comply with all applicable health and safety laws, regulations and policies relevant to their jobs.

The Company encourages training programs and certification on First Aid held by the Red Cross for small groups of employees, in order for each premise to have its own trained First Aid Team.

The Company also trains selected representatives from all premises on the Evacuation Policy and Procedures and conducts Evacuation Drills. In this way, INTRALOT's employees remain informed and prepared for any emergency. Both training courses are conducted by INTRALOT's Learning Center.

INTRALOT uses the services of an external prevention agency for health and safety, whose specialized safety engineers and occupational physicians evaluate workplaces, offer advice, make suggestions on preventive measures and resolve any problems that may arise.

Upon signing their contract, all employees are informed about the Internal Guide of Employment Policies & Procedures, which the Company submitted by law for ratification by the Ministry for Employment and Social Protection, and are requested to comply with the regulations on employee conduct stipulated therein.

The company puts continuous effort on improving its performance on Occupational Health and Safety issues and on preventing incidents. Based on OSHA methodology, the INTRALOT Group 2014 all injuries frequency rate (AIF) is 0.2.
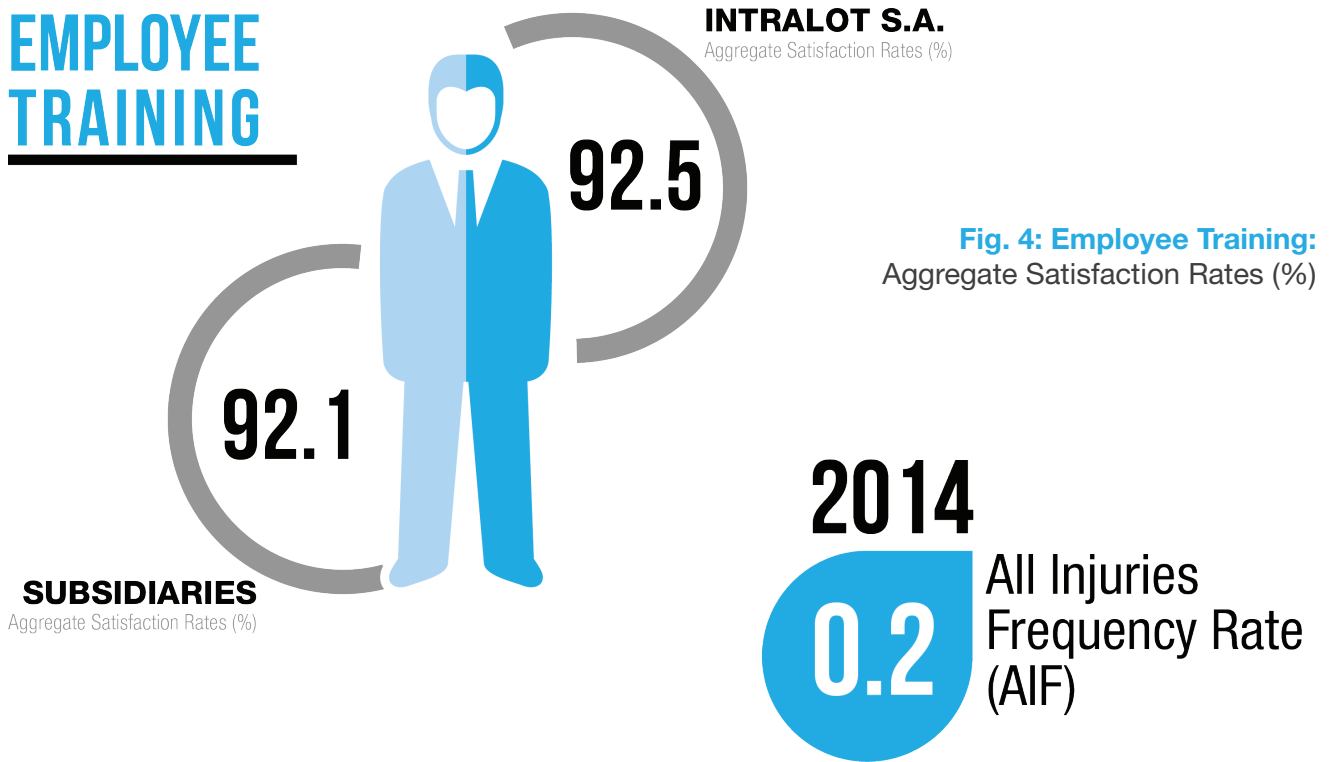
EMPLOYEE TRAINING

INTRALOT S.A.
Aggregate Satisfaction Rates (%)

92.5

Fig. 4: Employee Training:
Aggregate Satisfaction Rates (%)

92.1

SUBSIDIARIES
Aggregate Satisfaction Rates (%)

2014

0.2

All Injuries
Frequency Rate
(AIF)
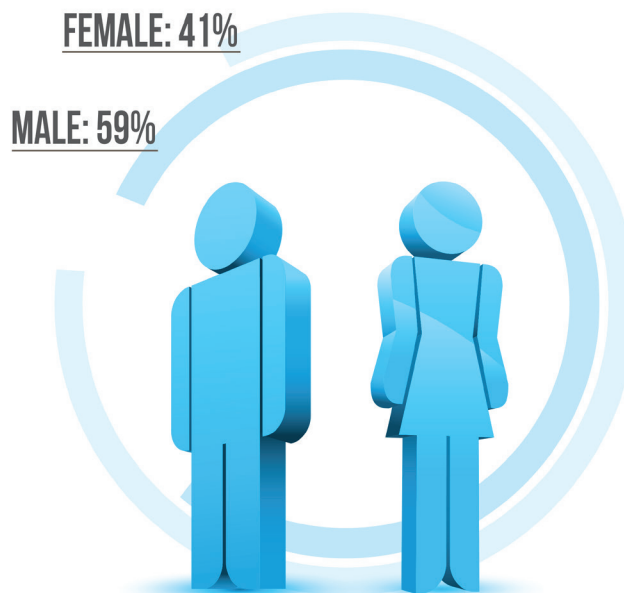
EMPLOYEE TRAINING: BREAKDOWN BY GENDER

FEMALE: 41%

MALE: 59%

Fig. 5: Employee Training:
Breakdown by Gender (%)

09.
Stakeholder Engagement

collaboration

9.1 OVERVIEW

INTRALOT actively seeks the involvement of decision-makers, business partners, and other relevant social groups in the identification of issues, concerns, and appropriate strategies for promoting sustainable and responsible business operations, and exchanges knowledge and best practices toward this end.

Engagement covers issues that are material to the specific stakeholder and the individual organization. INTRALOT integrates the results of stakeholder engagement into its strategic-decision-making processes and feedbacks to the relevant stakeholder(s) on the outcomes of engagement. INTRALOT adopts an inclusive approach to the scope of stakeholders involved in the examination of issues of common interest.

The engagement, dialogue and potential partnerships with each of these stakeholder categories depends on the strategic objectives along each of the five pillars that make up the Group's Corporate Sustainability Program. A list of priority stakeholders by program area follows.

TABLE 1: STAKEHOLDER MAPPING

Sustainability Program Area	Priority Stakeholders
Contribution to Local Communities	**Local Community representatives**
Governance and Compliance	**Regulatory Authorities** **Customers** **Shareholders & Investors** **Suppliers and Business Partners**
Responsible Gaming	**Customers** **Regulatory authorities** **Interest groups**
Responsibility towards Employees	**Employees** **Local Communities**
Environmental Sustainability	**Regulatory authorities** **Local Communities** **Interest groups** **Suppliers**

SEV Entrepreneurship Initiative

INTRALOT is a partner in the Entrepreneurship initiative of the Hellenic Federation of Enterprises (SEV). The initiative focuses on strengthening the cooperation between universities and the business community by advising students, young graduates and/or researchers who seek coaching in their research and business ideas before proceeding to develop these into a business plan and effective business practice.

The program is now in its third cycle and the services offered include hosting, mentoring, consulting and training.

Go International Program

INTRALOT is a participant in the Go International program, an economic cooperation programme gathering 750 companies from 17 countries in the effort to advance the export orientation of the business sector through multilateral trade in the wider region of Central, Southeastern Europe & the Eastern Mediterranean.
A platform where export-oriented entrepreneurs can meet with the international business community, exchange insight on trade issues and explore avenues of cooperation on common interests, Go International is a joint effort launched by the Hellenic business and banking sectors.

9.2 RESPONSIBLE SUPPLY CHAIN

INTRALOT's suppliers are a stakeholder group with which the company collaborates closely and systematically. INTRALOT recognizes its suppliers as significant partners and promotes its labor standards, materials and resource optimization practices and environmental waste management systems near the upstream and downstream supply chain.

The framework of the partnership with INTRALOT's suppliers is defined by INTRALOT's values and principles and by the relevant legislation and international codes and standards.

INTRALOT strives to deliver products of the highest quality, with high endurance in all operational fields. To this end, the company has set procurement processes which ensure the selection of the most qualified vendors and service providers for all the materials and services used. INTRALOT suppliers are quality certified and their performance is monitored on a regular basis. These practices have contributed to the excellent track record of INTRALOT products and have earned the company several distinctions over the years.

INTRALOT contributes to the welfare of the economies where its suppliers of goods and services are based. In 2014, payments to suppliers of the INTRALOT Group amounted to € 512,795 thousand. Payments to suppliers of INTRALOT SA amounted to over €124,860 thousand.
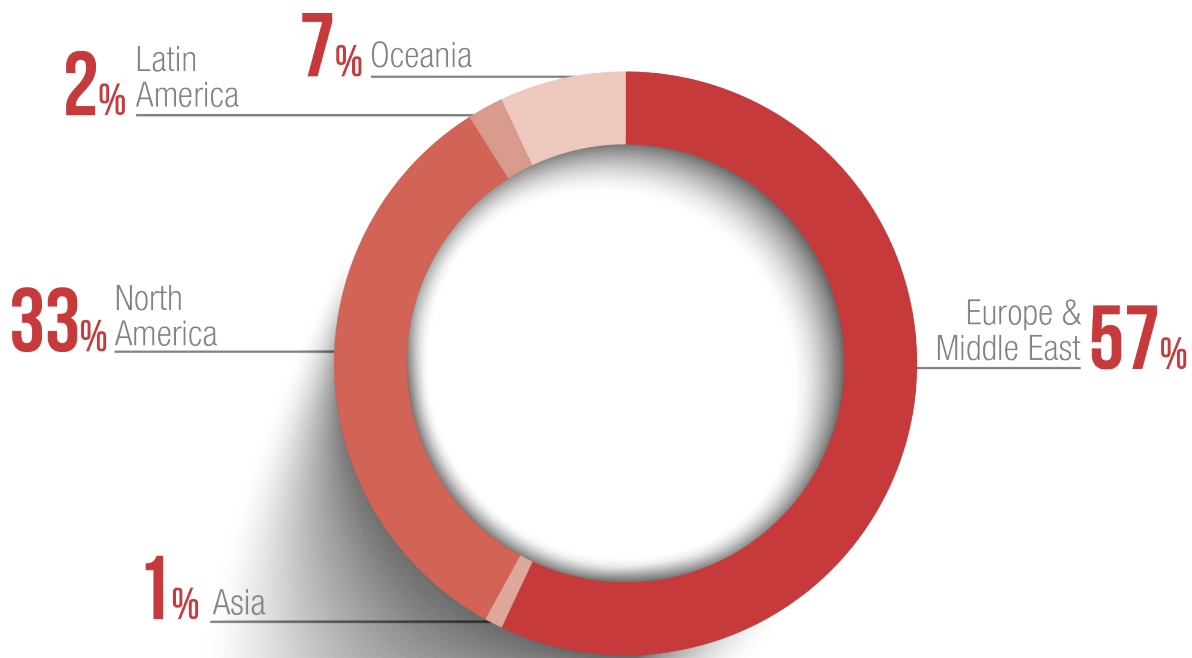
TABLE 2: INTRALOT GROUP SUPPLIERS

Total Number of Suppliers	4,188
% Local Suppliers	94%
% Payments to Local Suppliers	69%

In the year 2014 INTRALOT SA counted 1,493 suppliers. In 2014, total suppliers of the INTRALOT Group amounted to 4,188 in 30 countries worldwide. The suppliers were grouped into the 6 main categories: General Products & Services; Marketing & Advertising; Transportation & Distribution; Hardware & Software; and Office Supplies & Consumables, as follows in the figure below.


21% Other

3% Marketing & Advertising

4% Hardware & Software

3% Transportation & Distribution

10% Office Supplies & Consumables

General Products & Services **59**%
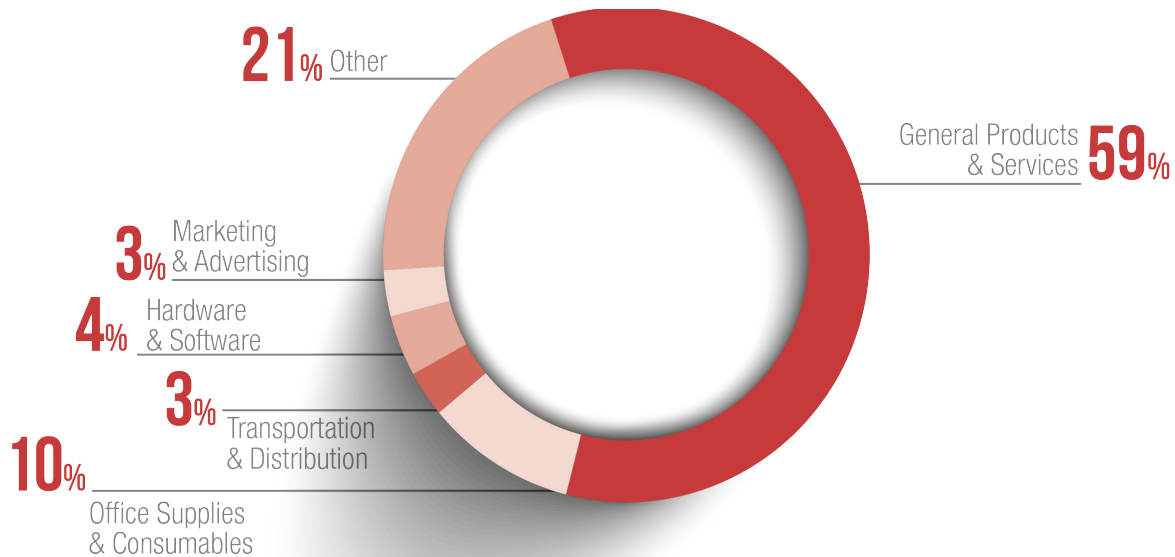
Fig. 1: Supplier Breakdown by Category

The geographic breakdown of the suppliers of the INTRALOT group follows in Fig. 2:

2% Latin America

7% Oceania

33% North America

1% Asia

Europe & Middle East **57%**

Fig. 2: Supplier Breakdown by Region

PRODUCTION UNITS:
Key Geographies

INTRALOT Group production units operate in compliance with ISO 9001 quality standards, which INTRALOT considers mandatory, and with best practices in environmental protection, such as ISO 14001. Major units are also inspected twice a year and certified by TÜV Nord Group as appointed INTRALOT factories accredited to manufacture products under international safety rules and practices. Furthermore, INTRALOT conducts onsite inspections regularly.

TAIWAN

OHIO
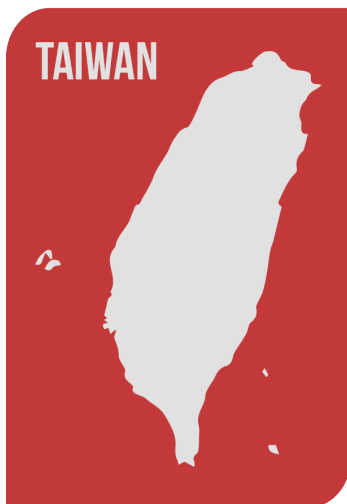
Fig. 3: Production Units
Key Geographies

Supplier Selection & Management

In the process of procurement of goods and services, INTRALOT strictly follows a policy of non-discrimination on the basis of race, color, gender, sexual orientation, gender identity, religion, disability, age, genetic information, veteran status, ancestry, or national or ethnic origin.

The company enforces the principle of equal opportunity to all potential suppliers and strives to maintain a diverse portfolio of suppliers, in terms of country of legal establishment, company size, or human resources profile. Neither INTRALOT SA nor its subsidiaries give preferential treatment to local suppliers or adopt policies towards such goal.

As an ISO 9001 certified company, INTRALOT business processes follow standardized procedures throughout the entire product chain. The company has adopted a written policy for procurements with step-by-step procedures, supplier requisites, and documentation, which ensure fairness and compliance with quality assurance standards. Furthermore, INTRALOT procurements processes are subject to regular auditing.

New 1st Degree Supplier Questionnaire

In 2014, INTRALOT designed a new and enlarged questionnaire targeted at 1st degree suppliers on labor, health & safety, and environmental standards. These standards are a requisite for participation in corporate procurements. The main areas covered in the new questionnaire include:

- Quality Management
- Product Design
- Manufacturing & Operations
- Procurements & Logistics
- Corporate Affiliations & Partnerships
- Merchandise Control

- Occupational Health & Safety
- Labor Standards
- Environmental Standards & Monitoring
- Governance & Compliance
- Monitoring & Reporting

The majority of first degree suppliers has received quality and environmental certifications from competent national and international organizations. Several are also listed in national stock exchanges, consequently abiding by the regulatory framework defined by these exchanges. A significant number of contracts with suppliers within the European Union area follow EU regulations and the process, requisites, and eligibility rules of public tender.

Regarding second degree suppliers of hardware components produced through the commodity sector, INTRALOT actively engages and collaborates with first degree suppliers in the dissemination of adopted quality, labor and environmental standards down the supply chain.

There are no incidents of human rights violations by the suppliers of the INTRALOT Group, as both the Group as its suppliers abide by a non-discrimination policy, respect the rights of indigenous people in applicable jurisdictions, and do not utilize child labor or forced or compulsory labor.

Both the selection of suppliers and the process of supplier assessment, which the company conducts on an annual basis, are subject to the following main criteria:

- financial cost;

- quality specifications;

- supplier labour policies & practices;

- supplier human rights record;

- supplier policy towards the rights of indigenous peoples, where applicable;

- the impacts of supplier products or services on environmental sustainability;

- time to delivery.

Finally, the choice of suppliers is also subject to the specific constraints and ad-hoc parameters defined in contracts with customers.

INTRALOT has adopted a quality management system (QMS) that supports the effective management of partnerships by ensuring consistent quality standards, keeping regular contact with suppliers, exchanging feedback and implementing product or service improvements. INTRALOT's QMS is based on an open-channel of communication between the Department of Contracts and Procurements and the Technical Support Department through the company's intranet portal, where input on subcontractor performance is shared. This input also serves as the basis for recommendations for new or continuing partnerships.

9.3 CUSTOMER TRAINING & SUPPORT SERVICES

As part of the gaming services offered to customers, INTRALOT offers extensive training on INTRALOT products and technology, including on responsible gaming best practices and technology tools. The data concerning customer training follows.

TABLE 3: CUSTOMER TRAINING		
	2013	2014
Number of training programs	49	42
Number of participants	329	331
Number of hrs	339	275
Aggregate Satisfaction Rate	93.2%	90%

TABLE 4: CUSTOMER TRAINING: BREAKDOWN BY MANAGEMENT LEVEL		
	2013	2014
Upper Management	20%	15%
Middle and lower management	80%	85%

9.4 STAKEHOLDER ENGAGEMENT EXERCISE

In an effort to assess corporate perception of CSR policies and programs, INTRALOT participated in a stakeholder engagement exercise, carried out by an independent third party, with the aim to register stakeholder feedback on strengths and weaknesses of corporate CSR and leverage it into defining new priorities areas for future interventions.
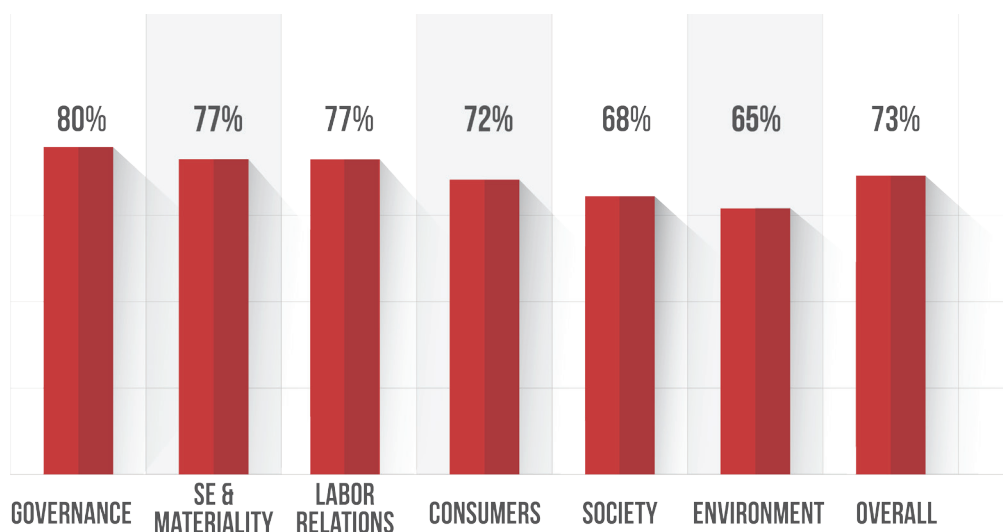
Fig. 4: Corporate CSR Assessment

" Didoe Prevedourou, Managing Director, AIT, Greece

AIT is a non-profit scientific association that combines talented faculty, state-of-the-art laboratories and partnerships with top-ranked Universities, Research Centres and Industry to create an exceptional and nurturing environment for technology research, with emphasis on Information and Communication Technologies and Innovation Management. Since 2008, AIT has been collaborating with INTRALOT in research and innovation activities.

The collaboration has been mutually beneficial and has led to numerous patents as well as technological innovations contributing to INTRALOT's competitive advantage, while AIT's research staff learned from the best how to bring scientific and technology results to the market.

**" Prof. Tilman Becker,
Hohenheim Research Center on Gambling, Germany**

The Gambling Research Center at the University of Hohenheim, dedicated to exploring the wide area of gaming and gambling on a scientific basis, exists since 2004. INTRALOT S.A. was among the first companies to join the sponsorship association supporting the research center. Without the dedicated and reliable support of companies such as INTRALOT S.A., the growth and scope of activities of the Gambling Research Center are inconceivable.

" Milton Rojas, CEDRO, Peru

In our country there is little support from official institutions for research and, in general, for addressing the issues surrounding addictive behaviors. INTRALOT has made a valuable contribution to our mission and to enhancing our therapeutic equipment.
This support has key positive impact on the prevention of problem gambling.

99 Anthony Gortzis, President
European Business Ethics Network, Greece

As of 2007 INTRALOT has partnered with EBEN, embracing its corporate standard and the commitment to the principles of social responsibility, ethical and transparent governance, and environmental accountability foreseen therein. The company is one of our most cherished members and has effectively adopted and perfected the standard, integrating it into core business strategy and creating shared value for stakeholders and society alike.

99 Brian Miller, Director,
Atlanta Cancer Care Foundation, USA

The support of INTRALOT, Inc. and the employees has given a much needed sense of relief to some patients who are suffering with a terminal illness. The support provided during the holiday months has allowed many of them to enjoy their families and see smiles on the faces of their children. That would not have been possible without the generous contributions of food and gifts to these families, who are struggling with declining health and very little means.

10.
Environmental Sustainability

future

10.1 POLICY OVERVIEW

The gaming sector is among those with relatively low impact on the environment. Most of the sector's footprint can be attributed to the consumption of natural resources for business operations, such as energy and water, and for product packaging as well as shipping & handling, like timber and plastic. Furthermore, significant environmental impact stems from the global reach of INTRALOT corporate operations and consequent emission of GHG from air travel of corporate staff. With regards to hardware technology, INTRALOT's production process utilizes natural resources such as metals and electronic components.

Even though INTRALOT operates in a low-impact production sector, its products embrace eco-efficiency from the design phase through to production, operation and de-commission stages. The manufacturing of gaming terminals complies with the Restriction of Hazardous Substances (RoHS) Directive 2002/95/EC on the restriction of hazardous substances. Furthermore, the company requires its European area suppliers to comply with the RoHS Directive as well as the Waste Electrical and Electronic Equipment Directive (WEEE) 2002/96/EC, so as to ensure their compliance with corporate environmental policy. Furthermore, the company advances the best practices purported therein near suppliers in other regions globally.

INTRALOT is a member of the Hellenic Recovery Recycling Corporation (HE.R.R.Co.), being listed in the organization's registry of companies that have recycled materials in 2014. Furthermore, in compliance with Law 2939/2001 and with Presidential Decree 117/2004, the company is also a member of Appliances Recycling S.A., the agency responsible for the operation of the Alternative Management of the Waste of Electrical and Electronic Equipment (WEEE) in Greece.

The role of the company is to organize, control and coordinate all the stages of WEEE management, which includes collection, transport, temporary storage and processing of WEEE.

INTRALOT is committed to producing energy efficient and durable products, to increasing the use of recyclable materials, and to designing products with no restricted substances. Environmental protection management practices are incorporated into work culture and in their daily activities employees have adopted energy conservation practices and adhere to the company's recycling program.

INTRALOT implements policies for protecting the environment in line with the current legislation and terms relating to the environmental and operational licensing of its activities. To this effect, the company has implemented various monitoring systems according to the requirements of competent authorities and takes into consideration relevant environmental impact assessments.

INTRALOT's environmental management system applies several of the standards and requirements of ISO 14001. These are described in the sections that follow.

10.2 PRODUCT CONTRIBUTION TO SUSTAINABILITY

INTRALOT has adopted an eco-friendly policy, operating with total respect for sensitive environmental issues at all stages of the product chain. Using 3D design techniques and simulation software products, INTRALOT aims to minimize the prototype re-design stage, thereby reducing costs and the utilization of materials. Some of the company's product features and best practices include:

- The development of Interactive Services allowing the remote game participation of the player as well as remote access to a series of peripherals and gaming services;

- NFC technologies are currently changing our everyday lives and have opened a new era for the gaming sector. NFC technology and generally cashless payment services is currently being integrated in INTRALOT's vending machines and will subsequently be extended to all INTRALOT terminals.

- The reduction of paper consumption through the use of digital solutions, including LOTOS™ Horizon for content/information delivery to the retailer, Icon Digital Imaging Technology, Stylot, Gablet, and self-service terminals;

- INTRALOT develops products enabling game participation in a total paperless environment, where neither coupons nor tickets are needed. In this respect, it has introduced and promoted the Coronis MP self-service terminal, as well as the Gablet multifunctional player device for retailer shops, that allow the player to enter his bets without the use of paper coupons;

- Delivery of information, from jackpots, results, betting event programs and odds, to digital signage displays inside the retailer shops, through INTRALOT's LOTOS™ Horizon multimedia platform, which allows the players to have access to constantly updated information, without the need for printing;

- INTRALOT has made progress in developing a new frontline generation of efficient and reliable terminals by utilizing low power components. The selection of low power components is a decisive factor for efficiency and reliability and when it comes to the systems' core nothing beats the ARM family of processors. By year's end, ARM technology covered 30% of INTRALOT's terminals and the target is to increase the use of this technology to 75% by 2016. Fast, efficient, scalable with multi-core capabilities, ARM processors deliver exceptional computational power with minimum consumption, resulting in even more reliable, long lasting and environment-friendly terminals. The ARM family of processors will continue to expand and eventually cover all INTRALOT products, including vending and self-service terminals.

- In compliance with the Energy-related Products (ErP) Directive 2009/125/EC of the European Parliament, all external power supplies currently follow class V regulation, while all products from 2016 onwards will follow class VI;

- By the end of 2015, 35% of the gaming terminals will be designed fan-less and shut down automatically during prolonged periods of inactivity and by the end of 2016 as many as 75 % will be designed fan-less. Like all mechanical systems, fans are subject to failure, so a fan-less product offers higher reliability;

- The Extended Mean Time between Failures and long life-time of terminals;

- The adoption of the use of camera technology in terminals replacing the page scanners, which leads to the use of fewer materials and parts;

- Through to 2016 the gradual replacement of conventional monitors, which use CCFL (Cold cathode fluorescent lamp) technology, with LED monitors will be completed. LED monitors are energy-efficient, using 30 to 50 percent less power than conventional monitors. Furthermore, unlike CCFLs, LED monitors contain no mercury, halogen or lead, which makes them safe for the environment when recycling.

TABLE 1: PRODUCT CONTRIBUTION TO RESPONSIBILITY: HIGHLIGHTS

NFC technology and generally cashless payment services is currently being integrated in INTRALOT's vending machines and will subsequently be extended to all INTRALOT terminals.
By the end of 2014 ARM technology covered 30% of INTRALOT's terminals and the target is to increase the use of this technology to 75% by 2016.
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Through to 2016 the gradual replacement of conventional monitors, which use CCFL (Cold cathode fluorescent lamp) technology, with LED monitors will be completed.

LOTOS™ Horizon IRD, LOTOS™ Horizon Duo3D

Following the introduction of the LOTOS™ Horizon Multimedia Controller (LHMC), two more media players for the LOTOS™ Horizon multimedia platform have become reality, LOTOS™Horizon IRD and LOTOS™ Horizon Duo3D, both of which support full high-definition content, multi-zone and multi-layer graphics, high quality sound and IP connectivity for direct connection to the LOTOS™ Horizon central system. LOTOS™ Horizon IRD also supports content delivery over satellite. LOTOS™ Horizon Duo3D supports display in dual independent screens. It also includes large permanent storage (up to 1Tbyte), and can be used as a local server for multiple media players inside the retailer shop, providing local content management.

LOTOS™ Horizon Content Publisher

LOTOS™ Horizon Content Publisher, is a new addition in the LOTOS™ Horizon management environment, meant for automatically targeting videos/images to multiple different display devices, with a "create once – publish many" philosophy, while retaining unified look and feel.

10.3 MATERIALS USED IN PRODUCTION

The principal raw materials used by INTRALOT in the hardware production process are metals and electronic components. Additional materials are utilized in the process of shipping and handling of technology equipment. In 2014, the company made a first effort to measure the consumption of raw materials in the production process. The measurement made focuses on the production units that manufacture self-service terminals and does not include data from outsourced hardware production. The results follow:

TABLE 2: MATERIALS USED IN HARDWARE PRODUCTION*	
Type of Materials	**2014(kg)**
Wood	10,988
Plastics	4,201
Metals	263,395
Electronics	45,246
Cables	2,585

* Estimate based on in-house production units.

10.4 TRANSITION TO CLOUD

INTRALOT is making steady progress in the evolution towards green IT using virtualized environments and cloud solutions, replacing standalone servers, for some IT and development services. The roll-out of INTRALOT's cloud solution NEFOS (Novel, Extensive, Flexible, On-Demand, Secure) has been a success. Already used for the new corporate wide applications (IT Services), INTRALOT's IT department has moved the testing of new software configurations, development, and consolidation of production servers to the virtualized environment.

A solution that integrates international best practices & standards on Information security for cloud computing in the gaming sector, NEFOS has had significant positive impact on INTRALOT's environmental footprint, through both energy and carbon dioxide savings, while enabling significant cost savings for the company.

During the year 2014, INTRALOT replaced 31 physical servers by migrating their environments to virtual infrastructure. The migration was supported by three (3) new servers of low power consumption but high processing power.

The resulting savings and reduction in the environmental footprint follow in the table below.

TABLE 3: INTRALOT CLOUD: ENVIRONMENTAL IMPACT		
Number of Physical Servers	**2013**	**2014**
INTRALOT Group	701	668
INTRALOT SA	192	164
Cloud Roll Out	**2013**	**2014**
Cumulative number of servers moved to Cloud (private)	19	31
Approximate Power Savings (MJ)	157,680	236,520
Approximate Heat Dissipation Savings (MJ)	157,049	208,138

10.5 MATERIALS, WASTE MANAGEMENT & RECYCLING

INTRALOT has adopted policies toward environmental protection and has adopted practices in order to further minimize its environmental footprint, such as the efficient use of natural resources and energy.

The main materials that the Company utilizes for its operational needs are:

⊙ Paper;

⊙ Toners;

⊙ Electrical & electronic supplies;

⊙ Batteries.

INTRALOT is sensitive to waste management issues that result from its operations. Waste is not sent to landfills but rather it is collected systematically and sent to a licensed recycling partner, which handles waste disposal in an appropriate and environmentally friendly manner.

INTRALOT fully complies with the requirements of RoHS regulations concerning hazardous waste.

As per safety regulations and corporate policy, all technical and maintenance requirements of petrol tanks used for central heating of corporate premises are regularly met and, as a consequence, the risk of a fuel spill is nil. To date there is no record of spills (oil, waste or, in general, fuels).

INTRALOT's expenditures on environmental protection cover the following:

⊙ Costs related to the processing and to Shipping & Handling of electric and electronic equipment towards recycling facilities;

- Costs related to the processing and to Shipping & Handling of toners towards recycling facilities;

- Annual cost of membership in the Hellenic Recovery Recycling Corporation (HE.R.R.Co.) and in Appliances Recycling S.A..

Paper

Paper is a raw material of chief importance for INTRALOT operations, due consumption in three main processes:

- It is utilized in the production of tickets and game slips;

- It is utilized as a consumable for daily office work;

- It is utilized for packaging and labelling of technology equipment as well as gaming software and peripherals.

Paper waste is regularly collected into special recycle bins placed on each floor of all company buildings. Specialized personnel are responsible for paper handling and regular shipping to a partner recycling company. In 2014, paper recycling has remained stable at 75% of total paper procurement.

TABLE 4: PAPER RECYCLING

Paper Recycling	2011	2012	2013	2014
Paper procurement (Kg)	9,600	9,800	9,500	13,550
Recycling %	75%	75%	75%	75%
Filing %	20%	20%	20%	20%
Sent via mail to others %	5%	5%	5%	5%

TABLE 5: TONERS & OTHER MATERIALS RECYCLING

Toners Recycling (units)	2011	2012	2013	2014
Purchased	840	930	960	870
Recycled (%)	85.2	88	85.4	85
Other Materials Recycling	**2011**	**2012**	**2013**	**2014**
Batteries (Kg)	498*	93	33	40

*450kg were car batteries.

10.6 ENERGY CONSERVATION & NATURAL RESOURCES

INTRALOT is committed to regular research and to the adoption of best practices that will enable it to operate more efficiently, waste less and reduce negative ecological impact across the entire spectrum of its operations.

As operation requirements, electricity and petrol are consumed wisely and efficiently. A high priority on the Company's agenda, INTRALOT promotes energy conscientious behavior near all employees.

TABLE 6: INTRALOT GROUP ENERGY CONSUMPTION

Electricity consumption (KWh)	2011	2012	2013	2014
Headquarters	3,018,400	3,140,000	3,280,400	3,218,071
Subsidiaries*	-	-	5,897,771	14,414,609
Total	**3,018,400**	**3,140,000**	**9,178,171**	**17,632,680**

*The increase is due to the inclusion for the first time of USA data.

TABLE 7: CONSUMPTION OF HEATING FUEL				
Petrol consumption (heating) (lt)	**2011**	**2012**	**2013**	**2014**
Headquarters	30,000	22,100	19,450	28,625

Green House Gas Emissions

Direct and indirect energy consumption lead to green house gas emissions. INTRALOT undertakes several measures in order to minimize its environmental footprint by reducing energy consumption and green house gas emissions.

In 2014, total carbon dioxide emissions (direct and indirect) reached 13,474 tons, stemming for the most part from indirect emissions, and in particular from energy consumption of the Group's subsidiaries in the USA.

TABLE 8: GREEN HOUSE GAS EMISSIONS				
Green House Gas Emissions (in tons CO2)*	**2011**	**2012**	**2013**	**2014**
Due to electricity consumption (indirect emissions)	2,342.3	2,436.7	6,975.4	13,400
Due to petrol consumption for heating (direct emissions)	93	57.6	50.7	74.4
Total	**2,435.3**	**2,494.3**	**7,026.1**	**13,474.4**

* According to the methodology of the annual Climate Change Emissions Inventory of Greece (2013), submitted by the Hellenic Ministry of Environment, Energy and Climate Change to the United Nations Framework Convention on Climate Change, under the Convention and the Kyoto protocol for greenhouse and other gases.

TABLE 9: ECO INTENSITY OF OPERATIONS		
Energy Intensity (GJ)	**2013**	**2014**
	22 GJ/€ mil. sales	34GJ/€ mil. sales
Emissions Intensity (tons CO2eq)	**2013**	**2014**
	5.3tCO2eq/€mil. sales	7.2tCO2eq/€mil. sales

Water

Drinking water reserves are a global issue and a significant concern in Greece, in particular as a result of the impact of climate change.

INTRALOT is sensitive to the value of water and its relative scarcity in the Mediterranean region and therefore strives to reduce water consumption, where feasible.

TABLE 10: WATER CONSUMPTION				
Water Consumption (m³)	**2011**	**2012**	**2013**	**2014**
Headquarters	6,377	6,249	6,783	5,792
Subsidiaries	-	-	-	9,522
Total	**6,377**	**6,249**	**6,783**	**15,314**

10.7 AIR TRAVEL

INTRALOT strives to reduce the impact of business operations on climate change. Because the climate impact of air transportation is currently under regulated by national or international laws, it is INTRALOT's voluntary commitment to limit air travel to the minimum necessary.

The Group is trying to minimize the number of travelled air miles by:

- Using other modes of transport in regional travel where possible;

- Using video-conferences for meetings;

- Using teleconferencing to reduce the number and frequency of business travel;

- Establishing facilities in locations with access by public transportation;

- Extensive use of e-learning;

- Minimizing the number of flights by combining trips and jobs;

- Flying the most direct route possible, since take-offs and landings use the most fuel.

- Flying during the daytime, because studies have shown that flights taken at night have a greater impact on the climate.

- Flying economy, because more people per plane means fewer emissions per person.

- Packing light, because lighter planes mean less burnt fuel.

TABLE 11: AIR MILES & CO2 EMISSIONS FROM AIR TRAVEL 2014*		
	Travelled air miles, million	**Indirect emissions (Scope 3), tons CO2**
Headquarters	15.6	2,904
Subsidiaries	2.05	383

*Estimation based on ICAO Carbon Emissions Calculator and EPA 430-R-08-006

10.8 AWARENESS RAISING ACTIONS

For the 6th consecutive year, INTRALOT actively participated in Earth Hour 2014, a global endeavor of WWF to protect the climate. This event constitutes a practical and symbolic measure against climate change.

INTRALOT and subsidiaries and affiliates on all 5 continents participated by switching off the lights on their premises, both in offices and in production units, for one hour. In addition to corporate-level participation, INTRALOT encouraged its partners and clients and all its employees, including their families and friends, to join the initiative.

INTRALOT continues to support the efforts of its Corporate Volunteer Group, created in 2005. The Volunteer Group actively engages in various social causes and outreaches near stakeholders and the wider public on matters of environmental protection. The Volunteer Group has created GREEN SITE, an electronic platform that supports their mission and publicizes their activities.

Appendix I.
Key Performance
Data Table

KEY PERFORMANCE DATA TABLE INTRALOT GROUP

Economy (in thousand €)	2011	2012	2013	2014
Sales	1,202,354	1,374,021	1,539,430	1,853,164
Other income	28,452	18,602	17,361	19,309
Finance income	9,972	11,460	8,591	13,587
Total Revenue	1,240,778	1,404,083	1,567,395	1,886,060
Operating costs	979,946	1,106,423	1,247,155	1,571,938
Payments to providers of funds	44,206	53,929	54,457	89,828
Dividends paid	16,755	20,320	16,645	23,663
Interest paid	27,451	33,609	37,812	66,165
Operating income	153,806	177,536	194,831	175,445
Earnings before taxes and minorities	57,038	58,422	53,551	36,553
Earnings after taxes and minorities	17,701	6,116	-4,567	-49,546
Payments to government bodies (taxes paid)	22,358	23,602	35,493	28,986
Total assets	1,086,162	1,114,807	1,135,170	1,355,092
Invested capital (Equity plus Debt)	882,245	899,462	874,837	1,107,259
Marketplace (in thousand €)	**2011**	**2012**	**2013**	**2014**
Payments to suppliers	279,139	342,100	389,012	512,795

KEY PERFORMANCE DATA TABLE INTRALOT GROUP

Employees	2011	2012	2013	2014
Total employees	5512	5541	5685	5488
Workforce turnover (%)	2.5	4.1	3.9	7.2
Employee wages and benefits (in thousand €)	104,965	113,436	117,774	126,265
Number of hours of employee training	-	-	-	64,369

Environment	2011	2012	2013	2014
Water consumption headquarters (m³)	6,377	6,249	6,783	5,792
Water consumption subsidiaries (m³)	-	-	-	9,522
Petrol consumption for heating headquarters (lt)	30,000	22,100	19,450	28,625
Green House Gas Emissions, scope 1 & 2 (in tons CO2)	-	-	-	13,474,4
Electricity consumption (KWh)				17,632,680

Appendix II.
List of Tables & Figures

Chapter 1. About INTRALOT Group

Chapter 2. Sustainability in INTRALOT Group

Chapter 3. Governance & Compliance

Chapter 4. Responsible Gaming

Chapter 5. Economic Sustainability

Chapter 6. Products & Services

Chapter 7. Contribution to Local Communities

Chapter 8. Our People

Chapter 9. Stakeholder Engagement

Chapter 10. Environmental Sustainability

Appendix I. Key Performance Data Table

Appendix III. About the Report

Appendix III.
About the Report

REPORT CONTENT & BOUNDARIES

The Sustainability Report 2014 is INTRALOT's fourth corporate social responsibility report. This Report contains, mainly, information related to our social and environmental policies, practices and initiatives.

In the context of improvement of sustainability disclosures according to GRI G4, INTRALOT gathered data concerning selected Group subsidiaries. The scope of the disclosures made in the present report refers to INTRALOT SA and a sample of 18 subsidiaries, and covers the calendar year 2014 unless otherwise noted. The sample of subsidiaries was chosen on the basis of the following criteria:

- Contribution to Group revenues;

- Balanced representation of three main corporate contract types: licensed operations, technology supply and Management contracts (as per fig. 2 of chapter 1 of the report);

- Significant potential economic, social and/or environmental impact (positive and/or negative) of corporate presence on the local communities;

- Financial consolidation.

Further information about the INTRALOT Group, including financial, product or services information is presented in the corporate Annual Financial Report, available at www.intralot.com.

This report was prepared in accordance with the Global Reporting Initiative's (GRI) G4 Sustainability Reporting Guidelines, which provide a generally accepted framework for reporting social, economic and environmental performance.

This Report contains Standard Disclosures from the GRI Sustainability Reporting Guidelines for Sustainability Reporting and is prepared in order to satisfy the requirements of G4 Core Option. This Option provides the background against which INTRALOT communicates the impacts of its economic, environmental and social and governance performance.

Sustainability Context & Stakeholder Inclusiveness

The scope of the Sustainability Report is to depict the impact of the business activities of INTRALOT on the economy, the society and the environment, in order to inform institutional investors, employees, suppliers, society, regulatory authorities, business partners, stockholders, as well as those interested in Corporate Responsibility and Sustainable Development issues.

INTRALOT actively seeks the engagement of relevant social groups, both informally - through focus groups, events, debates - and formally - via opinion surveys, public presentations and publications - in the identification of issues, policies and appropriate strategies promoting responsible gaming practices, and the company strives to incorporate these views into its products and services.

As a signatory of the United Nations Global Compact, INTRALOT is committed to the implementation and dissemination of the organization's principles. The GRI G4 guidelines have provided a sound basis for the selection of the material issues that are presented in the Sustainability report so as to meet its purpose of offering an effective communication tool (COP) with its stakeholders.

Materiality & Completeness

During the preparation of the Report, INTRALOT takes into account the dialogue with its stakeholders, conclusions drawn from survey research conducted in local communities and near customers, suppliers and employees, requests for disclosures from financial analysts and the wider public as well as observations made by inspection and auditing bodies. With this approach, the Group endeavors to continue to implement activities under its commitment to Sustainable Development.

Materiality assessments are used to help the company to focus its sustainable development report on those issues that are most important to its external and internal stakeholders. The process is developed in line with the GRI guidance on materiality and completeness. It involves identifying issues affecting the company's business and its stakeholders, and prioritizing these issues considering internal and external perspectives.

INTRALOT gathers information and views from a wide range of stakeholders, including institutional investors, employees, suppliers, society, regulatory authorities, business partners, stockholders, NGOs and the media.

From this data, it assesses the impact that sustainable development issues have externally, in terms of society and the environment, and corporate compliance with policies and commitments. INTRALOT also considers the importance of the issues for its stakeholders when they are making judgments about the company's sustainable development performance.

Following a materiality assessment process, INTRALOT evaluates how important an issue is internally to its operations. The company examines the potential impact of the issue(s) on its financial performance, brand and reputation, on stakeholder relationships, on production and ability to meet customers' needs, and evaluates the risks and possible ramifications of non-compliance.

All material aspects (management approach disclosures & indicators), sufficient to reflect significant economic, environmental and social impacts, are presented analytically in Appendices I & III.

Report Balance & Comparability

The Report covers INTRALOT Group activities worldwide, including its subsidiaries, but not joint ventures, suppliers or any other third party related to the Company. The expectations of stakeholders as well as the importance of specific issues to the Company are taken into consideration in order to determine which issues should be included in the Report.

This Report covers the complete range of Economic, Social and Environmental issues that stem from the Company's activity, without limiting the scope and boundary of the report.

The company's corporate commitment to the guidelines of GRI and UNGC support the presentation of information in a manner that enables the reader to identify changes in policies and performance.

Using the report, stakeholders can easily compare information reported on economic, social and environmental performance against Group's past performance (previous reports) and, to the degree possible, against the performance of the sector.

Accuracy & Clarity

Qualitative approaches to economic, environmental and social issues (Disclosures on Management Approach) and detailed quantitative measurements (Indicators) used for Sustainability reporting assure the accuracy of the provided information.

The report's structure aims to facilitate access to information by the reader. Graphics and tables assist in making information in the report clear and understandable.

Timeliness & Reliability

The information, facts and data in this report refer to the period between January and December 2014, unless where noted. Sustainability reporting has been set by the company to an annual cycle.

The data and information presented in this Report are collected on the basis of monitoring procedures of the Company, as well as on the basis of informational databases of various systems. In some areas, where unedited non-primary data are presented, the information follows the estimation method using the relevant guidelines, indicated in the text.

External Assurance

For this sustainability report, INTRALOT has not assigned verification to a third party. However, INTRALOT recognizes the significance, usefulness and added value that an external verification of the Report's data can offer, and will for this reason consider the external verification service for a next edition.

Contact

Feedback from stakeholders is of great significance to our Group. INTRALOT welcomes any question, enquiry, clarification or proposal for improvement of its sustainability reporting. Comments, enquiries or suggestions can be sent to:

INTRALOT S.A.

Department of Communications

Attn:

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UNGC PRINCIPLES & GRI INDEX

INTRALOT has adopted and incorporated the principles of the United Nations Global Compact in its business operations and works to disseminate and promote these principles near its stakeholders.

As the UNGC expands its reach, national and local networks play an important role, rooting the initiative in different cultural contexts. INTRALOT is a signatory of the UNGC since 2009 and is an active participant in the national network for social responsibility through its membership since 2004 in the Hellenic Network for Corporate Social Responsibility, a national partner organization of CSR Europe.

INTRALOT's commitment to sustainable development is a result of the Group's business principles and strategy, and is visible in its policies and corporate culture. The Group and its employees commit to the constant care for the environment, the creation of a healthy and safe workplace and the advancement of socially responsible behavior.

In the above context, this report also covers the requirements of the ''Communication on Progress" (active level) report, presenting the integration of the principles of the UNGC in the strategy, activities and programs that the Group supports and participates in.

Tables 1 and 2 list the UNGC principles and the GRI indicators, respectively, and make corresponding references to the relevant sections of the Report.

TABLE 1: CROSS REFERENCE TABLE OF UNGC PRINCIPLES, GRI INDICATORS AND THE RELEVANT SECTIONS OF THIS REPORT

UNGC principles	Relevant GRI indicators	Relevant sections of this Report
Human Rights		
Principle 1 – Businesses should support and respect the protection of internationally proclaimed human rights.	EC5, LA4, LA6 – 9; LA13 – 14, HR1 – 9, SO5, PR1-2, PR8	4.6, 8.2, 8.3, 8.5, 8.9, 9.2
Principle 2 – Businesses should make sure that they are not complicit in human rights abuses.	HR1 – 9, SO5	8.2, 8.3, 8.5, 8.9, 9.2
Labor		
Principle 3 – Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	LA4 – 5, HR1 – 3, HR5, SO5	8.2, 8.3, 8.9, 9.2
Principle 4 – Businesses should uphold the elimination of all forms of forced and compulsory labor.	HR1 – 3, HR7, SO5	8.2, 8.3
Principle 5 – Businesses should uphold the effective abolition of child labor.	HR1 – 3, HR6, SO5	8.3, 9.2
Principle 6 – Businesses should uphold the elimination of discrimination in respect of employment and occupation.	EC7, LA2, LA13 – 14, HR1 – 4, SO5	8.2, 8.3, 8.5, 8.8, 8.9, 9.2
Environment		
Principle 7 – Businesses should support a precautionary approach to environmental challenges.	EC2, EN18, EN26, EN30, SO5	10.1, 10.2, 10.3, 10.4, 10.6, 10.8
Principle 8 – Businesses should undertake initiatives to promote greater environmental responsibility.	EN1 – 30, SO5, PR3 – 4	10.1, 10.2, 10.3, 10.4, 10.5, 10.6, 10.7, 10.8
Principle 9 – Businesses should encourage the development and diffusion of environmentally friendly technologies.	EN2, EN 5 – 7, EN 10, EN 18, EN 26 – 27, EN30, SO5	10.1, 10.2, 10.3, 10.4, 10.6

TABLE 1: CROSS REFERENCE TABLE OF UNGC PRINCIPLES, GRI INDICATORS AND THE RELEVANT SECTIONS OF THIS REPORT

UNGC principles	Relevant GRI indicators	Relevant sections of this Report
Anti-Corruption		
Principle 10 – Businesses should work against corruption in all its forms, including extortion and bribery.	SO2 – 6	Code of Corporate Governance available at: http://www.intralot.com/sites/default/files/KEΔ%20(ENG).pdf (English version), http://www.intralot.com/sites/default/files/KEΔ%20(GR).pdf (Greek version).

Note: Further information concerning the GRI indicators in the 2nd column is provided in the following Tables 2-4, which present the General and the Specific Standard Disclosures (DMAs & Indicators) with the corresponding references to the relevant section of this report and/or links addressing the respective aspects.

TABLE 2: GRI G4 GENERAL STANDARD DISCLOSURES

GRI G4	General Standard Disclosures	Comments/Links	Report's Section
Strategy & Analysis			
G4- 1	Provide a statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.		Message from the Chairman Message from the CEO (pages 8-11)
G4-2	Provide a description of key impacts, risks, and opportunities.		2.1 | 2.2 | 3.5
Organisational Profile			
G4- 3	Report the name of the organization		INTRALOT SOCIETE ANONYME INTEGRATED LOTTERY SYSTEMS AND SERVICES
G4- 4	Report the primary brands, products, and services		6.2 | 6.3
G4- 5	Report the location of the organization's headquarters		INTRALOT S.A. 64 Kifissias Ave. & 3 Premetis Str., GR-151 25 Athens, Greece Tel: (+30) 210 615 6000 Fax: (+30) 210 610 6800 www.intralot.com
G4- 6	Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report		1.1 | 1.2
G4- 7	Report the nature of ownership and legal form		1.3
G4- 8	Report the markets served		1.1 | 1.2
G4- 9	Report the scale of the organization.		1.1 | 1.3 | 5.2 | 8.1 | Appendix I

TABLE 2: GRI G4 GENERAL STANDARD DISCLOSURES

GRI G4	General Standard Disclosures	Comments/Links	Report's Section
G4- 10	Report the total number of employees by employment contract and gender. Report the total number of permanent employees by employment type and gender. Report any significant variations in employment numbers (such as seasonal variations).		8.1 | 8.2 There are no seasonal variations.
G4- 11	Report the percentage of total employees covered by collective bargaining agreements.		8.5 (Table 3)
G4- 12	Describe the organization's supply chain.		9.2
G4- 13	Report any significant changes during the reporting period regarding the organization's size, structure, ownership, its supply chain, etc.	No significant changes in 2014.	
G4- 14	Report whether and how the precautionary approach or principle is addressed by the organization.	The awards & distinctions (section 1.5), the public opinion surveys (section 4.7), the employees' satisfaction surveys, the risk assessment (section 3.5), the market surveys (section 4.7) confirm the proactive approach.	3.5 | 3.6 The regular audits and certifications (section 3.6) constitute a precautionary approach. 4.4
G4- 15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.		3.1 | 3.6 | 4.4 Appendix III (GRI, UNGC)

TABLE 2: GRI G4 GENERAL STANDARD DISCLOSURES

GRI G4	General Standard Disclosures	Comments/Links	Report's Section
G4- 16	List memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization: Holds a position on the governance body, Participates in projects or committees, Provides substantive funding beyond routine membership dues, Views membership as strategic.		1.4 | 4.5
Identified Material Aspects & Boundaries			
G4- 17	a. List all entities included in the organization's consolidated financial statements or equivalent documents. b. Report whether any entity included in the organization's consolidated financial statements or equivalent documents is not covered by this report.	INTRALOT Group composition available at http://www.intralot.com/content/527/financial-statements	Appendix III (INTRALOT S.A. and 18 subsidiaries are the subject of this report, according to criteria specified in the section Report Content & Boundaries of Appendix III)
G4- 18	a. Explain the process for defining the report content and the Aspect Boundaries. b. Explain how the organization has implemented the Reporting Principles for Defining Report Content.		2.3 | 9.4 Appendix III Report Content & Boundaries
G4- 19	List all the material Aspects identified in the process for defining report content.		2.3 (Fig. 4, Table 2)
G4- 20	For each material Aspect, report the Aspect Boundary within the organization.		2.3 (Fig. 4, Table 2)
G4- 21	For each material Aspect, report the Aspect Boundary outside the organization.		2.3 (Fig. 4, Table 2)
G4- 22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.		No restatements of information.

TABLE 2: GRI G4 GENERAL STANDARD DISCLOSURES

GRI G4	General Standard Disclosures	Comments/Links	Report's Section
G4- 23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.		No significant changes occurred in 2014.
Stakeholder Engagement			
G4- 24	Provide a list of stakeholder groups engaged by the organization.		9.1
G4- 25	Report the basis for identification and selection of stakeholders with whom to engage.		9.1
G4- 26	Report the organization's approach to stakeholder engagement.		2.2	7 |9
G4- 27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns.		2.2 (Fig. 1, Fig. 2)	9.4
Report Profile			
G4- 28	Reporting period (such as fiscal or calendar year) for information provided.		Jan – Dec 2014
G4- 29	Date of most recent previous report (if any).		Dec 2014, concerning year 2013
G4- 30	Reporting cycle (such as annual, biennial).		Annual
G4- 31	Provide the contact point for questions regarding the report or its contents.		Ms. Monica Carlos Department of Communications INTRALOT S.A. 64 Kifissias Ave. & 3 Premetis Str., GR-151 25 Athens, Greece Tel: (+30) 210 615 6000 Fax: (+30) 210 615 6093 e-mail: carlos@intralot.com

TABLE 2: GRI G4 GENERAL STANDARD DISCLOSURES

GRI G4	General Standard Disclosures	Comments/Links	Report's Section
G4- 32	Report the 'in accordance' option the organization has chosen. Report the GRI Content Index for the chosen option. Report the reference to the External Assurance Report, if the report has been externally assured.		This Report contains Standard Disclosures from the GRI-G4 guidelines. The GRI Content Index is in Appendix III. See Appendix III, section External Assurance (p. 169).
G4- 33	Report the organization's policy and current practice with regard to seeking external assurance for the report.		See Appendix III, section External Assurance (p. 169).
Governance			
G4- 34	Report the governance structure of the organization, including committees of the highest governance body.		3.2 | 3.3 | 3.4
G4-35	Report the process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.	The Group's Executive Committee has responsibilities on sustainable development issues.	The management of the Group's companies reports directly to the Group's BoD. The Group's Corporate Communications Department reports directly to the Group's CEO. The Group CFO reports directly to the Group's CEO and is a member of Group's Executive Committee.
G4-36	Report whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body.		The position of Group's Corporate Communications Director is a position with responsibilities on planning, recommendations and implementation on social topics. The group CFO is a member of Group's Executive Committee.

TABLE 2: GRI G4 GENERAL STANDARD DISCLOSURES

GRI G4	General Standard Disclosures	Comments/Links	Report's Section
G4-37	Report processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics. If consultation is delegated, describe to whom and any feedback processes to the highest governance body.		8.4 | 9.1
G4-38	Report the composition of the highest governance body and its committees by: • Executive or non-executive • Independence • Tenure on the governance body • Number of each individual's other significant positions and commitments, and the nature of the commitments • Gender • Membership of under-represented social groups • Competences relating to economic, environmental and social impacts • Stakeholder representation.		3.3 | 3.4
G4-39	Report whether the Chair of the highest governance body is also an executive officer (and, if so, his or her function within the organization's management and the reasons for this arrangement).		The Chairman of the Board and the CEO are both executive board members. Their role, functions and related responsibilities are outlined in the Code of Corporate Governance, which is approved by the Board.
G4-40	Report the nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members.		The Code of Corporate Governance is available at http://www.intralot.com/content/1764/code-corporate-governance. The code is currently undergoing revision.

TABLE 2: GRI G4 GENERAL STANDARD DISCLOSURES

GRI G4	General Standard Disclosures	Comments/Links	Report's Section
G4-41	Report processes for the highest governance body to ensure conflicts of interest are avoided and managed. Report whether conflicts of interest are disclosed to stakeholders.		3.3 | 3.4 The current ratio of 2 executive and 7 non-executive board members assures avoidance of conflicts of interest. The BoD subscribes to the principles and best practice provisions of the Corporate Governance Code of the Hellenic Federation of Enterprises (available at http://www.sev.org.gr) Also, in the Group's Code of Conduct there is specific provision aimed at preventing conflicts of interest.
G4-42	Report the highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.		The Code of Corporate Governance is available at http://www.intralot.com/content/1764/code-corporate-governance. The code is currently undergoing revision.
G4-43	Report the measures taken to develop and enhance the highest governance body 's collective knowledge of economic, environmental and social topics.		The Code of Corporate Governance is available at http://www.intralot.com/content/1764/code-corporate-governance. The code is currently undergoing revision.

TABLE 2: GRI G4 GENERAL STANDARD DISCLOSURES

GRI G4	General Standard Disclosures	Comments/Links	Report's Section
G4-44	a. Report the processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics. Report whether such evaluation is independent or not, and its frequency. Report whether such evaluation is a self-assessment. b. Report actions taken in response to evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics, including, as a minimum, changes in membership and organizational practice.		3.3 (Assessment of the BOD members)
G4-48	Report the highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered.		The CEO approves and signs this Sustainability Report. The Group's Corporate Communications Director is authorized to ensure that all material issues are presented with clarity and objectivity.
G4-51	a. Report the remuneration policies for the highest governance body and senior executives for the below types of remuneration: • Fixed pay and variable pay • Sign-on bonuses or recruitment incentive payments • Termination payments • Clawbacks • Retirement benefits, including the difference between benefit schemes and contribution rates for the highest governance body, senior executives, and all other employees. b. Report how performance criteria in the remuneration policy relate to the highest governance body's and senior executives' economic, environmental and social objectives.		3.4 Nomination and Remuneration Committee The Code of Corporate Governance is available at http://www.intralot.com/sites/default/files/KEΔ%20(ENG).pdf The Code is currently undergoing revision.

TABLE 2: GRI G4 GENERAL STANDARD DISCLOSURES

GRI G4	General Standard Disclosures	Comments/Links	Report's Section
Ethics & Integrity			
G4- 56	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	INTRALOT is committed to operate under the principles of integrity, reliability and business ethics. Further, the company has adopted a code of corporate governance as well as other codes of conduct and trains all employees on the rules and corporate best practices through induction training, conducted upon recruitment. INTRALOT has been distinguished by the Greek Chapter of the European Business Ethics Network for 7 consecutive years.	1.1 (p. 13) | 1.5 | 3 Code of Corporate Governance available at: http://www.intralot.com/sites/default/files/KEΔ%20(ENG).pdf (Englishversion) http://www.intralot.com/sites/default/files/KEΔ%20(GR).pdf (Greekversion)
G4- 57	Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as help-lines or advice lines.		INTRALOT Group's Code of Conduct

TABLE 3: DMAS

EC

Aspects	Comments/Links	Report's Section
Economic Performance	INTRALOT has adopted a corporate strategy of sustainable leadership. After the successful completion of its expansion plans, business operations focus on innovation, the advancement of existing projects and opportunities arising from developments in selected markets, so as to deliver added value to our shareholders and to create shared value for all stakeholders.	2.2 | 5.2 Appendix I
Market Presence	INTRALOT's responsible operations around the globe contribute to the development of local human capital and employment, to infrastructure development, to the transfer of knowledge and technological know-how to local communities in areas related to its operations. International operations set standards of compliance in local jurisdictions, and generate government wealth used toward social goals.	
Indirect Economic Impacts	The impact of INTRALOT corporate activities on local economic output of gaming or gaming related businesses, on local income levels, and on employment is positive.	
Procurement Practices	As an ISO 9001 certified company, INTRALOT business processes follow standardized procedures throughout the entire product chain, and the company enforces these same quality requirements, non-discrimination principles, and the respect for human rights near its suppliers.	

EN

Aspects	Comments/Links	Report's Section
Materials	INTRALOT's products follow forefront environmental specifications and embrace eco-efficiency from design through production, operation and de- commission stages.	10.3 |10.5
Energy	INTRALOT seeks to minimize its environmental footprint through adopted policies including its energy saving program in all facilities.	10.4 | 10.6
Water	INTRALOT is sensitive to the value of water and its relative scarcity in the Mediterranean region and therefore strives to reduce water consumption.	10.6

EN		
Aspects	**Comments/Links**	**Report's Section**
Biodiversity	The company does not have a separate policy on biodiversity because the issue is immaterial to the company, as its operation sites are far away from protected areas and ecosystems and there are no impacts from its operations.	
Emissions		10.4|10.6|10.7
Effluents and Waste	INTRALOT has adopted a policy of regular recycling of waste and equipment.	10.5
Products and Services	INTRALOT products embrace eco- efficiency from design through production, operation and de-commission stages.	3.6 | 10.1 | 10.2 | 10.3
Compliance	INTRALOT's procedures fully comply with national and international environmental regulations and standards. The company has adopted an eco-friendly policy, operating with total respect for sensitive environmental issues at all stages of the product chain. INTRALOT is committed to producing energy efficient and durable products, to increasing the use of recyclable materials, and to designing products with no restricted substances. INTRALOT's gaming equipment complies with the RoHS Directive (Restriction of Hazardous Substances). Further, the company requires its suppliers to comply with the Restriction of Hazardous Substances Directive (RoHS) 2002/95/EC and the Waste Electrical and Electronic Equipment Directive (WEEE) 2002/96/EC, so as to ensure their compliance with corporate environmental policy.	3.6 | 10.1
Transport	INTRALOT has established a travel web tracking system and aims to reduce emissions' levels resulting from transportation needs.	10.7
Overall	Due to the nature of the services it offers, INTRALOT is among the companies that have a low impact on the environment. INTRALOT's products follow forefront environmental specifications and its operations worldwide comply with best practices in the sector.	
Supplier Environmental Assessment	The selection of suppliers is subject, among others, to quality specifications, including the environmental effects of the products or services offered.	9.2

EN

Aspects	Comments/Links	Report's Section
Environmental Grievance Mechanisms	Environmental grievances as well as voluntary proposals for minimizing the environmental impact of operations can be submitted to corporate management through the open door labor practice mechanism in place near department heads. The company has also established an external Service Complaint Procedure, according to ISO 20000 requirements.	

LA

Aspects	Comments/Links	Report's Section
Employment	INTRALOT's human resources policy is to recruit qualified and talented professionals and to offer its staff a stable and favorable working environment that maximizes the talent of company professionals, motivates them to excel in their functions, and supports their professional and personal development.	
Labor/ Management Relations	The company strategy is to follow best practices in labor relations and shape compensation and benefits policy towards improving employee loyalty and motivation while achieving operational goals.	
Occupational H & S	INTRALOT is committed to complying with all relevant health and safety laws and to conducting business in a manner that protects the safety of its employees. Health and safety are integral parts of a broader environment and workforce sustainability strategy that reduces the risk of harm to employees and helps them remain healthy and productive. To date, there is no record of work-related injuries or occupational diseases.	
Training and Education	INTRALOT's corporate culture highly values learning, since education and training contribute to the professional and personal development of employees and ensure operational efficiencies and growth for the company. INTRALOT has established a department dedicated specifically to training - the Learning Center, which cooperates with the human resources department toward skills development and the advancement of knowledge for all INTRALOT personnel. The company also adopts a policy of web training over IP that facilitates information-sharing and access to training to subsidiaries worldwide.	4.6 | 8.9

LA

Aspects	Comments/Links	Report's Section
Diversity and Equal Opportunity	INTRALOT is an Equal Opportunity Employer and implements a strict policy against any form of discrimination or harassment in the workplace, as described in the Company's Code of Conduct. INTRALOT strictly follows a policy of non-discrimination on the basis of race, color, sex, sexual orientation, gender identity, religion, disability, age, genetic information, veteran status, ancestry, or national or ethnic origin.	
Equal Remuneration for Men and Women	INTRALOT is an Equal Opportunity Employer and implements a strict policy against any form of discrimination.	
Supplier Assessment for Labor Practices	Corporate labor policies and practices are enforced near company suppliers. Further, they are used as a supplier selection criterion.	
Labor Practices Grievance Mechanisms	The company has adopted an open door policy and has an employee grievance mechanism in place near respective managers or department heads.	

HR

Aspects	Comments/Links	Report's Section
Investment	INTRALOT business practices worldwide conform to universally accepted principles in the areas of human rights, as set by the United Nations and the International Labor Organization, and abide by the legislative framework of every jurisdiction where it operates.	
Non-discrimination	INTRALOT is an Equal Opportunity Employer and implements a strict policy against any form of discrimination. As per the adopted corporate code of conduct, the company is against and does not use child labour, forced labour or compulsory labour, and operates in full respect of human rights as well as labor rights. Further, INTRALOT has a policy of intolerance toward any form of discrimination or harassment in the workplace and offers all employees a safe and meritocratic working environment, nurturing professional development and the work life balance.	8.2

HR		
Aspects	**Comments/Links**	**Report's Section**
Freedom of Association and Collective Bargaining	There is a Workers' Union, to whom employees may communicate all work- related issues, which are taken directly to company management.	8.5
Child Labor	INTRALOT is against child labour and forced or compulsory labour. INTRALOT observes the relevant labour legislation which includes the prohibition of child labor, forced labor set by the International Labour Organization (ILO), and the provisions related to human rights and working conditions in compliance with agreement and rules of employment.	8.3
Forced or Compulsory Labor	INTRALOT is against forced or compulsory labour. INTRALOT observes the relevant labour legislation which includes the prohibition of child labor, forced labor set by the International Labour Organization (ILO), and the provisions related to human rights and working conditions in compliance with agreement and rules of employment.	8.3
Security Practices	The security and the physical and moral integrity of INTRALOT employees and management is fundamental for an effective workplace. INTRALOT has developed and implemented a set of Corporate security procedures so as to minimize security breaches.	
Indigenous Rights	INTRALOT abides by relevant legislative framework of the local jurisdictions where it operates.	
Assessment	INTRALOT regularly identifies, predicts and responds to the potential human rights impacts of its business operations worldwide. The Human resources Department applies a due diligence process to human rights assessment.	
Supplier Human Rights Assessment	The Department of Contracts and Procurements applies a due diligence process to Human Rights assessment as part of the supplier selections and evaluation process.	
Human Rights Grievance Mechanisms	INTRALOT has a grievance mechanism that employees may use to voice complaints, report incidents, and raise issues that impact or can potentially impact any aspect of corporate performance.	

SO		
Aspects	**Comments/Links**	**Report's Section**
Local Communities	INTRALOT is committed to conducting its business in a sustainable manner by addressing the social, economic and environmental impacts of its operations, and to being a responsible leader of the gaming sector, according to the principle of fair competition and in compliance with the legal and the regulatory framework of the sector. The company actively seeks to be a substantive contributor to the local communities where it operates through the transfer of technology and know-how and through the employment and specialized training of its local workforce. Further, it contributes to the enhancement of the quality of life and the development of its workforce and of local communities through social programs that aim at advancing education and human capital; supporting social welfare and human development; and preserving cultural heritage.	7
Anti-corruption	INTRALOT is committed to conducting business in compliance with the highest ethical standards and all applicable laws.	The Corporate Code of Conduct is available in the corporate intranet portal. The Corporate Code of Governance is available at www.intralot.com
Public Policy	INTRALOT believes that in the current changeable economic environment, it is imperative for businesses, community organizations and other stakeholders to jointly contribute to advancing education, technology, R&D and infrastructure that will ensure sustainable economic growth and prosperity.	
Anti-competitive Behavior	INTRALOT operations conform to the principle of fair competition and comply with competition laws and regulations preventing anti-competitive or market distorting practices.	
Compliance	INTRALOT Group operations and management procedures are subject to international laws and regulations as well as to the governmental oversight and regulatory framework of each jurisdiction where it operates.	

SO

Aspects	Comments/Links	Report's Section
Supplier Assessment for Impacts on Society	INTRALOT business processes follow standardized procedures throughout the entire product chain. INTRALOT has adopted a quality management system (QMS) that supports the effective management of partnerships by ensuring consistent quality standards and keeping regular contact with suppliers, exchanging feedback and implementing product or service improvements. INTRALOT's QMS is based on an open-channel of communication between the Department of Contracts and Procurements and the Technical Support Department through the company's intranet portal, where input on subcontractor performance is shared. This input also serves as the basis for recommendations for new or continuing partnerships.	
Grievance Mechanisms for Impacts on Society	INTRALOT has a grievance mechanism that employees may use to voice complaints, report incidents, and raise issues that impact or can potentially impact any aspect of corporate performance. Further, as per the requirements of ISO 20000, INTRALOT has established a Service Complaint Procedure for external complaints.	

PR

Aspects	Comments/Links	Report's Section
Customer Health and Safety	INTRALOT is committed to delivering safe, quality products and services to customers. The Company's quality management system adopts an integrated approach and monitors the health and safety requirements of its products throughout their entire lifecycle. The company has also established an external Service Complaint Procedure, according to ISO 20000 requirements for IT service management.	
Product and Service Labeling	INTRALOT adopts and works closely with its suppliers and subcontractors in order to communicate and share in the company's quality policy and requirements. Quality control audits are conducted by senior quality engineers to assist the company in continuous improvements in the quality of delivered products or services.	4.7

PR		
Aspects	**Comments/Links**	**Report's Section**
Marketing Communications	INTRALOT marketing communications in all jurisdictions where it has a presence abide by responsible gaming principles and actively promote best practices. The company further conducts market research across all countries where it has presence, including usage & attitude surveys, segmentation and tracking studies, retail field, and online researches. INTRALOT is a member of ESOMAR and abides by ESOMAR's Code & Guidelines for market research.	4.7
Customer Privacy	INTRALOT products and IT tools and systems offer customers a healthy and safe gaming environment. Player registration and other data monitoring systems follow strict security standards and comply with relevant legislation on the protection of personal data.	
Compliance	INTRALOT has established a state-of- the-art framework for the governance of enterprise business processes that abides by the relevant national and international legislation (e.g. Privacy Act, Security of E-transactions, Anti-Money-Laundering).	

TABLE 4: GRI G4 SPECIFIC STANDARD DISCLOSURES (INDICATORS)

GRI Index	Economic	Comments/Links	Report's Section
G4-EC1	Direct economic value generated and distributed.	In the year 2014, INTRALOT Group revenues amounted to €1.85 billion. The Group's social product was €916 million.	5.2 | 5.3 (Figures 2 & 3) Appendix I
G4- EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	INTRALOT collects relevant data with the goal to disclose information on its impact and on the management of environmental risk.	
G4-EC3	Coverage of the organization's defined benefit plan obligations.	Defined contribution plan in accordance with relevant legislation of local jurisdiction.	
G4-EC4	Financial assistance received from government.	No direct financial support from the State.	
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	At all significant locations of operation, the entry level wage is higher than the local minimum wage. There is no differentiation between genders as INTRALOT implements a strict policy against any form of discrimination.	8.2
G4- EC6	Proportion of senior management hired from the local community at significant locations of operation.	In 2014 average % of subsidiaries' middle & upper management hired locally was 79%	Page 116
G4-EC7	Development and impact of infrastructure investments and services supported.	INTRALOT de Peru corporate employees volunteered in the infrastructure improvements of the School Villa El Salvador, funded by the company.	
G4-EC9	Proportion of spending on local suppliers at significant locations of operation.		9.2 (Table 2)

TABLE 4: GRI G4 SPECIFIC STANDARD DISCLOSURES (INDICATORS)

GRI Index	Environmental	Comments/Links	Report's Section
G4-EN1	Materials used by weight or volume.		10.3 (Table 2) | 10.5
G4-EN3	Energy consumption within the organization.		10.4 | 10.6 (Tables 6 & 7)
G4- EN5	Energy Intensity.		34 GJ per €m sales
G4-EN6	Reduction of energy consumption.		10.2 | 10.3 | 10.4 |10.8 (2014 energy savings due to transition from physical servers to cloud: Power and Heat Dissipation Savings 0.44 TJ)
G4- EN7	Reductions in energy requirements of products and services.		10.2 | 10.4
G4-EN8	Total water withdrawal by source.	The only source is water utilities.	10.6
G4-EN9	Water sources significantly affected by withdrawal of water.	No such significantly affected water sources	
G4- EN10	Percentage and total volume of water recycled and reused.	Immaterial issue	
G4- EN11	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	None of the Group's facilities is near protected areas (NATURA, RAMSAR). All installations are in established industrial or residential areas.	
G4- EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	none	
G4- EN13	Habitats protected or restored.	Not such habitats. None of the Group's facilities is near protected areas (NATURA, RAMSAR). All installations are in established industrial or residential areas.	

TABLE 4: GRI G4 SPECIFIC STANDARD DISCLOSURES (INDICATORS)

G4- EN14	Total number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.	zero	
G4- EN15	Direct greenhouse gas (GHG) emissions (Scope 1).		10.6 (Table 8)
G4- EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2).		10.6 (Table 8)
G4- EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3).		10.7
G4- EN18	GHG emissions intensity.		7.2 tCO2eq per €m sales
G4- EN19	Reduction of greenhouse gas (GHG) emissions.		10.2 | 10.4 | 10.6
G4- EN23	Total weight of waste by type and disposal method.	Waste disposal method follows the Greek legislative framework.	10.5
G4- EN24	Total number and volume of significant spills.	zero	
G4- EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention2 Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	There is no hazardous waste.	
G4- EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and runoff.	none	
G4- EN27	Extent of impact mitigation of environmental impacts of products and services.		10.2

TABLE 4: GRI G4 SPECIFIC STANDARD DISCLOSURES (INDICATORS)

G4-EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	No relevant fines or sanctions.	
G4-EN30	Significant environmental impacts of transporting products and other goods and materials for the organization's operations, and transporting members of the workforce.		10.7
G4-EN32	Percentage of new suppliers that were screened using environmental criteria.	INTRALOT designed a new, extended supplier questionnaire, including on environmental standards, to be required from all new suppliers.	
G4-EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms.	To date, there is no report of environmental grievances.	
GRI Index	**Labor Practices & Decent Work**	**Comments/Links**	**Report's Section**
G4-LA1	Total number and rates of new employee hires and employee turnover by age group, gender, and region.		8.1 (Fig. 3) Appendix I, Employee turnover 7.2%
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation.		8.8 (Table 4)
G4-LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements.	The company abides by relevant legislation applicable.	

TABLE 4: GRI G4 SPECIFIC STANDARD DISCLOSURES (INDICATORS)

G4-LA5	Percentage of total workforce represented in formal joint management–worker health and safety committees that help monitor and advise on occupational health and safety programs.		8.10
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work related fatalities, by region and by gender.	AIF: All injuries frequency rate or incidence rate	8.10 (AIF=0.2)
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation.	Employees have free consultation from qualified health professional on first-aid procedures, seasonal diseases and prevention, as well as health and safety guidelines. This information is also posted regularly in announcement boards/ internal website or sent to employees electronically.	There are no workers with incidence or high risk of diseases related to their occupation.
G4-LA9	Average hours of training per year per employee by gender, and by employee category.		4.6 | 8.9
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.		4.6 | 8.9
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category.		8.6

TABLE 4: GRI G4 SPECIFIC STANDARD DISCLOSURES (INDICATORS)

GRI Index		Comments/Links	Report's Section
G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity.		3.3 | 8.1 | 8.2
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation.	INTRALOT is an equal opportunities employer.	8.2
G4-LA14	Percentage of new suppliers that were screened using labor practices criteria.		9.2 (Supplier Selection & Management)
G4-LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken.	No negative impacts recorded	9.2
G4-LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms.	No grievances were reported to date.	
GRI Index	**Human Rights**	**Comments/Links**	**Report's Section**
G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	All corporate staff is informed about the company's code of conduct and labor relations policies, through a mandatory induction training program, conducted by INTRALOT's Learning Center.	8.4 | 8.9
G4-HR3	Total number of incidents of discrimination and corrective actions taken.	The Human Resour ces Department monitors such phenomena and acts accordingly. No incidents reported to date.	8.2

TABLE 4: GRI G4 SPECIFIC STANDARD DISCLOSURES (INDICATORS)

G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights.	Immaterial aspect – There are no operations or suppliers whose workers' rights to exercise freedom of association and collective bargaining may be violated or at significant risk.	3.2 | 8.3 | 8.5
G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor.	INTRALOT does not select suppliers who utilize child labour or pose significant risk for incidents of child labor. The Human Resources Department, the Department of Contracts and & Procurements and the Subsidiaries department monitor such phenomena in cooperation with employee representatives. No reported incidents to date.	9.2 | 8.3
G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor.	INTRALOT does not utilize suppliers who utilize forced or compulsory labor or pose significant risk for incidents of forced or compulsory labor. The Human Resources Department, the Department of Contracts and & Procurements monitor such phenomena in cooperation with employee representatives. No reported incidents to date.	9.2 | 8.3
G4-HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations.	INTRALOT management develops workplace security policies and training programs to familiarize employees with ways to maintain a safe workplace. INTRALOT also contracts security services and requires private security providers to train their workforce on the company's security policies and procedures.	

TABLE 4: GRI G4 SPECIFIC STANDARD DISCLOSURES (INDICATORS)

G4-HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken.	No incidents reported.	
G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments.	INTRALOT designed a questionnaire, including on human rights standards, which was required from significant locations of operation.	
G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken.	No actual or potentially negative human rights impacts have been reported to date.	9.2 | 8.3
G4-HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms.	There is no report of human rights grievances.	
GRI Index	**Society**	**Comments/Links**	**Report's Section**
G4-SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs.		4.8 (Implementation of Responsible Gaming Practices in all operations)
G4-SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified.	All business units are controlled for risks associated with corruption, following standard internal auditing procedure. The procedure is consistent with the Group's Code of Conduct. No relevant report or complaint in 2014.	
G4- SO4	Communication and training on anti- corruption policies and procedures.	Communication and employee awareness through the Code of Conduct and Code of Corporate Governance.	

TABLE 4: GRI G4 SPECIFIC STANDARD DISCLOSURES (INDICATORS)

G4-SO5	Confirmed incidents of corruption and actions taken.	No actions planned in 2014 (apart from relevant training) to address incidents of corruption as there are no reported incidents. However, there is provision for administrative and legal measures in accordance with Internal Regulations. Regular audits are planned by the relevant auditing departments.	
G4-SO6	Total value of political contributions by country and recipient/beneficiary.	No such contributions.	
G4-SO7	Total number of legal actions for anti- competitive behavior, anti-trust, and monopoly practices and their outcomes.	None. More information is available at the corporate Annual Financial Report, at www.intralot.com	
G4-SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	No incidents of non-compliance and no fines or sanctions.	
G4-SO9	Percentage of new suppliers that were screened using criteria for impacts on society.		9.2
G4-SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken.	None reported	
G4-SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms.	None reported.	

TABLE 4: GRI G4 SPECIFIC STANDARD DISCLOSURES (INDICATORS)

GRI Index	Product Responsibility	Comments/Links	Report's Section
G4-PR2	Total number of incidents of non- compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes.	No incidents of non-compliance.	
G4-PR4	Total number of incidents of non- compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes.	No incidents of non-compliance.	3.6
G4-PR5	Results of surveys measuring customer satisfaction.		9.3 | 4.7 | 4.8 | 3.6 (complaint procedure)
G4- PR6	Sale of banned or disputed products.	No sales of such products.	
G4-PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes.	No incidents. There is full compliance with relevant rules & codes of conduct (including on unfair competition and consumer protection).	4.1 | 4.7
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	No complaints. Records of personal customer data fully comply with relevant legislation and are fully harmonized with national & EU law.	
G4-PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision & use of products and services.	No such fines.	

Abbreviations

ACCA   Association of Chartered Certified Accountants

AGEM   Association of Gaming Equipment Manufacturers

AIF   All Injuries Frequency

AIT   Athens Information Technology

APLA   Asia Pacific Lottery Association

B2B   Business to Business

BEE   Business Ethics Excellence

BOD   Board of Directors

CCFL   Cold Cathode Fluorescent Lamp

CEDRO   Information and Education Center for the Prevention of Drug Abuse

CIBELAE   Corporación Iberoamericana de Loterías y Apuestas del Estado (Iberian-American Gambling Association)

CO2   Carbon Dioxide

COBIT   Control Objectives for Information and Related Technology

COP   Communication on Progress

Cr   Chromium

CSR   Corporate Social Responsibility

DMA   Disclosures on Management Approach EAT   Earning After Taxes

EBEN   European Business Ethics Network

EBITDA   Earnings before Interest, Tax, Depreciation and Amortization

EFQM   European Foundation for Quality Management

EGM   Electronic Gaming Machine

EL   European Lotteries and Toto Association

ESOMAR   European Society for Opinion and Marketing Research

FIFA	International Federation of Football Associations
FTSE	Financial Times Stock Exchange
GCI	Global Competitiveness Index
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
GSA	Gaming Standards Association
HE.R.R.Co.	Hellenic recovery Recycling Corporation
HR	Human Resources
ISMS	Information Security Management System
ISO	International Organization for Standardization
Kwh	Kilo Watt per Hour
LED	Light-Emitting Diode
LGA	Lotteries & Gaming Authority (Malta)
MTBF	Mean Time between Failures
M³	Cubic Meters
NASPL	North American Association of State and Provincial Lotteries
NFC	Near Field Communication
NSRF	National Strategic Reference Framework
OECD	Organisation for Economic Co-operation and Development
OSHA	Occupational Safety and Health Administration
OTB	Off-Track Betting
Pb	Lead
PC	Personal Computer
POS	Point of Sale

RFP	Request for Proposal
RG	Responsible Gaming
RoHS	Restriction of Hazardous Substances
SA8000	Social Accountability Standard 8000
S.A.	Société Anonyme
SCI	Sustainability Competitiveness Index
VLT	Video Lottery Terminal
WLA	World Lottery Association

Sustainability Report 2014 Feedback Form

Your opinion helps us improve

We invite you to share your opinion with us and help us to improve INTRALOT's Sustainability Report, by submitting your answers to the following questionnaire:

Which stakeholder group do you belong to?

☐ Employee	☐ Supplier	☐ Customer
☐ Stakeholder / Investor	☐ Local Community	☐ NGO
☐ Media	☐ Research Organization	☐ Regulatory Authorities

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
About INTRALOT Group	☐	☐	☐	☐
Sustainability in INTRALOT Group	☐	☐	☐	☐
Governance & Compliance	☐	☐	☐	☐
Responsible Gaming	☐	☐	☐	☐
Economic Sustainability	☐	☐	☐	☐
Products & Services	☐	☐	☐	☐
Contribution to Local Communities	☐	☐	☐	☐
Our People	☐	☐	☐	☐
Stakeholder Engagement	☐	☐	☐	☐
Environmental Sustainability	☐	☐	☐	☐

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

_____

_____

_____

Comments or suggestions

_____

_____

_____

Personal Details (optional):

Full Name: _____

Company/organization: _____

_____

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E-mail address: _____

Please return this form to:

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