



HELLENIC LOTTERIES S.A.

Member of OPAP Group of companies  opap

# REMUNERATION REPORT 2022



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## 1. Introduction

This annual Remuneration Report (hereinafter "the Report") has been prepared in accordance with the provisions of Law 4548/2018, Article 112, in line with the Commission's Guidelines (hereinafter "Guidelines") regarding the standardised presentation of the Remuneration Report under Directive 2007/36/EC, as amended by Directive (EU) 2017/828 as regards the encouragement of long-term shareholder engagement. It provides an overview of the remuneration model of "Hellenic Lotteries S.A." (hereinafter "Company"), as it reflects the total remuneration of the members of the Board of Directors (hereinafter "BoD"), explaining how the Company's Remuneration Policy (hereinafter "the Policy"), was applied in financial year 2022.

The Policy was prepared by the People Team and approved by the BoD, by virtue of article 13 paragraph 5 of the Company's Articles of Association. The final Policy was approved in accordance with the decision of the Extraordinary General Assembly of the Company's Shareholders (hereinafter "EGM"), which took place on 30.12.2019 and will remain in place for four (4) financial years since the approval, unless the AGM approves a new policy during this period.

Both the Report, as well as the Company's Policy have been prepared and established in compliance with the Company's obligations deriving from the "Concession Agreement for the exclusive right to produce, operate, circulate, promote and manage the State Lotteries" which was concluded between the Company and Hellenic Republic Asset Development Fund (HRADF) on 30.07.2013. More specifically, clause 14.2 of the abovementioned Concession Agreement provides that the Company shall comply with the requirements of the law on Sociétés Anonymes (at that time Codified Law [C.L.] 2190/1920, the provisions of which have been repealed by Law 4548/2018 on Societes Anonymes currently in force), including the provisions thereof in relation to listed companies, among which, articles 110-112 of Law 4548/2018 on the Remuneration Policy and the Remuneration Report.

The Company, which is a member of the OPAP Group, operates through a wide sales network of more than 15,000 points of sale in Greece. During 2022, it launched twelve (12) new scratch games, continuing to actively invest in its portfolio by offering even more options to players.

For the financial year 2022, the Company reported increased Revenue (GGR) by 21.5% compared to the previous year, amounting to € 107,902 th. (2021: € 88,833 th.) and the Loss after Tax for the year 2022 amounted to € 27,920 th. while the previous year Loss after Tax was € 29,798 th..

No event occurred during the year, in the Company's business environment affecting the directors' remuneration.

No derogation from the Policy occurred during financial year 2022.

### **Changes in the composition of the Board of Directors in 2022**

1. Mr. Odysseas Christoforou was Non-Executive Member until 03.10.2022. Following the election of a new Board of Directors, by virtue of the dated 03.10.2022 Extraordinary Self-convened General Meeting of the Shareholders, the Board of

Directors constituted into a body and Mr. Christoforou was appointed Vice Chairman and Non-Executive Member, following the resignation of Mr. Spyridon Fokas.

2. Mr. Elias Katsaros was elected as Executive Member of the BoD, with effective date as of 30.03.2022, in replacement of the resigned member Mr. Vaios Karantinos.

The Report is available at the Company's corporate website (<https://www.hellenic-lotteries.gr/en>) for a period of ten years following the AGM. The Company may keep the Report available at its website for a period longer than ten (10) years, provided that it no longer contains the personal data of the BoD members and without prejudice to the provisions of the EU General Data Protection Framework.

## **2. Results of the Shareholders' Meeting and Responsiveness**

As far as the requirement of the article 112, par. 3, L.4548/2018 is concerned, it is mentioned that the Remuneration Report for the year 2021 was voted in favor by all the shareholders (100%) who participated at the Company's AGM dated 30.06.2022.

## **3. Total remuneration of BoD members**

Table 1 below, was compiled in order to provide a clear and comprehensive presentation of all remuneration granted or paid to the Company's BoD members for the financial years 2022 and 2021.

Apart from the following, no further remuneration or compensation was granted or paid in any way within the financial year 2022 to the BoD members, under any form.

All remuneration is presented in gross amounts.

**Table 1 - Remuneration of BoD members of the Company for financial years 2022 & 2021 (Gross amounts in €)**

Name of Director, Position	Year	1			2		3	4	5	6
		Base salary	Fees	Fringe Benefits	One - year variable	Multi - year variable				
<b>Jan KARAS</b>	2022		9,600.00						9,600.00	100%
Chairman, CEO & Executive BoD Member	2021		9,600.00						9,600.00	100%
<b>Spyridon FOKAS</b>	2022		7,253.33						7,253.33	100%
Vice Chairman & Non-Executive BoD Member up to 03.10.2022	2021		9,600.00						9,600.00	100%
<b>Pavel MUCHA</b>	2022		9,600.00						9,600.00	100%
Executive BoD Member	2021		9,600.00						9,600.00	100%
<b>Kamil ZIEGLER</b>	2022		9,600.00						9,600.00	100%
Non-Executive BoD Member	2021		9,600.00						9,600.00	100%
<b>Odysseas CHRISTOFOROU</b>	2022		9,600.00						9,600.00	100%
Vice Chairman & Non-Executive BoD Member from 03.10.2022, Non-Executive BoD Member up to 03.10.2022	2021		9,600.00						9,600.00	100%
<b>Dimitrios ANDRIOTIS</b>	2022									
Executive BoD Member up to 28.06.2021	2021		4,800.00						4,800.00	100%
<b>Fotis ZISSIMOPOULOS</b>	2022		9,600.00						9,600.00	100%
Executive BoD Member	2021		9,600.00						9,600.00	100%
<b>James Edward BUNITSKY (1)</b>	2022									
Non-Executive BoD Member	2021									
<b>Michael CONFORTI (1)</b>	2022									
Non-Executive BoD Member	2021									
<b>Vaios KARANTINOS</b>	2022									
Executive BoD Member from 28.06.2021 up to 15.12.2021	2021		4,400.00						4,400.00	100%
<b>Elias KATSAROS</b>	2022		7,253.33						7,253.33	100%
Executive BoD Member from 30.03.2022	2021									

(1) Resigned from BoD fee

#### 4. Remuneration in shares, and/ or options

The Company did not grant to the BoD members any remuneration in stock options and stock awards during the financial year 2022.

There were no share options exercised by the BoD during the financial year 2022.

#### 5. Use of the right to reclaim

No reclaim right (recover) variable remuneration was exercised during the financial year 2022.

### 6. Compliance with Remuneration Policy and application of performance criteria

#### 6.1. Remuneration Policy

The Company's Policy applies to the remuneration of all BoD members for their participation in the Board and is designed to reflect fairness in the context of pay conditions to all employees and align Board remuneration with the interests of the Company's shareholders. The objective of the Remuneration Policy is therefore to meet market practice, to serve the Company's strategic vision, its shareholders, clients and wider stakeholders. With this in mind, the Policy which reflects the principles of OPAP's Remuneration Policy, is based on the following principles:

- Transparency
- Alignment of interests between shareholders and management
- Attraction and retention of the right people

All remuneration is subject to social security, tax and stamp tax withholdings.

#### 6.2. BoD Member remuneration

##### 6.2.1. Fixed Remuneration

###### 6.2.1.1 Fees for participation in BoD meetings

Each BoD member (with the exception of two members who have resigned from BoD fee) received a fixed annual fee as depicted in the relevant table (below the cap of € 12,000 provided in the Remuneration Policy). To receive 100% of Board fees, full meeting attendance is required. For attendance below 70%, Board fees are reduced proportionally. No such case occurred during 2022. Expenses such as travel and accommodation in relation to Board and Committee meetings, as well as relevant expenses, did not occur in 2022.

###### 6.2.1.2 Fringe Benefits

During the financial year 2022 and in line with the approved Policy, the BoD Members were not entitled to any kind of benefits.

##### 6.2.2. Variable Remuneration

For the financial year 2022, the Executive BoD Members did not receive any variable remuneration.

## **7. Derogations & deviations from the Remuneration Policy**

No derogations or deviations from the Policy were identified during the reported financial year.

## **8. Comparative information on the change of remuneration and company performance**

Table 2 below, depicts the annual change of the last five financial years in the remuneration of BoD members, in the performance of the Company, as well as in the average remuneration of the Company's employees except the BoD members, in full – time equivalent.

**Table 2 - Comparative table over the remuneration and Company performance**

	2019 vs 2018		2020 vs 2019		2021 vs 2020		2022 vs 2021		Financial Year 2022
	Amount (€)	Percentage (%)	Amount (€)	Percentage (%)	Amount (€)	Percentage (%)	Amount (€)	Percentage (%)	Amount (€)
<b>Director's remuneration</b>									
<b>Jan KARAS</b> Chairman, CEO & Executive BoD Member			8,160.00		1,440.00	17.6%			9,600.00
<b>Spyridon FOKAS</b> Vice Chairman & Non-Executive BoD Member up to 03.10.2022							-2,346.67	-24.4%	7,253.33
<b>Pavel MUCHA</b> Executive BoD Member	2,426.67		7,173.33	295.6%					9,600.00
<b>Kamil ZIEGLER</b> Non-Executive BoD Member									9,600.00
<b>Odysseas CHRISTOFOROU</b> Vice Chairman & Non-Executive BoD Member from 03.10.2022, Non-Executive BoD Member up to 03.10.2022			5,600.00		4,000.00	71.4%			9,600.00
<b>Dimitrios ANDRIOTIS</b> Executive BoD Member up to 28.06.2021	-5,466.67	-100.0%	8,160.00		-3,360.00	-41.2%	-4,800.00	-100.0%	
<b>Fotis ZISSIMOPOULOS</b> Executive BoD Member	9,280.00	2900.0%							9,600.00
<b>James Edward BUNITSKY (1)</b> Non-Executive BoD Member									
<b>Michael CONFORTI (1)</b> Non-Executive BoD Member									
<b>Vaios KARANTINOS</b> Executive BoD Member from 28.06.2021 up to 15.12.2021					4,400.00		-4,400.00	-100.0%	
<b>Elias KATSAROS</b> Executive BoD Member from 30.03.2022							7,253.33		7,253.33
	2019 vs 2018		2020 vs 2019		2021 vs 2020		2022 vs 2021		Financial Year 2022
	Amount (€)	Percentage (%)	Amount (€)	Percentage (%)	Amount (€)	Percentage (%)	Amount (€)	Percentage (%)	Amount (€)
<b>Company's performance (Amounts in € '000)</b>									
<b>Financial Metric A_GGR (Revenue)</b>	-4,690	-3.1%	-71,129	-48.2%	12,485	16.4%	19,069	21.5%	107,902
<b>Financial Metric B_EBITDA</b>	-4,483	-15.4%	-52,396	-213.0%	23,910	-86.0%	7,120	-183.2%	3,233
<b>Financial Metric C_NET INCOME</b>	-4,593	-72.7%	-37,992	-2206.3%	6,472	-17.8%	1,878	-6.3%	-27,920
<b>Average remuneration on a full - time equivalent basis of employees (Amounts in € '000)</b>									
<b>Employees of the Company</b>	2.2	3.7%	16.5	27.2%	-0.1	-0.1%	-5.3	-6.9%	71.9

(1) Resigned from BoD fee