

ANNUAL REPORT AND SOCIAL REPORT

2015

EN

FR



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de la Suisse Romande**
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COMPANY WITH A PUBLIC-SERVICE MISSION

Mission

Since it was founded in 1937 with its objective to work for the public good, Loterie Romande has been organising and operating lottery games and sports betting in the six cantons of French-speaking Switzerland. It distributes 100% of its profits to non-profit-making bodies and organisations active in a broad spectrum of fields, such as social welfare, culture, sport, education and the environment.

With its business model that is unique worldwide, Loterie Romande runs its business operations ethically and judiciously. Efforts to prevent and combat addictive gambling form a wholly integral part of its corporate strategy.



Values

Loterie Romande is also committed to furthering and sharing its core fundamental values. These are formally laid down in the company's corporate charter compiled on several support media. All employees are actively involved in putting this charter into practice.

TRUST AND CREDIBILITY:

Management and members of staff act as guarantors of the integrity, reliability and credibility of the games intended to inspire dreams and provide fun.

RESPONSIBILITY AND TRANSPARENCY:

The company's business operations undertaken for the common good demand services of an exemplary standard and permanent commitment to serve the general public.

INNOVATION AND CREATIVITY:

Inventiveness is the cornerstone of the creative process for games that are to be relevant, geared to the future and socially responsible.

LOYALTY AND RESPECT:

The principles of fairness, overall ethical conduct and an acute sense of responsibilities are driving forces for both the company and each member of staff.

COMMITMENT AND RECIPROCITY:

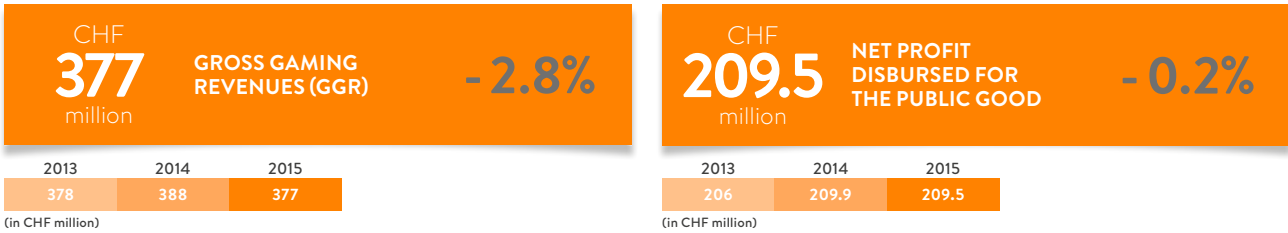
Members of staff work in a stimulating and enriching environment, enabling them to channel their enthusiasm and dynamism towards fulfilling the company's goals.

COOPERATION AND SHARING:

Exchanges of views, dialogue and teamwork with all stakeholders are vital for the company in pursuit of its objectives.

KEY FACTS & FIGURES

Results



TARGET: Grow GGR within the framework of the company's Responsible Gaming policy.

TARGET: Pursue Loterie Romande's mission to work for the common good by disbursing 100% of its net profit for community associations and bodies in French-speaking Switzerland.

Responsible Gaming

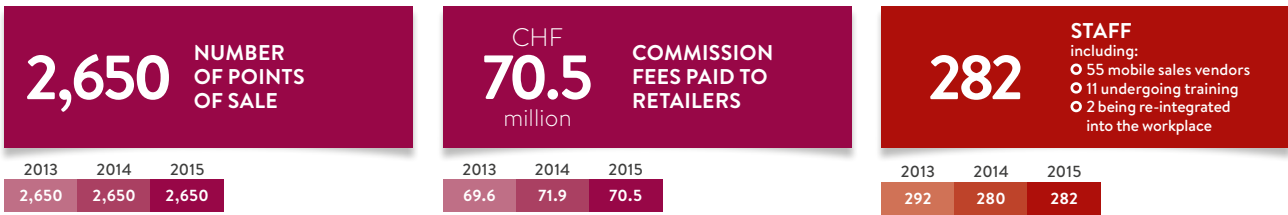


TARGET: Pursue the company's influential role as a driving force in the field of research and prevention.

TARGET: Continue stringent supervision of Loterie électronique sales outlets and visits by 'Mystery Shoppers'.

TARGET: Enable all retailers and their employees to possess core knowledge and skills for preventing and combating addictive gambling.

Sales network and partners



TARGET: Adapt distribution channels to evolve with consumers' habits and tastes.

TARGET: Make a significant contribution to the turnover of neighbourhood businesses.

TARGET: Be an exemplary and reliable employer providing staff with motivation and training.

Taking the population of French-speaking Switzerland as a whole,...



Source: survey Baroloro 2015

3000 PROJETS

BÉNÉFICIENT CHAQUE ANNÉE DU SOUTIEN DE LA LOTERIE ROMANDE



SOUTIEN NUMÉRO 1 DE L'UTILITÉ PUBLIQUE EN SUISSE ROMANDE.
#AVECLORO

DUE RESPECT FOR SWITZERLAND'S FEDERAL CONSTITUTION

On 11 March 2012, Switzerland's people and cantons voted by an overwhelming 87% of its electorate to adopt the new Article 106 of the Federal Constitution. Drawing its inspiration from the "Gambling for the public good" Federal referendum initiative, this constitutional article confirms that profits generated by lotteries should be earmarked solely for the common good, being channelled into social-welfare, cultural and sports projects. This resounding popular approval emphasised, as if it needed to, the Swiss people's commitment to its flagship lottery companies which, since 1937, have never faltered in their public-service mission.

The new Article 106 is the keystone for the new Gambling Act currently being debated by the two houses of the Swiss Federal Parliament. The draft bill, drawn up in consultation with all interested parties, forms a reliable and solid working base. Requirements as regards security, transparency and protection of the people to be complied with by lottery operators as well as those companies running Switzerland's 21 casinos will be further strengthened. That is perfectly understandable. Over the years, no better solution has been found than to insist that gambling should be harnessed to work for the public good of the whole community.

One word of warning though! The debate in parliament has reawakened desires and whetted appetites of some keen on organising gambling activities to line their own financial coffers. The

corridors of power in Berne have been echoing to the sound of feverishly active and unabashed lobbyists. What they are endeavouring to do would flout both the letter and the spirit of Article 106 of the Constitution; whether that would involve unauthorised online gambling run from countries with notoriously lax legal and tax regulations; or games and competitions run by commercial firms for the sole purpose of drumming up funds to finance the running of their own businesses; or pirate operators piggy-backing as middlemen on the Euro Millions lottery for which Swisslos and Loterie Romande enjoy exclusive operating rights in Switzerland; or, lastly, plans to organise poker tournaments for professional players.

Let us all hope that Switzerland's parliamentarians send these charlatans and their fanciful ideas packing, by refusing to dilute, devalue or, worse still, contravene an Article of Switzerland's Constitution much envied by many commentators on the gambling industry internationally.

This crystal-clear institutional and legal framework will enable Loterie Romande to press ahead with fulfilling its mission to offer the playing public reliable and attractive games while safeguarding its permanent support for thousands of cultural, sporting and social-welfare organisations and charities reliant on Loterie Romande's financial backing.

*Jean-Pierre Beuret,
Loterie Romande's Chairman*



JEAN-LUC MONER-BANET GIVES HIS COMMENTS ON THE OPERATING RESULTS



In 2015, gross gaming revenues (GGR) posted a small decrease. What is your take on that outcome?

For a start, it is important to see the bigger picture. If we look back over the last ten years, we see that gross gaming revenues, after reaching a record high in 2014, registered a small 2.8% decline in 2015 and dipped back into line with levels of previous years. This should be seen in a positive light though, as it demonstrates Loterie Romande's ability, underpinned by its broadly diversified range of games, to keep its results at practically the same levels even though, as was the case in 2015, the year saw a distinct lack of handsome jackpots on the flagship Euro Millions and Swiss Loto games.

Profits, however, were stable. That result makes it possible to keep up the high level of profits being distributed for the public good, doesn't it?

Loterie Romande's primary goal, its very reason for existing, is to generate profits to fulfil its public-interest mission and for the good of French-speaking Switzerland. When results do not quite match expectations, there is always the possibility, as the General Meeting decided for the 2015 financial year, to release some of the company's equity capital to ensure that profits retain stability. The diverse range of games on offer and excellent control exerted over operating costs have also made their contribution towards maintaining the high level of profits disbursed for public-interest projects.

Which type of game proved the most successful in 2015?

Among the major successes last year were the scratch-cards. As a trail-blazer in this field, Loterie Romande launched its first scratch-card as long ago as 1978. Since then, it has been constantly broadening its know-how in this area, resulting in Loterie Romande today featuring as one of the leading lottery companies worldwide in terms of per capita sales. These games are much loved by the playing public: they are both fun and varied, and offer plenty of chances to win. Those ingredients explain why they have proved so successful year in, year out.

In a world where new technologies are bringing about changes in our consumer habits, how are the games and how they are played changing within the sales network?

You will often hear the well-worn cliché that interactive media channels – the Internet, mobile phones and tablets – are already and likely to be even more so in future the vehicles for selling lottery games to all generations, not just younger people. However, we are still convinced our extensive network of retailers will, in the medium and long terms, remain very important. Today, they still account for 95% of total GGR generated by Loterie Romande. We intend to press ahead and expand our business in such sales outlets, installing more technology and employing more modern sales methods.

But what about the interactive and mobile games offering? What is in the pipeline there?

In this era when computing is advancing at breakneck speed, a decade amounts to an eternity. Well, our online games platform has just attained that ripe old age of 10 years. The time has come to refresh it, and this decision has been taken this year. This new platform will be specifically designed so that it can be adapted optimally to work with mobile devices with access to the Internet, smartphones and tablets. It will 'go live' early in 2017. We, therefore, hope that, with this new platform, we will be able to give greater satisfaction to players who are increasingly using mobile devices, while, at the same time, guaranteeing increased protection for the public against addictive gambling.

What future lies ahead for the games?

The future for games and gambling will be influenced by the shape of the new Gambling Act due to come into force in 2018-2019. Games that have not been performing to their full potential, such as sports betting in particular, can be modernised to meet expectations of players, especially younger generations, much better. This will also contribute towards effectively combating illegal competition from Internet gambling operators abroad. Likewise, games which, owing to existing legal restrictions, have not evolved at all over the last 10-15 years, such as Loto Express, can be overhauled, rejuvenated and adapted to meet players' demands. In the medium term, it will also be necessary to bolster the range of draw-based games. The first step down this road will come this year with the launch of a new formula for Euro Millions.

LOTERIE ROMANDE'S BOARD OF DIRECTORS AS OF 1st JANUARY 2016

The Board of Directors is Loterie Romande's executive corporate body.



From left to right:
Mr. JEAN-MAURICE FAVRE, Ms. JAQUELINE MAURER-MAYOR, Ms. RUTH LÜTHI, Mr. YANN BARTH, Mr. JEAN-PIERRE BEURET (Chairman),
Mr. PHILIPPE AEGERTER, Mr. ANDRÉ SIMON-VERMOT.

LOTERIE ROMANDE'S INSTITUTIONAL ORGANISATION AS OF 1st JANUARY 2016

Lotteries and Gambling Conference for French-speaking Switzerland (CRLJ)

The CRLJ is the institutional body of the Convention pertaining to Loterie Romande. Its membership comprises the councillors with executive responsibilities in the six cantons that authorise and supervise Loterie Romande.

LEUBA PHILIPPE
CHAIRMAN
STATE COUNCILLOR
Economy & Sport Department, Vaud

GODEL GEORGES
STATE COUNCILLOR
Finance Department, Fribourg

CINA JEAN-MICHEL
STATE COUNCILLOR
Economy, Energy & Land Department, Valais

KARAKASH JEAN-NATHANAËL
STATE COUNCILLOR
Economy & Social Welfare Department, Neuchâtel

LONGCHAMP FRANÇOIS
STATE COUNCILLOR
Presidential Department, Geneva

GERBER JACQUES
MINISTER
Economy & Health Department, Jura

Loterie Romande: General Assembly

The General Assembly is the association's supreme corporate body.

CHAIRMAN
Beuret Jean-Pierre, Saignelégier

ASSEMBLY MEMBERS
VAUD
Astolfi Marco, La Tour-de-Peilz
Fischer Pascale, Grandson
Jaquier Rémy, Yverdon-les-Bains
Maillefer Anne-Marie, Savigny
Maurer-Mayor Jacqueline, Lausanne*
Pichard Olivier, Bex
Rochat Delphine, Lausanne
Sordet Philippe, Lutry
Vullioud Edmond, Lausanne

FRIBOURG
Bäriswyl Henri, Cormagens
Gaillet Claude-Alain, Estavayer-le-Lac
Lüthi Ruth, Fribourg*
Monney Jean-Paul, Dompierre

VALAIS
Favre Jean-Maurice, Vétroz*
Jirillo Grégoire, Sion
Tornay Jean-Maurice, Orsières
Valli-Ruppen Simone, Naters
Valterio Pierre, Vex

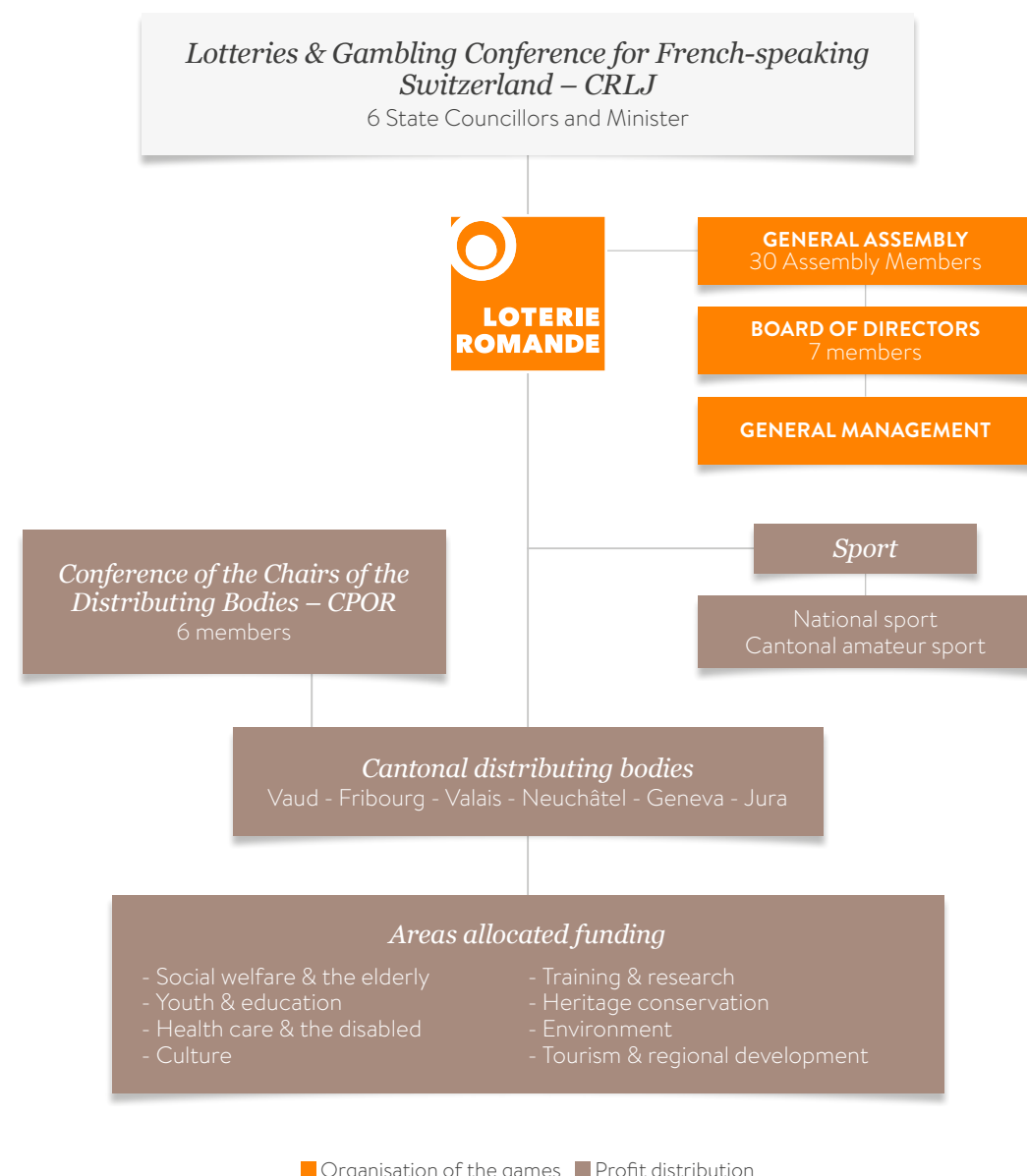
NEUCHÂTEL
Dupasquier Corinne, Neuchâtel
Monnin Daniel, Neuchâtel
Simon-Vermot André, La Chaux-de-Fonds*

GENEVA
Aegerter Philippe, Geneva*
Favre Bernard, Geneva
Grandjean-Kyburz Béatrice, Chêne-Bougeries
Kleiner Michaël, Geneva
Maulini Pierre, Carouge
Schneider Annelise, Chêne-Bougeries

JURA
Barthe Yann, Courroux*
Kübler Jean-Christophe, Delémont

* Member of Board of Directors

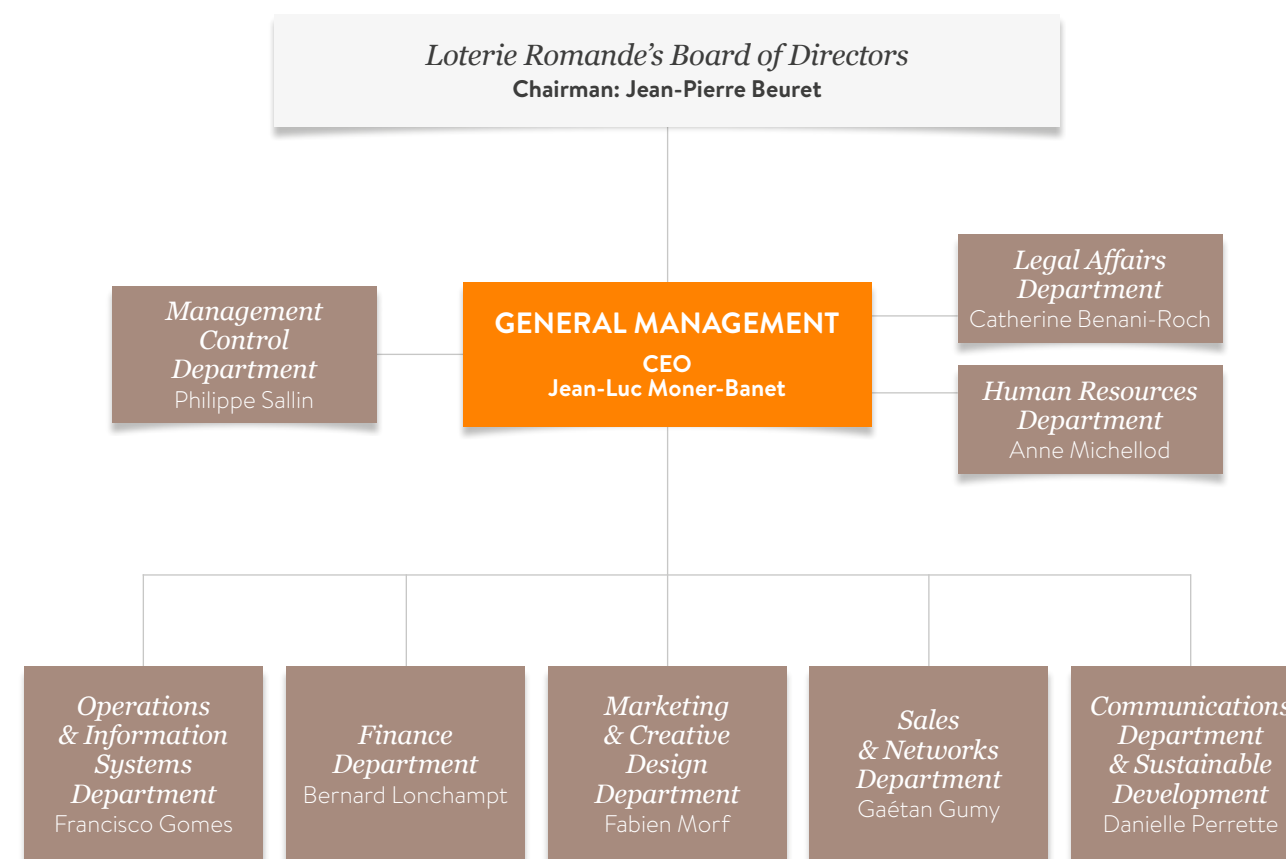
LOTERIE ROMANDE'S INSTITUTIONAL FRAMEWORK



REGULATION

The Swiss Lottery & Betting Board (Comlot) was set up as an intercantonal authority for the 26 Swiss cantons, on the basis of the Convention signed between them in 2006. Its terms of reference are to act as supervisory agency for the lotteries and betting market and to ensure games are offered in a transparent manner and with integrity throughout Switzerland. It is also the body with authority to approve new lottery and betting games.

COMPANY ORGANISATION



Company auditors: Deloitte, Lausanne
External auditors: M. P.-A. Cardinaux, Ametis Conseils SA

PRINCIPLES FOR REPORTING AND PRESENTATION OF ACCOUNTS

Loterie Romande places considerable importance on respecting the interests of its stakeholders in how it conducts its business. It applies a responsible and effective management model, founded on transparency and best-practice corporate governance. Its annual accounts for the 2015 financial year have been presented in compliance with all **Swiss GAAP Accounting & Reporting Recommendations** (FER/RPC/ARR), as applied since 1st January 2013. According to **Swiss GAAP ARR** standards, the company's accounts present a true and faithful picture of the company's assets, financial position and results.

GROSS GAMING REVENUES AND PROFITS

CHF
209.5
million

DISBURSED
FOR GOOD
CAUSES

After a good year in 2014, Loterie Romande consolidated its results over the past financial year where there was a noticeable absence of attractive jackpots for the flagship Euro Millions and Swiss Loto games. Although gross gaming revenues might have dipped a little, net profit was stable, largely thanks to sound control over operating costs.

GGR slightly down

In 2015, gross gaming revenues (GGR), i.e. the amount of money staked less winnings paid out to players, totalled CHF 377 million, a decline of 2.8% on 2014 levels. Against the backdrop of a gambling industry that is turning ever more fiercely competitive, the patchy frequency of big jackpots on draw-based lottery games undoubtedly had some bearing on sales, explaining the year-on-year dip in GGR.

A series of innovations and promotional drives, however, successfully underpinned Loterie Romande's business across the full range of its games:

- 32 new scratch-cards were launched on the market throughout 2015 – many were completely new, but there were also some special editions of already existing games;
- the range of draw-based games was broadened with the debut of Magic 4, the 'elder brother' of Trio Magic, which has already proved highly successful;
- as for sports betting and PMU, we would highlight the fact that both these have continued to notch up growth, which can be put down, in particular, to optimisation of the sales network and measures to boost customer loyalty.



Net profit holding steady

Net profit generated in the 2015 business year, i.e. the sum to be disbursed for the public good, totalled 209.5 million francs. This result is more or less flat compared to 2014 (CHF 209.9 million), making it possible for Loterie Romande to maintain the high level of support provided to charitable, cultural, sporting and environmental projects. It reflects key long-term strategies implemented by Loterie Romande:

- developing, adapting and diversifying the product offering so as to match all players' expectations;
- optimising the sales and distribution networks as new consumer spending

habits evolve and as technology advances;

- continuing to contain operating costs which worked out at 27.8% of GGR in 2015.

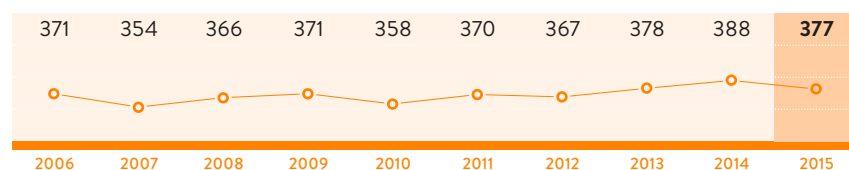
In addition, for the 2015 financial year, a sum of CHF 5 million was released from the free reserve. This is a pool of funds that the Board of Directors and the General Assembly of Association Members can decide to draw down or, conversely, top up to ensure efficient long-term management of the company's resources. This amount, therefore, was added to the operating profit booked for the 2015 financial year.



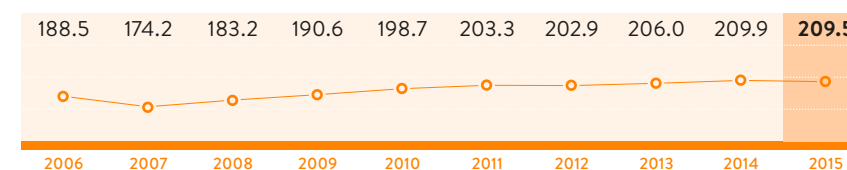
"Loterie Romande's funding support very often proves to be indispensable. It makes a significant contribution to the wealth and diversity of charity-based, cultural and sporting activities on offer in French-speaking Switzerland."

Jean-Nathanaël Karakash,
State Councillor for the Canton
of Neuchâtel, Member of the Lotteries
& Gambling Conference for French-
speaking Switzerland (CRLJ)

TREND IN GROSS GAMING REVENUES (in CHF million)



TREND IN NET PROFIT (in CHF million)



SCRATCH-CARDS, DRAWS AND SPORTS BETTING

With the aim of its games being fun and entertaining, Loterie Romande’s product range is constantly evolving with one purpose in mind: players’ satisfaction. There were plenty of new games and promotions in 2015 that contributed towards energising the company’s business operations.



Scratch-card games

Scratch-card games once again confirmed their uptrend in 2015, with their GGR rising by 2.9% y-o-y. After the already impressive rise (+3.7%) recorded in 2014, this segment of the market has continued to display a welcome upsurge in vitality despite an ever more fiercely competitive gambling market.

The ongoing renewal of cards being offered, with many new scratch-cards being launched, has consistently proved its worth and helped to ignite interest among a general public always on the lookout for something new and exciting. In addition, several flagship scratch-cards were bolstered by bonus series, which lived up to players’ expectations for fun and amusement.

Among those scratch-cards most successful in 2015 were several new games – Carnaval, Mysti-Mots or Caraïbes – plus some older favourites, like Carton, Dico or Magot, which were given impressive relaunches. The Baraka scratch-card game also proved highly successful.

Draw-based lottery games

Draw-based lottery games, the biggest generators of GGR, registered a drop in turnover last year, down 8.1% compared to 2014. Jackpots on Swiss Loto and Euro Millions were won on several occasions, which meant that potential winnings were subsequently less attractive, especially to occasional lottery players.

On the plus side, that at least means fortune did smile on those players who enjoy draw-based lottery games. All in all, 31 people saw their coffers boosted by

one or more million francs thanks to wins on Swiss Loto. One new millionaire was also created in Switzerland thanks to winning on the Euro Millions game.

As for other draw-based games, Loto Express recorded some impressive results, with revenue up 10.9%. This rise in GGR can be put down to the successful launch of the game on the online gaming platform, which helped to expand the circle of players.

Lastly, we would also like to highlight the robust performance by the family of Trio Magic daily draw-based game and its ‘elder brother’ Magic 4, launched in April 2015. Even though GGR had been expected to dip for Trio Magic, this family of games satisfied genuine demand from players, and aggregate sales revenue has matched expectations.

Loterie électronique

The Loterie électronique’s 700 gaming machines located in 350 points of sale in French-speaking Switzerland saw their revenues decline slightly (down 1.4% y-o-y). This confirms the flattening-out in its business trend after over 16 years of being in operation, whilst also confirming the effectiveness of the various game moderators fitted to the machines to prevent and combat excessive gambling.

INTERNATIONAL COMPARISONS

Loterie Romande’s rankings by type of game (per capita sales)

	2011	2012	2013	2014	2015
SCRATCH-CARD GAMES					
Europe	2	2	2	2	2
World	10	12	11	12	13
DRAW-BASED LOTTERY GAMES					
Europe	5	5	5	5	3
World	18	10	7	8	5
KENO-TYPE GAMES					
Europe	7	7	7	7	7
World	14	14	14	15	15

La Fleur’s 2015 World Lottery Almanac, TLF Publications, Inc.



“Swiss sport benefits from permanent support from the Swiss lottery companies. This backing geared towards the next generation enables many up-and-coming talents to blossom and progress in a wide range of sports.”

Sergei Aschwenden, judo player, bronze medallist at the Beijing Olympics in 2008

CHF
34.3
million
ALLOCATED
TO SPORT



Sports betting

Sports betting enjoyed a rise in revenues last year, with its GGR climbing by 6.1% even though no major sporting events were held in 2015. This heartening outcome can be put down to the variety of promotional campaigns and drives to attract new players conducted over the last couple of years. A broadening of the presence of sports betting throughout the distribution network also explains the increase. This development remains encouraging, helping to cushion slightly the difficulties facing the whole of the betting industry caused by the presence of illegal online operators, many of which have seen Switzerland as a very fertile ground to find new players and many of whose sites are very alluring to gamblers.

On the back of the partnership deal with SwissTopSport, the association for all major sports events held in Switzerland, Loterie Romande's sports betting and forecasting games have remained standard fixtures at all major sporting events, allowing spectators to place bets at the very venues where the competitions are taking place and then cheer on their favourites.

PMU

After registering a small rise in 2014 (+1.8%), gross gaming revenues for betting on horse races was more or less flat during 2015, edging down by just 0.4% y-o-y. This outcome reflects the optimisation of both the quality and size of the sales network, enhancing players' loyal-

ty. PMU has thus reaffirmed its position as a genuinely popular leisure activity, providing fun and entertainment for many keen horse-race enthusiasts in French-speaking Switzerland.

The product offering for horse-race betting was further expanded in 2015, with almost 800 additional races, which helped to give sales added impetus. Since 2014, those wishing to bet on PMU races have also been able to place their bets online on www.loro.ch.

SEEKING TO PROVIDE AN ATTRACTIVE, RESPONSIBLE OFFERING

Dialogue, assistance and support, equipment: Loterie Romande is constantly developing its product offering and services provided to players in its sales outlets. In 2015, it pursued its policy of modernising its network and providing further training to retailers, as they are Loterie Romande's ambassadors on the 'front line' of its local neighbourhood presence upholding its relationship of trust with the public.

NUMBER OF POINTS OF SALE by canton

2,650

RETAILERS IN THE SIX CANTONS OF FRENCH-SPEAKING SWITZERLAND, WORKING OUT AT AN AVERAGE DENSITY OF ONE SALES OUTLET FOR 780 INHABITANTS

Listening to its public

Every year, Loterie Romande conducts a survey designed to assess players' attitudes, using the findings to improve how it distributes its games. The 2015 survey, based on representative sampling of the population in French-speaking Switzerland, confirmed the high levels of awareness and satisfaction: 95% of those polled had heard of Loterie Romande, which enjoys a very positive public image.

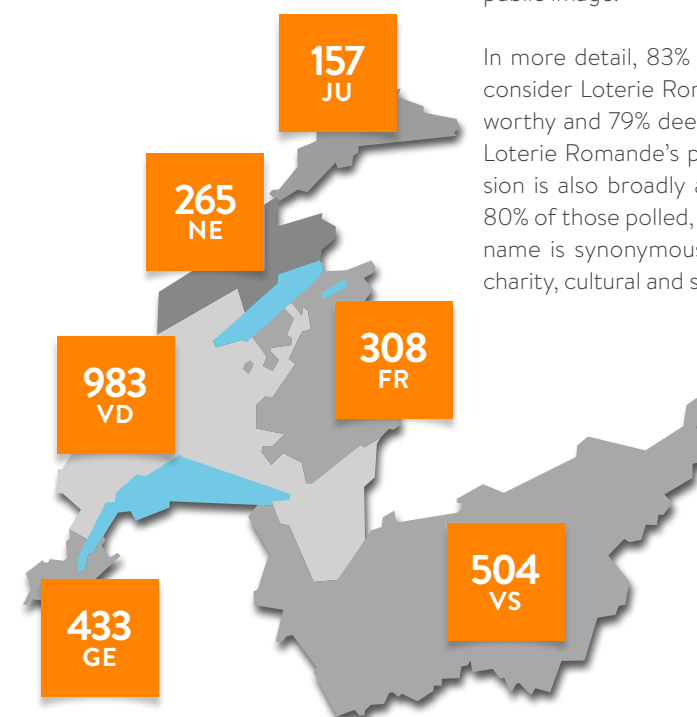
In more detail, 83% of those surveyed consider Loterie Romande to be trustworthy and 79% deem it to be friendly. Loterie Romande's public-interest mission is also broadly acknowledged: for 80% of those polled, Loterie Romande's name is synonymous with support for charity, cultural and sports projects.

Portraits of those playing

Over half of those living in French-speaking Switzerland (53%) tried their luck in a Loterie Romande game at some point last year. The biggest group of players are aged over 55 (53% of those playing). Then come the 35-54 age group (29%) and those between 25 and 34 (15%). A slightly higher proportion of men play than women.

If we now look at the most popular games, the top favourite was Tribolo, followed by Swiss Loto and Euro Millions. Last year, 75% of players had a go at one of these games. Over half of new players tried Loterie Romande games first by participating in Tribolo. Swiss Loto was the first choice for 20% of first-time gamers.

Preferences also tend to vary with age. Although scratch-cards are enjoyed by all age brackets, games like Swiss Loto and Euro Millions ostensibly appeal more to those aged 25 or over, whereas sports and horse-race betting or forecasting tend to be played most by those over 55. In contrast, the online games platform is a big attraction for young adult players. These differences reflect the highly complementary mix of games on offer from Loterie Romande.



CHF
70.5
million

IN SALES
COMMISSION
FEES PAID TO
RETAILERS

A vital lever

Loterie Romande's distribution network of 2,650 sales outlets located among a population of two million inhabitants is not just one of the densest, but also one of the most modern; each retail distributor is equipped with a terminal linked to the company's central servers. The whole network has been equipped since 2014 with new terminals that are both user-friendly and advanced, providing each retailer with increased business opportunities.

The diversity among the various sales outlets is an aspect that also deserves highlighting. Although kiosks, cafés/bars and restaurants still form the backbone of the network, it also includes other types of establishments, such as post offices or petrol service stations. This variety flows from the policy pursued by Loterie Romande which places great emphasis on optimising its distribution network so that it can fulfil player expectations best while taking its retailers' interests into due consideration.

Games that are good for the local economy

All Loterie Romande sales outlets are remunerated by the company in the form of commission fees for distributing its games. These fees totalled 70.5 million francs in 2015, a sizeable sum being ploughed back into the local economy. Without these fees – which work out at, on average, CHF 27,000 a year for each point of sale – a good many small local businesses would struggle really hard to keep their heads above water, especially as fewer people are visiting kiosks or frequenting cafés and bars.

As such, Loterie Romande's business provides a dynamic boost to the social and economic lives of built-up areas and villages. According to some estimates, its operations indirectly generate between 1,200 and 1,400 jobs. Rightly proud of its contribution to the region's economy and society, Loterie Romande will continue to place a high priority on its 'bricks-and-mortar' distribution network and forging solid relations with all its business partners.

Digital channel

In order to keep pace with technological developments and reach out to cement links with a new generation of players who are increasingly using interactive media, Loterie Romande has also expanded its online range, which complements games offered through its network of retailer

outlets. Its Internet range, in particular, targets young adults, aged between 20 and 35, who tend to be characterised by their new and different consumer habits.

Launched in 2010, Loterie Romande's online platform of games includes the Swiss Loto, Euro Millions, Trio Magic and Magic 4 draw-based games, around fifteen scratch-card games as well as sports and horse-race betting/forecasting. The online PMU offering has been proving a great success since it was launched in 2014.

The facts and figures reveal how dynamic this online gaming platform is: 11% of grids played on Swiss Loto and 8% of Euro Millions grids are now being validated over the Internet. Apps for smartphones and tablets are also available to enable online gaming using mobile devices.

Major challenges

Expanding its Internet platform and range of games on interactive media is numbered, in Loterie Romande's eyes, among the crucial challenges as the company is keen to halt players migrating towards offshore gambling sites that are illegal under Swiss law. Loterie Romande is fighting to ensure players' money stays in Switzerland and contributes towards the common good instead of being siphoned off into the coffers of private shareholders abroad.

Unlike most illegal gambling sites which operate no controls and leave the door wide open for addictive gambling habits to take hold, Loterie Romande offers the public a reliable and secure gaming platform. True to its Responsible Gaming policy, Loterie Romande has put in place a whole series of fail-safe mechanisms recognised as being both appropriate and effectual. The identities and ages of those wanting to play the games are rigorously checked: only those people living in one of the six French-speaking Swiss cantons and aged 18 years and above can open a gaming account.

2015 – FUN AND GAMES GALORE

Loterie Romande has an extensive range, from draw-based lottery games to sports betting, with its whole offering being innovative and fun. Last year, it launched a broad range of new products, which helped give its results a boost. The high point of this intensive activity: Lady Luck smiled on players who took home a string of jackpot prizes.

CHF
24.7
million

BIGGEST PRIZE
WON ON SWISS
LOTO IN 2015

Swiss Loto: 31 millionaires

Thirty-one Swiss Loto players became millionaires in 2015. Seven lucky players scooped the jackpot prize, twenty-three won CHF 1 million by having six numbers correct (2nd prize tier) and, thanks to the extra Joker play, one person won a seven-figure prize. The biggest prize won on Swiss Loto in 2015 amounted to a huge CHF 24.7 million.

Total winnings on Swiss Loto amounted to almost CHF 190 million last year. Since it was first drawn up to end-2015, this game has created 848 millionaires in Switzerland. For the record, the biggest ever win in Swiss Loto history was CHF 48.6 millions, won in August 2014.

Euro Millions: jackpots won on several occasions

2015 was also a year of vivid emotions for players of Euro Millions: good fortune shone on several players. Euro Millions proved a winner for one lucky person in Switzerland who took home a million franc prize in October. From when it was first played in 2004 up to end-2015, Euro Millions has created 44 millionaires in Switzerland. Again for the record, the biggest ever win in Switzerland remains the CHF 115.5 million jackpot won on a ticket validated in the Canton of Valais in August 2013. The record ever win in Euro Millions history was CHF 229.5 million (EUR 190 million), won in October 2014 by a player in Portugal.

Magic 4, Trio Magic's 'Elder Brother'

On 27 April 2015, the family of draw-based numbers games was expanded with the launch of Magic 4, Trio Magic's 'elder brother'. How to play Magic 4 is just as simple as it is for its little three-number brother, Trio Magic: a player just has to pick four numbers between 0 and 9 to create a four-digit combination. As easy, fun and quick to play as Trio Magic, this new game offers a 1-in-10



"Loterie Romande's games contribute towards the lively and friendly atmosphere at my kiosk. The punters are delighted to have a chance to chat about coming matches, strategies and what the results might be."

Marcello Ponzetta,
Kiosque Chez Marcello,
Yverdon-les-Bains



chance of winning if the first number of the combination is drawn. If the four numbers are found in order, players can win up to CHF 10,000, from Monday to Saturday, for a stake of just CHF 3.

The winning combinations are drawn every day from Monday to Saturday on the RTS Deux TV channel at around 20.05 after the Trio Magic numbers are drawn.

*Scratch-cards:
23 brand-new games*

In 2015, Loterie Romande launched 32 new scratch-card games in all, including some bonus series for flagship cards alongside several brand-new games. Among the completely new games were:

 <p>TOP PRIZE OF CHF 77,777.-</p>	<p>SUPER 7: CHF 7.- SEVEN, THE CLASSIC 'LUCKY' NUMBER – THIS CARD OFFERS UP TO 7 CHANCES TO WIN</p>	 <p>TOP PRIZE OF CHF 2 million</p>	<p>PRESTIGE: CHF 25.- A CARD THAT OPENS THE DOOR TO THE MOST LIFE-CHANGING DREAMS</p>
 <p>PRIZES UP TO CHF 60,000.-</p>	<p>CARNAVAL: CHF 6.- THE BEGUILING WORLD OF THE CARNIVAL ALL ON A SINGLE TICKET</p>	 <p>JACKPOT OF CHF 100,000.-</p>	<p>NÉON: CHF 8.- AN EYE-CATCHING CARD WITH ITS FLUORESCENT COLOURS</p>
 <p>PRIZES UP TO CHF 250,000.-</p>	<p>MYSTI-MOTS: CHF 12.- A PUZZLE CARD WITH ITS INTRIGUING MIX OF LETTERS AND SYMBOLS</p>	 <p>JACKPOT OF CHF 250,000.-</p>	<p>PERLES: CHF 12.- AN ELEGANT, SPARKLING AND DAZZLING CARD</p>

Star à la TV

On 22 September 2015, Loterie Romande launched a new scratch-card with a tie-in to a new TV games show: Star à la TV (lit. Star on TV) After its Roue de la Chance (lit. Wheel of Fortune) card, which enabled fourteen people to win CHF 100,000 and nine others who took home 50,000 francs over two years of the show, Loterie Romande is now proposing a new saga that is even more exciting and fun. The Star à la TV show, devised in conjunction with RTS, the French-speaking TV service in Switzerland, first appeared on TV screens on 11 January 2016. It offers players the chance to accumulate their winnings over the days to try, each day, to win CHF 100,000.

The way to play this new colourful Star à la TV scratch-card glittering with its enticing golden highlights is both familiar and fun. It offers players several

chances to appear on the TV show: 161 lucky players will have the opportunity to appear on stage under the broadcasting spotlights during 2016.

A varied and fun offering of games online

As part of its drive to meet the expectations of online players who are ever more keen on new gaming experiences, Loterie Romande pressed ahead in 2015 with expanding its offering of games on its www.loro.ch Internet platform. The digital range of instant-win games now encompasses 14 different scratch-card-type games.

The online PMU offering, launched in 2014, has contributed significantly towards boosting the appeal of horse-race betting. This is borne out by the fact that the online channel already accounts for 3% of money staked on PMU.

“By fulfilling its mission to issue authorisations, Comlot gives its seal of approval that the games being offered by Loterie Romande are reliable, secure and socially responsible.”

Manuel Richard, Director of the Secretariat of the Swiss Lottery & Betting Board (Comlot)



Communications 2.0

In 2015, Loterie Romande puts its best foot forward into the era of Communications 2.0. In June, Loterie Romande's new www.loro.ch business portal was launched. This was designed to be perfectly adaptable to all interactive support media, desktop computers, tablets or mobile phones. This new flexible site encompasses all the details, facts and figures about the company's business and now provides high-quality informative content focusing, in the main, on organisations that are beneficiaries of Loterie Romande's funding contributions. In order to get this new way of communicating up and running, a team of specialists were recruited, and they have formulated plenty of fun infotainment content which has been disseminated on social media networks.

JEAN-LUC MONER-BANET OUTLINES THE POLITICAL OUTLOOK FOR LOTTERY COMPANIES' FUTURE DEVELOPMENT

In October 2015, the Swiss Federal Council transferred the draft bill for the new Gambling Act to the Swiss Parliament. What are your thoughts about this bill?

The draft bill sent to Parliament is both consistent and well balanced. The bill, formulated with contributions from all relevant parties involved, appropriately fulfils the objectives of Article 106 of the Swiss Federal Constitution. It ensures proper protection for the population against those dangers associated with gambling while allowing gambling operators to adapt their offerings to keep pace with the changing face of society and advances in technology. It also guarantees that profits made from gambling are allocated for public-interest purposes and to the national social-security/pension fund (AVS/AHV). In light of the solutions being proposed, we hope this draft bill will be adopted into law without too many amendments made by parliamentarians.

The draft bill is now on the Swiss Parliament's agenda. So, should we expect some heated debates in the chambers?

Debating issues in Parliament is an essential component of our democracy. It is healthy that such a debate is launched in Switzerland as we are on the verge

of shaping the landscape in which gambling will be operated over the coming decades. Loterie Romande is fully prepared to make its contribution. In this respect, we have every confidence in the bill put forward to Parliament because it has been drafted on the basis of a consensus involving all those active in the gambling industry. We, therefore, hope that the significant work already done on this issue will bear fruit and that the new law can be enacted and come into force as soon as possible.

You have been President of the World Lottery Association (WLA) since 2012. Which projects have been close to your heart at an international level?

On the international stage, one of the main areas of activity for WLA over the last few years has been to formulate and implement best practice in the gambling industry. WLA standards in terms of responsible gaming and gambling and with regard to the security of games are being adopted by an ever-increasing number of lottery and sports betting operators worldwide, and they are now firmly entrenched as benchmark norms. At a time when extensive regions of the world, most notably Asia, are discovering the attractions of running lottery games and sports betting to raise money for public-interest projects, another key

area of interest for the WLA is the development of study bursary and training programmes targeted especially at lottery companies in the emerging world.

The phenomenon of match-fixing has continued to spread. What is the world lottery community doing to combat this scourge?

Lottery companies have taken stock of the serious challenge posed by this disturbing development. With a membership comprising some 150 official lottery companies and sports betting operators from over 80 countries worldwide, the WLA is actively involved in the battle against cheating and the fixing of sporting events. In 2015, it set up the Global Lottery Monitoring System (GLMS) based in Lausanne and Denmark. It has technical teams and IT tools to detect cheating and possible match-fixing by being able to link together all the data from those WLA members who operate sports betting activities. Thanks to a raft of agreements underpinning it, this structure works actively with leading international sports bodies, such as the International Olympic Committee (IOC) and the Fédération Internationale de Football Association (FIFA)

Since early 2016, all the company's employees have been working together under one roof at the avenue de Provence premises. What does this relocation signify?

The code name for this large-scale project at Loterie Romande was 'Ensemble' ('Together'). That tells you everything about the objectives behind it. We wanted to bring everything and all of the company's staff, who had been split over two sites, together in one place, in premises that were both modern and functional. This change has been aimed at enabling Loterie Romande to achieve greater fluidity and better collaboration in its business operations whilst also gearing the company's work even more towards 'project mode'. We are also convinced that, over and above the more formal objectives, this change will enhance the spirit of cohesion and innovative capabilities at Loterie Romande.

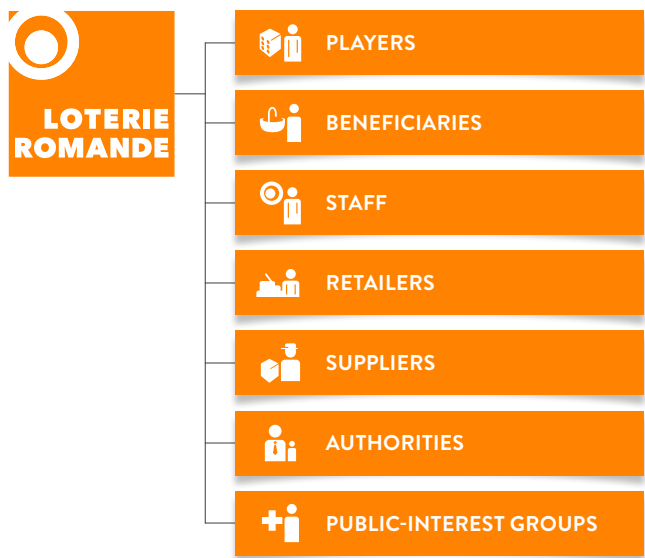


A SNAPSHOT OF THE WLA



The World Lottery Association, set up in 1999, is an industry association with a membership of around 150 authorised State lottery companies from over 80 countries around the globe, most of whose profits are redeployed for the public good. This global body oversees compliance with the system of legal concessions, supervises the integrity of lottery games and sports betting, presses for the most exacting standards to be implemented with regard to Responsible Gaming, and provides an international forum in which experience and creative ideas can be exchanged by all. www.world-lotteries.org

EXCHANGES FOUNDED ON ETHICS AND TRANSPARENCY



In keeping with its policy of upholding social responsibility, Loterie Romande is committed to an ongoing and permanent dialogue with all of its stakeholders. This dialogue, embodied in many mutually beneficial two-way exchanges of views, reflects the determination to prioritise the company’s transparency in its dealings with the general public and all those affected by its operations.

Ethics and transparency sit at the very core of the policy pursued by Loterie Romande which constantly seeks to involve all its stakeholders in its strategic and operational choices. This approach is not only founded on the values espoused by Loterie Romande, but is also aimed at improving the company’s overall performance.

The main relevant players who interact with the company are presented in the accompanying table. Over and above the main tools of mass communication aimed at the general public and the media, specific information and activities are targeted at various groups of stakeholders, meeting both Loterie Romande’s and their own expectations.

STAKEHOLDERS	WHAT IS EXPECTED OF LOTERIE ROMANDE	WHAT IS EXPECTED BY LOTERIE ROMANDE	PROJECTS OR PROGRAMMES	MEANS OF DIALOGUE
PLAYERS Almost 70% of people in French-speaking Switzerland regularly play Loterie Romande games	<ul style="list-style-type: none">Responsible operator offering entertaining games and a clearly defined distribution schedule for prizes100% of net profit distributed for the public goodSecure and reliable games	“That gaming remains a game”	<ul style="list-style-type: none">Annual survey of players’ profiles and tastesTried and tested rigorous ‘Responsible Gaming’ policy, based on the principle of informed choiceMarketing & Advertising Code of ConductAnonymity of winners guaranteed; assistance if they so wish	<ul style="list-style-type: none">Information available at sales outletsDraw/winnings schedules available at www.loro.chAge restrictions printed on tickets, games, terminals, etc.
BENEFICIARIES All net profit distributed via the appropriate distributing bodies	Over CHF 500,000.– distributed every day	That the projects given support (around 3,000 p.a.) come fully to fruition	www.entraide.ch	Interviews conducted when preparing the Annual and Social Reports
STAFF 282 staff, including 55 mobile ticket-sellers	<ul style="list-style-type: none">Reliable employer, providing motivation and trainingEthical and responsible company	Satisfied and motivated employees aware of their responsibilities	<ul style="list-style-type: none">Ongoing trainingSatisfaction surveysPublic health measuresApprenticeship opportunitiesReintegration schemesAnnual appraisals, with setting of individualised staff targetsProfessional integration	<ul style="list-style-type: none">IntranetIn-house meetingsCorporate charter, highlighted and available on several support media
RETAILERS 2,650 retailers located throughout the six French-speaking cantons of Switzerland	<ul style="list-style-type: none">Financial backing in keeping with the efforts undertakenAttractive and secure productsMarketing supportTrainingOngoing dialogue	Partners who conduct themselves responsibly, adhering to the provisions put in place	<ul style="list-style-type: none">Training courses on the games and Responsible GamingModernisation of games equipmentMotivation and incentive schemesTraining on security	<ul style="list-style-type: none">In-house magazine for retailersInformation via sales support advisorsTraining sessions for retailers
SUPPLIERS External partners, suppliers of goods and services	Reliable business relationship	<ul style="list-style-type: none">Long-term partnership taking business and social aspects into considerationFinancially independent from Loterie Romande	<ul style="list-style-type: none">Signing up to Marketing & Advertising Code of ConductContract including reference to obligations, especially with regard to Responsible Gaming	Communication with the relevant departments
AUTHORITIES Lotteries and Gambling Conference for French-speaking Switzerland (CRLJ) Conference of Cantonal Directors with Responsibility for Lotteries (CDCM) Swiss Lottery & Betting Board (Comlot)	<ul style="list-style-type: none">Compliance with laws and regulations in forceGames not targeted at minors or other vulnerable members of the public; adherence to a pre-established schedule for distributing winningsCommunity supportResponsible company	Safeguarding the mission of lottery companies who work for the public good under the supervision of the cantonal authorities	<ul style="list-style-type: none">Obtaining their seal of approval for all games before they are launched on the marketCommunications on Responsible Gaming policyRegular meetings and ongoing exchange of views	<ul style="list-style-type: none">Monthly meetings and contact on a weekly basisMeetings at seminars or conferences
PUBLIC-INTEREST GROUPS Responsible for protecting minors and other vulnerable people in society: researchers, medical practitioners, care/treatment centres, etc.	<ul style="list-style-type: none">Games developed that take note of their analysisPreventative measures funded via a 0.5% levy on GGR	Long-term partnership based on constructive exchanges of views and effective co-operation (particularly the training of retailers)	<ul style="list-style-type: none">TrainingRegular meetings, sharing of experience0800 801 381 Helpline number prominently displayed at all points of sale	<ul style="list-style-type: none">Regular contacts (lectures, meetings, telephone calls)Meetings at seminars or conferences

DATA PROTECTION

Since 2012, Loterie Romande’s data-protection consultant undertakes, completely independently, all requisite assistance and monitoring tasks. Accredited with the Federal Data Protection and Information Commissioner (FDPIC), in compliance with the Swiss Federal Law on Data Protection, he supervises implementation of regulations relating to data protection. He also has the responsibility of advising staff members, supervising projects involving data processing, for example those involving players’ profiles, and conducting internal auditing as regards data protection.

SECURITY, RELIABILITY AND INTEGRITY

Loterie Romande implements the most exacting security standards, ensuring that it undertakes disciplined supervision of all processes associated with its business operations and puts in place the highest precepts of corporate governance. The same can be said for its commitment – which is constantly being reinforced – to Responsible Gaming. In 2015, Loterie Romande successfully renewed the highest standards of its international certification in both of these areas.

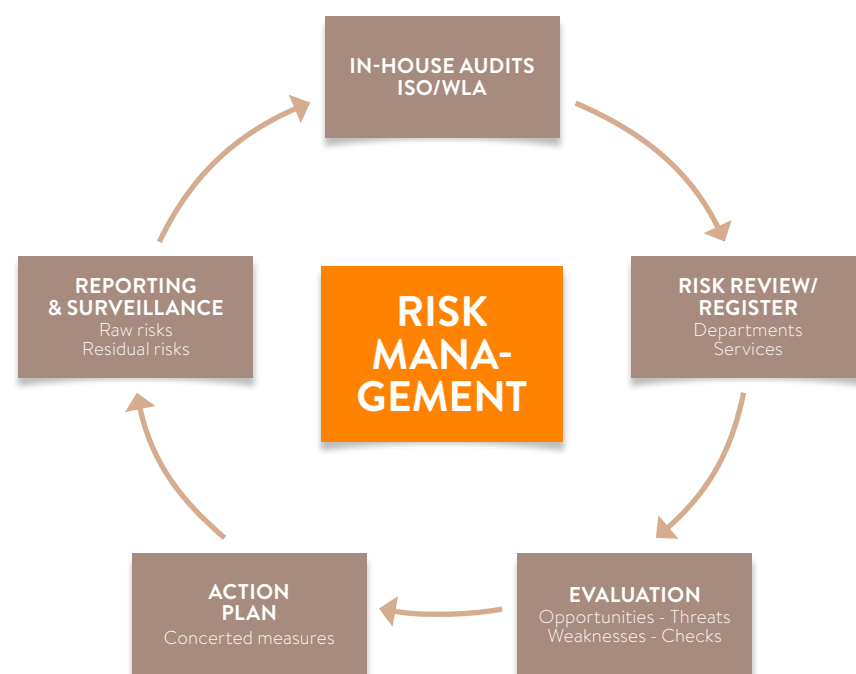
ISO 27001 – a label of excellence

Since 2009, Loterie Romande has had official ISO 27001 certification. This stamp of approval guarantees the business is applying and implementing best possible practice when it comes to security and risk management in compliance with strict criteria recognised world-wide. Awarded for a three-year period, this official certification was successfully renewed in 2015. Regular interim audits are made in the intervening period.

Three key areas are assessed: integrity of transactions, financial security, and checking procedures. ISO 27001 bears witness to the equity and quality of games marketed: it stands as a genuine hallmark of the bonds of trust between the company, its suppliers and all its players.

ISMS – mastering information flows

In conjunction with its ISO 27001 certification, Loterie Romande has set up a structured and effective Information Security Management System (ISMS) designed to safeguard the confidentiality, integrity and availability of information in its broadest sense. The applicability of the ISMS covers all employees, locations, premises, IT equipment, and data in electronic or hard-copy forms. This tool makes it feasible to guarantee the probity and reliability of the games in conformity with Loterie Romande's ethical principles.



ICS – financial risk management

Loterie Romande's Management Control department, set up in 2003, designed and developed an Internal Control System (ICS) to provide assistance in managing the company. The purpose of the ICS information tool is to ensure financial risks are optimally managed. The ICS thus enables managers and auditors to verify Loterie Romande's finances are both transparent and comprehensively managed.

WLA-SCS - security of games

With its WLA-SCS:2012 certification, Loterie Romande has achieved the highest recognition for supervision of its processes on the basis of the Security Control Standards (SCS) formulated by the World Lottery Association (WLA). This certification – which requires a business to fulfil beforehand the requirements of the ISO 27001 standard – imposes rigorous and permanent controls on security, placing emphasis on defining risks specific to the lottery business itself. In effect, it encompasses 111 more checking procedures on top of those demanded to fulfil ISO 27001 standard requirements.

Ongoing risk reassessment

As part of an ongoing process of self-improvement to enable it to boost the efficiency of the company, Loterie Romande implements a risk-management methodology tailor-made for its specific environment. This takes account of the full length of the chain of games production and operation as well as all its own services and departments, including monitoring of suppliers and

financial risk analysis. Loterie Romande applies this methodology permanently, demonstrating that this approach taken of its volition is a further example of best practice when it comes to corporate governance.

European Responsible Gaming Standards

European Responsible Gaming Standards were published in October 2007 by European Lotteries (EL). These standards, drafted by a working group of experts, in which Loterie Romande is involved, stipulate under ten key headings the obligations of lottery companies with regard to their players, the purpose being to prevent and combat addictive gambling. The rules of conduct flowing from these standards are stringent: those signing up to the standards must undergo a lengthy certification process, with compliance being reassessed for confirmation every three years. Of the fifty or so operators to have ratified the Standards to date, Loterie Romande was among the first to be officially certified. Loterie Romande was successfully re-awarded this certification in 2015.

www.european-lotteries.org

WLA World Responsible Gaming Principles

On the global stage, the World Lottery Association has also drafted standards aimed at actively furthering Responsible Gaming principles. Loterie Romande already signed up to these World Responsible Gaming Principles in 2007. The company attaches great significance to complying with these. After achieving

the highest certification rating (Level 4) in 2009 and 2012, Loterie Romande was proud to have sustained this standard of excellence, confirmed during the recertification process conducted in 2015.

www.world-lotteries.org

Marketing & Advertising Code of Conduct

Loterie Romande's marketing and advertising practices also adhere to strict criteria in terms of social responsibility. These criteria were laid down in its Marketing & Advertising Code of Conduct formulated back in 2008. Taking European Responsible Gaming Standards as a template, this Code lays down a framework and benchmark not just for marketing, publicity and advertising campaigns themselves, but also relating to the games design process. It guarantees promotional and advertising materials are drafted and broadcast in keeping with a strict and transparent ethical and socially responsible code.

All of Loterie Romande's suppliers must sign the Marketing & Advertising Code of Conduct, thereby making a pledge to adhere to its principles. Available to download from www.loro.ch, the Code is submitted to any new partner during the year: around one hundred suppliers have already signed up to it.



100% OF PROFITS DISTRIBUTED

Loterie Romande pursues a public-interest mission founded on a business model that is unique world-wide: it distributes all the net profits it makes to thousands of organisations working for the good of the community. Independent distributing bodies are responsible for allocating the funds in the half-dozen cantons of French-speaking Switzerland.



“Year in, year out, in the six cantons of French-speaking Switzerland, a pageant of artists, a perennial blossoming of organisations and thousands of cultural initiatives, entertainments and acts of charitable welfare are given support by Loterie Romande, highlighting the great sense and rationale behind this model wholly dedicated to furthering the public good.”

Anne-Marie Maillefer, Chair of the Conference of the Chairs of the Distributing Bodies (2015)

For the community

Every day, Loterie Romande distributes over CHF 500,000 for projects for the public good. Thousands of not-for-profit associations, active in the widest array of fields, benefit directly or indirectly from this financial input.

How the profits are allocated is dictated by very precise criteria, the key rule for the profit share-out being as follows:

- 5/6ths are earmarked for the six cantonal distributing bodies;
- 1/6th is allocated to sport.

The six cantonal distributing bodies

The lion's share, i.e. five-sixths, of profits generated for disbursement by Loterie Romande is made available in full to the cantonal distributing bodies.

These bodies, independent from the operating side of Loterie Romande's business, are responsible for distributing profits allocated to them throughout the six French-speaking Swiss cantons (Vaud,

Fribourg, Valais, Neuchâtel, Geneva and Jura). They alone choose the organisations or projects they wish to support in accordance with transparent and clearly defined selection criteria stipulated in their framework arrangements.

The share allocated to each cantonal distributing body is based *pro rata* on the cantons' populations (one half) and gross gaming revenues (GGR) generated in each canton (the other half).

In 2015, almost 3,000 associations, bodies, organisations, foundations or projects were awarded funds by the distributing bodies. The support funds are split into eight different fields of action (as shown in the charts opposite).

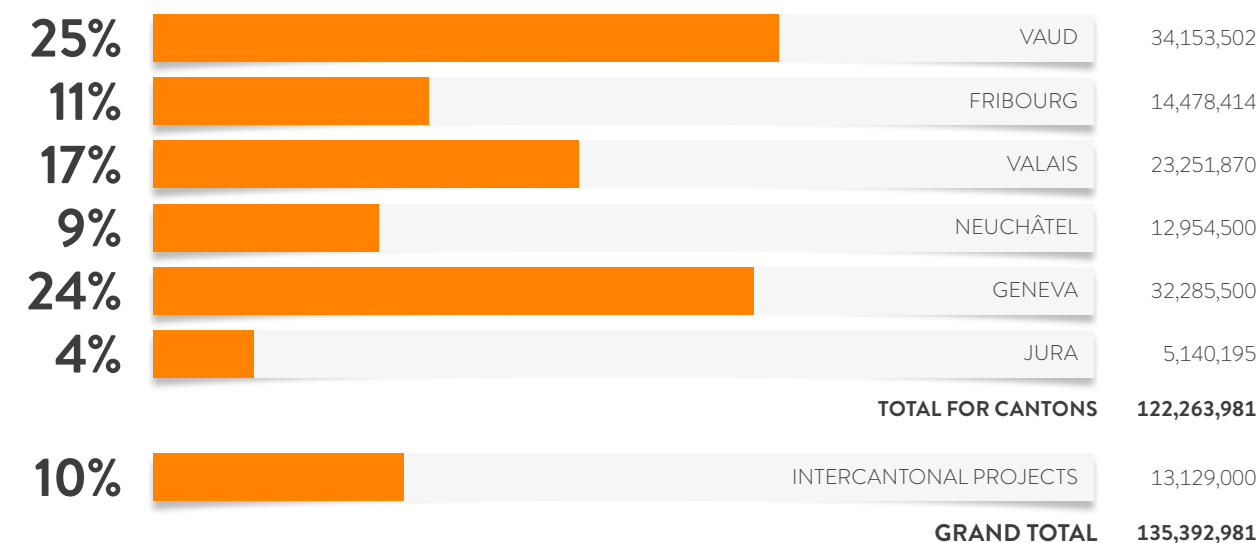
Intercantonal projects

Specific donations awarded to organisations that undertake public-interest work in most cantons in French-speaking Switzerland or whose intercantonal coverage is acknowledged are considered to be intercantonal disbursements for French-speaking Switzerland.

It is incumbent on the Conference of the Chairs of the Distributing Bodies (CPOR), comprising the Chair of each individual cantonal agency, to assess funding applications. Every decision is taken unanimously and ratified by all the distributing bodies. The funds awarded by the CPOR, which constitute a maximum 10% of profits available, are financed by the cantonal bodies in proportion to their cantons' populations.

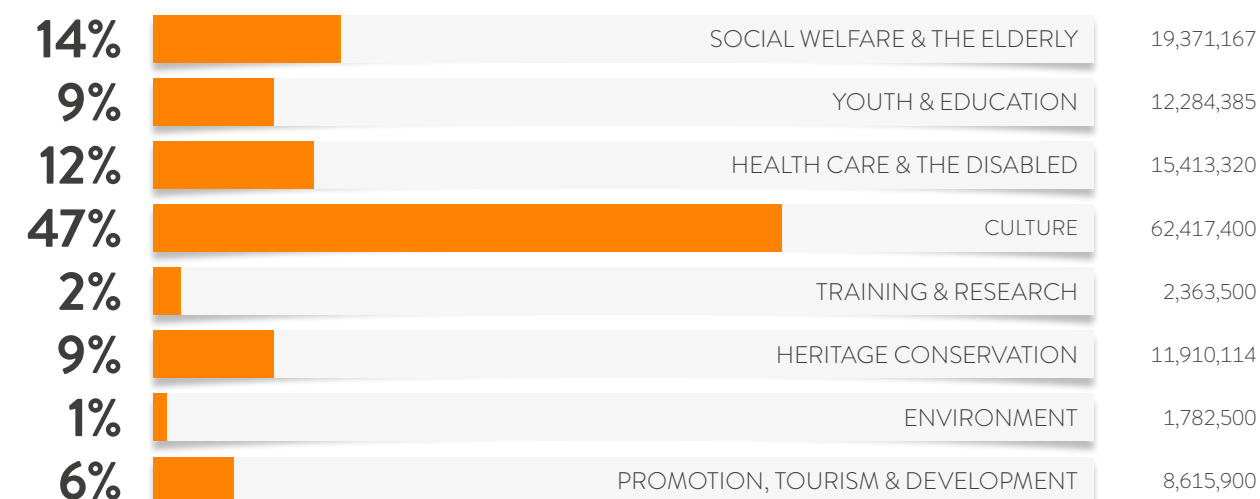
2015 DISBURSEMENTS TO CANTONS

(in CHF)



DISBURSEMENTS BY SECTOR MADE BY DISTRIBUTING BODIES IN 2015

(in CHF)



Vital support

The increase in applications being made to cantonal bodies or to the CPOR provides evidence of the ever-increasing role played by these institutions interwoven into the social and cultural fabric of French-speaking Switzerland. It also re-affirms the dominant role played by Loterie Romande in these bodies' very existence. Its support and backing are even more crucial against the backdrop of funding provided by private companies or the public sector being scaled back.

Promoting sport

Funding allocated to sport, amounting to one-sixth of the profits, is divided between two key entities:

- The cantonal sports bodies which, in turn, help to finance amateur sport (infrastructure, next generation/ grassroots, local events).
- The Sport-Toto company, which, in turn, gives backing to Swiss Olympic, the Swiss Football Association and the National football and ice hockey leagues.

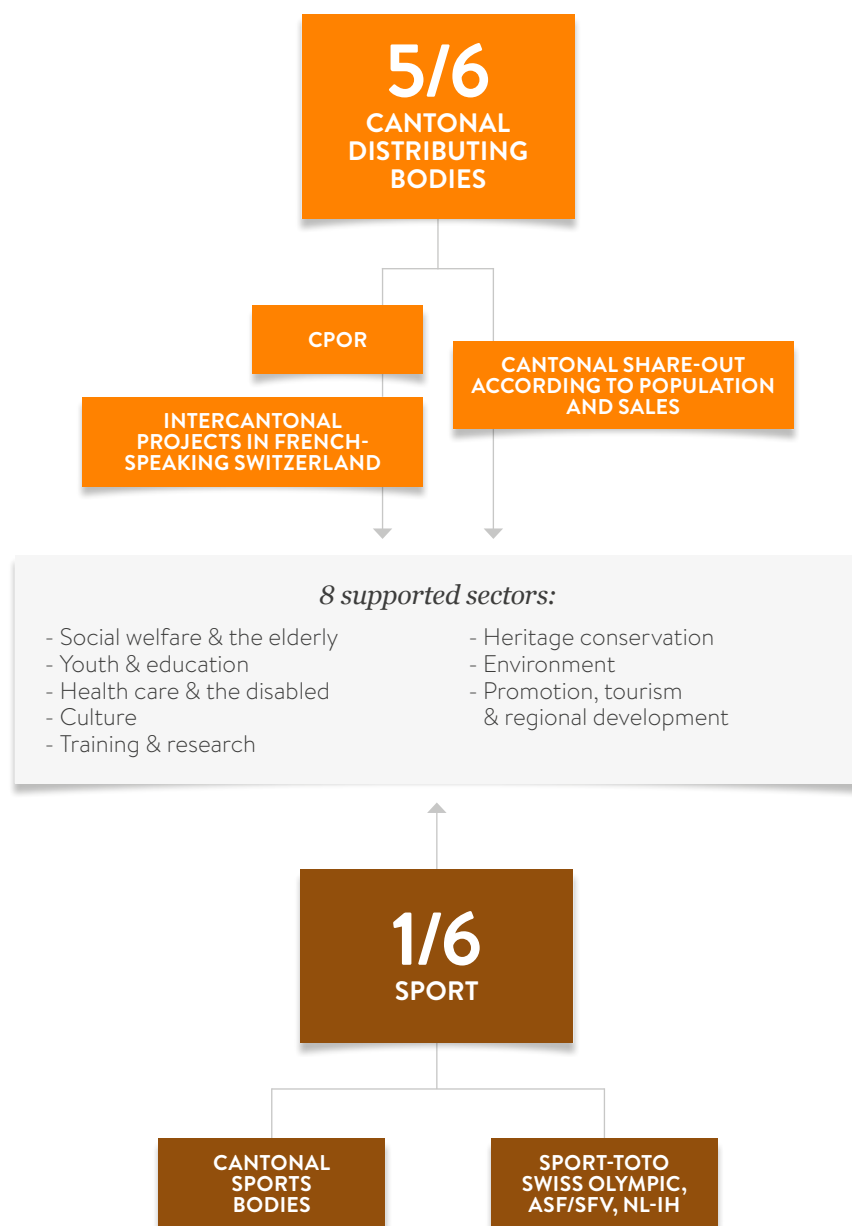
One special case: disabled sports activities can benefit directly from financial backing awarded by the cantons' distributing bodies provided that their funding application is approved.

Equestrian sport

ADEC (*Association pour le développement de l'élevage et des courses de chevaux*), active in equine sports, also benefits from Loterie Romande's financial support (CHF 3.8 million in 2015).

The chart opposite shows the breakdown of profits in 2015 after allocation of funding to ADEC.

SHARE-OUT OF 2015 PROFITS



WHO CAN BE A BENEFICIARY?

Loterie Romande's profits are allocated to not-for-profit associations, organisations, foundations and institutions, but, under no circumstances, to individuals. The contributions should make it feasible for the beneficiary to undertake a project for the common good that does not fall under the heading of a legal obligation incumbent on public authorities (Federal, cantonal or local). For further information: www.entraide.ch.

PORTRAITS

SOCIAL WELFARE

L'Hôpital des Nounours (Geneva)

Hospital, doctors, white coats, operations, injections... not a world that is very reassuring for children. The Hôpital des Nounours ('Teddy Bear' Hospital) is an initiative launched by the *Association des étudiants en médecine de Genève* (Association of Geneva Medical Students), organised in conjunction with students at HEDS (Higher-Education Institute for Health Care) and those studying pharmaceutical sciences. Its purpose is to reassure children and demystify the world of medicine and doctors in a fun way.

When they arrive, the children and their 'sick' teddies are welcomed by one of the "nounoursologists", either a medical



or HEDS student. They work together to make a diagnosis before visiting various hospital departments, depending on what the teddy needs. Children can therefore learn about hospitals by visiting a nursing station, the X-ray department, the operating theatre (anaesthetics and all), the fracture clinic and preventative care, as

well as departments like physiotherapy and nutrition.

An information- and fun-packed day for children, and a wonderful success story for this initiative that celebrates its 10th anniversary this year

www.hopitaldesnounours.com

YOUTH & EDUCATION

Chœur St-Michel (Fribourg)



The Chœur St-Michel is a choir of young people aged 15 to 25 affiliated to the academic high school of the same name in Fribourg. Originating in the Choir School of the Collège St-Michel in 1976, the choir was directed by André Ducret until 2006. After thirty years of success in all

areas – CD recordings, recitals of major works in the choral repertoire, competitions, concert tours – Philippe Savoy took over the baton as Choral Director.

Continuing in his predecessor's choral tradition, he has enabled singers in the

choir to discover major works with orchestral accompaniment (by Mozart, Rutter, Charpentier, Bach, Saint-Saëns, Vivaldi, etc.) as well as pieces by the great maestros of polyphony (such as Monteverdi, Gesualdo, Brahms and Mendelssohn), plus works by some modern masters (Ligeti, Lauridsen, Whitbourn) as well as songs from the popular repertoire. Between 2010 and 2015, regular meetings with musical partners in all French- and Italian-speaking cantons were organised as they worked towards the goal of organising a festival for all the choirs in Fribourg in May 2016 to mark the Chœur St-Michel's 40th anniversary. With Loterie Romande's support.

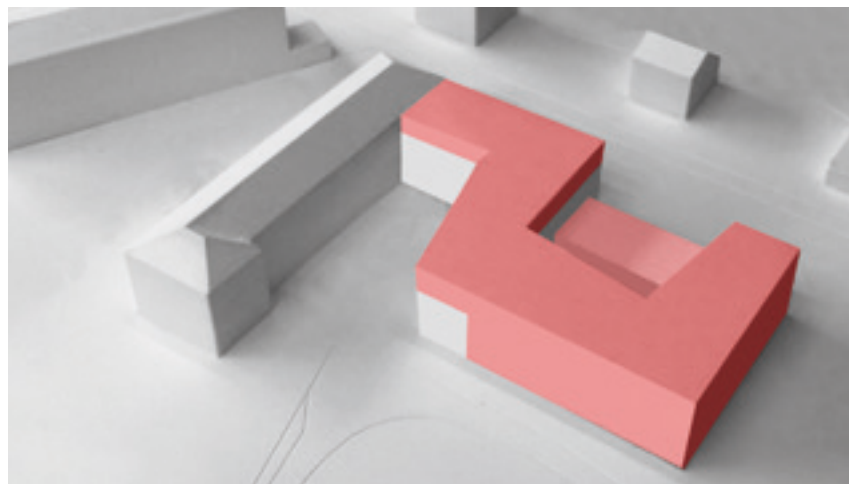
www.choeursaintmichel.ch

HEALTH CARE & THE DISABLED

Fondation Fux Campagna (Valais)

“As much independence as possible, as much assistance as necessary”. That is the watchword for the Fondation Fux Campagna at Viège/Visp, which offers the disabled living in Haut-Valais as welcoming and as vibrant a living environment as possible. It provides those suffering from major physical handicaps or with multiple disabilities a great place to live where they can be offered individualised home-care while being given the opportunity to be as independent as possible.

The Fux Campagna Hostel is currently home to over twenty adults and can offer almost thirty employment posts. It is



having to be expanded to meet mounting needs. Funded jointly by local authorities and donations from several different organisations, the building expansion work will take place over several years and make it possible to offer an extra 15 residential places as well as 17 more

employment positions. Loterie Romande is assisting with financing this work which will meet a real demand for care and assistance for those who need it. www.fuxcampagna.ch



La Plage des Six Pompes, the biggest international festival of street arts in Switzerland, was set up in 1993 to bring the ‘beach’ and its atmosphere to all those who do not have that opportunity to go there. It is held each year in August in La Chaux-de-Fonds. For a week, the festival offers a programme of fifty or

so performing groups to those living in Switzerland’s watchmaking capital and visitors to the town from far and wide.

The purpose of the festival is to create a popular and fun event where the town of La Chaux-de-Fonds, its people, street artists, volunteers and professionals

CULTURE

La Plage des Six Pompes (Neuchâtel)

passionate about their craft can all meet together with public and private partners and sponsors. By providing a different perspective of the townscape and creating fresh perceptions about the town, the La Plage des Six Pompes festival has established a dialogue between artists, audiences and the local townspeople.

Among the many core values espoused by the La Plage des Six Pompes festival has always been the desire to enable as many people as possible to see quality shows and performances without the restrictions and obstacles imposed by affordability or usual cultural habits.

www.laplage.ch



Four out of every ten people in Switzerland will, at some stage in their lives, develop cancer. One in two can currently be cured of the disease. Progress in research and its applications suggest that recovery and cure rates can be even further improved. Achieving that goal is the aim of the ISREC Foundation which, for over 50 years now, has been striving in

the hope of contributing towards the development of new therapies in the not too distant future.

Its main aims are geared towards three areas: translational research (through specific projects favouring the transmission of knowledge and collaborative ventures between fundamental research

TRAINING & RESEARCH

Fondation ISREC (throughout French-speaking Switzerland)

and clinical applications); training scientists and academics (by supporting undergraduates, PhD students and researchers) and the future Agora Cancer Centre.

Born out of the vision of the ISREC Foundation’s founder, Prof. Henri Isliker, who wanted to bring clinicians and fundamental researchers together onto one hospital site, the future Agora Cancer Centre has the aim of creating a top-quality infrastructure to accommodate as from 2017 almost 300 researchers and clinicians working side by side.

www.isrec.ch

HERITAGE PROJECTS & CONSERVATION

Musée Chappuis-Fähndrich (Jura)

The Musée Chappuis-Fähndrich, located at Develier on a farm dating back to the early 19th century, offers visitors the chance to (re)discover over 350 years of the Jura’s past. This original and enchanting museum looks back at the everyday lives of the men and women who shaped the region and who have survived, over time, through their objects, tools, utensils and artefacts.

The permanent exhibition presents an irreplaceable heritage rescued by the museum founders from destruction and oblivion. The museum and its many displays, with over 15,000 objects used between 1650 and 1950, have been designed with the purpose of conserving things



for the future, exhibited in appropriately authentic tableau-like settings. Grouped together thematically, the objects on display intelligently and sensitively narrate the history of the region’s people.

Designed to appeal to all, the museum, with its many objects and different exhibi-

tion areas, accompanies visitors into the grocery store, school, café, timber-yard, forge, chemist’s and many other places frequented by our ancestors. We encourage you to spend some time discovering this bygone world of extraordinary delights.

www.lemusee.ch



PROMOTION, TOURISM & DEVELOPMENT

*Bex Salt
Mines
(Vaud)*

An audiovisual presentation, housed in a former reservoir dug out in 1826, and an exhibition enable visitors to live through and experience the three centuries of the mine's history. A trip on the mine-train then takes visitors right into the heart of the salt mountain.

A visit packed with adventure and history for the family, school parties, company outings or groups of friends to discover the origins of the famous 'Sel des Alpes' (Salt of the Alps).

www.mines.ch

The history of the salt works and mine at Bex is directly connected to the major discovery of salt springs in the Vaud countryside in the 15th century. At that time, salt was a rare commodity that was hard to transport. This allowed the 'mighty' of that age to take advantage of it to wield power and influence, explaining why the discovery of salt in the region was so important.

Today, the Bex Salt Mines form a huge underground labyrinth, with several kilometres open for visitors. The trail allows visitors to discover the most spectacular aspects and typical features of the various salt-excitation techniques used since the first tunnel dug out in 1684 right up to the present day.

IN SPORT

*Indoor
swimming
pool at
Courtepin*

Built in 1973-75, this swimming pool was used by apprentices at the St-Joseph Hostel and schools in the region. In 2010, the Hostel's managers decided, for business and financial reasons, to sell off the swimming pool. At that point, the region's local authorities (10 rural communities) came together to form an association to buy the swimming pool and refurbish it up to modern standards. The swimming pool has been managed by the association since 1st September 2013, with the purchase completed in October 2014. This now means the whole region can enjoy the benefits of this new amenity.



It deserves to be visited by everyone. The main pool, 16.66m long and 8.50m wide, offers local swimming clubs the chance to promote their sport in optimum conditions. It is also well used by other sports and leisure clubs in the region (aquagym, disabled sport, etc.). The general public and schools will be able to use this swimming pool all year round,

benefiting from the pleasure of being able to swim in deep mid-winter.

Loterie Romande's backing has provided a major contribution to see this renovation project through to completion.

www.piscinecourtepin.ch

IN SPORT

*Sabrina Jaquet,
badminton
player*

"At the age of 12, I decided to join the badminton club in La Chaux-de-Fonds. Before then, I used to play plenty of sports with my family, but that was the first time I hit a few shuttlecocks at the club. Until then, I had wavered between focusing on athletics and badminton."

That is how Sabrina Jaquet recalled when she started playing badminton seriously. Born in La Chaux-de-Fonds, Sabrina played badminton for Switzerland at the 2012 Olympics in London and is currently ranked among the top 50 in the world. After combining being an elite sportswoman and pursuing her higher-education studies at the Federal Sports Institute at Macolin, Sabrina Jaquet launched herself into full-time professional competition where she has



enjoyed considerable success. As a Swiss national champion 25 times over, including four times in ladies singles (2013, 2014, 2015 and 2016), Sabrina gives her all, day in day out, whether training hard or competing on the court.

Thanks to the LoRo-Sport Neuchâtel committee for sports funding, Loterie Romande is giving its backing to this

talented sportswoman in a discipline with low media exposure for which it is hard to secure sponsorship. Her major goal for 2016 is to play for Switzerland in the Olympic Games in Rio.

www.sabrinajaquet.ch

www.facebook.com/jaquetsabrina

IN SPORT

*The Geneva
International
Triathlon*



If there is one sport which really stretches you, it is the triathlon. In pushing individuals to their limits through lung-busting efforts, this sport provides a real lesson for life in which young people learn those values that will serve them in good stead in adult life.

Fired by such noble principles, Geneva's Triathlon Club was founded in 1986 by

keen triathletes, including its first President Claude Proz. Right from the outset, the club understood the importance of training and education, bringing in experts. In 1987, it organised the first Geneva triathlon, with the secret hope being harboured that this could become a major event on the European calendar.

Many years later, this hope has been handsomely fulfilled. Today, the event attracts the best European triathletes who compete in a picture-postcard setting framed by the backdrop of the Jet d'Eau and Mont Blanc. The 2015 Geneva International Triathlon, held in glorious sunshine, saw over 2,500 competitors take part, with several Swiss performing magnificently in an event that doubled as the European Championships and which also welcomed paratriathletes.

www.tig.ch / www.geneva2015.ch

SOCIAL REPORT

2015



THE CEO'S MESSAGE



Working for the public good implies being permanently committed to the local community. With this uppermost as its purpose, Loterie Romande has formulated a policy of social responsibility rooted deeply in ethics and transparency, which has shaped Loterie Romande's very identity. This social-responsibility policy is being constantly upgraded in response to the fruitful two-way exchanges of views with all our stakeholders. The policy has an impact on four fundamental cornerstones: the community, the players, our employees and the environment.

Since 2007, in our Social Report, we have been not just informing you about our successes, but also highlighting the progress still to be made in various areas. This approach, whilst being both committed and consistent, is geared towards coming to a better understanding of the strenuous efforts made in terms of social responsibility. It is shared across the board at all levels of the company, with the aim, thanks to the resolve to set an example and to constantly improve, being to ensure Loterie Romande follows a trajectory of sustainable development in its broadest sense.

Although preventing and combating problem gambling remain a top priority, the adoption, year after year, of new indicators and measures as part of the worldwide-recognised Global Reporting Initiative (GRI) benchmark bears witness to our determination to implement tangible measures in favour of sustainable development. On this front, a significant milestone was reached with the inauguration, in spring 2016, of our new company premises in avenue de Provence in Lausanne. This building, designed and constructed in accordance with the most appropriate environmental standards, now brings all of the company's staff together under one roof.

This stage has filled us with optimism and strengthened our resolve to fulfil high standards for our sustainable development. We would like to extend our heartfelt gratitude to all our employees, business partners and suppliers for their commitment, and indispensable contributions and cooperation.

Jean-Luc Moner-Banet
CEO

PRIORITIES

Responsibility towards the community



General aims

- Ensure sustainability of Loterie Romande's profits to be disbursed for good causes while also safeguarding vulnerable groups in society
- Integrate the concept of Corporate Social Responsibility (CSR) into everyday practice
- Maintain balance between expanding the business and social responsibility
- Integrate the principles of transparency and solidarity

Achievement in 2015

- ✓ Renew certificates for compliance with Responsible Gaming principles and standards as laid down by European Lotteries (EL) and the World Lottery Association (WLA)

Challenges for 2016

- Strengthen Responsible Gaming training courses for employees and staff in sales outlets
- Reinforce checks in sales outlets

Responsibility towards employees



General aims

- Foster a social and participatory corporate culture within the company, furthering innovation
- Develop working relations grounded in mutual respect
- Enable all members of staff to develop and blossom in their careers
- Take a lead role in training and integration

Achievements in 2015

- ✓ Implement a new worktime-management IT system
- ✓ Prepare submission to renew Friendly Work Space certification
- ✓ Manage the change connected with relocation of staff to the new Avenue de Provence premises
- ✓ Ensure Loterie Romande managers continue their ongoing training and development

Challenges for 2016

- Improve the visibility of Loterie Romande as an employer in its in-house and external means of communication
- Provide assistance and support to staff in managing change linked to the relocation
- Integrate into HR's roadmap strategic and operational targets relating to managing health issues at work, bolster their implementation and enhance communication on the topic of health in the workplace
- Conduct the 2016 satisfaction survey

Responsibility towards gamblers & players



General aims

- Formulate a voluntary and effective Responsible Gaming policy founded on assessments by outside experts
- Encourage a mind-set (both in-house and externally) attuned to Responsible Gaming

Achievement in 2015

- ① Put in place new measures, based on recommendations made by external experts

Challenges for 2016

- Put in place new measures, based on recommendations made by external experts
- Renew Responsible Gaming leaflets and material available in Loterie Romande points of sale

MÉNAGEZ VOTRE ENVIRONNEMENT

Triez les déchets, éteignez la lumière et les appareils.

Responsibility towards the environment

General aims

- Lessen the impact of the company's business operations on the environment
- Heighten staff's and suppliers' awareness of environmental issues

Achievements in 2015

- ✓ Set up a Committee and strategy for Sustainable Development
- ✓ Put in place an in-house communications platform relating to Sustainable Development
- ✓ Put a mobility plan in place

Challenges for 2016

- Strengthen in-house communication and awareness of various aspects relating to sustainable development of the business
- Put in place a new waste-management policy

SOLIDARITY AND TRANSPARENCY

Since it was founded in 1937, Loterie Romande has played a very significant role in society and the economy, distributing its net profits in their entirety to thousands of organisations working for the good of the community. Bolstered by its commitment to community solidarity, Loterie Romande runs all of its business operations ethically and transparently.



Loterie Romande, a dynamic and innovative company at one and the same time, remains true to those ideals that underpinned its foundation. It, therefore, strives constantly to achieve the delicate balancing-act between expanding the business and being social responsible. This deliberate approach harks back to Loterie Romande's public-service mission and translates, most notably, into implementing tangible preventative measures to combat gambling addiction and establishing a meaningful dialogue with all business partners, suppliers and retailers.

IN A FEW WORDS
VITAL FUNDING FOR THOUSANDS OF ORGANISATIONS

A vital mission

By distributing its net profits in their entirety to public-service projects, averaging more than CHF 500,000 every day, Loterie Romande stands out as an indispensable partner for around 3,000 social, cultural, sports and environmental institutions and organisations. It thus plays a linchpin role in the warp and weft of the social and charitable fabric of French-speaking Switzerland in all its diversity. This vital patronage – enabling thousands of bodies to pursue their activities serving the public good – by no means impairs the economic viability of its business: quite the contrary. By building its business operations on a sturdy framework of ethical, transparent and socially responsible practices, Loterie Romande reinforces its legitimacy while also bolstering the public's trust in it.

Preventing and combating problem gambling

As a leading light when it comes to preventing and combating excessive gambling, Loterie Romande constantly pursues its efforts in this sphere to ensure "gaming remains a game". This simple principle lies at the very heart of all that Loterie Romande does in business and in the strict norms of conduct it imposes on itself, especially in marketing and sales.

- From initial design of the game to the drafting of promotional messages, all games to be offered are checked in advance for compliance with social-responsibility criteria, each stage being scrupulously examined and, if necessary, changes are made.
- Under no circumstances are games targeted specifically at children or

vulnerable groups in society; protecting minors is one of Loterie Romande's priorities.

- No claims made in advertising focus solely on the chances of getting rich by gambling. Advertising and promotions are slanted towards aspects related to fun, dreams and entertainment.

These guidelines form reference points that must be accepted and complied with by all of Loterie Romande's business partners, retailers and suppliers.

Trained retailers

A perfect example and vital component of Loterie Romande's commitment to social responsibility is its training of retailers and staff in sales outlets. All of its retailers, who number some 2,650, take compulsory training specifically on those games they distribute in their own outlets. These training courses are geared towards making them aware of the damaging repercussions of addictive gambling and encouraging them to take appropriate action. The various training programmes are regularly appraised by outside agencies so that they can be continually upgraded.

The purpose is to make retailers aware of their responsibilities as distributors of gambling products. As such, Loterie Romande is determined its retailers should uphold a genuine ethical stance: they must be capable of spotting gamblers in trouble so they can pass on to them useful and targeted information, especially contact addresses of help centres. The results are compelling: after the courses organised in 2015 for retailers with Loterie électronique game machines, 84% of them declared themselves to be either very or quite

capable of recognising a player with problems and duly taking the appropriate action.

On these courses, protecting minors against the dangers associated with gambling is accorded a high level of importance, and this aspect is regularly reinforced.

Sizeable budget earmarked for prevention

The prevalence of addiction to gambling in Switzerland, i.e. the risk of an adult developing a behaviour pattern of excessive gambling, lies between 1% and 2%. Although only a minority of players suffer from gambling addiction, Loterie Romande is very mindful of the seriousness of this issue and is committed to preventing, through various means, the socially damaging consequences of addictive gambling. On top of measures envisaged under its Responsible Gaming programme, a 0.5% duty has been levied annually since 2006 by the cantonal authorities on gross gaming revenues generated by Switzerland's two lottery operators – Swisslos and Loterie Romande.

This levy raises CHF 4.5 million a year and is channelled towards funding cantonal programmes for preventing and treating gambling addiction. In particular, the levy serves to finance the PILDJ, an intercantonal programme against gambling addiction which aims to harmonise the six French-speaking cantons' efforts to prevent and combat problem gambling. The levy ensures that considerable financial means are built up to implement large-scale projects in prevention, treatment and research.

Challenges on the global stage

Gambling as an activity is regulated in most countries round the globe, the primary purpose being to stamp out risks associated with gambling addiction, money laundering and criminality. These threats have been mounting over the last few years as a result of the ever-expanding activities of illegal, mostly offshore-based, Internet gambling operators. Through international organisations like European Lotteries and the World Lottery Association, national public-service lottery companies have swung into action and been lobbying political authorities about the need to establish a regulatory framework with measures appropriate for the gambling and gaming industry, which, by its very nature, cannot be treated like any other sector in the economy.

Loterie Romande is fully involved in formulating and developing best practice in the field of lotteries and sports betting. Keen to dispel threats to players and the integrity of games, particularly associated with the phenomenon of match-fixing, Loterie Romande encourages all initiatives taken to combat these illegal product offerings, which not only have the knock-on effect of diminishing funds available for allocation to good causes, but also leave the door wide open to addiction and dependency. Loterie Romande is thus determined to highlight the great importance it places on being able to offer the playing public a healthy, reliable and safe gambling environment.

IN A FEW WORDS
COMMITMENT TO A POLICY OF COMPLIANCE WITH REGULATORY PRINCIPLES

PREVENTING AND COMBATING PROBLEM GAMBLING

IN A FEW WORDS

A PROGRAMME
DEIGNED AND
DEVELOPED IN
PARTNERSHIP
WITH RENOWNED
EXPERTS

With the backing and support of researchers and experts of world renown, Loterie Romande ranks as one of the most active and committed operators in preventing and combating addictive gambling. As a pioneer in implementing tangible Responsible Gaming measures, Loterie Romande possesses the highest levels of certification in this sphere.

Loterie Romande's Responsible Gaming programme, launched on its own initiative in 1999, is a keystone of the company's corporate strategy. The policy demands complete commitment not just from Loterie Romande's management and all departments, but also from retailers and outside suppliers. Protect-

ing minors is one of the cornerstone priorities in this programme. In this respect, all Loterie Romande stakeholders are involved, having their roles to play to live up to players' expectations while, at the same time, protecting the most vulnerable against dangers associated with problem gambling.

Tangible and effective measures

In order to be able to put reliable and effective preventative tools in place, Loterie Romande works in close collaboration with researchers and experts of world renown in the field of gambling addiction. This approach covers three main areas of intervention:

SCIENTIFIC RESEARCH

- Exchange of information and consideration given to the recommendations from specialist researchers.
- Active cooperation with specialist bodies, such as the *Centre du Jeu Excessif* at Lausanne's Cantonal University Hospital (Loterie Romande supported the setting-up of this unit), the *Rien ne va plus* Association in Geneva and Stockholm's SiLabs.

PREVENTATIVE MEASURES AT GAMBLERS' LEVEL

- Strict age limits for each type of game: 16 years for scratch-cards or draw-based games; 18 years for PMU, Loterie électronique machines and all online games.
- Dissemination of precise and detailed information about risks associated with addictive gambling and assistance available if playing is turning into a problem.
- Installation of technical and environmental moderators on Loterie électronique machines (not making their location comfortable, on-screen

warning messages, etc.) and the on-line games platform (caps on losses, possibility of self-exclusion, etc.).

RAISING AWARENESS AMONG RETAILERS AND PARTNERS

- Compulsory training of all retailers and staff members in a targeted way and relevant to their responsibilities.
- Promotion of a healthy gaming environment by making publications and leaflets available in all sales outlets that contain comprehensive, useful information about help centres.
- Regular and systematic monitoring of the implementation of the required Responsible Gaming guidelines in sales outlets, with action being taken where deemed necessary.

Targeted information

On the advice of researchers and specialists, every player must be able to find out information easily about gambling dependency and to seek, if wanted, assistance from qualified therapists. Loterie Romande adheres scrupulously to this principle of 'informed choice', implying that all retailers must be capable of providing this information appropriately to players, i.e. their clients. An instructional brochure has been published for this purpose, containing all the addresses of appropriate help centres in French-speaking Switzerland. It is available at all points of sale.

Protecting minors

Studies have proved that young children who have regular contact with forms of gambling are at greater risk of turning into gambling addicts in adulthood. This explains why Loterie Romande imposes, of its own volition, strict age limits for its games: no minors aged 16 or under are allowed to play. Loterie Romande is adamant about sticking rigidly with this ban, which is clearly displayed on all scratch-card and lottery game tickets and grids offered in retail sales outlets.

IN A FEW WORDS

COMPULSORY
TRAINING FOR
ALL RETAILERS
AND STAFF

For other games, like the Loterie électronique machines, PMU or online games, the age limit is set even higher, at 18.

To ensure these age limits are complied with, inspections are undertaken regularly by sales advisors (members of Loterie Romande's own staff) and by 'Mystery Shoppers' who are responsible for anonymously checking sales outlets (bars, cafés or restaurants). Each retailer with Loterie électronique equipment was visited at least four times in 2015. Eight retailers were issued with a formal warning, and two others had their contracts terminated. These measures taken bear testimony to how effective the controls are. In 2015, visits from 'Mystery Shoppers' were extended to cover PMU and LotoExpress sales outlets.

Prevention on the Internet

Since it was launched in 2010, Loterie Romande's online gaming platform has been fitted with essential and reliable tools to enable players to moderate their online gambling. The aim is to help players to keep control over the sums of money they are staking and be aware of their losses as well as their gambling behaviour. These moderators are constantly being upgraded. They include:

- compulsory registration, restricted exclusively to individuals aged over 18 years and resident in one of the six French-speaking Swiss cantons;
- stringent checks on age and place of residence when a gaming account is opened (players are required to provide a copy of their identity papers);





- possibility for all users to set caps on their daily, weekly or monthly losses; these ceilings are compulsory for the range of virtual scratch-cards.
- The Internet platform also offers players the opportunity to undertake a self-evaluation survey, compiled by experts, on whether and how they should play, and, if they wish, players can exclude themselves from playing on the site for a specific period ranging from one day to one year.

Loterie électronique

The 700 Loterie électronique machines installed throughout the 350 sales outlets in French-speaking Switzerland have always been subject to particularly stringent Responsible Gaming measures. Fully refurbished in 2011, the equipment terminals are fitted with numerous

technical and environmental moderators: slowed scratching speed; no facility for payment by credit card or bank notes; lack of comfort when playing on machines; preventative warning messages scrolling directly across the gaming screen, etc. These moderators are regularly assessed by experts so that they can be constantly improved.

In 2015, Professor Mark Griffiths, Director of the International Gaming Research Unit at Nottingham Trent University, conducted a study that demonstrated the relevance and effectiveness of protective features fitted on Loterie électronique equipment. Recommendations made as part of this study will be followed up with new measures being installed during the course of 2016.

Interactive training

Since 2009, Loterie Romande has been running compulsory interactive training courses for all of its retailers and its own staff members. Developed in conjunction with SiLabs (www.silabs.se), a Swedish research agency unanimously acknowledged for its expert know-how in Responsible Gaming, this training programme, the content of which was completely overhauled in 2014, serves not only to give those following the training a knowledge base about gambling addiction, but also to equip them with the right responses should the need arise. Interviews with psychologists, alongside role-play exercises in dealing with real-life situations, make the training more realistic. The course concludes with a test leading to a certificate being awarded to those who pass, a compulsory requirement for all staff members and all retailers.

**0800 801 381
FREE-PHONE
NUMBER IN
SWITZERLAND**

Players in distress or their family and friends can seek expert help by dialling 0800 801 381. This Helpline number, run by the PILDJ (Intercantonal programme against gambling addiction), is featured widely on Loterie Romande's materials. www.sos-jeu.ch

ENCOURAGING TRAINING AND INNOVATION

**IN A
FEW
WORDS**

A TRAINING
COMPANY KEEN
ON MAINTAINING
THE QUALITY OF
THE WORKPLACE
ENVIRONMENT
FOR ITS STAFF

Since it was founded in 1937, Loterie Romande has been evolving and innovating non-stop. Today, confronted by ever-changing consumer-spending habits and technological progress, those women and men who work for the company are the prime movers driving its development and expansion. Several initiatives were undertaken in 2015 to encourage training and professional excellence.

From 26 employees in 1980 and 120 by 2000, Loterie Romande now has some 282 employment posts in a whole host of quite disparate areas, ranging from games design to IT and back-office services. This expansion in its workforce has been managed through formulation of a policy fostering innovation and promoting a workplace environment that is both creative and stimulating.

A training company

Loterie Romande is proud of being a training organisation. A group of eleven apprentices is being permanently trained up, comprising three future IT specialists and eight business/commercial apprentices. In 2015, three Federal Vocational Education Training Certificate courses were passed by company employees, with Loterie Romande placing singular importance on enabling and assisting young people to take their first steps along their career paths. In November 2015, Loterie Romande took part in the Careers & Training Fair held in Lausanne, enabling thousands of school children and students to discover the broad diversity of jobs at the company.



start@loro

When it comes to training, Loterie Romande has instituted a programme geared towards helping young people to enter the professional world: start@loro enables young higher-education and university graduates to make a start on their chosen careers with Loterie Romande. Six people, working in the fields of marketing, PR/communications, IT, HR and sales, are already benefiting from this programme which Loterie Romande intends to expand in coming years to ensure the company will benefit from the next generation of managers of the highest calibre and to enable young graduates to make a great start to their working lives.

Professional integration

Loterie Romande is also keen to develop, as far as possible, a programme to re-integrate people who have been absent from the jobs market for considerable time. A collaborative venture developed with Formation IPT ('Integration for All') has proved highly positive. This aims to offer in-service placements to people on invalidity benefits or to job-seekers. In

2015, Loterie Romande, working with this organisation, welcomed two people on such internships for professional integration.

Ongoing training & education

So as to enable all members of staff to develop and acquire fresh knowledge, Loterie Romande has been formulating for several years now a programme of ongoing training schemes and has instigated different measures to encourage as many of its employees as feasible to take advantage of the opportunities available. Several new training schemes are regularly introduced, particularly connected to management of health and welfare at work and interpersonal communication. Specialised driving courses for those using vehicles for business purposes and management workshops for dealing with phone calls have also been provided. For longer-duration training courses, staff members can be granted financial support, and time spent training can be counted in lieu of working hours.

In 2015, 104 members of staff took part in the ongoing training programmes – that involved over 3,000 hours of lessons and courses all in all.

The Swiss Health Promotion Foundation label

Health and well-being at work are major topics of interest for Loterie Romande, which has devised several major initiatives to be able to provide its staff members with optimal working conditions that are as healthy as possible.

- There is a 'No Smoking' policy in force throughout the company's premises.
- Its offices have been refurbished and redesigned with input from export consultants in ergonomics.
- A new staff restaurant was opened with greater menu choice and a pleasant setting including a wonderful terrace.
- Fresh fruit is available free of charge in the staff cafeterias.
- A 20-minute seated massage by a qualified therapist is offered to all staff.

- Employees are offered the opportunity to have a comprehensive health check-up by an accredited practitioner free of charge and anonymously.

This array of measures, constantly reviewed and improved, highlights Loterie Romande's serious commitment to promoting health and well-being at work. This aim was formally recognised in 2013 with the award of the "Friendly Work Space" label by the Swiss Health Promotion Foundation. Loterie Romande received this distinction thanks to its effective management of health-related issues at the company and the particular attention paid to how work is organised and its social responsibility.



LOTERIE ROMANDE'S EMPLOYEES



STAFF NUMBERS	282 INCL. 55 MOBILE TICKET-SELLERS	52% WOMEN	48% MEN
236.05		FULL-TIME EQUIVALENT	
44%		PERCENTAGE WORKING PART-TIME	
44 years old		AVERAGE AGE	
11		STAFF UNDERGOING TRAINING (APPRENTICES)	
2		PEOPLE BEING RE-INTEGRATED INTO PROFESSIONAL LIFE	
3.64%		ABSENTEEISM RATE (EXCLUDING TRAINING AND MATERNITY LEAVE)	
7.8%		STAFF ROTATION (EXCLUDING THOSE ON FIXED-TERM CONTRACTS)	



“As part of my internship with Loterie Romande, I was delighted to have the opportunity to broaden my knowledge base in a dynamic company where innovation and project execution are so actively encouraged.”

Laetitia Lavergne, graduate intern in Loterie Romande's Marketing department

Making everyday life that little bit easier

Since 2014, Loterie Romande has also offered an external and impartial service to help employees who might have run into some difficulties. This corporate social-welfare assistance is undertaken by fully qualified social-care workers who can advise employees going through a difficult time in their lives, for example family troubles (separation, divorce, etc.), or experiencing other personal or private issues.

In readiness for relocation of employees to the single site in avenue de Provence, a mobility plan was drawn up and put in place. This involved not only sorting out the allocation of car park places, but also putting forward a range of 'soft mobility' measures and incentives to use public transport. The range of information on this subject has been broadened, and employees who have tended to use their cars to come to work have been encouraged to look into other eco-friendlier transport options.

Families in the spotlight

For a number of years now, Loterie Romande has opened its doors wide to children on the "Oser tous les métiers" (lit.: "Be bold and try all types of jobs") day organised in conjunction with local schools. On 12 November 2015, around a dozen pupils accompanied their parents to work: this day is one full of insight and discoveries on both sides.

As part of the end-of-year festivities, Loterie Romande also organised, in its time-honoured fashion, its children's Christmas party. For one afternoon, Father Christmas paid a visit to delight and entertain both young and the not so young alike. This day of celebration enables Loterie Romande's staff and families to establish more informal and closer workplace friendships in a more convivial setting.

ANCHORING SUSTAINABLE DEVELOPMENT

Safeguarding the environment is of paramount importance to Loterie Romande, which has been taking a range of tangible initiatives to further its sustainable development. These measures put in place involve ever more employees and suppliers to the company, and they are geared towards cementing the idea of sustainability as a core precept for its business operations.



IN A FEW WORDS

NEW INFRASTRUCTURE DESIGNED ACCORDING TO THE HIGHEST ECO-FRIENDLY STANDARDS

The impact on the environment that Loterie Romande has is, above all, related to the amount of paper it uses. As a gambling operator, Loterie Romande strives, as a priority, to curb its consumption of paper as part of its drive towards developing sustainably. However, the company also takes action in several other areas: energy saving, business travel, point-of-sale materials and waste management.

In each of these areas, tangible measures are taken, relating, particularly, to systematic paper recycling in offices and the collection of used batteries or electronic material. For several years now, an efficient procedure has been in place for sorting plastic waste as well as for special

types of waste material, such as used solvents, aerosols, etc. When it comes to travel for work purposes, Lausanne Métro multi-trip tickets are given to staff to encourage them to use public transport. All vehicles in Loterie Romande's fleet are fitted with particulate filters.

In a bid to encourage employees to adopt appropriate behaviours, numerous awareness-raising campaigns have been conducted within the company, using the Loterie Romande intranet, which has a whole section dedicated to sustainable development. Exhibitions and displays on this topic are regularly arranged – these always arouse plenty of interest, provoking much debate and exchanges of views and ideas.

Getting all stakeholders involved

Loterie Romande places great significance on pursuing a comprehensive sustainability policy and getting all of its business partners, suppliers and sales

outlets involved as well. To do this, Loterie Romande endeavours to foster cooperation founded on the same lines of social-responsibility thinking so that it can ensure the best standards of sustainability practice are applied to the process of producing and distributing its games, from start to finish.

Loterie Romande systematically includes criteria relating to sustainable development, in connection with environmental protection, in its tendering procedures. This principle extends along the full length of its production chain: from choices about supplies to waste management and transport matters. For instance, Loterie Romande requires printers to use FSC paper for all types of publication, irrespective of whether these are management reports, publicity or advertising material or magazines for retailers.

On this score, new avenues are constantly being explored, the aim being to take due account of the latest break-

throughs in sustainable development. Purchasing policy and the design of point-of-sale materials have come under the spotlight with a view to reducing the company's environmental impact.

The company's new building – an eco-friendly commitment

All Loterie Romande's efforts made as part of the drive to develop the business sustainably have been crystallised most significantly in the construction of its new head office building. These new premises, located in Lausanne's avenue de Provence, will, as from March 2016, bring all of Loterie Romande's employees together under one roof in a building designed in compliance with the highest environmental standards.

Work to add a new floor in the attic space and renovation to refurbish the already existing fabric of the building were undertaken by local contractors, and the project made it possible to make significant tangible environment-

friendly improvements. These were made primarily in the following areas:

- lighting;
- heating;
- office equipment;
- air conditioning;
- consumption of water;
- ground, flooring and infrastructure quality;
- etc.

Apart from aspects related to building materials used, measures aimed at producing a significant impact in a number of areas, such as paper consumption and waste management, have been put in place. A new staff mobility plan has made provision for more incentives to use public transport, including offering discounted season tickets or making a contribution towards buying electric bikes.

GRI – applying G4-level criteria

Since March 2012, Loterie Romande has adopted the world-recognised Global Reporting Initiative (GRI) benchmark to boost awareness of its sustainability policy. In both 2013 and 2014, Loterie Romande extended the framework of its GRI appraisal to cover a whole series of additional criteria and key performance indicators. As part of this Social Report, Loterie Romande has adopted the more exacting G4 GRI guidelines, which make it feasible to monitor the company's environmental and social track record.

This approach highlights the utmost seriousness and relevance of the social responsibility policy pursued by Loterie Romande: it demonstrates the company's steadfast and structured commitment towards the community, players, employees and the environment.

SUSTAINABLE
DEVELOPMENT
REPORT

GENERAL STANDARD
DISCLOSURES



Foundation for sustainable development in mountain regions

Compliance option

The purpose behind the Global Reporting Initiative is to guarantee the transparency and comparability of companies' sustainable development reports throughout the world by laying down, in conjunction with a broad array of specialists from the worlds of the economy, civil society and science, quality standards to be applied when such reports are compiled.

This business report was drawn up in accordance with GRI G4 guidelines in compliance with the option relating to key essential criteria.

For the full table:
www.loro.ch/publications

Applicability and baseline data

For nine years in a row now, Loterie Romande has published a Social Report, reporting on its successes as well as on difficulties encountered in implementing its corporate social responsibility (CSR) policy. This Social Report has been incorporated into the Annual Report since 2009. It outlines those measures taken by Loterie Romande in four key areas: the community, the players, the employees and the environment.

This Social Report relates to the 2015 calendar year and is founded on statistics and information gathered from all heads of department, outside suppliers and business partners associated with the Responsible Gaming policy.

MATERIAL ASPECTS	DESCRIPTION	DIRECT ANSWER OR CROSS-REFERENCE TO PAGES IN THE ANNUAL REPORT AND SOCIAL REPORT 2015
STRATEGY AND ANALYSIS		
G4-1	Statement from the most senior decision-maker in the organisation about the relevance of sustainability for the organisation and its strategy	p. 37
ORGANISATIONAL PROFILE		
G4-3	Name of organisation	Société de la Loterie de la Suisse Romande
G4-4	Primary brands, products and/or services	pp. 14-16
G4-5	Location of organisation's headquarters	Lausanne (Switzerland)
G4-6	Number/name of countries in which the organisation operates	Switzerland
G4-7	Nature of organisation's ownership and legal status/form	Association
G4-8	Markets served	Design, distribution and sale of lottery games and sports betting in the six cantons of French-speaking Switzerland
G4-9	Size/scale of organisation	pp. 3, 12-13, 46
G4-10	Total number of employees by employment contract and gender	Total workforce: <ul style="list-style-type: none">282 employees (134 men and 148 women) By employment contract: <ul style="list-style-type: none">255 indefinite/permanent contracts (124 men and 131 women)18 fixed-term contracts (10 men and 8 women), including apprentices9 auxiliary staff (2 men and 7 women)6 temporary staff (2 men and 4 women)159 full-time contracts (113 men and 46 women)123 part-time contracts (21 men and 102 women)
G4-11	Percentage of total employees covered by collective labour agreements	Loterie Romande is not a signatory to any collective labour agreement (known in Switzerland as "Convention Collective de Travail"/CCT)

MATERIAL ASPECTS	DESCRIPTION	DIRECT ANSWER OR CROSS-REFERENCE TO PAGES IN THE ANNUAL REPORT AND SOCIAL REPORT 2015
G4-12	Description of the organisation's supply chain	The supply chain includes suppliers of gaming equipment terminals, automatic ticket-distribution machines or online gaming systems, specialist printers, graphic artists, marketing and advertising specialists, and service providers in the areas of information and interactive media.
G4-13	Significant changes during the reporting period regarding the organisation's size, structure, equity capital, or its supply chain	No significant change

COMMITMENTS TO EXTERNAL INITIATIVES

G4-14	Report on whether and how the precautionary approach or principle is addressed by the organisation	pp. 37, 42-44
G4-15	Externally developed economic, environmental and social charters, principles or other initiatives to which the organisation subscribes or which it endorses	pp. 26-27
G4-16	Memberships of associations (such as industry associations) and involvement in national or international advocacy organisations	pp. 23, 41

IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES

G4-17	Entities included in the organisation's consolidated financial statements	All of the company's entities are included in the consolidated financial statements.
G4-18	Process for defining the report content and the aspect boundaries/implementation of reporting principles for defining report content	The GRI Implementation Manual for identifying material aspects and boundaries, together with the relevant principles, were applied when compiling the content of this report, most notably identifying material aspects and significant themes relating to the impact of the organisation, prioritisation of the aspects and validation. The report's structure and content are stipulated by Loterie Romande's management. The data and information were collated from interviews conducted with stakeholders (both in-house and external).

MATERIAL ASPECTS	DESCRIPTION	DIRECT ANSWER OR CROSS-REFERENCE TO PAGES IN THE ANNUAL REPORT AND SOCIAL REPORT 2015
G4-19	Material aspects identified in the process for defining report content	Category – Economic: <ul style="list-style-type: none">Economic performanceMarket presenceIndirect economic impactsProcurement practices Category – Environmental: <ul style="list-style-type: none">Energy Category – Social: <ul style="list-style-type: none"><i>Labour practices and decent work:</i> employment, labour/management relations, occupational health & safety, training & education, diversity and equal opportunity, equal remuneration for women and men, grievance mechanisms as regards labour and employment practices<i>Human rights:</i> Non-discrimination<i>Society:</i> Local communities, anti-corruption, public policy, compliance, grievance mechanisms as regards impact on society<i>Product responsibility:</i> Customer health & safety, product & service labelling, marketing communications, customer privacy, compliance
G4-20	For each material aspect, report on the aspect boundary within the organisation	The aspect boundary for each material aspect is significant for all operations within the organisation. The company's organisation and structure are presented on p.11. All operations and entities were taken into account.
G4-21	For each material aspect, report on the aspect boundary outside the organisation	The material aspects apply to the whole of the company in the cantons of French-speaking Switzerland.
G4-22	Reasons for and effect of any restatements of information provided in previous reports	No restatements of information provided in previous reports
G4-23	Significant changes from previous reporting periods in the scope and aspect boundaries used in the report	No significant change

MATERIAL ASPECTS	DESCRIPTION	DIRECT ANSWER OR CROSS-REFERENCE TO PAGES IN THE ANNUAL REPORT AND SOCIAL REPORT 2015
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STAKEHOLDER ENGAGEMENT

G4-24	List of all stakeholder groups engaged by the organisation	Players, beneficiaries, employees, retailers, suppliers, authorities, public-interest groups. Detailed information on Loterie Romande's stakeholders is presented in the table of stakeholders on pp. 24-25 of the <i>2015 Annual Report and Social Report</i> in the column headed "Stakeholders".
G4-25	Basis for identifying and selecting stakeholders with whom to engage	Loterie Romande works closely together with its main in-house and external stakeholders and engages with the main players who interact with the company.
G4-26	Organisation's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group	Loterie Romande's approach to stakeholder engagement is described in detail in the table of stakeholders on pp. 24-25 of the <i>2015 Annual Report and Social Report</i> in the column headed "Means of dialogue".
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting	The exhaustive list of key topics and concerns raised through stakeholder engagement is presented in the table of stakeholders on pp. 24-25 of the <i>2015 Annual Report and Social Report</i> in the column headed "What is expected of Loterie Romande". Information on how Loterie Romande has responded to these expectations can be found in the column headed "Projects or programmes".

REPORT PROFILE

G4-28	Reporting period for information provided	Calendar year (01.01.2015-31.12.2015)
G4-29	Date of most recent previous report	May 2015
G4-30	Reporting cycle	Annual
G4-31	Contact point/person for questions regarding the report or its contents	Communications Department & Sustainable Development (rp@loro.ch) Publishing details p. 56

MATERIAL ASPECTS	DESCRIPTION	DIRECT ANSWER OR CROSS-REFERENCE TO PAGES IN THE ANNUAL REPORT AND SOCIAL REPORT 2015
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GRI CONTENT INDEX

G4-32	Table showing location of the various items of information as required in the report	pp. 50-55
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ASSURANCE

G4-33	Organisation's policy and current practice with regard to seeking external assurance for the report	p. 50 and <i>2015 Financial Report</i> (notes to <i>2015 Annual Report and Social Report</i>) pp. 18-19
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GOVERNANCE

G4-34	Governance structure of the organisation, incl. description of terms of reference and membership of committees	pp. 8-11, 28-30
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ETHICS AND INTEGRITY

G4-56	Organisation's values, principles, standards and norms of behaviour, such as codes of conduct and codes of ethics	pp. 2, 26-27, 42-44
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