



SUSTAINABLE DEVELOPMENT REPORT 2018

EXECUTIVE SUMMARY

1 ΑΠΡΙΛΙΟΥ 2019

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MESSAGE FROM THE MANAGING DIRECTOR

Through a dynamic 30-year presence in the construction industry, INTRAKAT is currently among the leading companies of the domestic construction sector, with significant international presence.

The strategic priority for INTRAKAT is the continuation of its successful course, further expansion in new specialized sectors, the penetration of markets with significant business interest and the exploration of opportunities in a particularly demanding and constantly changing environment.

Within this context, the Annual Sustainable Development Report of the company has been introduced and will become the compass for developing a strategy that will meet the business needs of the company, its strategic targets as well as the needs of all its stakeholders.

The 2018 Sustainable Development Report clearly details INTRAKAT's coordinated efforts to responsibly meet today's financial, environmental and social challenges. This first edition incorporates the policies, the actions and plans the company will develop, as well as the relevant objectives, always in line with the principles of Sustainable Development.

Our non-negotiable objectives remain the continuous improvement of the quality of our services, increase of technical know-how and specialization in all sectors of the construction industry, the development and progress of our employees, reducing our environmental footprint and, clearly, the development of activities aimed at energy management and savings, as well as the sustained support of initiatives focused on society.

In our course towards the future, we strive to take advantage of all opportunities presented, in order to produce added value for all groups of our Social Partners.

Our strategic planning, best practices and goals are formed based on respect for People, Society and the Environment.

Petros Souretis

CEO

A. COMPANY PROFILE

1. THE GROUP

Intracom Holdings is the majority shareholder of a group of leading multinational companies that specialize in high tech services and solutions, complex construction projects and advanced technology electronic defense systems. In the years since its establishment back in 1977, Intracom has become a leading provider of Telecommunications Systems, Electronic Defense Applications and Information Technology Services, with numerous affiliates in 16 countries. In December 2005, the parent company was transformed into a holding company under the name Intracom Holdings.

2. INTRAKAT

Intrakat Group is one of the key players in the construction sector in Greece, with significant international presence. Its field of activity includes infrastructure development, commercial and industrial construction, steel structure manufacturing, telecommunications and renewable energy sources, as well as environmental management and real estate development projects both for the public and private sector.

At a glance

It is among the five leading construction companies in Greece

It focuses on national and regional public BOT projects, financed by the EU



Subsidiaries

7



Branches

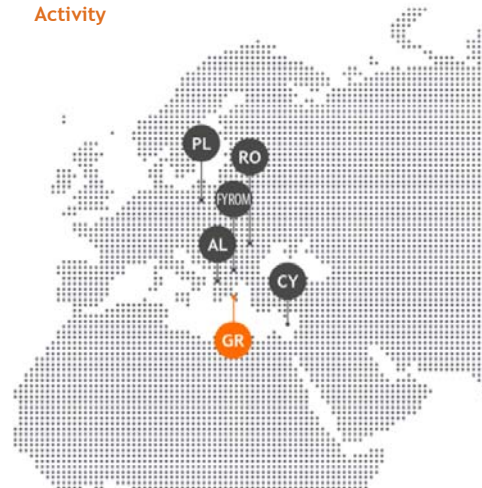
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Personnel

720

Activity



As a significant member of the multinational high-tech group of Intracom Holdings, Intrakat undertakes complex large-scale construction projects in Greece and internationally; focusing on construction projects financed by the EU as well as by consortiums of the private and public sector, and taking advantage of a network of specialized subsidiary companies and branches in Greece, Romania, Poland, Cyprus, Albania and FYROM.

3. VISION AND VALUES

We strive to be among the largest and most reliable construction companies and we will continue to care about the high quality of services offered, investing in technical know-how and specialization across all sectors of the construction industry, but always with respect for our people and responsibility to the environment and society.

4. ADOPTION OF THE GLOBAL COMPACT

In 2017, Intrakat began systematically recording and monitoring a range of indexes related to corporate responsibility and, thus, its contribution to the 17 Sustainable Development Goals of the United Nations Global Compact.

5. CORPORATE GOVERNANCE CODE

Corporate governance is a grid of rules governing the interaction between the members of the company's board of directors, the directors responsible for its day-to-day operations, and the shareholders.

INTRAKAT is committed to the principles of Corporate Governance in accordance with applicable Greek legislation and international best practices. Our policies aim to safeguard the rights of our shareholders and the interests of all stakeholders, through transparency, accountability, effective internal controls and the timely disclosure of clear and accurate information.

The Company's Code of Corporate Governance, along with policies regarding internal control and auditing, the dissemination of information and the mitigation of business and financial risks are in line with the Corporate Governance Code of the Hellenic Federation of Enterprises (SEV).

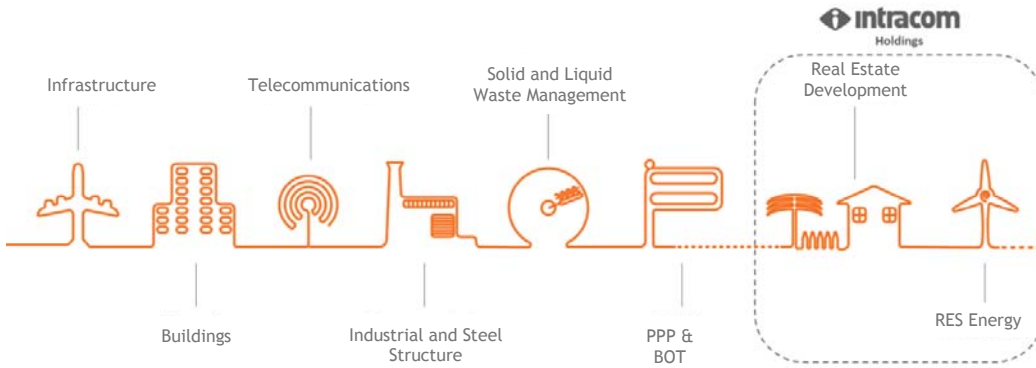
Our Internal Controller acts independently with the goal of safeguarding the operation of the Company, in accordance with its business objectives, policies and procedures. It has established specific Corporate Governance Principles and carries out controls for their implementation by the various departments and subsidiaries, making comments on the seamless operation and the prevention of undesirable risks. The Internal Controller reports through the Audit Committee to the Board of Directors, while our financial

results and annual reports are audited by accredited and internationally recognized auditing firms.

B. Our Activities

1. SECTORS AND NUMBERS

Sectors of Activity



Sales Distribution

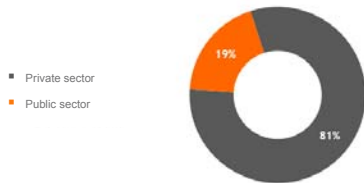
Sales by activity 2018 **πρώτητα 2018**



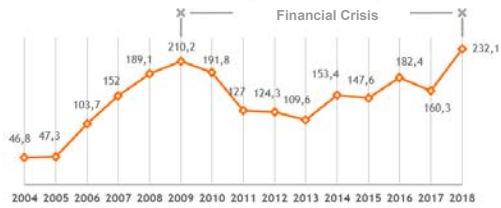
Financial data 2018 **2018**



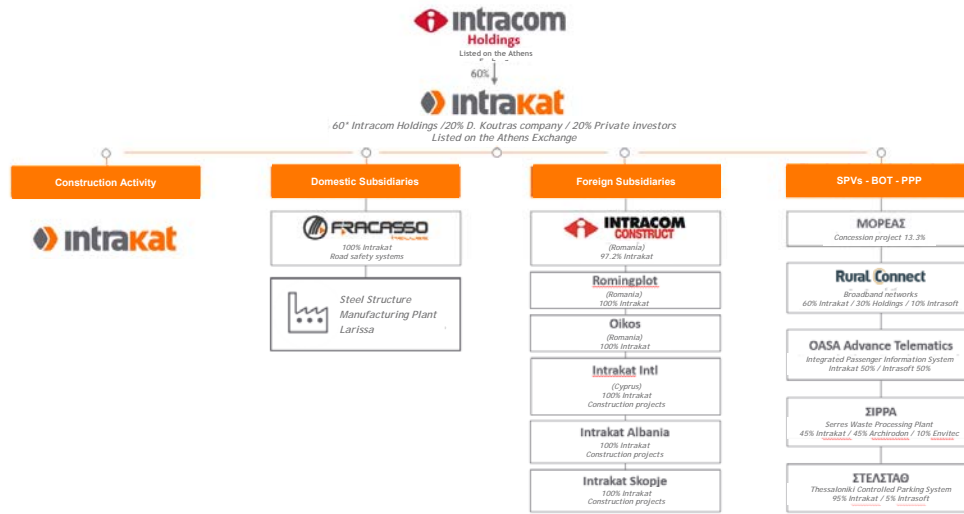
Public vs. Private projects 2018



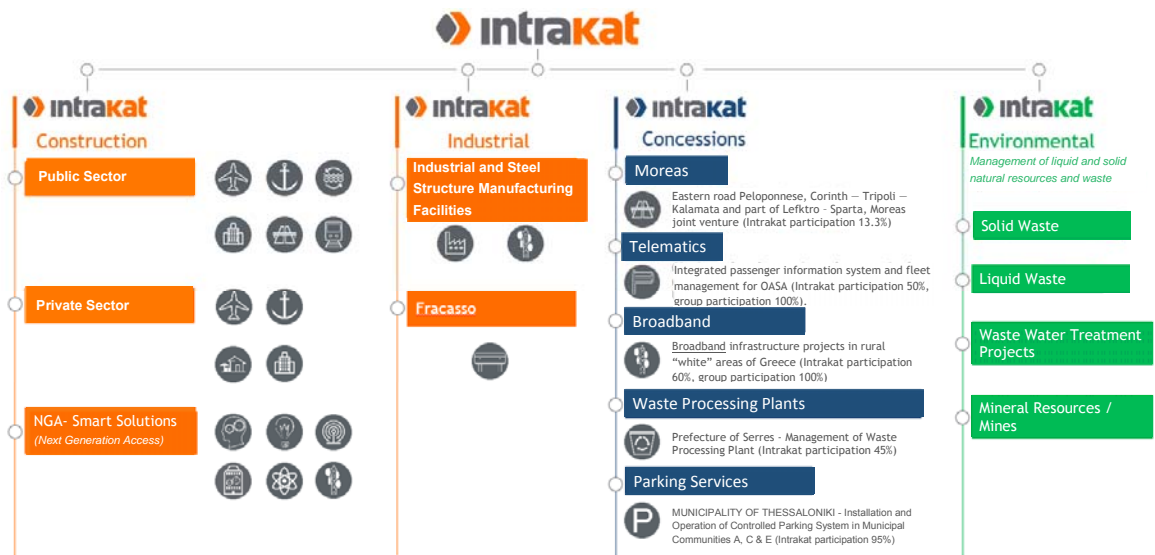
Turnover 2004 - 2018 **2018**



Group Structure



Sectors of Activity after Restructuring



2. QUALITY ASSURANCE

Effective quality management is important for INTRAKAT, as it is a significant factor in achieving business excellence and the key prerequisite for providing excellent services. Responding to the high-quality requirements and the intense competition governing the markets in which the company operates, an integrated quality management system is implemented in accordance with the requirements of international standards and certified according to ISO 9001: 2015.

3. FREEDOM OF COMPETITION AS A BASIC PRINCIPLE OF OUR ACTIVITIES

At INTRAKAT we believe that free and fair competition ultimately benefits the users of our projects, our shareholders, our partners in the construction sector, our business operations and society in general. We are committed to operate and to develop our business activity within this framework.

We ensure full compliance with the requirements of competition law by developing and implementing a “Binding Code of Conformity to Greek and EU Competition Rules” and by monitoring our executives and employees through targeted seminars on “Competition”.

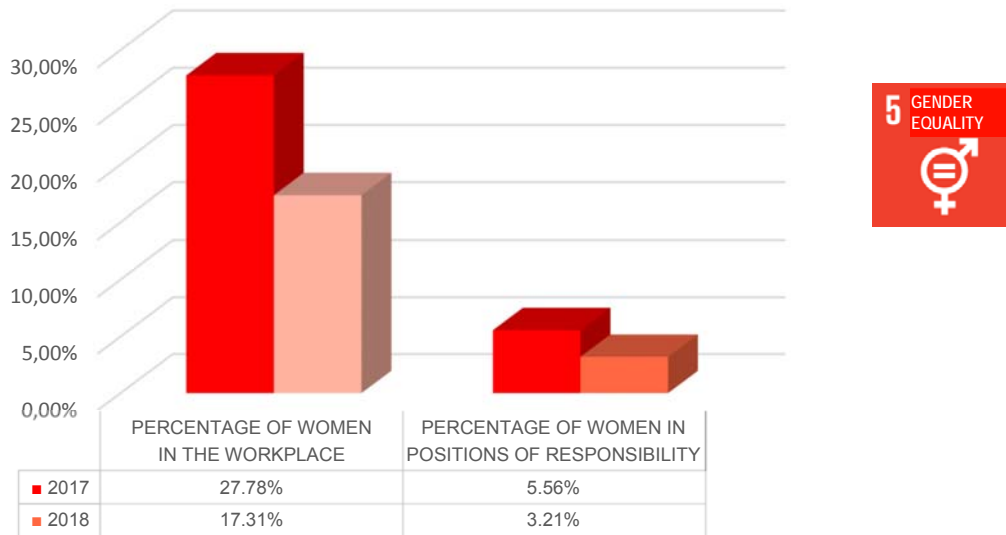
C. WE INVEST IN OUR PEOPLE

Employees are the most important asset of INTRAKAT. Our business success is based on our people. We focus on the health and safety of our people and provide a stable working environment so that all employees are motivated to be productive and oriented to achieving optimum results, to take initiatives to the benefit of corporate interest and to manage their personal development with zeal and integrity. We invest in developing their skills and competencies through continuous training and education to meet the business needs of the company. We ensure the protection of human rights and promote relationships of cooperation, trust, and two-way communication. We focus on combating all forms of discrimination, on equal opportunities and treatment and freedom of expression on labour issues. We distinguish the personality and abilities of our employees and place them in positions where they will contribute the most and have the ability to excel.

1. HUMAN RESOURCES: EQUAL OPPORTUNITIES FOR ALL

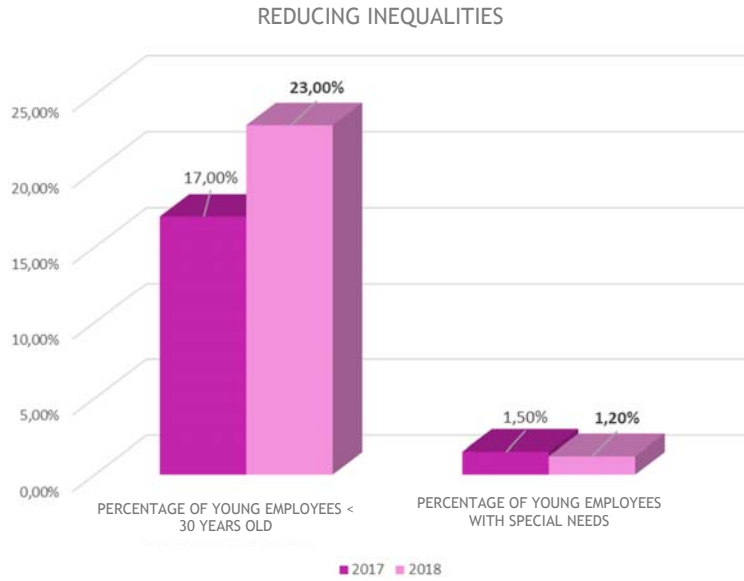
The **Code of Business Conduct** implemented by INTRAKAT sets out the basic principles and rules governing and regulating the relationship of Management with the employees on one hand, and the relationships between the employees on the other. It promotes moral integrity, transparency and good professional conduct at all levels of the Company's hierarchy, highlighting the company's commitment to respecting Human Rights.

GENDER EQUALITY



As of 2018, INTRAKAT employs 720 individuals, 17.3% of which are women.

The numerical predominance of men is mainly due to the nature of the company’s activities. In addition, the percentage decrease in the ratio of female employment does not refer to the reduction (in absolute numbers) of female employees, but to the increase of men. Nevertheless, the company explores the development and encouragement of policies aimed at work-life balance, intensifying its efforts to integrate more women in its human resources.

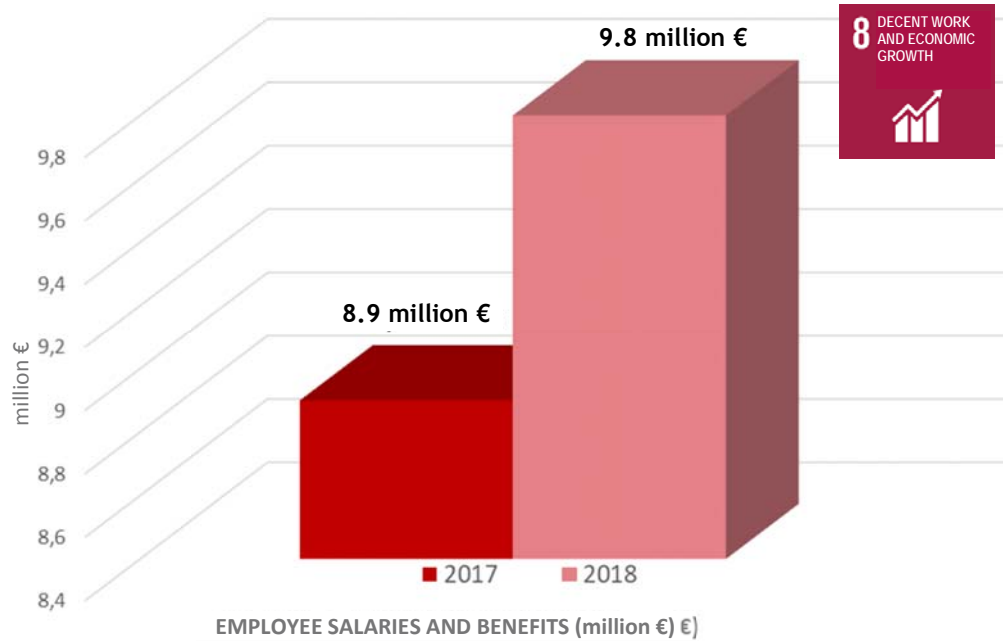


In 2018, the percentage of **young employees < 30 years old** amounted to 23%, showing an increase of 35.3% compared to 2017, while the percentage of employees with special needs remained almost constant. The above data reflect on the one hand the company’s confidence in young people and the need for specialized training, and on the other hand eliminating any inequalities and ensuring regular and fair treatment for persons with special needs.



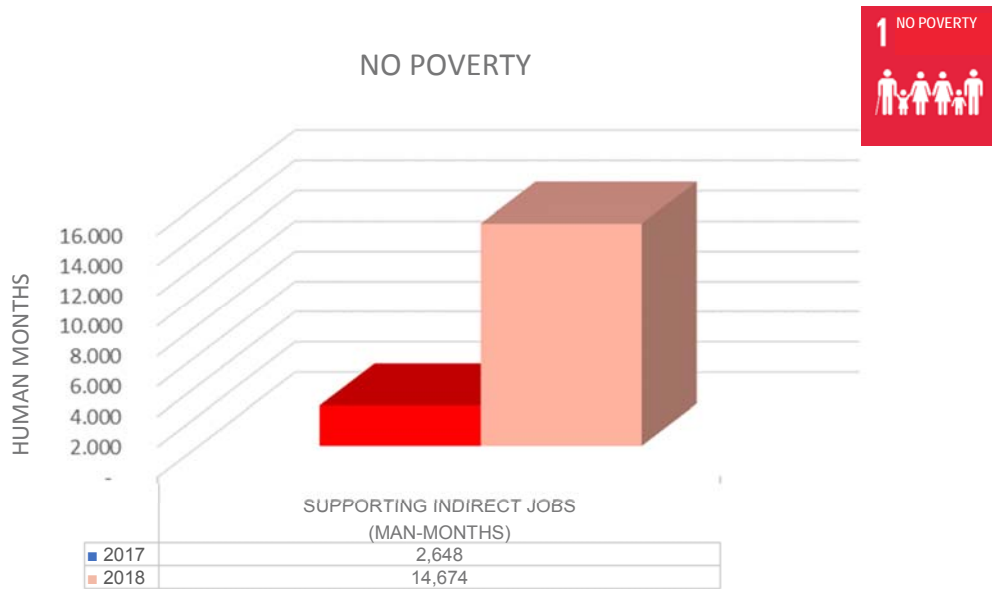
INTRAKAT actively supports the local communities, given that approximately 88% of its employees come from them. As far as the percentage of female employees is concerned, this figure is in the range of 13% in 2018, showing a significant decrease, mainly related to the company’s activities abroad as well as the profile of related work.

DECENT WORK AND ECONOMIC GROWTH



The total remuneration and benefits to employees marked an increase of 10.16% between 2017 and 2018. Simultaneous increase is also seen in the company’s expenditure on employee training, which has more than doubled.

Developing high quality employment positions continues to be a significant challenge for many economies in our days. INTRAKAT aims at creating new jobs and new employment opportunities with decent working conditions for the entire population that is of working age. Toward this direction, in **2017 INTRAKAT created 90 new jobs whereas 158 new employment positions were created in 2018**, namely an increase of 73.3% and which is the main result of the more general growth of the company’s activities. The company provides indirect employment to a large number of people. In particular, the required man-months of work coming from contractors and independent contractors presented an increase of 454.15%, reaching almost 15,000 man-months of indirect work.



2. HEALTH AND SAFETY IN THE WORKPLACE

The health and safety of our employees, as well as of our partners and subcontractors is the daily concern and fundamental priority of the operational planning of INTRAKAT. Our goal is to have the best health and safety conditions at our management offices and our work sites, as well as the right of our employees to not be exposed directly or indirectly to risks that may cause injuries and / or illness.

Within this context, we consistently apply the certified Occupational Health and Safety Management System in the workplace according to the standard OHSAS 18001:2007, implementing procedures and controls so as to achieve the best working conditions and health and safety at the workplace, in accordance with the internationally recognized best practices.

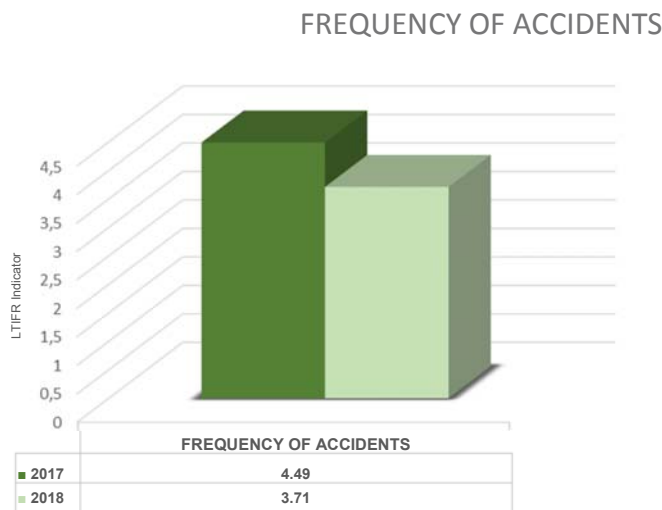
In this way

- *We reduce the risks for our employees, our customers and our suppliers,*
- *We ensure our compliance with relevant legislation,*
- *We identify potential risks in all our areas of activity, evaluate them and apply the principle of prevention and taking measures to address them,*
- *We continue to systematically inform and educate our employees on Health and Safety in the Workplace.*

In the context of our commitment for “ZERO SERIOUS - DEADLY ACCIDENTS” in the workplace, the Management of INTRAKAT provides all the necessary tools and resources to prevent and to avoid work accidents. It reinforces the creation of a strong culture on safety, carries out regular evaluations and risk assessments, and invests in the training of its employees.

Some examples of training programs concern first aid training, safe driving, managing accidents at work sites, safety measures for working at heights, fire safety rules etc. It is also developing an observatory, a system for collecting and processing data to continuously monitor and record accidents, examining and analysis causes and assessing its policies through Key Performance Indicators (KPIs).

The Lost Time Injury Frequency Rate - LTIFR for the personnel in all activities of INTRAKAT in 2018 presented a reduction by 17% compared to 2017. This performance, despite being in the right direction, does not make us complacent, so we are stepping up our effort to continually improve.

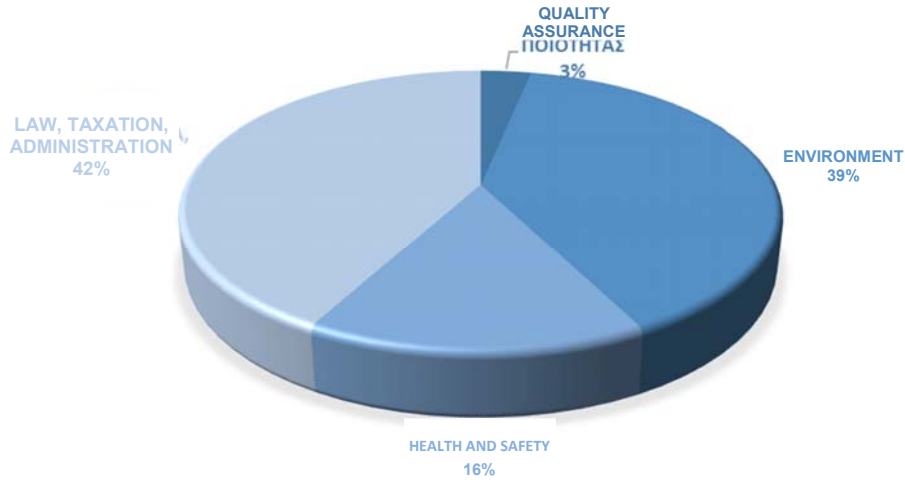


LTIFR (Lost Time Injury Frequency Rate)

3. TRAINING AND PROFESSIONAL DEVELOPMENT

INTRAKAT seeks to systematically develop and improve skills and by extension, the competitiveness of its employees through targeted vocational education and technical training programs, depending on the needs and the job.

TRAINING HOURS BY SUBJECT



D. PROTECTING THE ENVIRONMENT

“We do not inherit the earth from our ancestors; we borrow it from our children”

Respect for and protecting the environment are long-standing values of our company, both in the context of our activities, with our projects and their impact on the environment, or with our operational performance.

Our company systematically supports its transition from a linear model to a circular economy model for the purpose of resource efficiency, cyclicity and their return to the market.

We note that INTRAKAT’s individual areas of activity contribute significantly to the protection of the environment and our country’s compliance with European directives: water and sewage treatment plants, urban waste management plants, restoration of sites, production and sale of energy from RES etc.

Our main priority, therefore, is to reinforce the environmental consciousness of our company and to adopt international standards and best practices of environmental management in all of our activities (headquarters, construction sites). In particular, we aim at:

- Fully complying with applicable European and national environmental protection regulations
- The systematic monitoring and assessment of the environmental impact of our company's activities
- The rational use of water resources
- Saving energy
- Prevention of waste generation, and promoting the re-use, recycling and recovery of waste
- Reducing our environmental footprint
- Training our employees on issues of environmental protection and rational use of natural resources

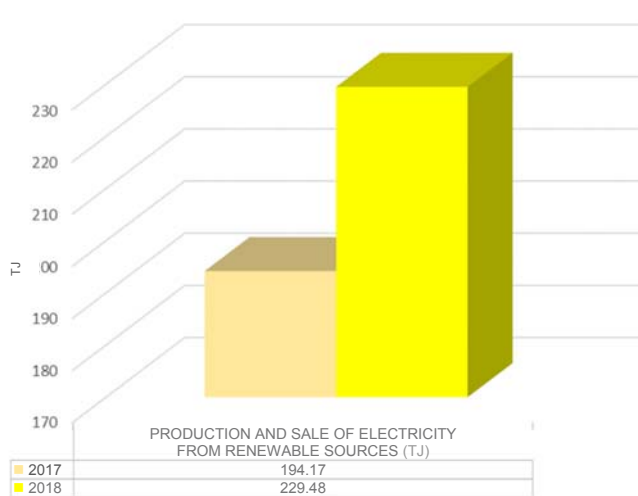
ENVIRONMENTAL MANAGEMENT SYSTEM

With the aim of effectively managing the environmental impacts of its activity and improving its performance in this field, INTRAKAT applies an Environmental Management System certified according to ISO 14001:2015.

Energy from RES

The construction and commissioning of RES plants by our company, totaling 140 MW (100MW of wind and 40MW of solar energy), contribute to the production of clean and affordable energy, the protection of the environment mainly in relation to fossil fuels, reducing the energy footprint as well as the country's energy supply and security.

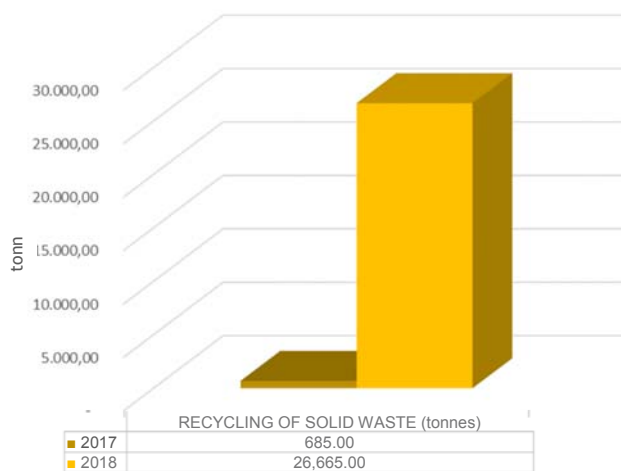
In particular, in 2018 there was an **increase of 18.2% in the production of clean and affordable energy compared to 2017**. This resulted in a smaller increase of 8.1% in the share we hold in the RES market.



Waste Management

As part of our environmental policy, we ensure the rational management of our waste, adopting the principles of circular economy and intensifying our efforts in recycling our waste.

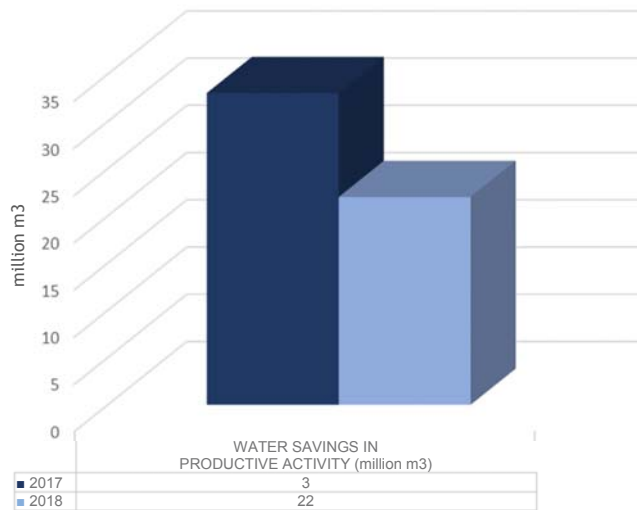
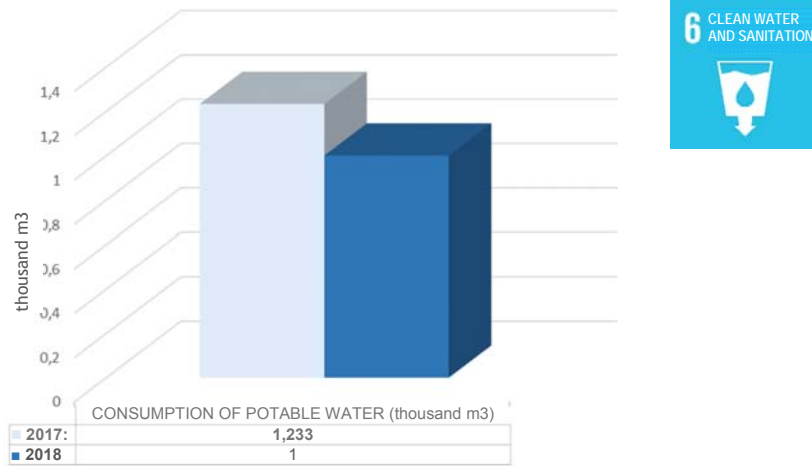
Whereas in 2017 we recycled 685 tonnes of solid waste, in 2018 this quantity amounted to 26,665 tonnes.



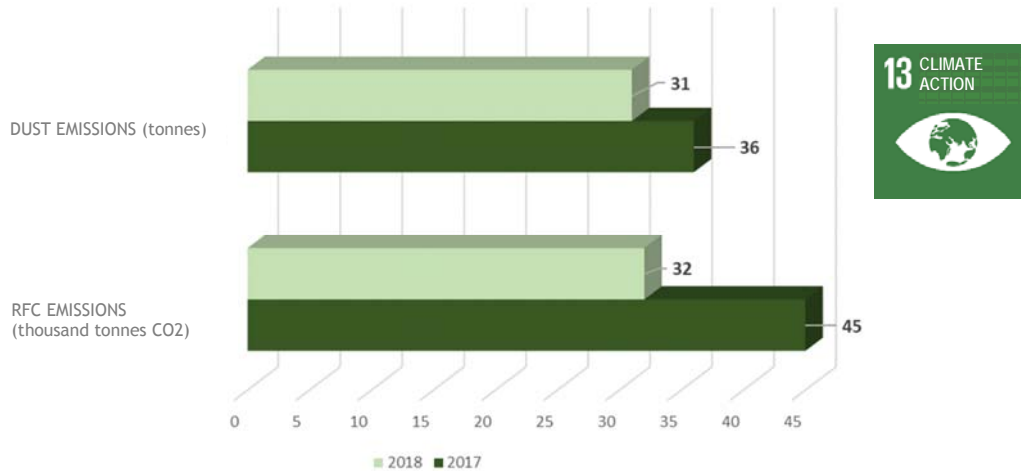
Drinking water consumption

Bearing in mind that water is today one of the most important natural resources and that water scarcity and water pollution occur in more and more regions of the world, responsible water management is an integral part of our environmental policy.

In this context there is a decrease in drinking water consumption of 18.9% in the period 2017-2018.



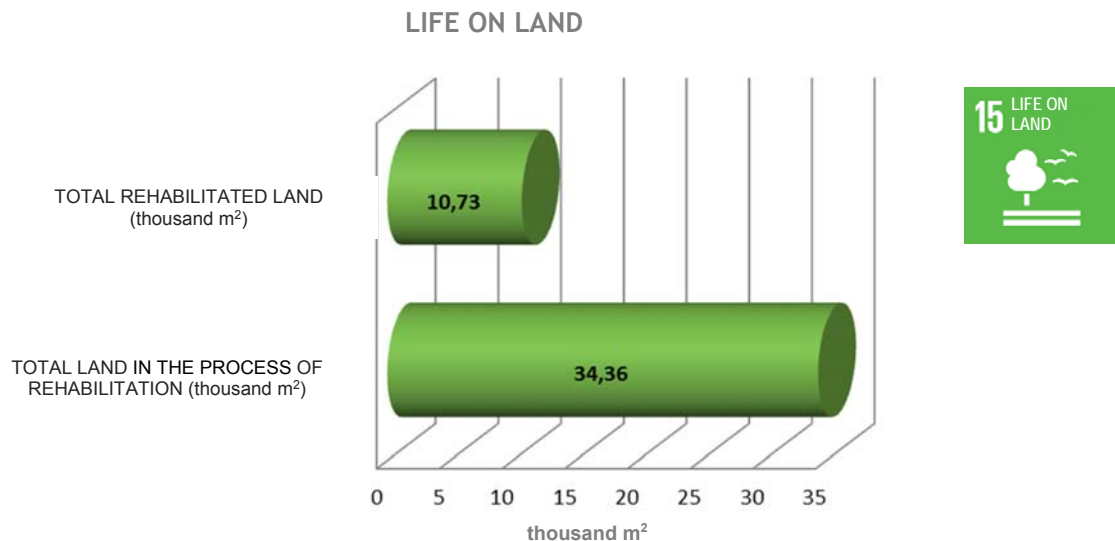
At the same time, as part of our productive activity, we are intensifying our efforts in water savings. The reduction in consumption amounts to 33%.



Concerning the emissions of both dust and direct or indirect emissions of carbon dioxide (CO²), there is a decrease of about 14% and 28% respectively in the period 2017-2018.

Rehabilitation of the Environment

INTRAKAT, as a result of its business activities and as a result of either its contractual obligations, environmental legislation or company practices, proceeds to the rehabilitation of the environment and of the land, where necessary. In particular, during the period 2017-2018, it proceeded with the rehabilitation of 10.73 thousand m², and is in the process of completing the rehabilitation of another 34.36 thousand m² in its areas of activity.



E. CORPORATE SOCIAL RESPONSIBILITY ACTIONS

We make corporate social responsibility our daily practice. We recognize the obligation to operate safely, protect the environment and support the local communities in which we operate. We invest and contribute actively to improving the quality of life for everyone inside and outside of the company. We advocate and aim for sustainable development.

We are planning the development of an integrated CSR strategy so that actions are targeted and coordinated, promote and highlight the principles and values of our company have a tangible effect and multiplier effect on local communities and sustainable development.

A successful sustainable development plan requires partnerships between the private sector and civil society. These partnerships must be based on principles and values, on a common vision and common goals that put people and the environment at the center.

17. Partnerships for the Goals	2017	2018
PARTICIPATION IN BASIC SUSTAINABLE DEVELOPMENT INITIATIVES	4	11
RATE OF RESPONSE TO SOCIAL PARTNERS REQUESTS	100.00%	100.00%

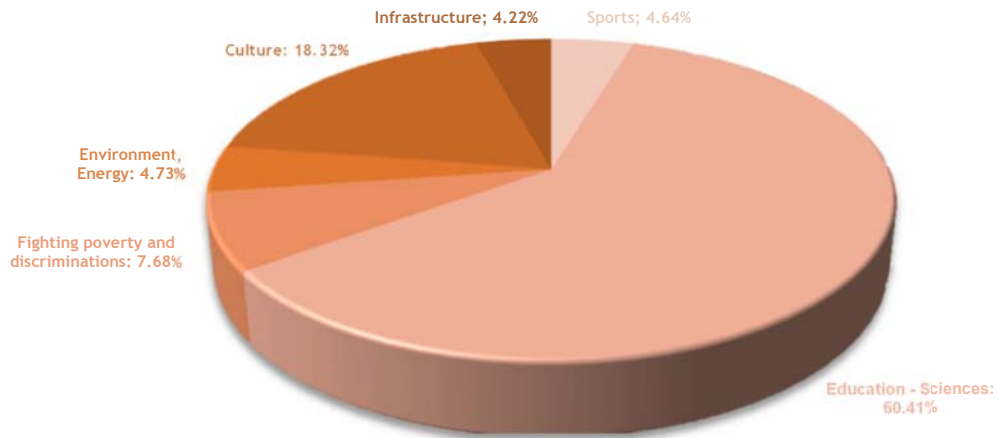


LOCAL COMMUNITIES

Taking into account that the economic crisis has affected the entire country, INTRAKAT is planning an integrated strategy to support the local communities at many levels: creating jobs, supporting local suppliers, improved quality of life as a result of its business operation, social contribution etc.

Concerning its social contribution, INTRAKAT sponsors important initiatives that contribute to quality education, promote cultural and artistic awareness, support athletics, fight poverty, hunger and discrimination, and actions to protect the environment and strengthen local infrastructure.

SOCIAL CONTRIBUTION TO LOCAL COMMUNITIES



In this context, INTRAKAT, identifying the real needs of the local community, has made a very important initiative with an impact on vulnerable population groups. In 2018 it started a pilot program to aid 20 families below the poverty line in the Paiania region. The needs are many and the response was great. By recording the impact of this action that helps to fight hunger, our company plans to gradually expand and support the initiative to all areas in which we operate.

