

## Contents

1.	Introduction .....	1
2.	Total remuneration of BoD members .....	2
3.	Remuneration in shares, and/ or options .....	5
4.	Use of the right to reclaim .....	5
5.	Compliance with Remuneration Policy and application of performance criteria .....	5
5.1.	Remuneration Policy.....	5
5.2.	BoD Member remuneration .....	5
5.2.1.	Fixed Remuneration.....	5
5.2.2.	Variable Remuneration .....	6
6.	Derogations & deviations from the Remuneration Policy.....	6
7.	Comparative information on the change of remuneration and company performance ...	6

## 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 2019.

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 "General Assembly"), which took place on 30 December 2019 and will remain in place for four (4) financial years since the approval, unless the General Assembly 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of the law on Sociétés Anonymes (at that time Codified Law [C.L.] 2190/1920, the provisions of which have been repealed by Law 4548/2018 on Societes Anonymes currently in force), including the provisions thereof in relation to listed companies, among which, articles 110-112 of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 13,000 points of sale in Greece. During 2019, it launched twenty new scratch games, continuing to actively invest in its portfolio, by offering even more options to players.

For the financial year 2019, the Company, reported reduced revenue (GGR) by 3.1% in comparison to previous year amounted at € 147,478th. Profit after Tax was reduced by 72.7%, amounted at € 1,722th.

The 5th Ordinary General Meeting of the Shareholders, which took place on 17 May 2019, approved dividend distribution of € 3.23 per share, before withholding tax, from profits of the financial year 2018. Total gross amount of € 10,013th. was distributed on 06.06.2019.

A binding Memorandum of Understanding was signed between OPAP S.A. and INTRALOT LOTTERIES LIMITED for the transfer of INTRALOT LOTTERIES LIMITED shares in HELLENIC LOTTERIES S.A. The closure of the transaction was completed with the signing of the definitive Share Purchase Agreement and completion of all regulatory and existing Shareholder

Agreement requirements on 17.09.2019. After the completion, the OPAP INVESTMENT LTD participation in the share capital of HELLENIC LOTTERIES S.A. reached 83.50%.

No event occurred during the year, in the Company's business environment affecting the directors' remuneration. Derogation from the Policy occurred during financial year 2019 regarding the remuneration of one (1) Executive BoD Member (as described in paragraph 6).

The BoD composition was amended during the year, based on BoD Decisions dated 14 March 2019 and 30 September 2019.

The Report is available on the Company's corporate website (<https://www.hellenic-lotteries.gr/en>) for a period of ten years following the General Assembly. The Company will keep the remuneration report available on 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. 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 financial years 2019 and 2018.

Apart from the following, no further remuneration or compensation was granted or paid in any way within financial year 2019 to the BoD members, under any form.

All remuneration is presented in gross amounts. It is noted that Executive BoD Members receive their remuneration at NET to ensure that they are not affected by the country's fluctuations of mandatory withholdings. NET remuneration is derived by deducting legally required social security contributions, income tax and a Special Tax Levy (STL) depending on STL scales mandatory withholdings.

APPENDIX A

**Table 1 - Remuneration of BoD members for financial years 2019 & 2018, from the Company**

Name of Director, Position	Year	1 Fixed Remuneration			2 Variable Remuneration		3 Extraordinary items	4 Pension expense	5 Total remuneration	6 Proportion of fixed and variable remuneration
		Base salary	Fees from participation in Committees	Fringe Benefits	One - year variable	Multi - year variable				
Damian COPE Chairman of the BoD & C.E.O. - Executive Member	2019		9,600.00					9,600.00	100% / -	
	2018		9,600.00					9,600.00	100% / -	
Pavel MUCHA (1) Executive BoD Member	2019		2,426.67					2,426.67	100% / -	
	2018									
Michal HOUST (2) Executive BoD Member	2019		7,173.33					7,173.33	100% / -	
	2018		9,600.00					9,600.00	100% / -	
Aspasia TOPALIDOU Executive BoD Member	2019	91,406.19	9,600.00	2,468.78				103,474.97	100% / -	
	2018	91,406.19	9,600.00	2,743.09	22,667.00			126,416.28	82.1% / 17.9%	
Emmanuel EFTHYMIU (3) Executive BoD Member	2019		9,600.00					9,600.00	100% / -	
	2018		4,133.33					4,133.33	100% / -	
Fotis Zissimopoulos (6) Executive BoD Member	2019		9,600.00					9,600.00	100% / -	
	2018		320.00					320.00	100% / -	
Spyridon FOKAS Vice Chairman & Non-Executive BoD Member	2019		9,600.00					9,600.00	100% / -	
	2018		9,600.00					9,600.00	100% / -	
Kamil ZIEGLER Non-Executive BoD Member	2019		9,600.00					9,600.00	100% / -	
	2018		9,600.00					9,600.00	100% / -	
Vasileios GRAMMATIKAS (2), (7) Non-Executive BoD Member	2019									
	2018									
Maria STERGIU (4), (2), (7) Non-Executive BoD Member	2019									
	2018									
Antonios KERASTARIS (5), (7) Non-Executive BoD Member	2019									
	2018									

APPENDIX A

Name of Director, Position	Year	1 Fixed Remuneration			2 Variable Remuneration		3 Extraordinary items	4 Pension expense	5 Total remuneration	6 Proportion of fixed and variable remuneration
		Base salary	Fees from participation in Committees	Fringe Benefits	One - year variable	Multi - year variable				
James Edward BUNITSKY (7) Non-Executive BoD Member	2019									
	2018									
Michael CONFORTI (7) Non-Executive BoD Member	2019									
	2018									

- (1) Start of term on September 30, 2019
- (2) End of term on September 30, 2019
- (3) Start of term on July 26, 2018
- (4) Start of term from March 14, 2019
- (5) End of term on March 14, 2019
- (6) Start of term on December 19, 2018
- (7) Resigned from BoD Fee

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

The Company did not grant to the BoD members any remuneration in stock options and stock awards during financial year 2019. There were no share options exercised by the BoD during financial year 2019.

### 4. Use of the right to reclaim

No reclaim right (recover) variable remuneration was exercised during financial year 2019.

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

#### 5.1. 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, 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, Special Tax Levy (STL) and stamp tax withholdings.

#### 5.2. BoD Member remuneration

##### 5.2.1. Fixed Remuneration

##### 5.2.1.1 Fees from participation in Committees

For the financial year 2019 and in line with the Company's approved Policy regarding the BoD Remuneration:

Each BoD member received a fixed annual fee capped at €12,000. 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 2019. Expenses such as travel and accommodation in relation to Board and Committee meetings, as well as relevant expenses, were reimbursed.

##### 5.2.1.2 Benefits

During financial year 2019 and in line with the approved Policy, the BoD Members were not entitled to any kind of benefits. However, the Executive Member Mrs. Topalidou Aspasia received the amount of € 2,468 beyond the Policy's provisions. Such remuneration was given with the necessary corporate approvals provided by L. 4548/2018. Specifically, the Board, in the context allowed by the Policy, approved the above remuneration, considering that it is in the context of serving the best long-term interest of the Company (maintaining position).

### 5.2.2. Variable Remuneration

For the financial year 2019, the Executive BoD Members did not receive any variable remuneration. However, the Company has made a provision for 2019, for the payment of an annual bonus of a total amount of € 91,740, the allocation of which had not been determined until the finalization of the Report. The annual General Meeting of Shareholders to be held on July 30, 2020 will decide on the eligible persons and the allocation of amounts.

## 6. Derogations & deviations from the Remuneration Policy

For the financial year 2019, the Executive BoD Member, Mrs. Topalidou Aspasia, received the amount of € 2,468 as fringe benefits, beyond the Policy's main provisions as described in paragraph 5.2.1.2.

Apart from the above, no further derogations or deviations from the Policy were identified during the reported financial year.

## 7. 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.

The following Non-Executive BoD members are not included in table 2 below: Mr. Karantinos Vaios (term of office from October 2014 to January 2017), Mr. Catcick Ian Robert (term of office from January 2017 to December 2018), Mr. Matejovsky Petr (term of office from October 2013 to May 2017) and Mr. Andriotis Dimitrios (term of office from May 2017 to July 2018).

APPENDIX A

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

	2016 vs 2015		2017 vs 2016		2018 vs 2017		2019 vs 2018		Financial Year 2019
Annual change	Amount (€)	Percentage (%)	Amount (€)	Percentage (%)	Amount (€)	Percentage (%)	Amount (€)	Percentage (%)	Amount (€)
<b>Director's remuneration</b>									
Damian COPE Chairman of the BoD & C.E.O. - Executive Member	6,400.00		8,000.00	125.0%	-4,800.00	-33.3%			9,600.00
Pavel MUCHA Executive BoD Member							2,426.67		2,426.67
Michal HOUST Executive BoD Member							-2,426.67	-25.3%	7,173.33
Aspasia TOPALIDOU Executive BoD Member			98,149.55		28,266.73	28.8%	-22,941.31	-18.1%	103,474.97
Emmanuel EFTHYMIOU Executive BoD Member					4,133.33		5,466.67	132.3%	9,600.00
Fotis Zissimopoulos Executive BoD Member					320.00	100.0%	9,280.00	2,900.0%	9,600.00
Spyridon FOKAS Vice Chairman & Non-Executive BoD Member									9,600.00
Kamil ZIEGLER Non-Executive BoD Member	-2,133.33	-14.8%	-2,666.67	-21.7%					9,600.00
<b>Company performance (Amounts in € '000)</b>									
<b>Financial Metric A_GGR (Revenue)</b>	1,164	0.7%	-138	-0.1%	-6,748	-4.2%	-4,690	-3.1%	147,478
<b>Financial Metric B_EBITDA</b>	1,370	4.8%	-459	-1.5%	-585	-2.0%	-4,483	-15.4%	24,599
<b>Financial Metric C_NET INCOME</b>	10,420	-420.0%	8,345	105.1%	-9,969	-61.2%	-4,593	-72.7%	1,722
<b>Average remuneration on a full - time equivalent basis of employees (Amounts in € '000)</b>									
<b>Employees of the Company</b>	-6.5	-7.3%	-17.8	-21.6%	2.9	4.5%	5.2	7.7%	72.8

The remunerations presented in the table above are in line with the Company's financial performance.