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Legal Notice
Dear Readers,

2016 was a year of high-intensity work for Lotto Baden-Württemberg. After an eventful jubilee year, we concentrated on the core business in 2016 and set the direction for the future. The Lotto Academy, close to Freiburg, was opened at the start of the year. In cooperation with the Lotto Academy in Bavaria, we offer the authorized retailer staff in Baden-Württemberg selected seminars for their everyday work. We are therefore investing in the further training and qualifications of our authorized retailers – our most important partners.

The company’s third Lotto partner day, now almost a tradition already, was held in September last year. The Lotto public were presented here with the new terminal generation for retailers. In 2016 we have quietly worked intensively on the specifications and the realisation of the distribution phase for the new terminals. The new LOGEO lottery was also presented, which has been drawn exclusively in Baden-Württemberg since March 2017. LOGEO is a departure from the tradition of numbers and uses geo-based data. The players can take part with their address, which is translated into geo data and a game tracking number. The new lottery’s special feature is that it guarantees a prize of Euro 100,000 every week, exclusively in Baden-Württemberg.

Stakes in Baden-Württemberg increased by 2.2% compared to the previous year. The company’s strategy, with sustainable strengthening of the stakes network and investment in digital expansion, is paying off. By updating the homepage and awarding additional premium authorized retailers in the south west, we have further strengthened the customer service – both on the internet and in retail.

We are investing in player, youth and consumer protection. This also differentiates us from illegal and high-risk gambling offers. Lotto Baden-Württemberg has financed an innovative prevention scheme for young people with a risk of becoming addicted to gambling. The programme JOKER and the accompanying App have been realised by the experts at the prevention institution Villa Schöpflin in Lörrach, the Duale Hochschule Lörrach and with support from Lotto Baden-Württemberg. JOKER teaches information about forms of gambling addiction. In addition, paths out of high-risk, problematic or pathological gambling are highlighted.

2016 was an eventful year for the Glücksspielstaatsvertrag (German Interstate Gambling Treaty). At the Minister Presidents’ Conference in October, the 16 state government heads agreed changes to the Glücksspielstaatsvertrag. Lotto Baden-Württemberg welcomes the fact that the states have unanimously agreed a change to the Glücksspielstaatsvertrag relating to sports betting and to bundling nationwide tasks to the authorities.

Gambling is not a normal commodity but rather is connected with particular dangers. If we pursue the known proposals to liberalise gambling in Germany, Germany would have the most comprehensive gambling offer in the whole of Europe. A situation, which would lead to high social risks in relation to money laundering and youth and player protection. Politicians must keep their hands on the wheel in the area of gambling. Here, in particular, the state has a structural and regulatory task that it must fulfil.

I would like to thank all the employees, and the entire sales organisation, for their commitment and high levels of engagement in 2016. We are in the middle of the future of state gambling. Let’s take the path together.

Kind regards,

Marion Caspers-Merk
Managing Director
Business development 2016

Stakes up again

In 2016, the stakes volume for Lotto Baden-Württemberg was roughly € 967.4 million. Compared to the 53 event weeks in 2015, this is an increase of 2.2% or € 21.3 million. Lotto Baden-Württemberg paid out € 478.5 million to players. € 378.3 million was made for the state. This amount comprises € 161.9 million in lottery tax and € 216.4 million in revenue dedicated so special purposes. Of this, the state allocates € 132.3 million to the Lottery Fund to support sport, art and culture, the protection of monuments and social projects in Baden-Württemberg.

The renewed positive development in stakes is due to the more favourable development of the jackpot in LOTTO 6aus49 and Eurojackpot, the additional income in the area of instant lotteries, the launch of the € 10 “Platin 7” ticket in January 2016, and the favourable development of stakes of ODDSET following the company’s participation in a trial of an increased payout percentage. In addition, the positive impact of the Eurojackpot systems launched in September 2015 and the possibility to take part in the additional lotteries Spiel 77 and SUPER 6, as well as in GlücksSpirale on Eurojackpot tickets, is reflected in the development of the gaming business. As in previous years, the trend for increased gambling via the internet continued in 2016. Growth of 30.4% or around € 12.5 million was achieved here compared to 2015. There were changes to the Silvester-Millionen lottery. In the reporting year, a fourth prize class (50,000 x € 10) and an extra million Euro prize in prize class 1 were introduced. The odds of winning the maximum prize remain at 250,000:1 thanks to the four one-million prizes.

The number of authorized retailers in Baden-Württemberg declined slightly in 2016. This is partly due to the ongoing restrictions relating to advertising. In addition, the illegal providers of so-called “black lotteries” in Germany have drastically increased their advertising expenditure online and offline and have a greater presence than ever before. These illegal providers do not organise lotteries, but instead merely offer bets on the results of, for example, LOTTO 6aus49, Eurojackpot or KENO. The lack of statutory enforcement is causing this development.

<table>
<thead>
<tr>
<th>Proportion of individual lottery and gaming types as a proportion of total stakes</th>
<th>in € million</th>
<th>in %</th>
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<tbody>
<tr>
<td>LOTTO 6aus49</td>
<td>493.9</td>
<td>51.1%</td>
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<tr>
<td>Eurojackpot</td>
<td>133.3</td>
<td>13.8%</td>
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<td>Additional lotteries</td>
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<td>18.0%</td>
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<td>Sportsbetting</td>
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<td>GlücksSpirale and Sieger-Chance</td>
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<td>Instant lotteries</td>
<td>60.2</td>
<td>6.2%</td>
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<td>Silvester-Millionen</td>
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<td>1.0%</td>
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<tr>
<td>Total</td>
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<td>100%</td>
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<th></th>
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<td>GlücksSpirale and Sieger-Chance*</td>
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<td>901.3</td>
<td>909.7</td>
<td>829.9</td>
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* in Baden-Württemberg since 28 June 2016
Overview of gaming types

LOTTO 6aus49
Stakes of LOTTO 6aus49 in 2016 totalled € 493.9 million. This corresponds to a reduction of € 29.6 million or 5.7% compared to the previous year. The percentage of LOTTO 6aus49 in total stakes made by the company in 2016 amounts to 51.1%. The old favourite therefore remains the company’s highest earning product.

The more attractive jackpot development took place in 2016 in the Eurojackpot lottery. It therefore cannot be ruled out that some of the players have reallocated the budget available to them from LOTTO 6aus49 to Eurojackpot. While the highest Eurojackpot jackpot in 2016 reached a volume of around € 34.5 million, a total of five very attractive jackpots were formed for Eurojackpot. The weekly stakes in 2016 per inhabitant of Baden-Württemberg amounted to € 0.87.

Eurojackpot
The Eurojackpot lottery recorded growth of 28.1% or € 29.2 million in 2016. Stakes amounted to around € 133.3 million. This makes the Eurojackpot lottery the company’s second-strongest product. Overall, five attractive jackpots formed in the reporting year, which totalled up to around € 76.8 million, € 78.3 million, € 84.8 million and twice up to € 90 million. The weekly stakes in 2016 per inhabitant of Baden-Württemberg for the Eurojackpot amounted to € 0.24.

In the first drawing on New Year, a new record win went to North-Rhine Westphalia. At € 49.7 million, this was the largest lottery win to date in this state. At Easter, there followed a € 76.8 million win – also in North-Rhine Westphalia – which at the time was the largest win in German lottery history. In late July, a pair from Hessen celebrated a win of € 84.8 million. By October of the reporting year, the jackpot had grown to his maximum of € 90 million – and the winner came from Baden-Württemberg.

The Baden-Württemberg Eurojackpot player had the five winning numbers 7, 10, 25, 39 and 42 in the draw on 14 October. His ticket also had the two European lottery bonus numbers 3 and 6. Making him the only winner across Europe. The player had tested his luck in a Lotto authorized retailer in the Black Forest. His stake was € 20. This day was rounded off with another winner in Karlsruhe. This player won the second prize class in the Eurojackpot and was able to celebrate winning € 2.78 million. On the same day there were two more winners in the third prize class, each from the south west and winning T€ 109.

By 30 December 2016, the Eurojackpot had again reached € 90 million in prize class 1. The first prize class remained unclaimed in the last draw of the year. Because of the spill over from the jackpot in prize class 1, there was another jackpots which formed in the reporting year, which totalled up to around € 76.8 million, € 78.3 million, € 84.8 million and twice up to € 90 million. The weekly stakes in 2016 per inhabitant of Baden-Württemberg for the Eurojackpot amounted to € 0.24.

Stakes received by the entire Eurojackpot lottery cooperation in 2016 totalled around € 1.84 billion (2015: € 1.91 billion). The increase in stakes compared to the previous year amounts to around 19%. The number of winners was increased across Europe in the reporting year. In 2015 there were almost 31 million winners, the number increased in 2016 to around 34 million. Since the lottery was launched in 2012, the total amount paid out in winnings is around € 2.9 billion to more than 126 million winners.

Spiel 77 and SUPER 6
Stakes of Spiel 77 declined in 2016 by 2.4% or € 2.9 million to a total of € 121.4 million. Stakes of SUPER 6 also declined slightly. In 2016, a total of € 50.9 million was wagered, which corresponds to a decline of € 1.2 million or 2.3%. Since September 2015, players can also take part in the two additional lotteries on Eurojackpot tickets. As there is only one Eurojackpot draw a week, the possibility to take part in the additional lotteries is limited to the respective Saturday draw.
The declines are due to the fact that the stakes in the additional lotteries depend for their development on the development of the Lotto stakes to a more considerable extent than on the development of the Eurojackpot stakes. Budget transfers from LOTTO 6aus49 to Eurojackpot cannot be ruled out. Spiel 77, with a percentage of 12.5% in the total stakes received, for the first time is the company’s third strongest product. In the reporting year, the Eurojackpot lottery climbed to become the second strongest product.

The weekly per capita stakes of Spiel 77 throughout the year 2016 was € 0.21. In SUPER 6 this figure was € 0.09.

KENO and plus 5
The KENO lottery and additionally lottery exclusively on KENO tickets, plus 5, are only possible upon presentation of a customer card from the player and a corresponding identity check. Stakes of the two lotteries developed negatively, partly because of this.

Stakes of KENO in 2016 amounted to € 17.5 million. This corresponds to a slight reduction compared to the previous year of 2.8% or € 0.5 million. Stakes in the additional lottery plus 5 in 2016 amounted to around € 1.6 million. This is a slight reduction compared to the previous year of 2.8% or € 46.

KENO is a fast numbers lottery that is drawn in Wiesbaden every day from Monday to Sunday. The maximum prize is € 1 million. The interesting thing about KENO is the playing system with variable stakes, different KENO types and fixed winning odds. KENO differs from other lotteries thanks to its playing system.

In the plus 5 lottery there are five prize classes of between € 2 and the maximum prize of € 5. The cost is € 0.75 per draw. The five-figure winning number is always drawn after the KENO winning numbers are drawn.

The Silvester-Millionen started in 2016 for the seventh time, exclusively in Baden-Württemberg. The lottery was sold out again in the reporting year long before stakes closed on 31 December 2016. The prize plan for 2016 was adjusted:

four times € 1 million in the first prize class, five times T€ 100, one thousand times T€ 1 and 50,000-times T€ 10. The fourth one-million prize was new, as was the fourth prize class (50,000 x € 10). The changes to the prize plan are due to the increased number of tickets. Instead of 750,000, the 2016 edition had exactly 1 million tickets. The total sales in 2016 therefore amounted to € 10 million. The percentage of the Silvester-Millionen in the company’s total sales received in 2016 was 1%.

GlücksSpirale
In the GlücksSpirale, stakes increased in 2016 compared to the previous year by 6.5% or around € 2.8 million to a total of € 48.8 million. This growth is mainly due to the fact that since September 2015 it has been possible to play GlücksSpirale on Eurojackpot tickets as well. Stakes in 2016 per inhabitant and week of Baden-Württemberg amounted to € 0.08.

In 2016, four instant immediate annuities of T€ 7.5 per month were paid out in Baden-Württemberg. One winner in Baden-Württemberg celebrated a lifelong annuity of T€ 1.5 per month. He won the highest prize class with a one-fifth ticket. Apart from the annuities, last year GlücksSpirale paid out 98 prizes of T€ 100.

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**Bets in**

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<th>Year</th>
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</tr>
<tr>
<td>2015</td>
<td>7.5</td>
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<td>2014</td>
<td>7.3</td>
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<td>2013</td>
<td>7.7</td>
</tr>
<tr>
<td>2012</td>
<td>8.5</td>
</tr>
</tbody>
</table>

**Oddset**

The total stakes of the sports game ODDSET in 2016 amounted to €23.9 million. This corresponds to growth of 31.2% or €5.7 million. Since the third event week of 2016, the company has been taking part in a test increase in the payout percentage from 66.67% to 75%. The payout percentage of the ODDSET games in Baden-Württemberg since the start of the test phase in VA 03/2016 to VA 52/2016 was 74.9%, almost the theoretical payout percentage of 75%. The weekly ODDSET stakes per inhabitant of Baden-Württemberg in 2016 was €0.04.

**Instant lotteries**

Stakes of the instant lotteries increased again in 2016. Stakes amounted to €60.2 million. Compared to the previous year, this is growth of 33% or around €14.9 million.

This development depends mainly on the €10 “Platin 7” ticket launched on 5 January 2016 in Baden-Württemberg and in either other states, of which around €17.3 million were sold in 2016. This development was supported by the interest of the players in the €5 “Goldene 7” ticket with a stakes volume of around €11.4 million. Alongside these two games, the other instant lotteries, the “Heiße 7” from the €2 price segment with stakes of around €10 million, and “Rubbel-Lotto” from the 1 price segment with stakes of around €9.4 million, were able to show constant demand.

The €5 “VIP” ticket launched in Baden-Württemberg on 16 February 2016, which replaces the €5 “Magic-Pearl” ticket, contributed stakes of around €6 million. The range of instant lotteries is rounded off by the €3 “Jubi-Rubbel-Star” instant lottery, which was launched on 26 July 2016 and had stakes of around €2.6 million by the end of the year. The €2 “GlüXfaktor” instant lottery was discontinued with the launch of the “Jubi-RubbelStar” instant lottery, stakes of which totalled around €3.3 million in 2016. The per capita stakes per week of the instant lotteries in 2016 were €0.11.

**Balance sheet of winners**

145 winners of more than T€ 100, 35 Lotto ‘six number’ winners and 21 new millionaires

The company paid out a total of €478.5 million to players in Baden-Württemberg in 2016. This is €15 million more than last year. Across all the games, there were 145 winners of T€ 100 or more – a considerable increase compared to 2015 (134). The Lotto players scored 35 times with the so-called “six number”. The highest amount in LOTTO was €13.6 million for a winner from the Heilbronn area. There were two seven-figure winners of the additional lottery Spiel 77 and one millionaire from a special issue. In the reporting year, four players celebrated a monthly instant annuity from Glücksspirale. The annuity corresponds to a cash value of €2.01 million. The traditional winners of the Silvester-Millionen lottery were drawn on the last day of the year. With the new winning plan, four more players became millionaires.

14 October 2016 was a particularly special date. On this Friday, the highest single win of the year, and simultaneously the the largest German single prize of all time, in terms of volume, was achieved by a player from the Black Forest. In the European Eurojackpot lottery he ended up with a historic €90 million. Making him the only lucky winner across Europe. His stake was €20. The Friday-luck also hit a Eurojackpot player from Karlsruhe. With a winning ticket in the second prize class, he won €2.78 million. There were two more winners in the third prize class, each from the south west and winning T€ 109.

Overall, the state-owned lottery companies paid out more than T€ 100 to more than 1,000 big winners in 2016 and created 112 new millionaires. Nationwide, 47 players became millionaires with LOTTO 6aus49, 23 from the additional lottery Spiel 77, ten with Glücksspirale, 23 with Eurojackpot, four with BINGO and another five within special regional draws.

21 new millionaires in Baden-Württemberg in 2016. The record Eurojackpot win of €90 million is not included because of the extraordinarily high amount.
Lottery funding

Charity is the big winner

Cultural variety, social harmony, protection of monuments, and a unique sporting and clubs landscape characterise Baden-Württemberg's towns and districts. Only a few know that the profits from the state lotteries make blanket-coverage support possible. A large part of the Lotto net yields are hypothecated for the Lottery funding order to support sport, art and culture, protection of monuments and social projects. In 2016 alone, charity benefited in this way to the amount of € 132.3 million.

Support with tradition

This idea of support has deep roots: Back in 1948 it was statutorily specified that the income had to be used to “support physical activity”. Over the years, this has totalled more than € 8 billion. The composition of the Lottery Fund is subject to legislation in the Baden-Württemberg state parliament, and thus part of the quality of life is guaranteed. The ministries decide on how to distribute the funds. Support from the funds earned by the state lotteries has developed into a supporting model and forms the basis for maintaining and expanding important social projects in Baden-Württemberg. The thanks for this go to the millions of loyal Lotto players in the state. They are the secret patrons and make the decades-old “Lotto principle” possible.

Sport

The unique club landscape, with more than 11,400 sports clubs, could barely have developed in this way without this funding. Apart from building sports facilities, mass and leisure sports are also supported: For example, exercise leaders, coaches and referees are trained with lottery money. Thousands take part in training programmes at sports schools and ensure a vital club life.

Numerous innovative projects are developed using the Lottery Fund. A new clubhouse or modern sports centres with movement landscapes for children – the investments support the charitable work in the sports clubs. For example, clubs can be equipped for the future and meet the requirements for modern sports facilities. Other important areas of the fund include disabled and rehabilitation sport, and the “Kooperation Schule und Verein”. The four Baden-Württemberg Olympic sites also receive funding from Lottery funding.

Art and culture

We also find lottery funds in cultural life at every turn, because orchestras and choirs, theatres and art museums benefit as much as socio-cultural centres and outdoor museums. Future artists at music schools can also enjoy an excellent education thanks to this funding. They all receive their share of the large Lotto cake. In addition, through a special fund the state-owned museums in the state helped with their purchases of outstanding works of art history.

Protection of monuments

Palaces and castles characterise the landscape between the River Main and Lake Constance. Preserved old town centres stand for more quality of life, which is thanks to the protection of monuments in Baden-Württemberg. The “Lotto Principle” makes it possible for valuable cultural memorials to be rescued from ruin, restored and renovated. In this way, the state and local authorities save the cultural heritage of many centuries for the future.

Social projects and charity

The Lottery Fund also supports self-help and civil engagement. Subsidies flow, for example, to social wards, to outpatient elderly care and house and family support. The work of the social services for disabled people, as well as measures for drug support can be realised with these funds. Children’s nursing care and early support for disabled children also play an important role here.

Special role for GlücksSpirale

The private GlücksSpirale lottery plays a special role. Its income goes to the Bundesarbeitsgemeinschaft der Freien Wohlfahrtspflege, the Deutscher Olympischer Sportbund and the Landessportverband Baden-Württemberg, the Deutsche Stiftung Denkmalschutz and Denkmalstiftung Baden-Württemberg, as well as to the state in order to support environmental and nature conservation projects. Overall, an additional € 12.9 million was provided in this way in 2016.

An old fire station has been turned into a new clubhouse for SV Illmensee. The conversion was made possible by funding of € 56,679 from lottery funds.
Responsible Gaming

Consistent orientation of youth, player and consumer protection

Gambling is not a normal commodity but rather is connected with particular dangers. Player, youth and consumer protection is part of the long-term, established corporate policy of Lotto Baden-Württemberg. The objective is to steer the natural human urge to play in an orderly path. To this end, Lotto Baden-Württemberg provides numerous measures in the area of player, youth and consumer protection. The basis of this is a social concept, which has been developed with the Evangelische Gesellschaft Stuttgart (eva) and is continuously being evaluated. The quantitative and qualitative restriction of the games offered effectively limits the problem of gambling addiction. Effective and sustainable player, youth and consumer protection is the basis for this.

Consumer information and explanation

According to a study carried out in 2015 by the Bundeszentrale für gesundheitliche Aufklärung (BZgA), 37.3% of Germans aged between 16 and 70 have played gambled once or more in the last twelve months. Overall, 0.37% of the population aged between 16 and 70 have a problematic gambling behaviour and 0.42% a pathological gambling behaviour. These values are relatively low compared to the rest of Europe. Unchecked participation in gambling can nevertheless lead to considerable problems. Every ticket, draw, receipt, advert and information brochure from the company carries very visible warnings, which provide information about the support available from BZgA, about the risk of addiction and the ban on gambling for minors. The brochure “Spiel nicht bis zur Glücksspielsucht”, which is available on the company’s website www.lotto-bw.de, provides information about the dangers connected with gambling and highlights behaviour, which contribute to preventing addiction.

Sales partners in the authorized retailers play a critical role in the early identification and prevention of excessive gambling. The company therefore regularly organises numerous training courses. The training courses each last four hours since 2015 have been supplemented with an additional 4-hour E-learning course. The authorized retailers can access the E-Learning programmes from any desktop at any time. In the reporting year, the training programme for the training courses in 2017 was expanded and developed further.

Responsible offer structure

The offer structure of the company is technically designed such in products, authorized retailers and on the website www.lotto-bw.de such that effective youth and player protection is guaranteed. The traditional lotteries, for example, include a limit for the jackpot term and amount, and inter alia monthly gambling limits are defined for the games on the internet. Participation in ODDSET, TOTO and KENO is only possible with a personal customer card. This facilitates a comparison with the block file, and possibly the exclusion of at-risk persons from the game. In order to review compliance with the provisions, the company regularly carries out test purchases from authorized retailers using specialised agents. The exclusion of under aged players and players, who are already blocked, from playing on the internet at www.lotto-bw.de is guaranteed by identification and authentication according to the statutory provisions.

EL Responsible Gaming certification

The activities of the company in the area of player, youth and consumer protection correspond to the European Lotteries (EL) Responsible Gaming Standards. Since 2012, Lotto Baden-Württemberg has applied these standards and has them reviewed at regular intervals as part of partial and re-certifications. Overall, ten areas of the company are audited by an external service provider based on the criteria. These include, inter alia, employee training, advertising and marketing, as well as game design.

Academic support for player, youth and consumer protection

The company has been working with a prevention council since 2013. The aim of the discussions with external experts is to further improve the measures for player, youth and consumer protection and to give the company new impetus. Its members include Prof. Tilman Becker (University of Hohenheim, Managing Director of Forschungsstelle Glücksspiel), Günther Zeltner (Senior Consultant and Preventin Expert at eva), Christa Niemeier (Addiction Prevention Expert at the Landesstelle für Suchtfragen Baden-Württemberg), Dr. Mira Fauth-Bühler (Head of AG Spielsucht at the Central Institute of Mental Health at the University of Heidelberg) and Dr. Heidi Kuttler (Director of COOPTIMA).
Better service, better prospects, increasing stakes

The company again improved its online offer in 2016. The newly designed homepage went online on 1 September. The complete revision includes a clearer structure, easier typed input and a responsive design for better viewing on all end devices. In parallel to the homepage, the official Lotto Baden-Württemberg App has also been revised. It has been available for Android and iOS for more than two years and apart from participation in the games also provides extensive additional information such as winning numbers, odds, current jackpot amounts and closing times for authorized retailers – also by push notification if desired. The homepage www.lotto-bw.de was last relaunched in 2012.

In 2016 as a whole, the company’s stakes through www.lotto-bw.de (incl. Silvester-Millionen) amounted to around € 53.7 million. This is around 30.4%, or around € 12.5 million more than in 2015. Online stakes total 5.6% of the company’s total stakes. This is an increase of 1.2 percentage points compared to the previous year. Stakes by commercial gaming brokers, that have to pass on the stakes paid by their Baden-Württemberg customers to the company, are not included in this. The number of customers registered on the company’s website and identified either at an authorized retailer or using the procedure on www.lotto-bw.de totalled more than 163,000 by the end of 2016.

Digital strategy & consumer protection

The revision of the homepage is a component of the company’s digital strategy that has been in place for a long time. The company offers the customer better and clearer services. The Internet provides a wide range of lottery products. Customers, willing to play LOTTO 6aus49 or other state owned lottery products more and more crossing advertising from providers without a valid license in Germany. With these providers the customer does not take part in the German original. The internet sites of the illegal providers in Germany are similar to the design of the sites from the official state lottery companies. Continuous improvements to the company’s homepage are all the more necessary.

Frequently, consumers interested in playing are given the impression by the provided information and advertising that by selecting numbers they are participating in the draws of the state lotteries. This is not the case. In fact, by buying a lottery ticket through these providers, the customers do not take part in the German LOTTO 6aus49 or other state lotteries, because the stakes are not forwarded to the state lottery companies and the stakes paid are not added to the payout. The black lotteries copy, for example, the state LOTTO 6aus49. Customers therefore do not have a legal claim to their winnings being paid out.

A look at the legal notice makes it clear illegal providers based for example in Gibraltar do not pay lottery tax or duties to good causes from the stakes. As a result, charities and sports miss out on considerable financial support because these areas are supported from the income of the state lotteries. If the provider is based abroad, it is also difficult to pursue them through the courts.

The payout is only guaranteed by the German original.

Playing the lottery on the move: Players are increasingly playing the lottery via their Smartphone.
Lotto Baden-Württemberg on social media

Interest in digital content growing
The company's digital media were the subject of growing interest in 2016. More than 40,000 “Fans” follow the company, for example on Facebook, and there they find out about the games on offer, and the commitments to sport, social projects, art and culture, and protection of monuments. A mixture of information and entertainment, specially aimed at the respective social media channel, contributes to the success of the individual sites. Player and youth protection is also guaranteed. The warnings about gambling from 18 years, information about addiction, and the Bundeszentrale für gesundheitliche Aufklärung hotline are fully integrated.

Variety of channels
Since Lotto Baden-Württemberg started its social media activities in 2013, with the Facebook platform, there has been a continuous expansion of the presence in the various networks. First of all, the channels Google+ und YouTube were added in 2014. Since 2015, Lotto Baden-Württemberg has also been found on the photograph platforms Instagram and Pinterest, and on the microblogging site Twitter. The presence on the video platform YouTube was expanded last year as well. With short clips about events and campaigns, the company offers a multimedia insight into the company’s world.

Successful changing room campaign
With “Dein Team braucht was Neues!”, in 2016 Lotto Baden-Württemberg started a campaign for the second time, whose aim was to support sports clubs in the state. All sorts of Baden-Württemberg sports clubs were able to apply on Facebook and win new changing room equipment. The winning clubs were selected by a user vote.

A look behind the scenes
In 2016, the Corporate Blog “Träum dich Lotto” was added with its own platform. Through “insights” on social media channels, customers have the opportunity to look behind the scenes of Lotto Baden-Württemberg. The Corporate Blog “Träum Dich Lotto” supports this with changing authors, mainly from the ranks of the Staatliche Toto-Lotto GmbH.

Information processing

Big Data – maximum security
2016 was the year of the big jackpot. As a result, not only did the orders increase, but also the amount of data to be processed. For this, the company has a clever system and corresponding reserve capacity in order to process the giant data volume. The infrastructure of Lotto Baden-Württemberg has been designed such that it can react flexibly to the most different requirements. In the reporting year, a completely virtualised network, server and storage landscape has been developed across two computer centres. The computer centres are equipped with the latest infrastructure, so that gambling is guaranteed 24 hours a day. This modern, powerful and scalable IT is also the core of the company, even for subsequent profit calculations.

The company receives the customers' numbers via different channels. Whether via terminal in the state’s authorized retailers, via the company’s homepage or the official App. The numbers are transmitted encrypted and sent to the head office in Stuttgart according to the highest security standards in the industry. The predictions and numbers is guaranteed in every case: The tickets entered at the terminals in authorized retailers are transmitted to the company’s central computer via an encrypted, private corporate network. Tickets bought using the internet or App are transmitted via encrypted public transport channels.

Lotto Baden-Württemberg fulfils the highest standards for information security and security standards according to ISO 27001-2013 through its membership of the international organisations World Lottery Association (WLA) and European Lotteries (EL). All the data is combined in the information processing: The background processes are steered and changes are reacted to in the shortest time. Around 2.3 million tickets are processed every week. The resulting company relevant data is processed and prepared in a modern Business Intelligence System.
Quick and clear answers

Whether by email or telephone: The focus is on communication with the customer and prompt support. For example, the customer can request a callback using the Callback-Service. By completing a short online form, they can enter the desired date, time and subject of the call back and will be called by an employee at the desired time. Whether instructions on how to complete lottery tickets or games on the internet, questions about the current winning numbers and odds, information about the games available, about football TOTO and sports gambling, or about the Eurojackpot systems for example: The employees will provide targeted help for the customer.

All channels are used

Since the company became active on social media, customers also contact employees and ask their questions via these channels. We also respond quickly and competently to a post or tweet by customers and mostly we also provide a link to the corresponding background information on the homepage.

High jackpots, high number of enquiries

Enquiries from customers and people interest in playing pile up when the jackpots are particularly high. How high exactly in the jackpot? What are the winning plans like for LOTTO 6aus49? What were the winning numbers and odds for the last draws? What exactly do tickets stop being sold? The customer service employees have quick and accurate answers to all these questions.

Improved service thanks to the revised homepage

The fresh and modern internet appearance has been received positively and gives customers of the company a large number of communication channels. At peak times, up to 10,000 calls are answered every month. More than 2,000 emails are received every year and are answered expertly.
Employee development

Promoting and supporting creative potential

The gambling industry is forever facing new challenges thanks to a constantly changing gambling market and advancing technical developments. The state-owned Toto-Lotto GmbH Baden-Württemberg wants to counter this with highly qualified and permanently motivated staff. In its employee development, the company places particular importance on the columns of training and education, as well as support successors.

For the second time, in 2016 the Management Board called on the Young Lions of Lotto Baden-Württemberg to take part in a creative workshop. The aim was to create a realisable advance campaign, tailored to the target group, for the launch of the new lottery LOGEO. With external and internal moderation three brilliant ideas were created on two intensive and hard-working days. This creative potential did not go unused, because all three ideas were edited in the actual communication strategy for LOGEO.

In order to recruit qualified personnel early, every year the company offers training places for prospective commercial employees for office management and IT experts with a specialisation in system integration. In addition, student places in various subjects are regularly awarded at the Duale Hochschule Baden-Württemberg (DHBW). Consequently, Lotto Baden-Württemberg provided training in media and communication management, and information systems in 2016. In particular, one student of media and communication management will remember her experiences in the reporting year. She spent the theoretical of her fifth semester in Ireland. Her conclusion: “At the Dublin Business School, friendships with students from many different countries were quickly made. In addition, the high level of the university education allows all the exam grades to be applied at the DHBW Ravensburg. This makes things unbelievably simple, because I will probably have three or four fewer exams in my last semester as a result.”

Following a course with Lotto Baden-Württemberg, a job is typically guaranteed if the grades are goods.

Once on board Lotto Baden-Württemberg, employees have the opportunity to enjoy intensive training. On one hand, the company regularly organises internal measures. On the other hand, the employees attend training events organised by external seminar providers. The respective requirements are discussed in interviews between employees and managers at least once a year.

On average, the company had 192 staff during the year. Of these, 147 were full-time employees, including 8 apprentices, and 45 were part-time employees.

Corporate communication

Strong partnerships and corporate engagement

Lotto Baden-Württemberg is very socially engaged. This principle is also firmly rooted in the company’s communication work. Lotto has used its own funds to support culture and sport for many years. Cooperation projects in the areas of monument preservation and social work round off the extensive support programme.

30 years of the Kleinkunstpreis Baden-Württemberg

The Kleinkunstpreis Baden-Württemberg is the only state prize for small art in Germany. Not a few of the honoured artists have been able to use the competition as a springboard to a national career. The prize was first awarded in 1986.

2016 – in the 30th jubilee year – Günter Fortmeier from Oberried and the Freiburg A-cappella group Unduo received the coveted award. The honorary award prize, which comes with prize money of €5 was awarded posthumously to the artist Christof Stählin. The Kleinkunstpreis is awarded by the Ministry For Science, Research and Art. The prizes are financed equally between the state and the company.

Lotto – Partner to sport

As part of its publicity work, Lotto Baden-Württemberg supports particular sporting events in the state, for example the World Cup in the Black Forest. The Lotto Sportjugend-Förderpreis rewards model campaigns and voluntary commitment in sports clubs. In addition, the company is a partner to numerous clubs that participate at higher levels in different sports: from A for American Football to W for Water Polo. In this way, Lotto Baden-Württemberg contributes to maintaining the great sporting variety in the state.

Tried and tested GlücksSpirale publicity work

In order to represent the broad social commitment of the GlücksSpirale annuity lottery, numerous symbolic cheque-handovers and local meets were again organised in 2016 in all parts of the state. Apart from social projects, the support for monument preservation in particular was highlighted. The recipients in this area include Deutsche Stiftung Denkmalschutz and Denkmalstiftung Baden-Württemberg.

Working group’s first ideas as part of the creative workshop for a campaign.

The Freiburg A-cappella group were one of the competition winners in the 30th jubilee year of the Kleinkunstpreis award.
Memberships and certificates

International networking for the highest standards
The company’s daily business is also affected by European and global developments in the lottery industry. The latest developments in the lottery industry are guaranteed a presence in the company through a global network. Lotto Baden-Württemberg is a member of the European lottery association European Lotteries (EL) and the World Lottery Association (WLA). Both organisations set important international standards for state lotteries, which prove the trustworthiness of the state-owned offer in Baden-Württemberg for the customers.

Security standards at the highest level.
With certification according to the EL Responsible Gaming Standards, Lotto Baden-Württemberg proves that the company meets the highest requirements in the area of responsible gambling. The certification according to the WLA standard has been a sign, since 2008, that the Staatliche Toto-Lotto GmbH Baden-Württemberg complies with the internationally applicable security standards for lotteries. Every year there is a check of whether the management of the lotteries and games offered corresponds to the requirements specified by the WLA. Thus Staatliche Toto-Lotto GmbH Baden-Württemberg fulfils the constant quality controls in order to guarantee the proper realisation of the games.

ISO and WLA standards at Lotto Baden-Württemberg
Lotto Baden-Württemberg is certified according to the ISO and WLA standards. This means that the company fulfils the currently highest international security requirements in the area of information technology. The company has been certified according to the ISO/IEC 27001:2005 Standard since 2008, which is issued and audited annually by the TÜV SÜD certification department.

Annual corporate governance report
All stated-owned companies in Baden-Württemberg are required to issue a Public Corporate Governance Code every year. This is submitted to the Supervisory Board of Staatliche Toto-Lotto GmbH Baden-Württemberg every year for approval. In order to guarantee the greatest possible transparency, this report is published on the company’s homepage www.lotto-bw.de and can be view by the general public.

Responsible Gaming certification
The company is certified according to the Responsible Gaming Standards from European Lotteries (EL). The company and the associated district departments are examined by an external service provider based on ten different categories that are prescribed by EL. The structured processes across all areas of the Responsible Gaming Standards have been tried and tested and are being continuously developed further by the company.

Sustainability

Responsible use of resources put into practice
Sustainable management and the responsible use of resources have always been very important for the company. The conscious corporate steering of Lotto Baden-Württemberg extends beyond the statutory requirements. The company uses the decades’ long experience in the state gambling market and the knowledge gained as a result in order to improve the corporate objectives with commitment and sustainability.

WIN Charter
The principles anchored in the Baden-Württemberg WIN Charter form a part of the company’s objectives. These formulated basic values cover the three columns of sustainability (economy, ecology and social), allow sustainability-relevant strategies and starting points to be identified, represent orientation points for implementation in the regional and local context and offer starting points for communicating the sustainability efforts.

Environmentally friendly energy
The site’s main energy consumption is for heating and cooling. Thanks to an innovative energy concept (cogeneration plant, district heating), the energy needed for this is supplied efficiently. Furthermore, the company’s building has been supplied exclusively with green electricity since 2016. Additionally, the corridor lighting was modernised in the reporting year. All existing lights have been replaced with 2-level, energy-optimised LED technology.

Green IT
When modernising the IT infrastructure, the company wanted the design of the use of the information and communication technology to be environmentally friendly and resource-protecting. Through the consistent virtualisation of the server systems in both computer centres, the procurement of efficient storage systems and corresponding cold-aisle containment for the server cabinets, the energy balance was considerably reduced. The savings in the area of the primary storage systems totalled 65%, and for the secondary storage systems 71%.

Energy audit report
An energy audit report was prepared in the reporting year according to DIN EN 16247-1 for the building on the Nordbahnhofstrasse. Both the condition of the building and that of the technical facilities are very good and the energy for heating and cooling is supplied efficiently. When printing the weekly glüXmagazin, the company has ensured that the paper used comes from sustainable forestry.
History of the company

From lottery administration to a company in the service sector – the development of the company from 1948 to 2016

1948 – 1982

18 August 1948: The company takes up business on 18 August 1948, when the German federal government of Baden-Württemberg passes law no. 527 on sports bets.

7 October 1948: On 7 October 1948, the company is officially founded as ‘Staatliche Sport-Toto GmbH’. The proceeds from sports bets benefit the ‘Förderung der Leibesübungen’ (Promotion of Physical Education).

19 March 1950: The law on numbers lottery takes effect in Baden-Württemberg on 19 March 1950.


2000 – 2005

19 March 1998: The regional head offices sales organisation more

2001 – 2006

19 March 1998: The regional head offices sales organisation more

2006 – 2008

15 November 2010: Introduction of the New Year’s Lottery Silvester-Millionen in Baden-Württemberg, with the draw of the winning numbers on 31 December 2010.

6 December 2000: As of 6 December 2000, there only is one LOTTO 6aus49, with two draws. LOTTO 6aus49 on Wednesday has the same prize schedule as on Saturday.

February 2002: In February 2002, the ODDSET bet is supplemented by TOP-Wette.

July 2004: The State Treaty on LOTTO 6aus49: with two draws. LOTTO 6aus49 on Wednesday has the same prize schedule as on Saturday.

August 2005: As of August 2005, the net proceeds of all bets and lotteries have gone into a betting fund, which is earmarked and appropriated for sport and culture promotion, as well as for cultural heritage preservation and social purposes.

10 August 1999: In October 1999, the company relocates within Stuttgart, from Jagststraße to Nordbahnhofstraße.

2009 – 2011

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2009 – 2011


24 February 2015: Lotto Baden-Württemberg starts the Museum Award in cooperation with the Museumsverband Baden-Württemberg. In future, outlicking museum work is supported with TE 20 annually. The competition sets an example: non-state museums receive more attention.

15 January 2016: On three Saturdays in July, human lottery numbers were walking through the cities of Freiburg, Mannheim and Ulm. All were wearing yellow T-shirts with numbers from 1 to 49 – and, in addition, the number 60 is found six times. Whoever meets this anniversary number, takes a selfie with ‘IT’, uploads it on the campaign page and has the chance of winning € 500.

2 August 2016: Lotto Baden-Württemberg becomes the new premium sponsor of first division team SC Freiburg.

12 August 2016: The new Fortune lottery draw room is opened in the Stuttgart head-quarters. All future draws take place publicly in this room.

1 September 2016: The newly designed homepage of the state lottery company is online.

18 September 2016: Around 2,000 sales partners attend the third Lotto Baden-Württemberg Partner Day in the Ludwigsforum am Schlosspark.

14 October 2016: The biggest single German win ever goes to Baden-Württemberg. One lucky winner played the € 90 million jackpot.

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Organs of the Company

Shareholders’ Meeting
All shares of the company are held by Beteiligungsgesellschaft Baden-Württemberg mbH.

Supervisory Board
Minister Dr Nicole Hoffmeister-Kraut, MdL
Balingen, from 1 August 2016, Chair from 19 September 2016

State Secretary Peter Hofelich MdL,
Salach, Chair, departed on 31 May 2016

State Secretary Petra Olschowski,
Stuttgart, from 1 August 2016, Deputy Chair from 19 September 2016

Minister Theresia Bauer MdL,
Heidelberg, Deputy Chair, departed on 20 July 2016

Minister Dr. Susanne Eisenmann,
Stuttgart, from 1 August 2016

State Secretary Gisela Splett,
Karlsruhe, from 1 August 2016

Senior Government Official Michael Grepl,
Ostfildern

Muhterem Aras MdL,
Stuttgart, departed on 20 July 2016

Minister Andreas Stoch, MdL,
Heidenheim, departed on 20 July 2016

Company Management
Managing Director
Marion Caspers-Merk, Efringen-Kirchen

Director
Norbert Müller, authorised signatory, Bad Dürrheim

Additional Authorized Signatories
Carmen Theilmann, Schwäbisch Gmünd
Dr. Uwe Luckscheiter, Ludwigsburg
Matthias Früh, Ostfildern

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