

Universal registration document 2023

Including the annual financial report
and the integrated report



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UNIVERSAL REGISTRATION DOCUMENT

2023



This Universal Registration Document contains all the elements of the Annual Financial Report.

On 15 March 2024 the French language version of the Universal Registration Document (URD) was filed with the *Autorité des Marchés Financiers* (French Financial Markets Authority or AMF), in its capacity as competent authority under Regulation (EU) 2017/1129, without prior approval in accordance with Article 9 of that Regulation.

This Universal Registration Document may be used for the purpose of an offer of financial securities to the public or the admission of financial securities to trading on a regulated market if it is supplemented by a securities note and, where applicable, a summary of and any amendments to the Universal Registration Document. The package thus formed is approved by the AMF in accordance with Regulation (EU) 2017/1129.

Copies of this Universal Registration Document are available free of charge at the registered office of La Française des Jeux, 3-7 quai du Point du Jour – 92100 Boulogne Billancourt – France. The Document is also available on the websites of La Française des Jeux (www.groupefdj.com) and the Autorité des Marchés Financiers (www.amf-france.org).

"The Universal Registration Document including the Annual Financial Report is a reproduction of the official version of the Universal Registration Document which was established in xHTML and filed with the AMF on 15 March 2024; this version is also available on the FDJ Group's website."



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About this report

This report draws on the Integrated Reporting Framework and related best practices. It has been prepared to provide FDJ's stakeholders with a comprehensive view of its strategy and commitments, as well as its financial and non-financial performance. Its contents have been prepared in consultation with the Company's various departments and include testimonials from stakeholders, whom the Group would like to thank for their contribution. This report is also the opening chapter of the Universal Registration Document.

Cover: the FDJ-SUEZ cycling team, which FDJ has been partnering since 2017. The FDJ-SUEZ cycling team is the only French team to be taking part in the Women's World Tour.

The FDJ Group offers people who wish to experience the thrill of gaming and moments of emotion a wide range of responsibly-designed games. **Gaming is our business, giving back to society is what drives us and responsibility is our constant focus.** We promote recreational gaming by accompanying our customers, creating games with built-in integrity, and reducing the risks and consequences which arise from our activity. We actively help prevent addictive behaviour and underage gambling. Faithful to the legacy of the

French national lottery – created to help wounded World War One soldiers – we continue to support social and community initiatives, and to fund good causes. As key partners of local businesses, we ensure that our games and services are widely available through a dense network of neighbourhood retailers. Thanks to our committed employees and capacity for innovation, we are pursuing our goal of sustainable growth, underpinned by a responsible and socially useful business model and close collaboration with our stakeholders.

Six commitments



Offer

- ◆ Develop a range of entertaining, upstanding and responsible games

Customers

- ◆ Assist our customers at every stage of their offline and online gaming experience

Responsible gaming

- ◆ Limit excessive gambling and prevent underage gambling

Social and environmental

- ◆ Step up our solidarity, societal and environmental initiatives

Network

- ◆ Nurture local business nationwide

International

- ◆ Promote our responsible gaming model worldwide

Portfolio

FDJ's constantly updated portfolio offers an extensive range of entertaining and responsible gaming experiences. The Group is expanding into international markets and diversifying into local point-of-sale payment and collection services.

1st
local network with more than **29,000** points-of-sale

NEARLY
3,000
employees (fixed-term contracts and permanent contracts)

Nearly **27** million players and **188** millionaires in 2023 in France

€2.6
billion in revenue

72 / 100
Moody's ESG Solutions score

€6.6
billion in value creation in France⁽¹⁾

100/100
on the Pénicaud gender equality index (FDJ SA)

25.1%
recurring EBITDA margin

1. BDO-Bipe (Bureau for economic information and forecasting).

Activities

La Française des Jeux, the leading gaming operator in France

Lottery games

Exclusive rights to operate offline and online lottery games in France

Lottery games are FDJ's core business and main source of revenue. The FDJ offer includes prize draws such as Loto and Euromillions, as well as Illiko instant games.

FIND OUT MORE

Read the 2023 Universal Registration Document, Chapter 1, "Overview of the Group".

74%

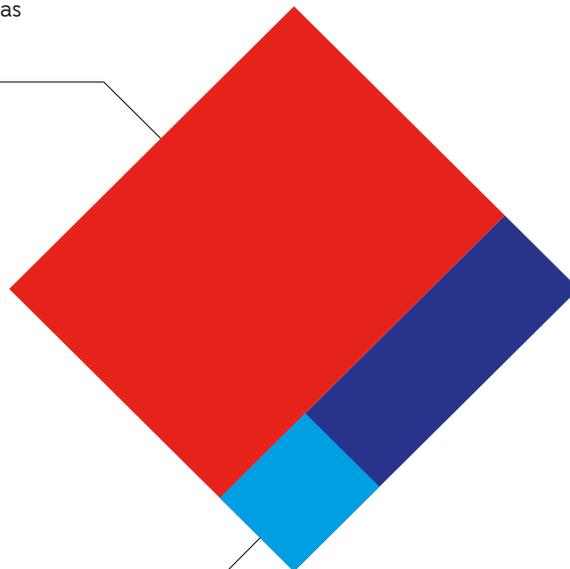
of Group revenue

20%

of Group revenue

6%

of Group revenue



Sports betting and online gaming open to competition⁽²⁾

Exclusive rights for point-of-sale sports betting in France, while online gaming is open to competition (sports betting, horse-race betting and poker)

FDJ has operated a sports betting service since 1985. It recently added to its portfolio of online games open to competition with the launch of a poker offer in December 2022 and the acquisition of horse-race and sports betting operator ZEturf on 29 September 2023.

Other activities

FDJ currently provides B2B solutions in international markets and is keen to move into the B2C segment. On November 3, 2023, the Group announced the acquisition of Premier Lotteries Ireland (PLI), marking its first foray into a foreign lottery market. It has also diversified with the roll-out of a local payment and collection service under the Nirio brand name.

2. Online gaming, excluding lottery. In France, an online market open to competition is permitted for sports betting, horse-race betting and poker.

Editorial — **Stéphane Pallez** / Chairwoman and Chief Executive Officer

"We want to consolidate our sustainable value creation model alongside our stakeholders"



What are the key takeaways from 2023? Above all, 2023 was a decisive year for the implementation of FDJ's strategy. Our Group continued to innovate and launch many new products throughout our core activities. Twenty years after the launch of Euromillions, we are immensely proud to offer our customers a chance to play EuroDreams, Europe's first-ever annuity prize draw, developed in conjunction with eight national lotteries belonging to the Euromillions community. Inspired by the success of Mission Patrimoine, which collected more than €28 million in 2023 and brought the grand total collected since 2018 to more than €150 million, we have added Mission Nature to our scratch card range to finance biodiversity preservation initiatives.

We also completed two major acquisitions. For starters, we acquired French horse-race betting operator ZEturf, making us the fourth largest operator of online gaming and betting services open to competition in France. We then acquired the Irish national lottery operator Premier Lotteries Ireland. This was something of a milestone in our development, marking our first-ever move into a foreign lottery market.

We also completed another stage in our diversification strategy with the roll-out of Nirio, a new easy payment service at FDJ points-of-sale.

While there were fewer Euromillions SuperDraws in 2023, momentarily weighing on our activity, our indicators showed still-positive trends in demand from players. We are thrilled to have reached the 27 million customer mark, a level not seen since 2013.

We also placed a strong focus on our social engagement in 2023. We celebrated the FDJ's Foundation's 30th year by embarking on new five-year plan with a budget of €25 million for 2023-2027, equating to a 30% increase. As an official partner of the Paris 2024 Olympic and Paralympic Games, we are proudly taking part in initiatives to promote involvement in sports.

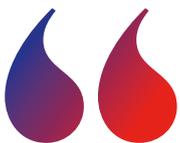
Lastly, in 2023, we wanted to go further in our efforts to promote responsible gaming and support the ramp-up of prevention actions, which is why we have committed an unprecedented €10 million to a five-year programme led by non-profit organisations to prevent underage gaming.

Everything we have accomplished is part of an underlying movement that is enabling us to pursue our strategy with determination, year after year. As evidence of this, in the first weeks of 2024, we launched a takeover offer to acquire Kindred, a leading online gaming and betting operator in Europe, with a view to consolidating our positions in gaming activities open to competition.

We want to consolidate our sustainable value creation model alongside our stakeholders in order to make the FDJ Group a leading international gaming operator. Our economic and social contribution is a core aspect of the Group's purpose and will continue to guide us. ♦



Editorial



As an official partner of the Paris 2024 Olympic and Paralympic Games, we are proudly taking part in initiatives to promote involvement in sports.

Stéphane Pallez / Chairwoman and CEO





JANUARY

Responsible betting with PSG

Paris Saint-Germain (PSG) stars Kylian Mbappé, Danilo Pereira and Gianluigi Donnarumma support responsible gaming. The football players star in two video clips aired on television and social media to encourage viewers to bet on sports responsibly and for recreation only. They underline the message that underage gambling is prohibited. Proud to be the first operator to team up with a world-famous sports club of PSG's calibre to air an awareness campaign, FDJ wants to continue to innovate to get its prevention messages across to a wider audience. ♦



JANUARY

Poker: FDJ has a place at the top table

Launched in November 2022 via the Parions Sport En Ligne app, the FDJ poker offer was added to in January 2023 to include all the variations of poker approved by the French gaming regulator (ANJ). Players can choose to play a Sit & Go game, a Sit & Go Jackpot game, a cash game or a multi-table tournament through four different channels. One year later, the numbers speak for themselves: 20% of Parions Sport En Ligne users played poker in 2023. This makes FDJ the fourth largest online poker operator in France. And this is only the beginning: want to bet? ♦

Highlights



MAY

Protecting the environment is everyone's business!

In 2023, FDJ embarked upon a string of initiatives to raise staff awareness about environmental issues. A number of events were staged to coincide with European Sustainable Development Week (ESDW), involving conferences hosted by experts, the showcasing of Group actions to protect biodiversity, waste collection campaigns and more. During the year, around 100 people – including all the members of the Group Management Committee – took part in an enjoyable Climate Fresk workshop to better understand the mechanisms involved in climate change. FDJ also provides employees with a tool that calculates their personal and work-related carbon footprint with a view to reducing it. All employees are encouraged to do their bit: the CSR criterion applied in the calculation of incentives requires that 80% of staff complete online training about the ecological transition! ♦



JUNE

The Group showcases major innovations at Viva Technology

This was FDJ's first time to participate in Viva Technology, the world's largest tech fair held each year in Paris, where the Group set up an "experiential" stand to showcase the five main areas in which it is innovating (see page 15). Visitors to the stand were given a chance to take part in a futuristic prize draw hosted by a hologram of the French gameshow host Jean-Pierre Foucault. They were also invited to test a facial age estimation algorithm developed by the start-up Yoti, and immerse themselves in Web3 with Ultimate Numbers, a next-generation game co-developed with the start-up Cometh. These are just some examples of how the FDJ Group is contributing to advances in French tech. FDJ supports more than 400 French and European start-ups directly or indirectly, 23 of which are part of the French Tech 120⁽¹⁾. ♦

¹ French Tech 120 is a state-run support programme for the 120 top performers in the French start-up industry who have the potential to become global leaders.

JULY

Thank you Thibaut!

Crowds flocked to the Col du Petit Ballon pass in the Vosges Mountains on July 23. They were there to cheer on Thibaut Pinot, iconic member of the Groupama-FDJ cycling team, for the last mountain stage of Tour de France 2023, in his final season in the saddle ahead of retirement. Alone in the lead during the stage, Thibaut was cheered on by spectators as he took what is now known as "the Pinot Bend" in his honour. Thibaut's relationship with the Group is a wonderful example of a long-running partnership built on trust, as he actually began his career under the FDJ banner 14 years ago. It has been quite a ride, and the people of France will long hold a place in their hearts for Thibaut. ♦

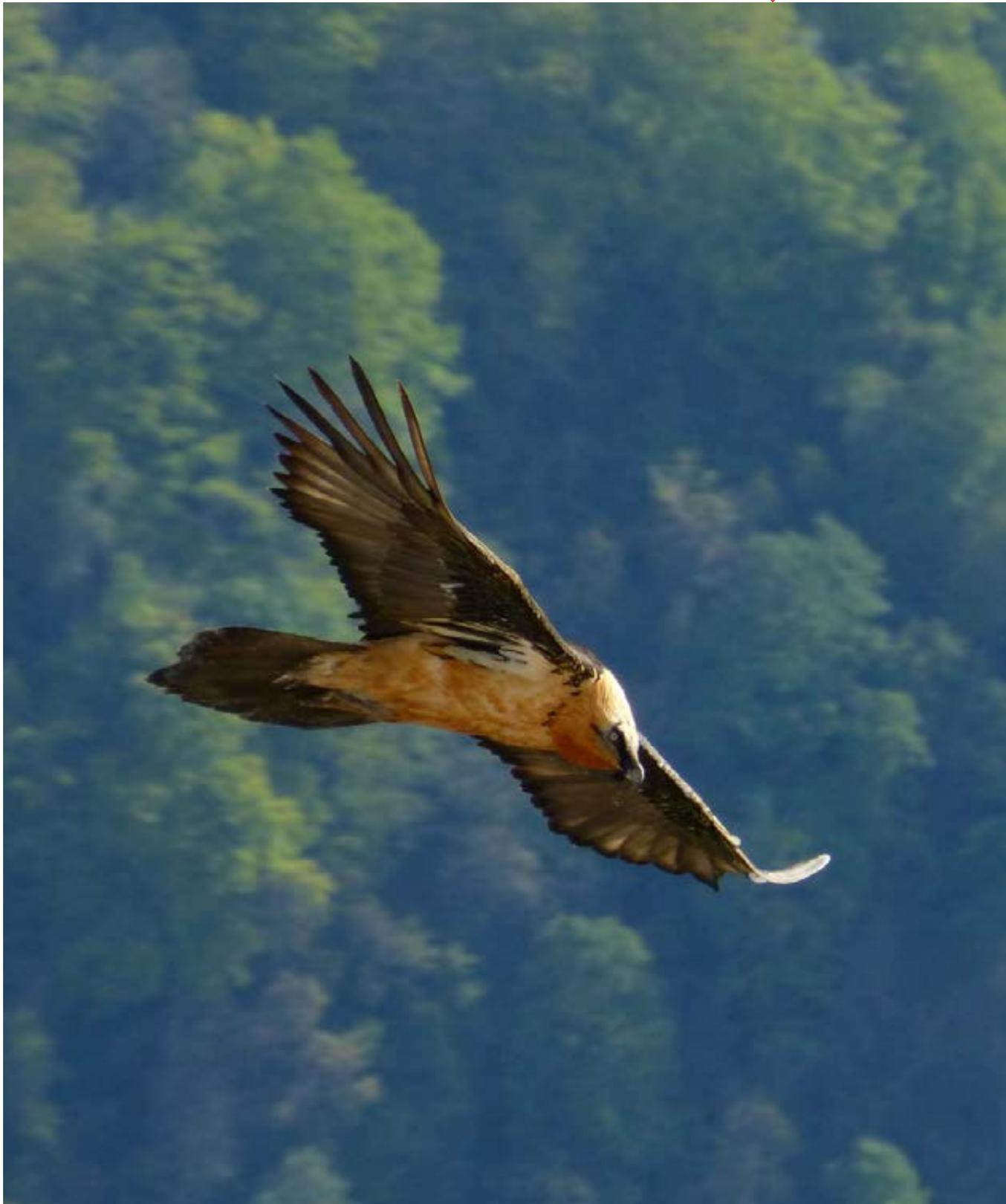


SEPTEMBER

ZEurf joins the FDJ team

At the end of September, FDJ completed the acquisition of ZEurf, the second largest operator of online horse-race betting services in France. ZEurf, which also operates under the ZEBet trade name for online sports betting, employs around 100 people and posted more than €50 million in revenue for 2022. This acquisition makes FDJ the fourth largest operator of online gaming services open to competition in France. This major deal further diversifies FDJ's range of online gaming services open to competition and lends weight to its growth prospects. The ambition is clear: to hold firm to the Group's responsible and redistributive model. ♦





Mission Nature is supporting a preservation project for the bearded vulture, a species of bird that is emblematic of mountain ranges.

OCTOBER

FDJ is helping the planet with Mission Nature

Following the success of Mission Patrimoine, FDJ launched Mission Nature, a new Illiko scratch card game, at the end of October. The proceeds of gaming stakes that would otherwise go to the French State are instead allocated to the French biodiversity agency (OFB) to support 20 biodiversity restoration projects. This furthers underpins the Group's commitment to such issues, being one of the very first lotteries in Europe, and even the world, to take such action to preserve biodiversity and protect forest ecosystems. In keeping with the Group's actions for many years in France, FDJ now provides up to €500,000 to the OFB as part of a sponsorship arrangement. ♦



NOVEMBER

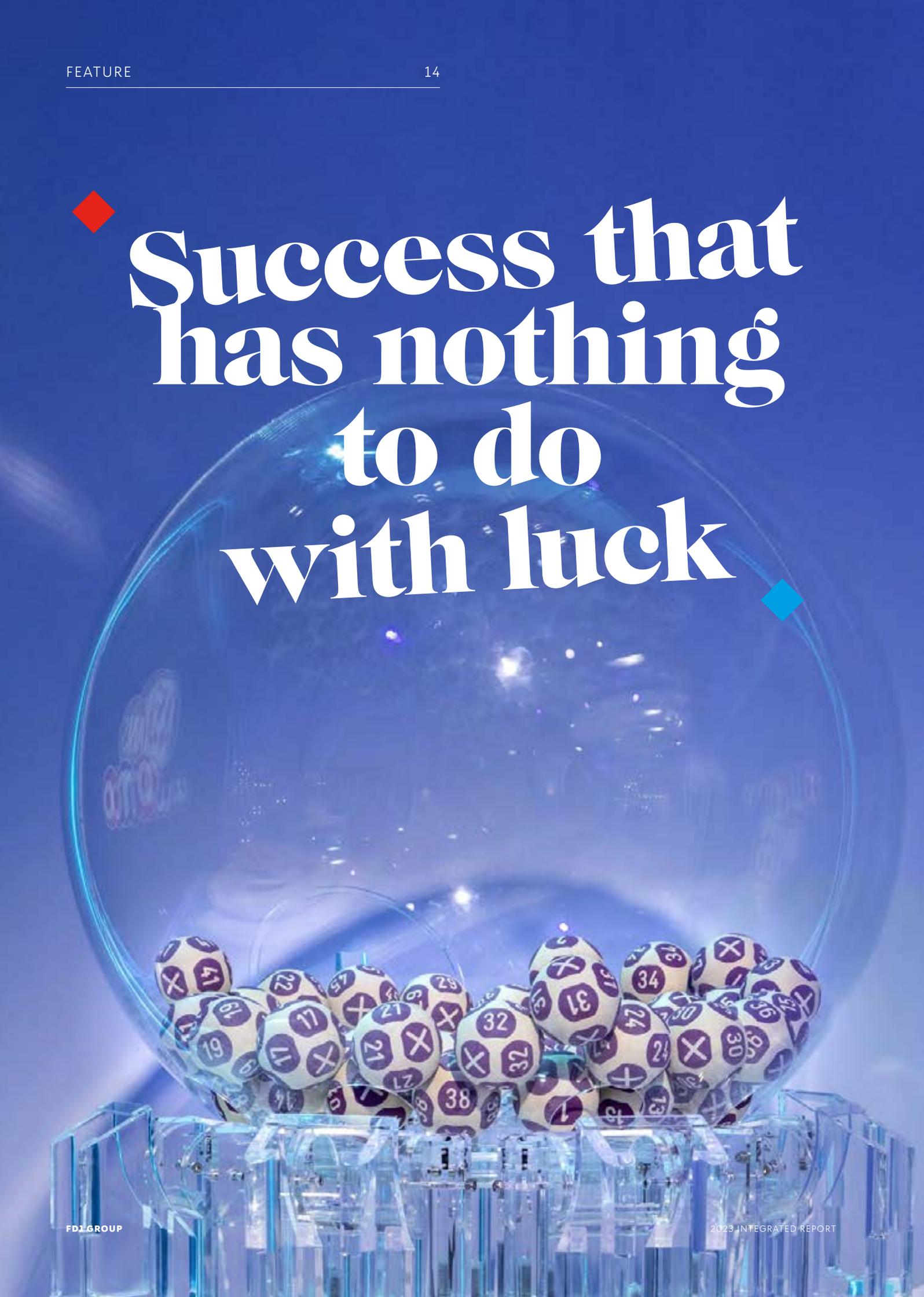
Eurodreams, the new European annuity prize draw

The first Eurodreams annuity prize draw was held on November 6, 2023, kick-starting the new game launched by FDJ and eight other lotteries within the Euromillions community. Twenty years after the launch of Euromillions, and almost 90 years to the day that the first national lottery draw was held in France, players in France, Spain, Ireland, Belgium, Portugal, Austria, Switzerland and Luxembourg tuned in to see if they had won. This European collaboration marks the beginning of a new era for lottery games by offering players a whole new way of winning: by purchasing a €2.50 ticket, players stand to win as much as €20,000 a month over 30 years, amounting to a grand total of €7.2 million. ♦

NOVEMBER

FDJ becomes the new operator of the Irish national lottery

In November 2023, FDJ announced the acquisition of Premier Lotteries Ireland (PLI) in its first-ever move into a foreign lottery market. This acquisition fits neatly into the Group's international development strategy. With a workforce of more than 200 people, PLI distributes 45 games through a diversified network of more than 5,300 points-of-sale, as well as online, with a 15% share of digital stakes. PLI owns the exclusive rights to operate the Irish national lottery up to 2034 in a country where more than three-quarters of adults purchased a ticket for a prize draw in 2022. ♦



Success that has nothing to do with luck

Assets — As a key player in its markets, the FDJ Group can draw on a combination of unique assets to pursue its expansion in France and acquire a foothold in international markets.

A winning hand: our six assets

The largest local network in France

The Group boasts the most extensive local network in France with an unmatched level of coverage: 90% of the French population lives within 10 minutes of an FDJ point-of-sale. FDJ helps retailers to upgrade and diversify points-of-sale in order to make the network even more attractive and robust. ♦

More than 29,000 points-of-sale in more than 11,000 towns and cities

Iconic brands

The Group boasts an impressive portfolio of games with many iconic brands such as Loto, Euromillions, Cash, Astro, Banco and Parions Sport. The acquisition of ZEturf at the end of 2023 added two new brands to the range: ZEturf (horse-race betting) and ZEbet (sports betting). ♦

24 new and reformatted lottery games launched online and 14 offline in 2023

27 million players

The Group is developing a gaming model that caters to a very large number of recreational players. With practically 27 million players, FDJ games are played by nearly half of the French adult population. Knowing your customer and developing services that are in tune with their expectations are important factors for the Group, which is why it maintains a regular dialogue with customers. ♦

State-of-the-art technology

FDJ has state-of-the-art infrastructure, which is mostly proprietary. This gives the Group operational and secure end-to-end control of its activities, which guarantees agility, reliability and independence. ♦

More than 5 billion transactions a year, or 1,000 transactions per second during peaks

Continually innovating

Innovation is just one of the levers the FDJ Group can use to generate growth. The innovation strategy focuses on five key areas: the future of gaming, the future of the player experience, the future of omnichannel distribution, Web3 and positive impact innovation (Tech for Good). The Group relies on a vast ecosystem of start-ups to pursue this strategy (partnerships and investments). ♦

More than 30 collaborations with start-ups in 2023

Capacity to invest more than €100 million in start-ups

Responsibility is the operative word

FDJ assumes its position as a leader in responsible gaming. It has placed this issue at the centre of its strategy and activities. The Group actively promotes responsible gaming, from game design to raising public awareness and retailer training programmes. ♦

72/100: Moody's ESG Solutions score, 1st in the Hotels, Leisure and Services category

Behind the scenes — FDJ launched the exclusive online game Mini Jackpot in early 2023. **Marion Ponty**, Scratch Card and Phygital Games marketing manager, and **Frédéric Mas**, head of Instant & E-Instant games, take us behind the scenes to see how an FDJ game is made.

Making an FDJ game

In February 2023, FDJ announced the launch of Mini Jackpot, an adaptation of one of the Group's most successful games. With this "mini" version, players can win up to €50,000 with a mere €2 stake. "By setting a lower minimum stake than for Jackpot, we have been able to address a very broad player base, which is a priority for FDJ," says Frédéric Mas. This was also the first time for an Illiko scratch card game to be launched exclusively online. The goal was to test player appetite for the new game online before deciding to introduce it in points-of-sale. One year later, printed Mini Jackpot scratch cards are already available! The game has been a hit thanks to an intense creative process and the work of the many staff members involved.

Multiple sources of inspiration

Where do the FDJ teams get their ideas for new games? "We draw our inspiration from sporting and cultural events, television shows, board games, other gaming operators and more. We also regularly hold workshops to get the creative juices flowing within our in-house teams," explains Marion Ponty. Once a theme has been agreed upon, these teams determine the price players would have to pay to play the game and draw up a table containing the prize amounts, the number of prizes and the odds of winning. The creative

phase and the search for a name can now begin, which is an important step given that the name may ultimately become a factor in player recognition.

A carefully thought-out game universe

A game is not just a catchy name. The graphics also need to grab the player's attention. At FDJ, the game ticket is crucially important. It must reflect the game's universe, stipulate the rules and contain essential information such as the fact that underage gambling is prohibited. The creative avenues explored by the teams may be tried out with a panel of test players. A similar approach is taken for digital games, with online players receiving access to prototypes to assess a game's potential. The gaming model is adapted based on feedback from the panel, with the ultimate aim of producing a game ticket or digital gaming experience that players would prefer. "With Mini Jackpot, we did not conduct any market research before we launched the game online," says Marion Ponty. "The fact that the Jackpot version already existed and had done very well for many years meant that we already had a good indication of the game's potential. Mini Jackpot's online success confirmed this, giving us the green light to launch a paper version."



+ 50
people on average involved in the launch of a new game

12 to 18 months
on average to create a game



"An ever-evolving range is the mark of FDJ, with varying minimum stake levels and highly entertaining games, both visually and in terms of the experience it affords players."

Marion Ponty / Scratch Card and Phygital Games marketing manager



"Mini Jackpot has been one of our biggest online hits this year. It has injected even more momentum into Jackpot ticket sales."

Frédéric Mas / Head of Instant & E-Instant games



A CLOSER LOOK

A new game every month

In the gaming world, it is important to stay fresh, particularly when it comes to digital games, where players are always on the look-out for new releases. FDJ has understood this and has a unique capacity to liven up its gaming range and innovate. Each month, the Group releases a new scratch game in points-of-sale that is systematically adapted into a digital version. On average, it also produces one new phygital concept every year. Added to this, approximately one new game is added to the exclusive online gaming catalogue every month. These new releases may be seasonal or related to a specific event – e.g. they may be available over Christmas or coincide with a sporting event – or become a more lasting fixture in the gaming range.

Turning an idea into reality: a multi-step process

Before the Group's legal department and marketing division can sign off on a game, the Responsible Gaming team will verify that the models, wording and Serenigame⁽¹⁾ matrix used for the game fully comply with FDJ's player protection standards. The game is then submitted to the French gaming regulator (ANJ) for approval. Each year, FDJ submits its gaming programme for the following year to the ANJ. It is important to note that new games are created many months before they come on the market. On average, the entire process can take a year for scratch card games and a year and a half for draw games. This process includes the various manufacturing steps with the printers for tickets and with developers for digital games. Once all these steps have been completed, the game can be launched! A set of indicators is closely monitored to determine whether a game is a hit. As Frédéric Mas explains, "players are a central focus for us. Their feedback has a massive influence on how we develop our games. This is what has prompted us to branch out into omnichannel experiences: 'phygital' games combine the best of both worlds and are really catching on." ♦

1. Serenigame is a system that FDJ has introduced to assess a game's excessive gambling risks.

Coming to a place near you — Nirio is a payment solution developed by the FDJ Group to give users an easy, quick and secure way to manage their daily expenses. We take a closer look at this service launched in early 2023 below.

Nirio, new service for easy everyday payments

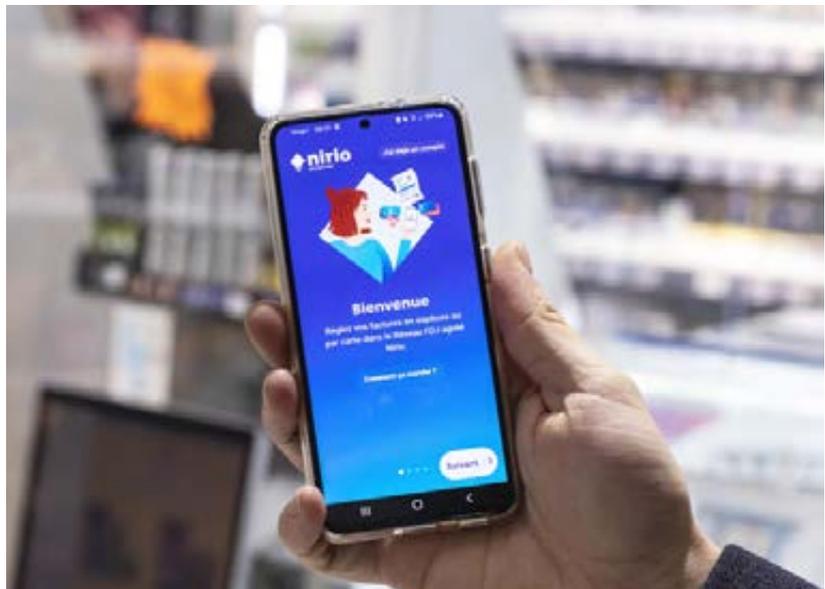
Six million people in France do not pay their bills electronically⁽¹⁾, as they do not want to set up standing orders on their account. In response to this, through its subsidiary FDJ Services, the FDJ Group wanted to give as many people as possible access to a fluid and secure payment experience. Enter Nirio in 2023. With Nirio, users can pay their bills and make everyday payments at any approved FDJ point-of-sale. This is a local service that makes perfect sense. That is because the FDJ Group boasts the largest distribution network in France and has already been providing a payment collection service on behalf of the French Treasury (DGFIP) since 2019. Users of this tried-and-tested service can pay fines, local authority bills or taxes up to €300 at FDJ points-of-sale.

How does Nirio work?

The customer opens the Nirio app and scans the QR code on their bill or any other invoice (rent, plane ticket and more), which generates a payment code on their smartphone. They then simply visit any one of the Nirio payment points to scan the payment code on an FDJ terminal and show evidence of their identity to the retailer before paying the corresponding amount in cash or by card. Their payment history will be available in the app. So far, more than 10,000 retailers have signed up to this service for their customers.

Nirio “puts people and trust back at the centre of the transaction process”

“Nirio is an answer, at long last, to any concerns customers may have had,” explains Raphaël Botbol, Director in charge of Strategy, Innovation and New Activities at the FDJ Group. “It puts people and trust back at the centre of the transaction process. It is also a way for retailers in



the FDJ network to branch out and assert their importance to their local community.” Social landlords all over France (Auvergne-Rhône-Alpes, Bourgogne-Franche-Comté, Nouvelle-Aquitaine, Île-de-France and more) are already offering this payment option to their tenants. The tenants simply have to visit an approved Nirio payment point to pay their rent. With Nirio, customer satisfaction is enhanced, rent collection is facilitated and payment processing fees are lowered.

Ultimately, the plan is to form partnerships with utilities companies and telecoms operators so that customers can also pay their water, electricity and telephone bills at approved Nirio payment points. Cash deposits were recently introduced thanks to a partnership with banking institution Sogexia. A withdrawal service⁽²⁾ will also be launched soon. Raphaël Botbol says: “In 2024, we will be offering our customers a comprehensive solution that will include an account and a card that will be linked to budgeting tools.” The goal for Nirio is to make it the number one local payment and collection network in France. ♦

FDJ Services (Nanterre trade and companies register No. 892122888, 18 - 59 Av. de la Voie Lactée 92100 Boulogne-Billancourt), payment institution (bank code 17488).

1. Findings of 2022 surveys by the 2022 Cetelem observatory.

2. Subject to FDJ Services receiving the required cash withdrawal authorisations from the ACPR (French prudential supervision and resolution authority).



Sports facilities in Le Lude (Sarthe) as part of operation "Gaining Ground".

Coming to a place near you — As a supporter of sport in France for more than 40 years, the FDJ Group is proud to be an official partner of the Paris 2024 Olympic and Paralympic Games. This is a wonderful opportunity for us to continue to promote the values of sport and participate in initiatives to get people moving throughout the country.

Paris 2024: a collective adventure

In addition to being a long-standing ambassador for sport in France, FDJ is also deeply involved in local communities, bringing people together through entertainment. It was therefore natural for the Group to join the Paris 2024 adventure as an official partner of the Olympic and Paralympic Games, in order to make these Games a huge popular celebration that is responsible, inclusive and community-driven. This has also been an opportunity for the Group to go even further in its commitment to promote gender diversity and the inclusion through sport of young people and people with a disability,

namely through the actions of the FDJ Foundation (see page 45). This is a powerful echo of the Paris 2024 official slogan: "Games Wide Open!".

Sport before, during and after the Games

Values such as following the rules, ethics, equal opportunities and solidarity are all shared by FDJ. The Group is working with local authorities to embody these values in local communities throughout France before, during and after the Paris 2024 Olympic and Paralympic Games. FDJ has teamed up with the National Sports Agency (ANS) and Paris 2024 to launch operation "Gaining Ground". The aim of this FDJ-funded initiative is to build multi-module warm-up facilities open to the general public at local sports grounds across France subsidised by the ANS. By the end of 2024, around 50 French towns located in urban and rural areas will welcome these new facilities thanks to operation "Gaining Ground". So far, the towns of Tremblay-en-France (Seine-Saint-Denis), Montargis (Loiret), Le Lude (Sarthe) and many others have already inaugurated their new facilities.

On your mark, get set, get involved!

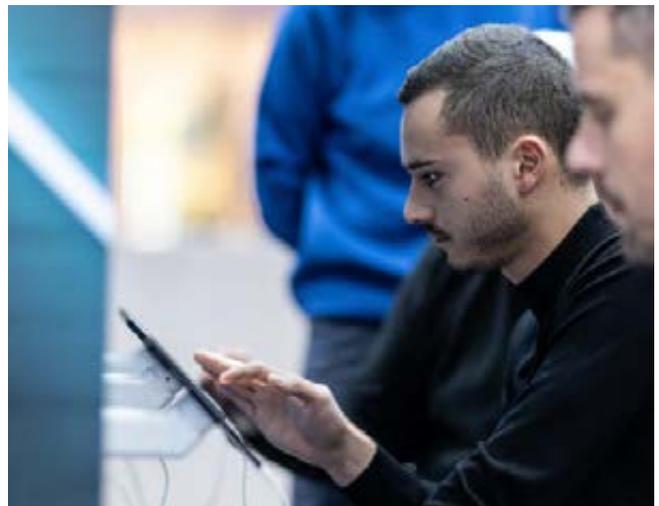
Providing support for women to play sports is a particular focus for the Group. As part of this, it has teamed up with the Paris 2024 endowment fund Impact 2024 to facilitate access to sports for 400,000 women. FDJ also supports professional female athletes, as evidenced by its annual "Performance pour Elles" call for projects, which provides funding for sports federations that work to develop female participation in sport at a high level. In 2023, the French rugby, cycling, wrestling, handball and disabled sports federations, winners of the sixth call for projects, shared a €100,000 endowment to help them go further in their support for existing and future female champions!

In September, FDJ also launched a new programme that covers a portion of the costs involved in practising a sport for nearly 1,000 women. This initiative removes the cost factor, which is a major obstacle for 35% of women³. In concrete terms, the women who benefit from this scheme can register with the French federations that are partnering FDJ, have free access to a network of gyms or take part in the "Les Puncheuses" programme (personal development through boxing). For FDJ, women are also the future of sport. ♦

³. Kantar FDJ/Paris 2024 "Sport au féminin" barometer, March 2022.

Strategy

FDJ has its sights on digitalisation, diversification and international expansion



Digitalising and introducing omnichannel lottery services

to give players a fresh, entertaining and responsible gaming experience.

FDJ is accelerating the digitalisation of its lottery activity and offers an innovative gaming experience that is adapted to changing uses. This is part of the Group's strategy to expand the player base and retain existing players in keeping with its responsible gaming model. FDJ is also working to develop omnichannel gaming. ♦

Building

value-creating customer relationships and consolidating FDJ's responsible gaming policy through customer identification and knowledge.

FDJ wishes to improve player identification both online and in points-of-sale so that it can provide players with exclusive offers and services. Similarly, improved customer knowledge will enable the Group to offer a personalised experience and enhance its responsible gaming services in a different and proportionate way, depending on individual player behaviour. ♦



cross-cutting pillars to support the Group's strategic axes

01. Continuing to offer multiple touch points with lottery customers as part of an omnichannel experience, by using the partner network and pursuing the business model transformation process

In a shifting environment that holds a wealth of opportunities, FDJ continues to gear its strategy towards the production of sustainable and profitable growth, hinging on player protection. The Group is reasserting its leadership in the French gaming market and consolidating its model with new sources of revenue. This involves developing the Group's B2C business in international markets and stepping up non-gaming activities, as it has been doing through its subsidiary FDJ Services, specialising in local point-of-sale payment and collection.



Gaining

market share in the online gaming and betting sector open to competition, while maintaining growth momentum in offline activity.

FDJ intends to develop its business in the gaming sector open to competition. This involves increasing its market share in online sports betting and expanding FDJ's scope with two new verticals: poker and horse-race betting. At the same time, FDJ wants to continue to make sports betting more attractive in points-of-sale through competitive offers and gaming experiences, in keeping with its responsible gaming model. ♦



Strengthening

the resilience of the FDJ business model by developing new activities.

The Group wants to capitalise on its know-how to develop new activities, which will make its business model more robust and sustainable. This will involve developing FDJ's international B2C business and consolidating its non-gaming activities, such as the local point-of-sale payment and collection service provided under the Nirio brand name. ♦

02. Rolling out the technological strategy to develop digitalisation, the gaming experience and omnichannel lottery playing

03. Improving the Group's agility and operating performance by reinforcing the efficiency and flexibility of its financial model, as well as employee engagement and skills

Business model

FDJ continues to enjoy sustainable and profitable growth

Trends

More information on p.24

♦ Going local

♦ Responsibility and the quest for meaning

Resources

Employees committed to solidarity

- ♦ Nearly **3,000** employees (fixed-term contracts and permanent contracts)
- ♦ Nearly **80%** of employees are shareholders
- ♦ **92/100** employee engagement rate⁽²⁾

An extensive and scalable offer for a broad player base

- ♦ Nearly **27 million** players
- ♦ A constantly renewed and diversified gaming offer
- ♦ Iconic brands

A highest-standard responsible gaming strategy

- ♦ **11.1%** of the advertising budget devoted to responsible gaming
- ♦ **100%** of lottery games assessed using Serenigame matrices⁽³⁾
- ♦ An objective to bring the share of GGR⁽⁴⁾ derived from high-risk online lottery players **below 2%**
- ♦ **€3.2 million** allocated to responsible gaming partnerships

Cutting-edge technological know-how

- ♦ More than **100,000** connected devices in points-of-sale
- ♦ More than **5 billion** transactions processed each year in Group data centres

France's largest distribution network

- ♦ More than **29,000** points-of-sale in more than **11,000** towns and cities
- ♦ **2** integrated supply chains with **100%** of points-of-sale operated via direct distribution

A robust financial position

- ♦ **€1,071 million** in equity
- ♦ A **€671 million** net cash surplus
- ♦ **€125 million** in investments

An open approach to innovation

- ♦ More than **30** collaborations a year with start-ups
- ♦ Capacity to invest more than **€100 million** in start-ups

An ambitious environmental strategy

- ♦ A carbon reduction policy validated by the Science Based Targets initiative⁽⁵⁾
- ♦ A green IT approach
- ♦ A positive contribution to biodiversity

Activities

More information on p.05

Lottery games
(draw and instant games)

74%

of Group revenue

(Exclusive rights to offline and online lottery games in France)

Purpose

More information on p.03

Gaming is our business, giving back to society is what drives us and responsibility is our constant focus.

1. Areas for development explored by the Group to capitalise on its assets, its know-how and its experience, and to consolidate its resilience (see page 05). / 2. Taken from the Harris Interactive annual internal employee survey. / 3. Universal and scratch card Serenigame matrices; excessive gaming risk assessment tool implemented by FDJ. / 4. Gross gaming revenue. / 5. International initiative to promote the setting of greenhouse gas reduction targets to limit the increase in the global average temperature to 1.5 °C by 2100.

FDJ's business model combines its core gaming activities and new activities⁽¹⁾. In promising markets, this enables it to capitalise on its strengths to continue to deliver sustainable and profitable growth. As a leader in gaming for entertainment, the Group is successfully developing digitalised offers and reasserts its commitment to responsible gaming practices every day.

The following indicators cover the scope of the Group.

◆ Digital technology at the centre of our lives

◆ Evolving consumer trade-offs

Sports betting and online gaming open to competition⁽⁶⁾

20%

of Group revenue

(Exclusive rights to offline sports betting in France, online gaming open to competition: sports betting, horse-race betting and poker)

Other activities

(International, Payment & Services)

6%

of Group revenue

Strategy

More information on p. 20

The FDJ Group wants to consolidate its positions in French gaming markets and become a key international player.

Value created

A notable financial & non-financial performance

- ◆ **€2.6 billion** in revenue
- ◆ **25.1%** recurring EBITDA margin
- ◆ **80%** consolidated net profit payout ratio
- ◆ A Moody's ESG Solutions score of **72/100**
- ◆ **The European Lotteries** responsible gaming certification (maximum compliance level)

Contribution to public interest causes

- ◆ **€25 million** allocated to the FDJ Corporate Foundation for 2023-2027
- ◆ More than **€150 million** collected since 2018 in support of French heritage programmes with Mission Patrimoine games
- ◆ **€72 million** in gaming levies allocated to the National Sports Agency (ANS)⁽⁷⁾

An inclusive labour policy

- ◆ **100/100** on the gender equality index (FDJ SA)
- ◆ Women make up **37.8%** of management positions and **39.1%** of the total workforce
- ◆ **5.67%** of employees have a disability

A redistributive model

- ◆ **€6.6 billion** contribution to French GDP⁽⁸⁾

- ◆ An incentive scheme and profit-sharing agreement in which employees can receive up to **24%** of their base salary

Contribution to regional development

- ◆ **€983 million** in commissions paid to retailers
- ◆ **56,000** jobs created or made permanent thanks to FDJ's activity, of which **21,800** for bars, tobacconists and newsagents⁽⁹⁾
- ◆ **85%** of purchases made in France by the Group's French entities

Contribution to environmental protection

- ◆ **70%** reduction in scope 1 and 2 emissions⁽⁹⁾ in 2022 compared to 2017
- ◆ **100%** of gaming materials are printed on responsibly-sourced FSC[®]-certified paper
- ◆ **110 hectares** of French forests preserved since 2019⁽¹⁰⁾

6. Online gaming, excluding lottery. In France, an online market open to competition is permitted for sports betting, horse-race betting and poker. / **7.** Incidentally, alongside other approved operators, FDJ contributes to the ANS budget through gaming levies charged by the French State on online sports betting in the amount of €34.6 million (for all operators combined). / **8.** BDO-Bipe (Bureau for economic information and forecasting). / **9.** Reduction of emissions related to the Group's energy consumption: electricity, gas, fuel, air conditioning and fuel for company vehicles. / **10.** Via PES – payments for ecosystem services – financed by the Group (see page 27).

Analysis — Changing lifestyles and consumption habits, digitalisation and increased citizen awareness mean that collective and individual behaviours are rapidly evolving. Below is an overview of the four main trends which are pushing the boundaries.

Trends: are consumption patterns set to change?



Responsibility and the quest for meaning

Increasing awareness about climate emergency issues is inciting everyone to take action. According to the Greenflex and ADEME⁽²⁾ barometer survey of responsible consumption, one in every two people in France is concerned about the knock-on effect of their purchases on their health and on the environment. Consumers are increasingly aware of the impact, especially social and environmental, of their lifestyle and their consumption choices. As for employees and young job seekers, they are increasingly demonstrating the need to find meaning in their work. In this context, companies not only have to take CSR⁽³⁾ issues into account in their strategy, but they must also ensure they give meaning to their employees' actions. ♦

90%

of employees think it is important or essential that their company enable to them give meaning to their work⁽⁴⁾

Going local

In a world that is undergoing energy and food restrictions, and where people are living more frugally, we are witnessing regional rebalancing. This is benefiting medium-sized cities and large regional metropolises, but it also means the depopulation of certain areas. This trend is accentuated by several factors such as the loss of momentum in urban sprawl, increased remote work opportunities and the chance of a better quality of life in these new centres of attraction. At the same time, some regions are still losing inhabitants and services. This reshuffling of space goes hand in hand with changing lifestyles and travel and commuting patterns, and a rise in ecofriendly transport. Be it retail, culture or services, local is back. And with it comes new types of reasoned, relocated consumption habits. This shift towards ultra-local is rubbing shoulders with the rapid digitalisation of society as a whole, and most especially, an increase in online shopping. ♦

55%

percentage of medium-sized cities in which employment and population numbers have risen in the last 10 years⁽¹⁾

Digital technology at the centre of our lives

We are currently witnessing hyperdigitalisation, featuring increased integration of AI-powered tools. These rapid changes are happening mostly in the retail sector. Consumers are always looking for more freedom and customised products. During the public health crisis, they became familiar with phygital and omni-channel purchasing. However, this shift does not eliminate the need for human contact and point-of-sale experiences. A 2022 study revealed that 62% of French consumers prefer to buy in physical shops, and 64% said that such purchases must bring something more compared to the online experience⁽⁵⁾. Yet accelerated digitalisation brings with it a new risk; that of digital illiteracy and e-exclusion and the threat of a two-tier society. ♦

73%

of French people say they research a product or service online before buying it in a shop⁽⁶⁾

1. "Les villes moyennes, un pilier durable de l'aménagement du territoire" (Medium-sized cities, a sustainable pillar in land-use planning), France Stratégie, 2022. / 2. The French agency for ecological transition. / 3. CSR: corporate social responsibility. / 4. Study entitled "Du sens à l'ouvrage : comprendre les nouvelles aspirations dans le travail" (Giving meaning: understanding new work aspirations), ProjetSens, 2023. / 5. Retail study, Adyen, 2022. / 6. IFOP study into new consumer trends, 2022.

Evolving consumer trade-offs

Recreational activities are a factor for fulfilment and a satisfying social life and form a large part of French people's consumption habits. Between 2010 and 2020, the time spent daily on such activities increased by an extra hour and half. The French household budget for recreational and cultural activities has more than tripled in the space of 50 years. Nevertheless, the current economic environment has dampened this momentum, with inflation leading 46% of French consumers to cut back on their leisure spending⁷. However, this inflationary environment does not appear to be weighing on demand for gaming products, which account for a very small share of consumers' leisure expenses. ♦

10%

Leisure, culture and communication spending rose from 3% of the consumer budget in France in 1960 to 10% in 2019⁸



FOCUS

The gaming sector

The gaming sector is continuing its strong momentum throughout the world. This is mostly explained by digitalised gaming. The FDJ Group ranks as one of the European and international leaders in this sector.

A highly regulated sector in France

In France, FDJ has exclusive rights (monopoly) to operate offline and online lottery games, and point-of-sale sports betting, which cover more than 95% of its activities. These exclusive rights were confirmed by the Pacte Law for a 25-year period until 2044. The Group's sports betting, horse-race betting and online poker activities are open to competition.

Regulation of the French gaming sector

Regulators



7. Harris Interactive survey, 2023. / 8. "La consommation des ménages depuis cinquante ans" (Household consumption in the past 50 years), INSEE, 2020. / 9. A charity organises lotteries and classic bingo games to support good causes, encourage the arts or finance non-profit sporting activities.

Analysis — By drawing on fundamental technologies such as blockchain⁽¹⁾, Web3 can lead to a multitude of new applications and uses, both in the real world and in possible metaverses. We take a deep dive into the heart of the Web3 revolution below.

Web3: a new place to play



FDJ is exploring Web3 gaming with the Zodiac Maze escape game and the Ultimate Numbers card game.



What is Web3?

To understand this next generation internet, we need to take a small step back into the past. To begin with, Web1 mainly comprised static pages and functioned like an information portal so that users could read information. Web2 then came on the scene in the 2000s with the emergence of social media platforms. Users could both read and write in this new environment, facilitating – and even encouraging – interaction between them. With Web3, the aim is to provide users with a decentralised version of the internet so that they have more control over their data and can read, write and own digital objects.

A new world to be explored... and regulated

It is hard to tell how fast Web3 will catch on, although there are already some very real signs that it is being used in the entertainment sector. New forms of games using monetisable digital

objects have emerged and become a new segment of the market that is worth exploring. "As a long-standing operator in the French gaming sector, we wanted to play a part in democratising Web3," says Jean-Baptiste Maupas-Oudinot, Director of Entertainment at FDJ. The Group therefore began to explore this new environment to take a closer look at its uses and ultimate economic potential. FDJ also wanted to be able to detect the latest developments and work with start-ups that had made the most promising advances in this area. As a result, since 2019, it has invested more than €10 million through FDJ Ventures in Web3-related start-ups. The Group is breaking this new ground in keeping with its responsible gaming and data protection commitments, on one essential condition: the regulatory environment must support innovation and ensure that players are protected.

New experiences in the metaverse

To carve out a position in this new universe, FDJ has embarked on two Web3 gaming initiatives. The Group began by making forays into the metaverse, an immersive 3D world in which users can exist in the form of avatars. This saw FDJ acquire a "plot of land" in a French metaverse known as The Sandbox. It has built two gaming and entertainment experiences there, which have been available since December 2023 and weave in neatly with the Group's DNA: the FDJ Agora, made up of quest-related mini-games, and Zodiac Maze, an escape game with a world heritage theme. This has opened up the doors to new player communities. The Group is also preparing for the launch of Ultimate Numbers, a trading card game inspired by the FDJ universe and co-developed with Cometh, a French studio specialising in Web3 games. Players can win rewards in the form of NFTs⁽²⁾. ♦

1. A transparent, secure storage and information transmission technology that runs with no central control body.

2. NFTs or Non-Fungible Tokens are unique digital identifiers that are recorded in the blockchain and are used to certify ownership and authenticity.

Analysis — The preservation of biodiversity has long been eclipsed by climate change, but this does not mean it is any less important. FDJ understands this, which is why it has been taking concrete action for many years to preserve biodiversity. We take a closer look at the key areas being focused on below.

FDJ is taking action to preserve biodiversity

The environmental strategy, redefined by the Group in 2023, not only maps out an emissions reduction trajectory for FDJ's operations but also defines an action plan to contribute to the preservation of biodiversity. This plan focuses on four areas: reducing the impact of gaming on biodiversity, contributing to the protection of biodiversity in the countries in which the Group operates, raising awareness among customers and the general public, and sharing best practices to inspire the gaming industry. The Group is reasserting this long-standing commitment today in a bid to make an even greater positive contribution to the natural world that surrounds us.

A new milestone with Nature Impact

In May 2023, FDJ joined Nature Impact, the first fund to combine protection of biodiversity and carbon sequestration. This initiative, launched by WWF France, a long-term partner of FDJ, will finance projects to preserve, restore and sustainably manage forests (approximately 15,000 hectares of forest that contain some of the most varied and endangered species). By bringing together financial backers such as FDJ and forest owners, WWF is looking to raise up to €2 million for projects starting in 2023, and ultimately €40 million over 10 years. The protection of these forests marks a powerful step forward to tackle climate change. This project is expected to provide an added 400,000 of CO₂-equivalent sustained carbon storage capacity in the space of thirty years.

Sustainably managing forests

Paper is a key resource for FDJ. Wood sourcing alone accounts for 98% of the Group's impact on biodiversity. With this in mind, the Group pledged to use responsibly sourced paper as early as 2012 and is one of the first lottery operators in the

world to support efforts to protect forest ecosystems. Today, 100% of FDJ's gaming materials are printed on FSC®-certified paper. This guarantees that the wood has come from forests managed to encourage diverse species of trees and protect the soil, plant life and wildlife. The Group also became a sponsor of the French biodiversity agency (OFB) when it launched the Mission Nature scratch card game (see page 13).

FDJ is a pioneer in PES

PES or "payments for ecosystem services" are another powerful FDJ pledge to protect biodiversity. PES compensate forest owners who manage their land in a way that protects the habitats of endemic species. Since 2019, FDJ has also been financing forest biodiversity preservation and restoration projects developed in conjunction with Sylvamo Forêts Services in metropolitan France. The most recent project involved an age-old forest in Auvergne that is home to remarkable beech trees and protected species, including bat and Tengmalm's owl populations. In all, preservation or conservation projects have saved 110 hectares of forest in the heart of French regions since 2019. ♦

FIND OUT MORE

Read the 2023 Universal Registration Document, Chapter 4, "Corporate social responsibility: non-financial information statement".



PES projects supported by FDJ have helped to preserve 110 hectares of forest since 2019.



Governance — Governance at FDJ relies on bodies with clearly defined duties and responsibilities, tasked with directing and steering the Group’s strategy.

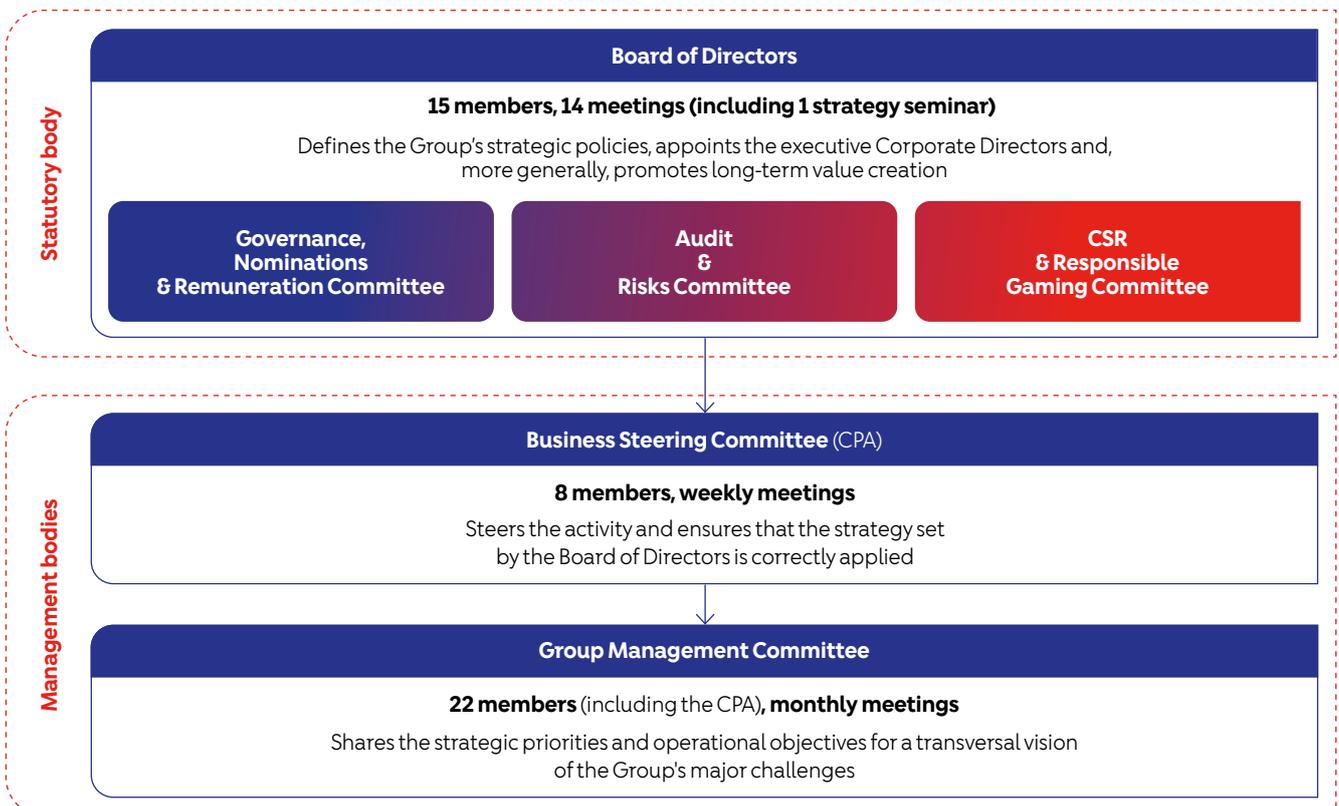
Who does what ?

The FDJ governance bodies

The Board of Directors defines FDJ’s strategy and ensures that its value creation is aligned with its interests as a corporate entity, while taking into account the social, environmental and cultural stakes of its activity. It has set up three specialist committees which draw up proposals, recommendations and opinions for submission to the Board. The Company’s management team, which expresses itself via the Business Steering Committee and the Group Management Committee, implements the strategy defined by the Board. ♦

FIND OUT MORE

Read the 2023 Universal Registration Document, Chapter 2, “Corporate Governance”



The Board of Directors

Composition on December 31, 2023



Stéphane Pallez
Chairwoman and CEO



Philippe Lazare
Independent lead director



Fabienne Dulac
Independent director



Xavier Girre
Independent director



Françoise Gri
Independent director



Corinne Lejbowicz
Independent director



Florence Barjou
Independent director representing Predica



Charles Sarrazin
Director representing the French State



Ghislaine Doukhan
Director appointed by the General Meeting on the proposal of the French State



Didier Trutt
Director appointed by the General Meeting on the proposal of the French State



Jacques Sonnet
Director representing Fédération Nationale André Maginot (FNAM)



Olivier Roussel
Director representing Union des Blessés de la Face et de la Tête (UBFT), an association incorporated under the 1901 law



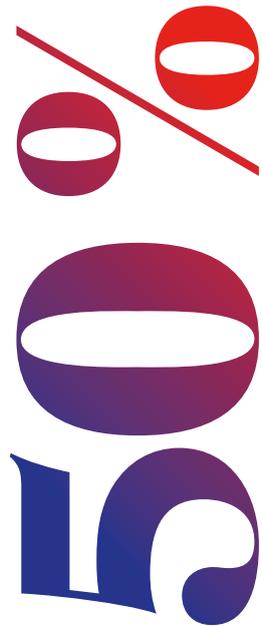
David Chianese
Director representing employee shareholders



Philippe Pirani
Director representing employees



Agnès Lyon-Caen
Director representing employees



50% independent directors

60 is the average age

50% & 50% women men

Excluding directors representing employees and employee shareholders.

Also attending the Board of Directors meetings in an advisory capacity:

Pascal Chèvremont
General Economic and Financial Controller

Sébastien Devillepoix
Representing the Central Economic and Labour Relations Council

Philippe Sauvage
Government Commissioner

Governance

Overview of the work of the Board in 2023

In 2023, the Board of Directors held 14 meetings to discuss FDJ’s strategy and daily operational management, as well as the Group’s main challenges and topics. The meetings also focused on the reappointment and remuneration of the Corporate Directors. The Board discussed matters relating to responsible growth in the activities in which the Group holds a monopoly, as well as developments in the sector for games open to competition. It also met to decide on proposed acquisitions, namely the acquisition of the Irish national lottery operator Premier Lotteries Ireland and the horse-race betting operator ZEturf. ♦



Each year, the Board of Directors holds a meeting to prepare for the Annual General Meeting of shareholders.

Main work of the committees in 2023

<p>Governance, Nominations & Remuneration Committee (CGNR)</p> <p>4 meetings 100% attendance rate</p> <ul style="list-style-type: none"> ♦ Remuneration of Corporate Directors ♦ Reappointment of executive Corporate Directors and launch of the approval procedure ♦ Evaluation of the Board of Directors 	<p>Audit & Risks Committee</p> <p>13 meetings 97% attendance rate</p> <ul style="list-style-type: none"> ♦ Finance and treasury <ul style="list-style-type: none"> ♦ Risk analysis ♦ Strategy ♦ Merger and acquisition plans 	<p>CSR & Responsible Gaming Committee</p> <p>5 meetings 95% attendance rate</p> <ul style="list-style-type: none"> ♦ Responsible gaming ♦ 2030 environmental strategy ♦ Deliberations of the Stakeholder Committee 	<p>14 Board meetings in 2023</p> <hr/> <p>22 Committee meetings in 2023</p> <hr/> <p>96% collective attendance rate</p>
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Appointment of FDJ executive Corporate Directors

At the end of 2023, FDJ launched the procedure pertaining to the appointment of its executive Corporate Directors (ECDs) in preparation for the expiry in 2024 of the Chairwoman and Chief Executive Officer’s and Deputy Chief Executive Officer’s terms of office. This is a very specific procedure, with rules governed by French law applying to listed companies and by the Pacte Order introduced to reform the French gaming industry. In particular, the appointment of ECDs at FDJ is subject to prior approval by the Ministers of the Economy and of the Budget, after consultation with the French gaming regulator (ANJ). The FDJ Board proposed that a single individual continue to combine the duties of Chair of the Board of

Directors and Chief Executive Officer, with the support of a Deputy Chief Executive Officer. Similarly, the Board proposed the reappointment of Stéphane Pallez, subject to the renewal of her directorship by the General Meeting, and of Charles Lantieri, upon Stéphane Pallez’s proposal. The Board meeting that will follow the April 2024 General Meeting will mark the final step in this procedure by confirming the principle of one person combining the duties of Chair of the Board of Directors and Chief Executive Officer, through the appointment of Stéphane Pallez as Chairwoman and Chief Executive Officer of FDJ and of Charles Lantieri as Deputy Chief Executive Officer upon Stéphane Pallez’s proposal. ♦

A remuneration policy aligned with the Group's performance

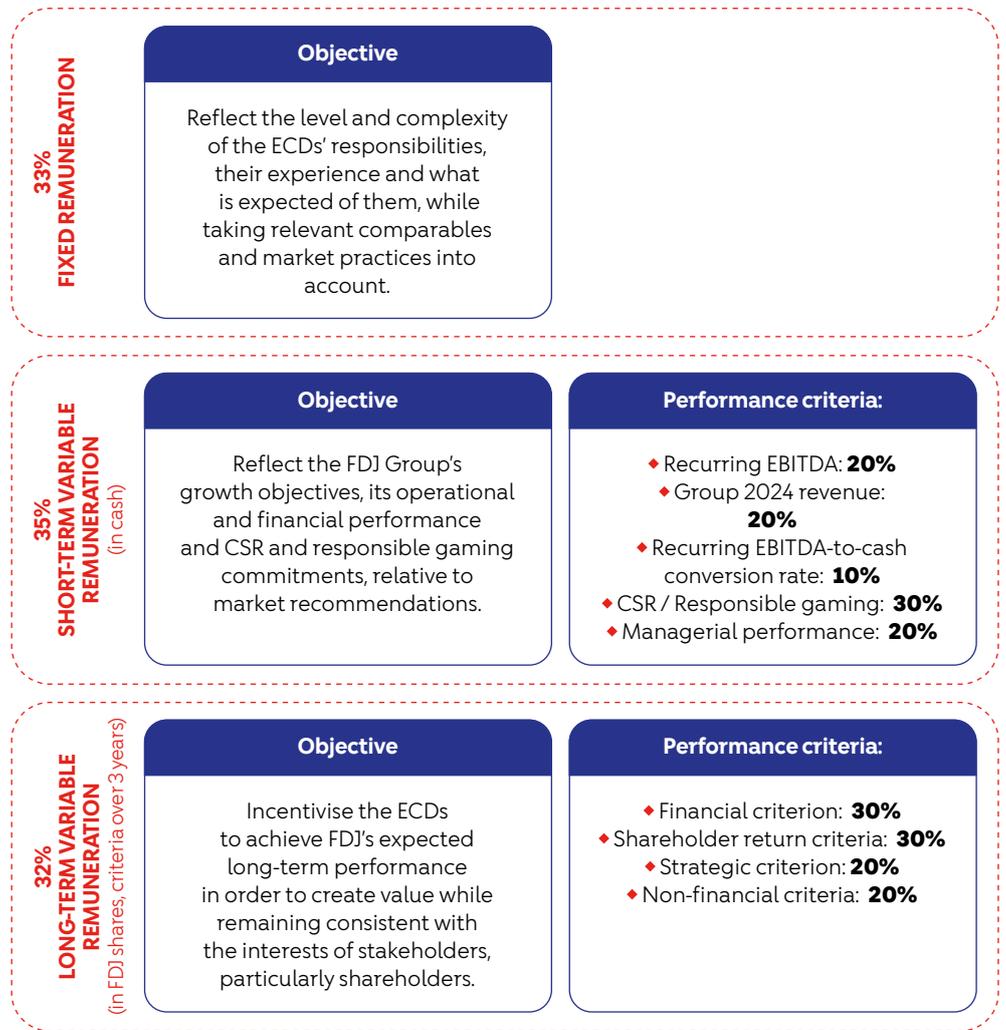
In 2023, the Governance, Nominations and Remuneration Committee worked on defining the remuneration policy for FDJ corporate directors. The weight of non-financial performance criteria in variable remuneration components was increased and new indicators were introduced. These new indicators namely relate to the Group's non-financial ratings, the reduction of its carbon emissions and diversity and inclusion. The new remuneration policy proposed by the Board also places an emphasis on the Group's strategic priorities, such as the

steering of acquisitions or the digitalisation of FDJ's activity. The shareholders will be asked to vote on this set of measures at the April 2024 General Meeting. ♦

FIND OUT MORE

Read the 2023 Universal Registration Document, Chapter 2, "Corporate Governance".

2024 breakdown of remuneration paid to executive Corporate Directors⁽²⁾



1. Two separate approval applications are submitted in respect of the appointment of the Chair of the Board of Directors and CEO, and of the appointment of the Deputy Chief Executive Officer.
 2. Subject to the ex-ante approval of the remuneration policy presented to the General Meeting of 25 April 2024.

- 1/ CGNR recommendations on the organisation of Group management and on the approval application procedure
- 2/ Board decisions based on the CGNR's recommendations
- 3/ Application for approval to the Ministers of the Economy and of the Budget, who refer to the ANJ⁽¹⁾
- 4/ Granting of approval
- 5/ Calling of a General Meeting incorporating the resolution relating to the appointment of the CEO
- 6/ Shareholder vote at the General Meeting
- 7/ Appointment of the ECDs at the first Board meeting that follows the General Meeting

Governance

The Business Steering Committee

The eight members of the Business Steering Committee ensure the successful implementation of the Group’s strategy and prepare FDJ’s future. How do they see this future? They share their insight below.

“We want to consolidate our local network and make it even more attractive as the largest sales network in France. How? By working with our retailers to transform, modernise and diversify their activities in order to bring new products and services to customers.”

Patrick Buffard / Executive Vice-President
Offline Distribution, Sport BU, Media, TV Production and Events, FDJ Réseau CEO and Chairman of La Pacifique des Jeux



“At La Française des Jeux, we work as a team. As an official partner of the Paris 2024 Olympic and Paralympic Games, we have all hands on deck to ensure that this exceptional event has a lasting positive impact throughout the country, particularly through ‘Héritage 2024’, a call for major projects launched by the FDJ Foundation.”

Raphaële Rabatel / Director in charge of Communication & Sponsorship Group



Raphaël Botbol / Director in charge of Strategy, Innovation and New Activities, Chairman of FDJ Services and FDJ Services Holding

“Innovation is becoming essential in our industry. That is what will enable us to inject fresh energy into our core business and to diversify further. And we are precisely doing that with the launch of new payment services, particularly in our point-of-sale network.”



Stéphane Pallez / Chairwoman and Chief Executive Officer

“The FDJ Group intends to pursue its growth dynamic through international expansion, digitalisation and diversification. The aim is to share created value with stakeholders and hence make a positive contribution to society.”

Pascal Chaffard / Executive Vice-President
Finance, Performance & Strategy

“FDJ’s success is expressed as much through its financial performance as through its positive impact on society, two interlocking dimensions.”



Xavier Étienne / Group Executive Vice-President
Technology, Chairman of FDJ Gaming Solutions and
FGS New Markets

“Mastering technology is fundamentally important at FDJ, whether it is to conduct our daily business in France and at our subsidiaries, or to explore innovative avenues that will enable the Group to grow.”



Charles Lantieri / Deputy Chief Executive Officer
of FDJ, Chairman of FDP, Chairman of the Supervisory
Board of FDJ Services, Chairman of FDJ Corporate
Foundation

“Responsibility and societal engagement are core aspects of our purpose. They are what guides our development strategy and our performance model as a whole.”



Cécile Lagé / Executive Vice-President Lottery BU, Customers Department

“The future of gaming is being written at FDJ: we are digitalising our activities and providing our lottery customers with an ever-growing number of omnichannel experiences where they can enjoy new, entertaining and responsible games.”

FOCUS

The Group Management Committee (CDG)

The Group Management Committee works on strategic priorities and operational objectives. It develops the understanding of cross-business issues and the proper coordination of Group functions and business units (BU). There are 22 members in the Group Management Committee: the eight Business Steering Committee members and 14 top managers in charge of the Company's major functions.

FIND OUT MORE

Read the 2023 Universal Registration Document, Chapter 2, “Corporate Governance”.

Infographic — Against the background of numerous crises and rapid societal, economic and technology shifts, FDJ constantly strives to improve its forecasting and knowledge of risks in order to better manage these risks.

Greater risk knowledge to improve risk management

The risk management and internal control system has been implemented by Executive Management under the Board of Directors' responsibility and is applied to all Group entities. The entities identify the specific risks in their area, keeping in mind the major changes in their ecosystems, as well as the risks inherent to FDJ's business. Each year, these various input sources and in-house contributions feed into the Group's risk mapping. We take a closer look at three risk factors below.

HIGH CRITICALITY

Cybercrime and the continuity of information systems

The risks associated with cybercrime and the continuity of information systems can be numerous: breakdowns or human error, saturation of the computer network, third-party failure, natural disaster and more. Not to mention cyberattacks, which have increased four-fold in France since 2020! To better manage these risks, FDJ has set up a dedicated organization and governance structure, comprising a Group Cybersecurity entity, focal points within main operating entities and an Information Security Management System (ISMS). These structures are all monitored by the Group Management Committee and the Audit and Risks Committee. FDJ also regularly raises its employees' awareness of cybersecurity issues, and in 2023, the Group organized the first edition of its Cyber Week. The program included a phishing knowledge test, a workstation hack demonstration and discussions on the challenges associated with artificial intelligence.

MODERATE CRITICALITY

Environmental, social and governance (ESG) issues

FDJ is particularly attentive to CSR-related risks. Responsibility has always been central to the Group's model and the actions it takes. Mounting expectations from external stakeholders and the multiplication of regulations in this area are spurring the Group on to continue to deliver a non-financial performance of the highest standard. FDJ has dedicated governance structure and implements actions at all levels of the Company. The Group also maps out its CSR risks, which include risks relating to responsible gaming. The Group's main CSR risks are described in Chapter 4 of the Universal Registration Document under section 4.4: "The main CSR risks facing the Group".

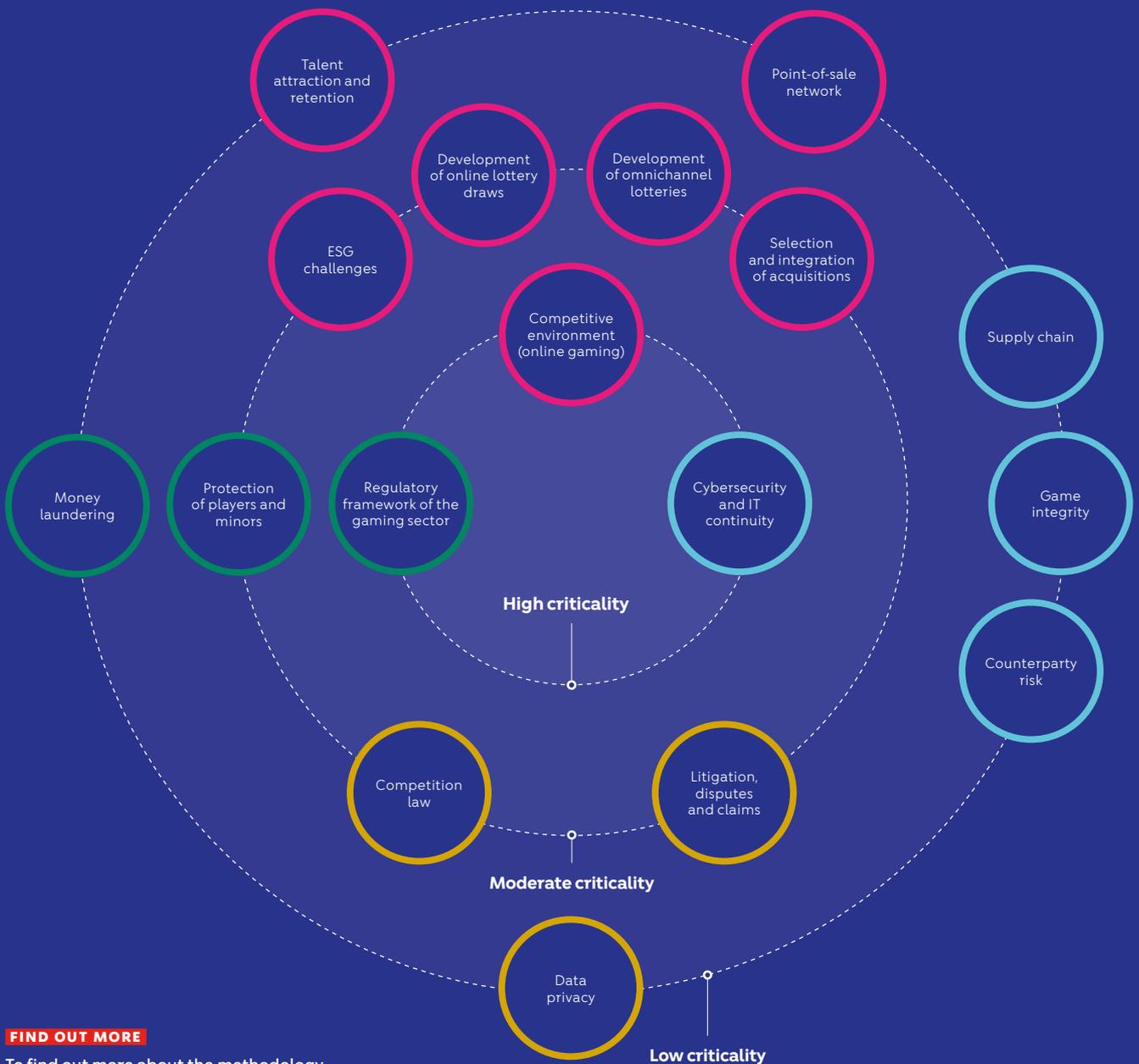
LOW CRITICALITY

Supply-chain interruptions at points-of-sale

FDJ's business relies essentially on a network of nearly 30,000 points-of-sale, to which the Group supplies gaming materials that meet the required quality standards and within the expected deadlines. However, FDJ may face a prolonged interruption in its production or logistics chain due to a breakdown, a major external event (such as climatic events, health crises or civil unrest), or even shortages of certain raw materials. The Group has implemented various solutions to handle such risks: the use of multiple certified suppliers, a production switchover system between its two main printers, the implementation of business continuity solutions between the various warehouses and back-up plans that can be activated should distribution issues arise for points-of-sale in metropolitan France and French overseas departments and territories. ◆

FDJ's risk factors in 2023

- Strategic risks and risks related to the Group's transformation
- Risks related to the Group's operations
- Risks related to the regulatory framework of the gaming sector
- Legal and non-compliance risks



FIND OUT MORE
 To find out more about the methodology used and the net criticality level applied, please refer to the 2023 Universal Registration Document, Chapter 3, "Risk factors and business control framework".

Interview — FDJ has been committed to responsible gaming for more than twenty years, a notion that is now etched into its purpose. Charles Lantieri, Group Deputy Chief Executive Officer, explains.

“Responsible gaming
is key to the sustainability
of our model”



How would you define “responsible gaming”, a core notion in FDJ’s purpose?

Charles Lantieri: Gaming is no ordinary activity. While 95% of players engage in gaming as a recreational activity, it can nonetheless carry public health risks and may have harmful consequences for some. That is why it is such a strictly regulated activity. So, I would define responsible gaming as the way in which we take steps to address such sensitive issues and ensure that gaming remains nothing more than a fun pastime. This is an essential notion for FDJ. It is etched into our purpose, which has featured in the preamble to our articles of association since 2020. It is also a long-standing commitment, as the Company has been pursuing a responsible gaming policy for nearly twenty years. Over the years, we have stepped up and clarified our approach, particularly through a dialogue with our stakeholders. Lastly, we have a particular responsibility as the leading gaming operator in France. The French State has granted us exclusive rights to operate lottery games and point-of-sale sports betting. It reasserted its trust in us by renewing our licence for another 25 years when the Group was privatised in 2019. This position encourages us to show initiative in order to stand out as a leader in responsible gaming, not only in France but across Europe.

Are you focusing your responsible gaming policy on any particular game categories?

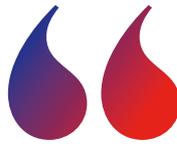
C. L.: FDJ is applying its responsible gaming approach to all verticals: lottery, sports betting, poker and now horse-race betting too. However, the Group adapts its approach depending on how exposed each activity is to risks and on the reality of players’ gaming behaviour. In sports betting for example, whenever there is a major sporting event, such as the FIFA World Cup or the Rugby World Cup, we take specific action during those events to send out prevention messages. We do this through special campaigns, retailer training and initiatives to detect vulnerable players.

Compared with point-of-sale gaming, your online games show a much greater proportion of excessive gamblers...

C. L.: Research does indeed show that there is a higher risk of addiction to online games (sports betting, horse-race betting and poker). However, the advantage with online games is that we are better equipped to get to know players, as they are required to set up a personal account in order to play. This gives us very accurate insight into their gaming habits and means that we can take targeted and personalised action to help players use gaming for recreation only. With Playscan for example, each player can assess their own level of risk, which is shown on their user profile at all times in the form of a colour-coded symbol. We take a graduated and proportionate approach when we implement our actions based on each player’s risk level: awareness messages, moderation mechanisms, self-bans and more. We can even go as far as to impose daily gaming limits for certain players, or to call those who have been flagged as the most at risk to see if they would like to talk about their gaming habits, inform them about the tools we have put in place to facilitate healthy gaming habits and put them in touch with partner associations who can provide support.

Tackling underage gambling is a key focus of your approach. Can you tell us more about that?

C. L.: A lot of studies have found that the younger a player is when they start gambling, the greater the risk they might become addicted to gambling later in life. In 80% of cases, parents will have introduced their children to gambling, without understanding the



The Group adapts its approach depending on how exposed each activity is to risks and on the reality of players’ gaming behaviour.

Charles Lantieri / Group Deputy Chief Executive Officer



harmful consequences this may have... We have therefore put together communication campaigns that specifically address this issue. We support prevention initiatives such as the one led by ARPEJ (French excessive gaming research and prevention association) in high schools. We also regularly send underage “mystery shoppers” to points-of-sale across our network to ensure that retailers are not selling gaming products to minors. If a retailer is found to be selling to minors, we have a graduated penalty system in place that will vary depending on whether it is a first-time or repeated occurrence: the retailer will be offered a chance to complete an additional training course on underage gambling and may have their licence suspended for anywhere between a few days and a longer period, bearing in mind that they may risk losing their licence altogether. You will not find such a stringent control system anywhere in France or in the world!

In the light of your responsible gaming approach, what are your thoughts on how the industry is evolving?

C. L.: We are seeing a huge increase in online games open to competition and in the sports betting market in particular, which are capturing a good share of the growth. These types of games are not subject to the same regulations as lottery games, even though they are more likely to increase the risk of excessive gambling. With this in mind, we believe that a balance needs to be struck in the regulation process, as much to avoid an increase in risky habits as to balance out growth in the sector across the various categories of games. FDJ is keen to play an active part in this regulation and will continue to offer appealing and responsible games that can channel demand into less risky gaming segments. Today, the protective framework provided by the FDJ Group sets it truly apart from other gaming operators and is a major asset for the Group’s development, particularly in international markets. We firmly believe that our responsible gaming approach will be a key factor in the sustainability of our model going forward. ♦

Testimonials — Everywhere in France, FDJ maintains close relationships with its stakeholders, built on trust. The Group reached out to employees, retailers, players and more to find out their stories.

The people who are the beating heart of community life

Maël Vala-Viaux /
FDJ intrapreneur and
co-founder of Resolv'it

Combining innovation and usefulness

"In 2021, I joined the 'InnoForHeroes' intrapreneurship programme led by the FDJ innovation department. This programme gives selected employees a specific secondment opportunity to help develop an innovative project that ties in with the Group's innovation strategy. It is a unique opportunity to immerse oneself in an innovation culture while acquiring new working methods at the same time. With my team, we came up with Resolv'it, a free participatory science game with which users can make a contribution to research from their smartphone. The idea is simple: scientists submit problems and the players find solutions through play, wherever they are in the world. With our first game, Play for Plankton, the aim is to get the player to categorise the different types of plankton and ultimately create a database for scientists who are working on the impact of global warming on marine organisms." ♦



+2,500

players of Play for Plankton

36

A growing community of
36 intrapreneurs within the FDJ Group

580

associations supported by the FDJ Foundation since 2018 as part of the "Tremplin Détaillants Solidaires" scheme

Anne-Sophie Jupinet /

Head of the FDJ Alpes Provence sales branch

Supporting local associations

"I have been working at La Française des Jeux for nearly 20 years now, and in 2019, I became one of the spokespeople for the "Tremplin Détaillants Solidaires"⁽¹⁾ scheme set up by the FDJ Foundation. My role is to familiarise 1,000+ retailers with the call for

projects in the three French departments covered by the branch that I run. Every year, I organise a point-of-sale event where selected retailers receive a certificate recognising their contribution to a solidarity initiative. This is a marvellous occasion to highlight the social role played by our local retailers in neighbourhoods, towns and villages! Since 2019, a total of 31 retailers in the Alpes Provence area have stepped up to sponsor a local community initiative through a wide variety of projects. I have a very real sense that I am doing something that has a tangibly positive impact. This drives me every day and gives true meaning to my work." ♦



200

solidarity projects supported in 2023

1. A scheme that enables retailers in the FDJ network to sponsor a local initiative of their choice that reflects the Foundation's social purpose.

Céline Lechaix /

Customer of Pacifique des Jeux, an FDJ subsidiary in French Polynesia

Dreaming big thanks to games

"I have been a Pacifique des Jeux customer for many years, mainly because of the rush I get when I play. I often buy tickets for Euromillions, Loto and Keno draws. I do not have any particular 'go-to' scratch card game; it all depends on my mood and whether a new game grabs my attention. I play in the hopes that I will win something, but also because I like the atmosphere and the friendly welcome I get when I visit Fare Loto, my local point-of-sale, which is a stone's throw from my work. The girls behind the counter know me well and always

have a kind word to say. I often bring them frangipani blossoms to brighten up their counter! If I ever win, I would like to open up a kennel for stray dogs. That's what I love most about gaming: you can dream big!" ♦

100%

of French Polynesian towns with more than 2,000 inhabitants have at least one Pacifique des Jeux point-of-sale

110

FDJ points-of-sale across the five archipelagos





Romane Dicko /

2022 World Judo Champion and member of the FDJ Sport Factory

Bringing a thrill to sports fans across France

"As a French athlete born and raised near Paris, participating in the Paris 2024 Olympic and Paralympic Games is a chance of a lifetime for me. FDJ has been supporting me since 2019, believing in me and my Olympic dream through the FDJ Sport Factory, which helps me financially and on a personal level day after day. I may play an individual sport, but the medals I have won are all thanks to a collective effort. Being able to count on an entire team, my coaches, my teammates and my loved ones has enabled me to climb to the highest level. The secret to success? Enjoying yourself, above all, but also lots of work, as well as a tiny bit of luck! I am going into the Paris 2024 Games with a burning desire to surpass myself and leave my mark on judo. I am also loving the enthusiasm across France in the build-up to this major event. It is up to us athletes to give the people something to shout about!" ♦

162

Olympic and Paralympic medals won by athletes who FDJ has supported since 1991

62

World and European Championship medals won by FDJ Sport Factory athletes in 2023

Aurélien Sautière /

Executive Director of FSC France

Working together to keep our forests

“At FSC France, we develop certification tools to preserve and restore our forests. Not only do forests provide wood, but they also play a fundamental role in our environment and in society, which is why we launched a certification process in 2018 to support and reward ecosystem services for forests. We wanted to promote this tool among forest managers and potential financial partners, with a view to getting them to work together to create innovative and useful projects for society. FDJ came on-board very early on by teaming up with Sylvamo Forêts Services, a pioneer in the use of sustainable forest management processes. Since it was first formed in 2019, this partnership has steadily become stronger, with the two organisations now currently working on six forest restoration or conservation projects. This is a fine example of an innovative collaboration between a large group and local players with an ultimate aim to uphold the environmental and social values of our regions!” ♦



100%
of FDJ's gaming materials are printed on FSC®-certified paper⁽¹⁾

2019
launch of FDJ's partnership with FSC France and Sylvamo Forêts Services

1. To find out more about FDJ's actions to preserve biodiversity, see page 27.

+€150

million collected since 2018 through Mission Patrimoine games in support of dilapidated French heritage sites

Lydie Barbaux /

Mayor of Plombières-les-Bains

Preserving our heritage

"In 2020, I became mayor of Plombières-les-Bains, a town in the Vosges where I have lived all my life. I saw it as a logical next move after my career as a primary school teacher, with a desire to get even more involved in the local community. Plombières-les-Bains' real wealth lies in its

unrivalled heritage, forged over 2,000 years of history. It was precisely to preserve this heritage that we decided to support the owners of the Tivoli imperial chalet, an architectural jewel dating from the time of Napoleon III, when they applied to benefit from the Mission Patrimoine scheme. Our heritage is a key factor in the economic and social vitality of our town: we endeavour to strike a balance between preserving our heritage and modernising our infrastructure, to prevent Plombières-les-Bains from simply becoming a 'showpiece' town. It is a way for us to bring history to life in our area while building its future." ♦



A closer look... — FDJ is expanding in an environment in which technology-related issues are taking on ever-increasing importance. To rise up to these challenges, the Group can count on the commitment of the nearly 3,000 talented individuals who make up its workforce.

FDJ talents

D

id you know? Technology is a key aspect of FDJ's business lines: online lottery, point-of-sale digitalisation, sports betting, adjacent activities and more. The impact of technology is just as extensive as it is strategic to FDJ's development. The tech teams develop and manage the Group's digital solutions. They bring together more than 750 experts in digital and omnichannel technologies, who bring to life all of the Group's gaming, entertainment and service offers. As for data, the Group can rely on 80 talented individuals within a central entity and several data factories.

The digital transformation is ongoing

The Group wants to lead the French and international market when it comes to the technological side of the gaming business. To accomplish this goal, FDJ is recruiting more staff and hiring talent

in data, cybersecurity and digital technologies in general. FDJ is also looking to the future, training youth and hiring around 100 work-study applicants every year. The Group is also pursuing its digital transformation in-house. With this in mind, it has developed a number of training courses on online platforms where employees can build personalised journeys. With the Digital Mentors programme, employees can volunteer to help their co-workers become familiar with new tools. By putting our heads together, we can rise to future challenges.

Committed by nature

The Group not only provides staff with an environment that encourages them to pick each other's brains, but it also pays particular attention to the quality of life at work.

Today, 94% of employees say they are proud to work for FDJ, 91% say they are satisfied in their work and 94% are satisfied with the atmosphere in the workplace. Like the Group itself, the talented people who work at FDJ are committed by nature, with more than a quarter of them participating in actions set up by the FDJ Foundation, namely by getting involved in associations that provide integration and education support services. ♦

318

employees involved in at least one FDJ Foundation action

NEARLY 3,000

FDJ talents (fixed-term contracts and permanent contracts), including more than **750** Tech staff

94%

of employees say they are proud to work for FDJ



The FDJ Innovation team at the Group's Viva Technology stand in June 2023.



Representatives of the Rêv'Elles association at an evening held to celebrate the FDJ Foundation's 30th anniversary in June 2023.

A glance back in time — As one of the very first corporate foundations to be formed in France, the FDJ Foundation has been driven by the same commitment since it was set up in 1993: to be of service to people in need. Below, we take a look back at a solidarity timeline that spans 30 years.

The FDJ Foundation was formed 30 years ago

T

he FDJ Group's very origins lie in the "gueules cassées" soldiers who suffered facial injuries in World War One. The National Lottery was introduced to provide these wounded veterans with financial support. This solidarity is fully reflected in the actions of the FDJ Foundation. Today, the Foundation continues to work to help those in need and to enable everyone, particularly young people, to find their place in society.

Already 350,000 beneficiaries

When the FDJ Foundation was originally founded, it focused on solidarity initiatives through sports sponsorship. In 2018, it extended its action with a view to facilitating the integration and education of young people, the most vulnerable members of society and people with a disability. The FDJ Foundation is now one of the most active corporate foundations in France. It has already provided support to 350,000 people in need.

Celebrating 30 years of solidarity!

On June 8, 2023, more than 250 guests came together to celebrate the FDJ Foundation's 30th anniversary at the famous Studio 104 housed within the Maison de la Radio et de la Musique in Paris. This pleasant evening was an opportunity to look back over what the FDJ Foundation has accomplished and to honour all the people – including directors, employees, and retailers – who have put time and effort into supporting the Foundation's partner associations since it was formed. The evening's main event was the announcement of the seven winning applicants in the 2023 call for large projects. These included the "1001 Mots" association, which works to give all children the first 1,000 words they need to start school, and Rêv'Elles, an association that provides support to young women from working class areas in their professional careers.

Targeted support to maximise the positive impact

The FDJ Foundation focuses its budget on a limited number of big projects, which are selected as part of an annual call for projects. Successful applicants can receive personalised support and endowments of anywhere between €200,000 and €1.3 million over three years. The FDJ Foundation also supports initiatives that are rooted in local communities and sponsored by retailers belonging to the FDJ network, as well as FDJ employees. Retailers can sign up to the "Tremplin Détaillants Solidaires" programme to champion a local charitable initiative that is close to their heart. Group employees are given a chance to do their bit through the "Tremplin Collaborateurs Solidaires" programme. They are also given many opportunities to put their talents to use for the Foundation's partner associations.

Ready to embark on a new chapter of its history

To coincide with the Paris 2024 Olympic and Paralympic Games, the FDJ Foundation is launching a new call for projects to help ensure that this major event leaves a meaningful legacy. The projects submitted must be championed by large organisations in conjunction with local associations, and be able to have lasting benefits for the local communities where the Games are being held. The FDJ Foundation has been allocated a new five-year (2023-2027) budget of €25 million, representing an increase of nearly 30% on the 2018-2022 budget. A truly wonderful acknowledgement of the Foundation's positive impact. ♦

Company — Recognising how essential a regular dialogue is with stakeholders in order to understand their expectations and identify areas for improvement, FDJ formed its Stakeholder Committee in 2020. We take a closer look at this very important body below, one that provides a precious perspective on the Company with a view to building the future.

The Stakeholder Committee: seeing the Company through a different lens

Giving impetus to FDJ's purpose

The FDJ Stakeholder Committee brings together people who are experts in fields specific to the Group's activities and commitments. The 14 members of this advisory body regularly discuss key issues for the Group with one particular objective: to ensure that FDJ's purpose is translated into tangible achievements.

A wealth of discussions and new arrivals in 2023

Two new members joined the Stakeholder Committee in 2023. Sarah Ourahmoune, Olympic Silver medalist and Vice-President of the French boxing federation, brings her expertise to the committee in areas relating to the world of sport, of which FDJ has long been a sponsor. Christophe Bouillon, mayor of the town of Barentin in Normandy and Chairman of the Agence Nationale de la Cohésion des Territoires, brings his experience in matters affecting regional areas and his perspective on FDJ's strong local roots. The new members were quickly given an opportunity to contribute to the Stakeholder Committee's discussions, with three meetings being called in 2023 on varied topics such as new responsible growth models, the legacy that the Paris 2024 Olympic and Paralympic Games will have and how gambling fits into society today.

Gaming through the ages, from antiquity to gamification

This is an area in which the committee benefited from the insight of Élisabeth Belmas, member of the Stakeholder Committee from day one and historian specialising in the role of gaming in society, at a meeting held in October 2023. Few people know that gaming, dates back to antiquity! State regulations, the impact of gaming on public health and the link between gaming and public interest causes are all issues that have arisen over time and remain paramount today. New challenges are emerging today relating to novelty (instant games, digital games) and the gamification of society. These issues have been discussed at length by the Stakeholder Committee. Web3, which is gradually reshaping the boundaries of gambling, has been a discussion point during committee meetings. Jean-Baptiste Maupas-Oudinot, Entertainment BU Director at FDJ, presented the Group's exploratory approach in this new domain. ♦

Composition of the Stakeholder Committee

Rose-Marie Van Lerberghe Chairwoman

Former Chief Executive Officer of AP-HP and Chairwoman of Korian

Élisabeth Belmas

Gaming historian and specialist, Chairwoman of scientific interest group Jeu et Sociétés

Marion Caspers-Merk

Former Chairwoman of the Baden-Württemberg Lottery

Philippe Moati

Co-Chairman of Obsoco (responsible consumption observatory), consumption and customer trend specialist

Benoit Halgand

Head of Comité 21's "CSR and Climate" hub, co-founder of Manifeste étudiant pour un réveil écologique

Laurence Devilliers

Professor of artificial intelligence at the CNRS (national scientific research centre)

Sarah Ourahmoune

Olympic Silver medalist and Vice-President of the French boxing federation



Joëlle Bottalico

National executive director of Secours Populaire Français, Vice-Chairwoman of the Haut Conseil à la Vie Associative

Christophe Bouillon

Mayor of Barentin, Chairman of the French small towns association (Association des Petites Villes de France)

Philippe Coy

Chairman of the Confédération des Buralistes

Daniel Panetto

Chairman - Culture Presse

Jean-Baptiste Carpentier

Head of Compliance - Veolia, former Head of TRACFIN

Louise Nadeau

Professor Emeritus of Psychology - Université de Montréal, expert in addiction

Christian Bucher

Psychiatrist specialising in addictive behaviour



3 QUESTIONS FOR...

Philippe Moati / Member of the FDJ Stakeholder Committee, Professor of Economics and Co-Chairman of Obsoco (Observatoire Société & Consommation)

“Our discussions have really altered how I see gaming.”

Why did you join the FDJ Stakeholder Committee?

P. M.: As an economist, I pay close attention to the transformations in capitalism. I am very interested in governance-related innovations, such as the creation of bodies to maintain a dialogue with stakeholders. By joining the FDJ Stakeholder Committee, I have also been able to learn more about the gaming market, which is not like any other market out there. FDJ has a particular status in this market because of the know-how it has acquired over many years, the monopoly it enjoys and its position as a market leader. My interest was piqued all the more by the fact that the Stakeholder Committee was formed at a momentous point in FDJ’s history, i.e. its listing on the stock exchange in 2019.

What have you learned from your involvement in the committee?

P. M.: The members of the Stakeholder Committee all have very different profiles. There is a historian who specialises in the history of gaming, a psychiatrist who is an expert in addictive behaviour and a professional athlete. The discussions were of a very high standard and the committee members were all very open-minded. Our discussions have really altered how I see gaming. For instance, I discovered that responsible gaming is a central focus in the Group’s approach. It is really interesting to see how FDJ is managing to diversify while remaining as committed as ever to player protection.

Is there a particular theme you would like to explore going forward?

P. M.: A lot of my work is centred on the economy of happiness: to what extent can money bring happiness in an era of degrowth? Does money itself, or rather what we do with that money, bring happiness? As a gaming operator, FDJ is right at the centre of these questions and I believe it has a role to play in questioning – perhaps even redefining – this relationship between money and happiness. ♦

14

members of the Stakeholder Committee

7 women

7 men

3 meetings in 2023

FIND OUT MORE

Please refer to the Group’s corporate website, under “Purpose”.

Shareholders — The Group nurtures a relationship built on trust with its shareholders that hinges on a regular and transparent dialogue. Below we take look back at key moments of 2023.

A relationship built on trust

FDJ's shareholder structure reflects the Group's history. Veterans' associations, which were La Française des Jeux's original shareholders, still own more than 15% of the share capital today. The French State owns a 20.5% interest and the 80% or so of the Group's employees who own FDJ shares hold a 4% stake. The remainder is spread between French and international institutional investors and individual shareholders.

Three operative words: trust, regularity and transparency

The FDJ Group regularly meets its French and international institutional investors. In 2023, Executive Management and the Investor Relations department hosted a large number of roadshows and attended various forums. The Group is also attentive to what its almost 400,000 individual shareholders have to say. FDJ is positioned as one of the listed companies with the greatest proportion of individual shareholders. In addition to the General Meeting, which is a powerful moment of shareholder democracy, FDJ also attends an annual meeting in a different part of France each year. This year, the meeting was held in Nantes. Hosted in November 2023 in association with the French federation of individual investors and investment clubs (F2iC), the meeting gave individual shareholders a chance to ask Marc Willaume, Group Director of Financial Communication and Investor Relations, their questions. For the second year in a row, FDJ partnered the Paris "Investir Day" event, a date that every shareholder and investor marks on their calendar. Stéphane Pallez attended a plenary session to discuss the Group's strategy and prospects with participants. Jean-Baptiste

Maupas-Oudinot, Director of Entertainment, also spoke about what Web3 means for FDJ's activity.

The FDJ Shareholders Club opens the door to...

◆ Personalised guidance and investment training courses

La Française des Jeux takes the shareholder experience even further with the FDJ Shareholders Club, which holds exclusive events to enable its 16,000 members to explore the Group's universe. These include Shareholder Masterclasses, a series of training sessions in which the participants are shown how to best manage their investment. The two sessions organised in 2023 focused on the Group's annual earnings and the role of the general meeting, as well as ESG issues and FDJ's CSR policy.

◆ Exclusive sporting events

As a major sponsor in the world of sport, FDJ gave members of the Shareholders Club a chance to attend around 50 sporting events in 2023: football matches, cycling races, rugby-related events (visit to the national rugby training centre in Marcoussis, tickets to 2023 Rugby World Cup matches and more), basketball games and tennis matches.

◆ Experiences showcasing the Group's innovations and values

In 2023, due to popular demand, the FDJ Shareholders Club offered members a chance to attend an even more diverse range of events. In June, the members of the Club were invited to join a private visit of the FDJ stand at Viva Technology, the world's biggest tech fair, to discover the latest innovations and experiments the Group has been working on. An entirely new event was also staged in keeping with FDJ's commitments to safeguard heritage sites, with a visit to Chéhéry Abbey in the Ardennes, which received funding from the 2020 Mission Patrimoine programme. ◆



€1.78

dividend per share proposed to the General Meeting of 25 April 2024

Nearly 400,000

individual shareholders

16,000

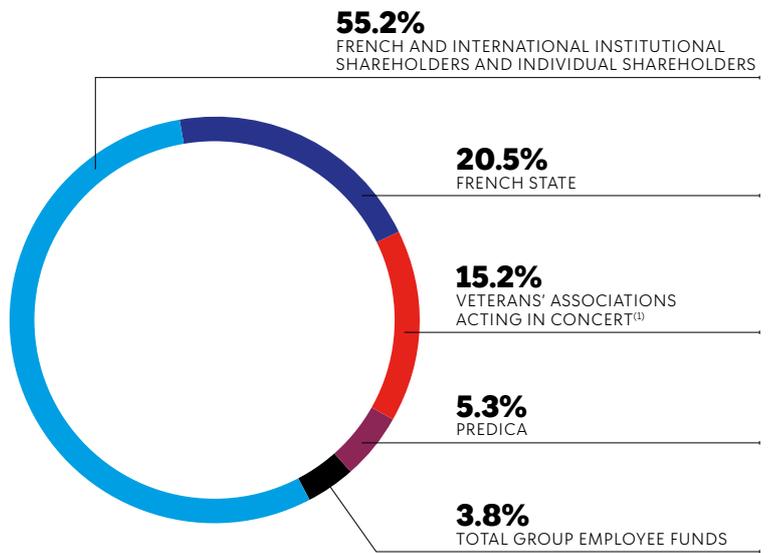
members of the FDJ Shareholders Club



Shareholders cheer on the FDJ-Suez women's team during the Tour de France with Zwift

In 2023, and for the first time, the FDJ Shareholders Club invited its members to attend a stage of the Women's Tour de France with Zwift to cheer on the FDJ-Suez team. It was a truly fabulous day that kicked off with exclusive access to the departure village for the stage, followed by a tour of the team bus and a meet-and-greet with the team. The shareholders were then able to follow the race on board an official Tour de France vehicle, before ending the day with a direct view of the finishing line. "One for the memory books", summed up one of the lucky participants!

Shareholding structure on 24/02/2023



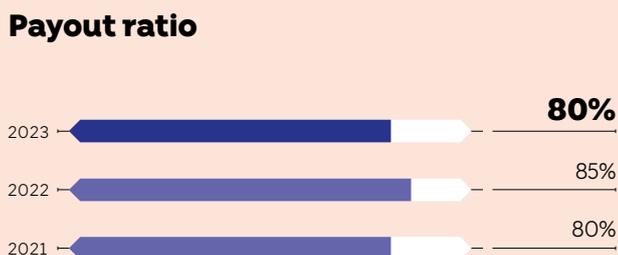
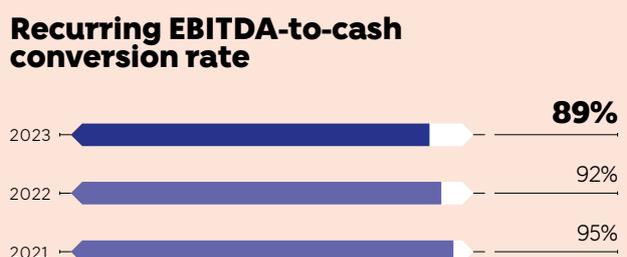
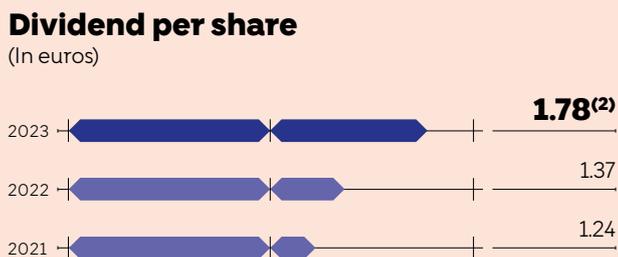
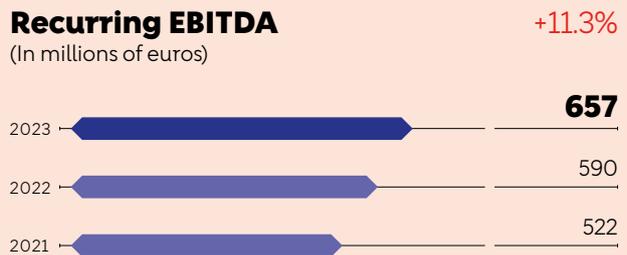
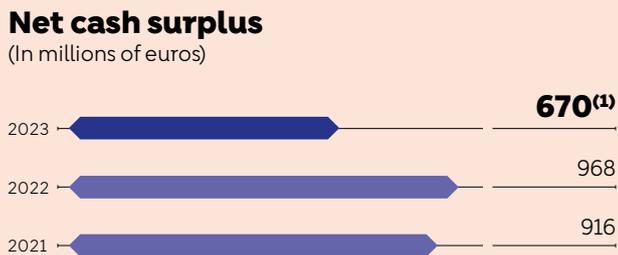
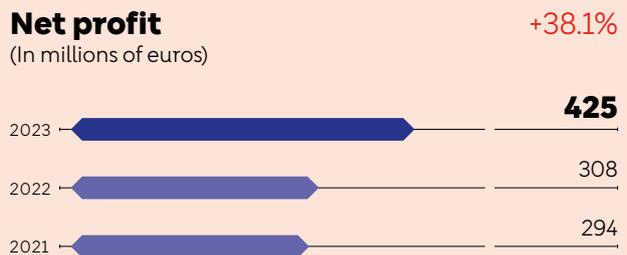
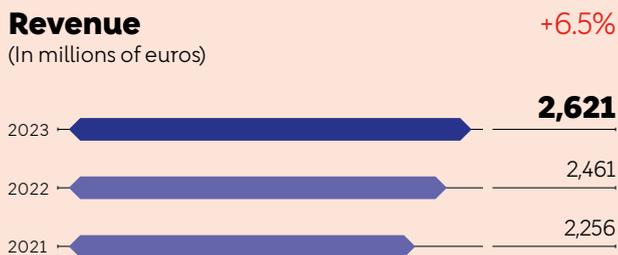
Share price



1. The block of veterans' associations acting in concert comprises the following entities: the Fédération Nationale André Maginot block (FNAM, AMGYO, Union fédérale, CARAC and France Mutualiste) and the Union des Blessés de la Face et de la Tête block (UBFT and Ailes Brisées).

Responsible performance

Financial indicators

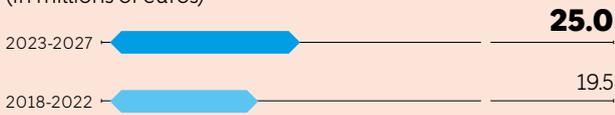


1. After the acquisition of ZEturf and Premier Lotteries Ireland (PLI).
2. Presented at the general meeting of April 25, 2024.

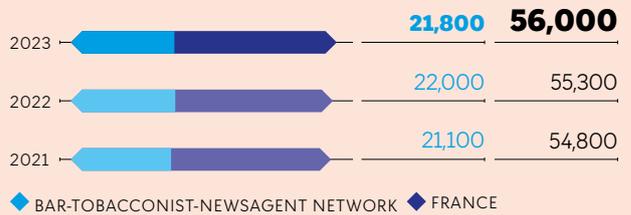
Sustainability indicators

Budget allocated to the FDJ Corporate Foundation

(In millions of euros)



Number of jobs created and made permanent by FDJ's activities



Employment of people with a disability

5.67%

5.61% in 2022

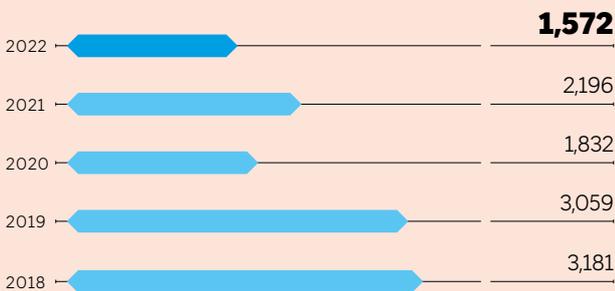
Employee engagement rate

92/100

89/100 in 2022

Scope 1 & 2 carbon emissions

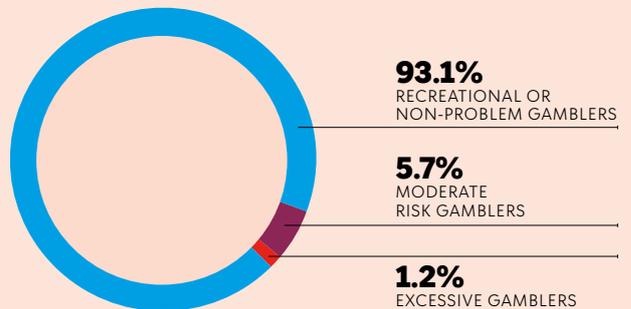
(In teqCO₂)



The result for emissions in 2020 is not representative given the public health crisis. At the time of print of this Integrated Report, 2023 data was unavailable.

Canadian Problem Gambling Index

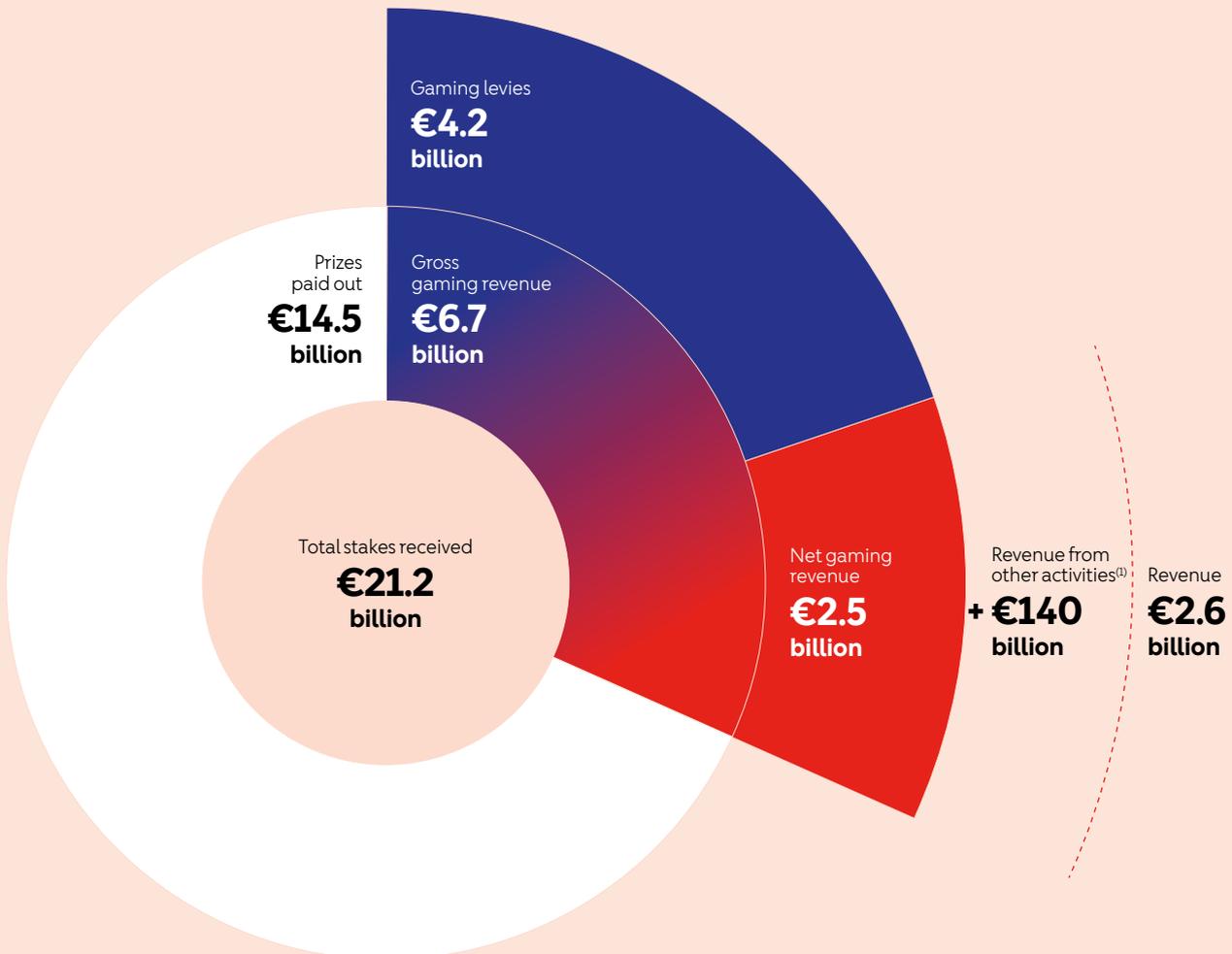
(ICJE)



The CPGI is a globally recognised index that assesses the proportion of problem players within a gaming population. The CPGI is measured via a questionnaire to assess which of four risk profiles a player falls into. The aim is to monitor how the player base's risk profile evolves over time and then compare these findings with the results of prevalence studies conducted by the Observatoire des Jeux (gaming observatory - ODJ).

Economic and social contribution — Every year, millions of players want to experience the thrill of gaming and moments of emotion with FDJ. What happens to the proceeds of the ticket and game sales? Nearly 70% is paid out to winners, and FDJ uses the remainder to create lasting positive impacts for all stakeholders. The Group has always been driven by the idea of giving back to society.

Everyone's a winner



Data as of year-end 2023

A lasting positive impact for FDJ's stakeholders

And for the French economy and regions

French State

€4.3 billion contributed to public finance

National Sports Agency (Agence Nationale du Sport – ANS)

€72 million in gaming levies allocated to the ANS⁽²⁾

Mission Patrimoine

€28 million collected to safeguard dilapidated French heritage sites via Mission Patrimoine games⁽³⁾

Mission Nature

Nearly €6 million collected to support biodiversity projects via Mission Nature games⁽⁴⁾

Retailers

€983 million in commissions

Suppliers (of which 85% in France)

€926 million in purchases and investments

Employees

€369 million in personnel expenses

Including a profit-sharing agreement and incentive scheme allowing employees to receive up to 24% of their base salary

Shareholders

€262 million in dividends paid in 2023 on 2022 earnings, i.e. 85% consolidated net profit payout ratio
Including nearly €40 million in dividends paid out to veterans' associations, the Group's original shareholders

Commitments

€142 million allocated to the Group's commitments

- ◆ Actions to promote **equal opportunities** with the FDJ Corporate Foundation
- ◆ Support for **sports at professional and amateur level**
- ◆ Partnerships to **protect heritage sites**

An active policy of promoting responsible gaming

€6.6

billion contribution to national wealth (contribution of FDJ's activity to gross domestic product), i.e. 0.25% of GDP⁽⁵⁾

56,000

jobs created or made permanent, of which **21,800** are for bars, tobacconists and newsgagents⁽⁵⁾

1. Revenue from other activities predominantly consists of international services and the Payment & Services activity.
2. Incidentally, alongside other approved operators, FDJ contributes to the ANS budget through gaming levies charged by the French State on online sports betting in the amount of €34.6 million (for all operators combined).
3. i.e. the amount of Mission Patrimoine gaming stakes that would normally go to the French State.
4. i.e. the amount of Mission Nature gaming stakes that would normally go to the French State.
5. BDO-Bipe (Bureau for economic information and forecasting).



01 Overview of the Group

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Major trends in the gaming sector

1.1 Major trends in the gaming sector ⁽¹⁾

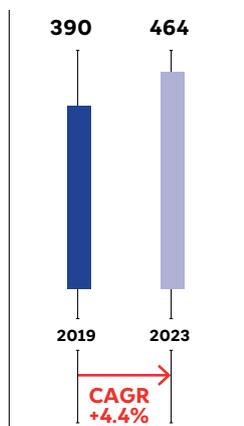
FDJ is active in gaming, with the following main activities: in France, the operation of lottery games (draw games and instant games at points of sale and online) and sports betting at points of sale under exclusive rights (monopoly), as well as all online games (sports and horse-race betting, poker) open to competition; and in Ireland, via its subsidiary Premier Lotteries Ireland (PLI), the operation of Irish National Lottery games (draw games and instant games at points of sale and online)

under exclusive rights. FDJ is also diversifying its activities, notably in international B2B services for lottery and/or sports betting operators.

FDJ is the leading player in the French gaming sector, with more than 50% of the market's gross gaming revenue (GGR)⁽²⁾ all gaming segments combined, and also one of the leading lottery operators in Europe and worldwide.

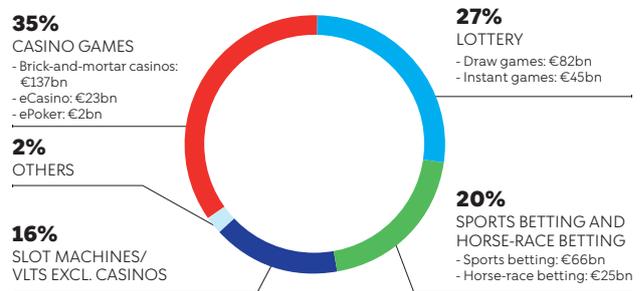
1.1.1 Global gaming markets⁽³⁾

GLOBAL GROSS GAMING REVENUES FROM 2019 TO 2023E
(in billions of euros)



Global gaming markets returned to their pre-health crisis level in 2022. GGR is forecast to reach €464 billion in 2023e (up from €406 billion in 2022), representing an average annual growth rate of more than 4% over the 2019-2023e period.

BREAKDOWN OF GLOBAL GROSS GAMING REVENUES IN 2023E BY ACTIVITY



Brick-and-mortar casinos remain the largest segment, with GGR of €137 billion in 2023 (up from €133 billion in 2019), representing more than a third of the market.

With GGR of €127 billion (up from €107 billion), lottery games account for 27% of the total:

- draw games account for almost two-thirds of the lottery market, with €82 billion in GGR (+1% per year on average between 2019 and 2023e);
- GGR has risen sharply in instant games (+11% per year on average between 2019 and 2023e, driven mainly by Asia and the Middle East).

Sports betting continues to grow, with an average annual growth rate of 18% over the 2019-2023e period. The strongest growth has been in North America, with GGR increasing 12-fold between 2019 and 2023e, mainly due to the gradual opening of the United States market (by jurisdiction).

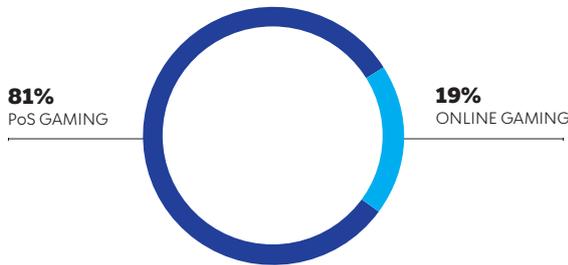
(1) Unless otherwise stated, the source used in this section is H2GC, data as at 12 October 2023, applying the average annual exchange rate (OECD). Global, European and French gaming market data for 2023 are still estimates at the time of publication of the Universal Registration Document.

(2) GGR: stakes less players' winnings.

(3) Scope covered: lotteries, sports betting, horse-race betting, poker, bingo, casinos and slot machines; in an offline network and/or online.

Major trends in the gaming sector

BREAKDOWN OF GLOBAL GROSS GAMING REVENUES IN 2023E BY DISTRIBUTION CHANNEL

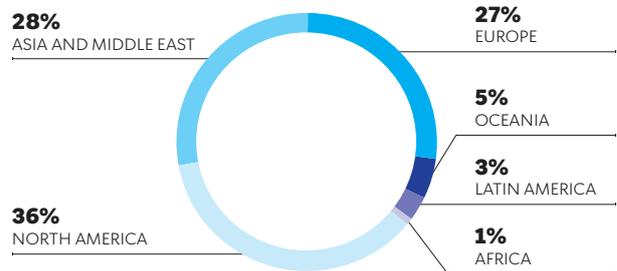


The health crisis has accelerated the growth of the digital channel, with the digitalisation rate rising from 9% in 2019 to 19% in 2023e. This momentum is being driven largely by sports betting and casino games, with annual GGR growth averaging 31% between 2019 and 2023e.

Over the same period, online lottery games grew at an average annual rate of 22%. The growth rate for online poker is 17%, with three-quarters of GGR generated in Europe.

The offer in points of sales returned to pre-crisis levels in 2023e. Lotteries and betting have recovered. However, the recovery has been slower for casino games, where GGR remains lower than in previous years.

BREAKDOWN OF GLOBAL GROSS GAMING REVENUES IN 2023E BY CONTINENT



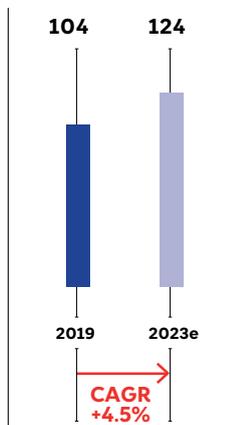
More than a third of total GGR is generated in the North American market.

Asia and the Middle East, where the return to pre-health crisis levels is taking longer, returned to second place in 2023e, ahead of Europe.

The strongest growth in 2019-2023e was in Africa (9% per annum on average, driven mainly by sports betting), Latin America (+8%) and North America (+8%).

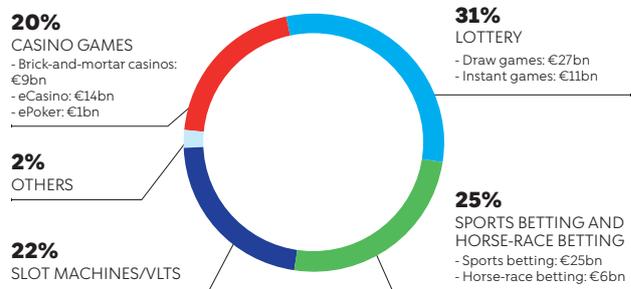
1.1.2 European gaming markets

ESTIMATED EUROPEAN GROSS GAMING REVENUES IN 2023E (in billions of euros)



The European markets, which account for 27% of global GGR, continue to enjoy growth momentum. European GGR is forecast to reach €124 billion in 2023e (up from €115 billion in 2022), representing an average annual growth rate of more than 5% over the 2019-2023e period.

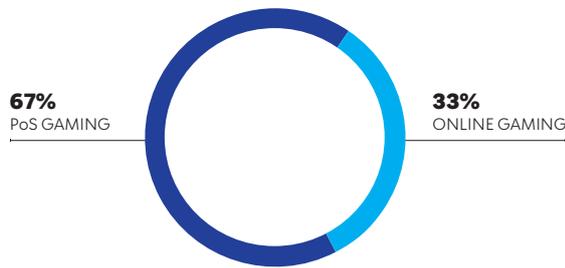
BREAKDOWN OF GLOBAL GROSS GAMING REVENUES IN 2023E BY ACTIVITY



Lottery games account for almost a third of GGR in Europe, and sports and horse-race betting a quarter.

The strongest growth was recorded by online casino games (average annual growth of 21% in 2019-2023e), followed by sports betting (+13%) and online poker (+12%), while video lottery terminals (VLTs) have yet to return to pre-crisis levels.

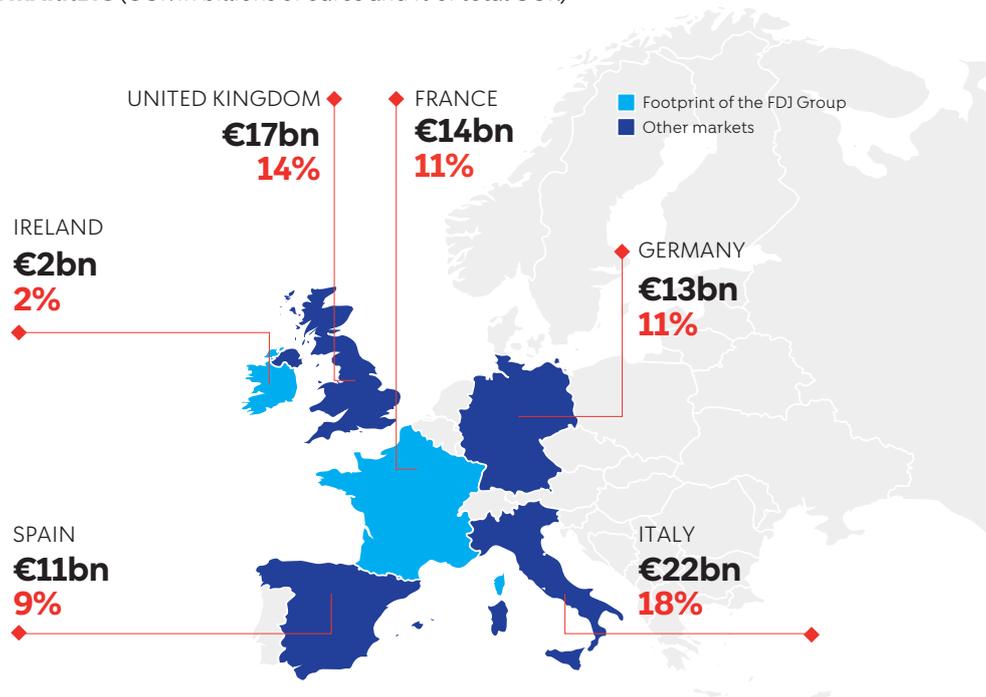
Major trends in the gaming sector

BREAKDOWN OF EUROPEAN GLOBAL GROSS GAMING REVENUES IN 2023E BY DISTRIBUTION CHANNEL

Europe is the continent with the highest digitalisation rate. In 2023e, online gaming continued to gain market share, with a digitalisation rate of 33%, up from 31% in 2022 and 20% before the health crisis.

- Europe accounts for 45% of global online GGR.
- Sports betting accounts for 39% of European online GGR, casino games 34% and lottery games 17%.

The offer in points of sales is expected to return to its 2019 level in 2023e. The same is expected for lottery and betting games. However, the recovery is proving slower for casino games and VLTs, where GGR remains below the levels of previous years.

EUROPE: MAIN MARKETS (GGR in billions of euros and % of total GGR)

There are several regulatory models in Europe, differing by gaming segment:

- for lottery games:
 - the exclusive rights model (monopoly or duopoly) remains predominant and is to be found in most countries of the European Union, as well as in Norway and Switzerland,
 - some lotteries are public,
 - and others are private;
- for the sports betting segment, the majority of countries have opted to open their markets up to competition, particularly in the case of online sports betting.

Although the markets and their regulation are still organised at national level, operators now operate in a heterogeneous and competitive environment, particularly following mergers and acquisitions, and the granting of concessions in several countries. Some trends are particularly noteworthy:

- diversification of distribution (lotteries are looking for new types of points of sale) and activities (by offering adjacent services, such as financial services at points of sale or B2B services with international lottery operators);
- divestment of adjacent activities to refocus on core businesses.

Finally, some countries are considering or have already decided to privatise or open one or more segments of their gaming markets to competition.

At the same time, the sector is witnessing changes in national regulatory frameworks aimed at modernising regulation, adapting it to growing digital usage and strengthening responsible gaming (prevention of excessive gambling and underage gambling) and the fight against the illegal market. The result is a growing trend towards player identification – already the rule for online gaming – and in some countries at the point of sale, also reflecting the tightening of anti-money laundering obligations.

Restrictions on the advertising of games and sponsorship by gaming sector companies are also being introduced, either by law or through self-regulation.

1.1.3 The French gaming markets

FDJ operates in the gaming sector, which falls under a general prohibition principle set out in Article L. 320-1 of the French Internal Security Code. However, this prohibition in principle comes with exceptions provided for by law in

certain gaming segments, where the operation of gaming is placed either under a system of exclusive rights, or under a system of approvals granted by the government or licences issued by the French gaming regulatory authority (ANJ).

The French gaming markets fall into six distinct categories:

	IN POINTS OF SALE	ONLINE
LOTTERY	FDJ exclusive rights	FDJ exclusive rights
SPORTS BETTING	FDJ exclusive rights	Competition (ANJ approval)*
HORSE-RACE BETTING	Exclusive rights	Competition (ANJ approval)*
POKER	Casinos and gaming clubs	Competition (ANJ approval)*
TABLE GAMES (excluding poker)	204 casinos and a few gaming clubs in Paris	Prohibited
SLOT MACHINES	204 casinos	Prohibited

* ANJ: French gaming regulatory authority (see 1.5 "Regulatory environment").

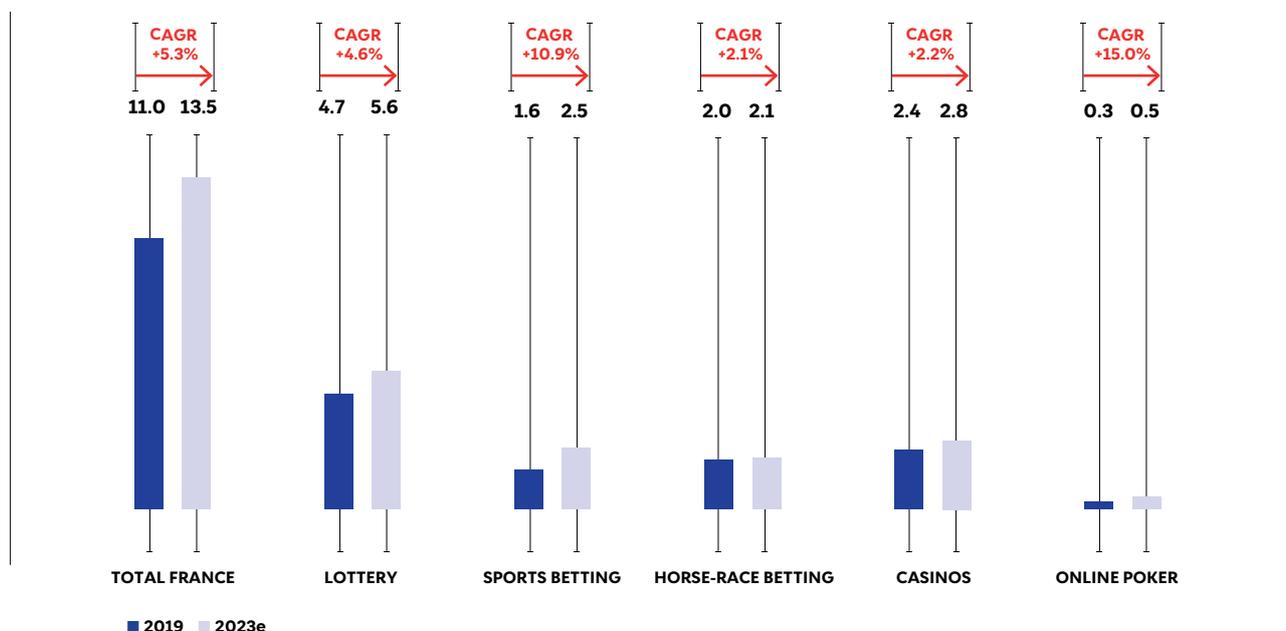
In France, FDJ holds exclusive rights for the operation of lottery games at points of sale and online, as well as for the operation of sports betting at points of sale, while its online activities in the sports betting, poker and horse-race betting segments are operated in competition with other operators.

The French gaming market has approximately 30 million players, of which nearly 27 million are lottery players, nearly 6 million are sports bettors, more than 3 million are horse-race bettors, more than 2 million are poker players

and more than 5 million are casino players (source: FDJ). These figures are stable compared with 2022, with the exception of horse-race betting.

In 2023e, the GGR of the French gaming sector is expected to reach €13.5 billion, representing an average annual increase of 5% between 2019 and 2023e, with faster growth for activities open to competition than for those under exclusive rights (13% and 4% respectively).

(In billions of euros)



Major trends in the gaming sector

Lottery games (draw + instant games) account for more than 40% of GGR in the French gaming markets. Their GGR is expected to reach €6 billion in 2023e, representing average annual growth of 5% since 2019.

- For online lotteries, average annual growth over the period was almost 28%, driven by very dynamic growth during the health crisis, while GGR for lottery games in the physical distribution network increased by 3% a year between 2019 and 2023e. It should be noted that GGR had returned to 2019 levels by the end of 2021.

GGR from sports betting totalled €3 billion in 2023e, almost 20% of the total, with average annual growth of more than 10% between 2019 and 2023e.

- Online sports betting is growing faster than offline sports betting (+15% and +5% per year on average between 2019 and 2023e respectively). The differential is attributable to players' swift take-up of digital technology, backed up by the development of new technological devices that allow

the emergence and permanent accessibility of new offers, such as live betting. Since 2017, GGR has been greater in the online sports betting market than in the offline market.

- As of the end of 2023, 18 sports betting operators had been approved by the French online gaming regulatory authority (ANJ).

For horse-race betting, GGR was €2 billion in 2023e, with average annual growth of 2% between 2019 and 2023e. Points of sale and racecourses account for 85% of this figure, with average annual growth below 2%, while growth in online betting is averaging almost 4% per year.

Lastly, online poker GGR is growing by an average of 15% per year, reaching €0.5 billion in 2023e, compared with €0.3 billion in 2019.

1.2 The Group's core businesses



* Online gaming, excluding lottery. In France, an online market open to competition is permitted for sports betting, horse-race betting and poker.

** Including the contribution of ZEturf from October 2023.

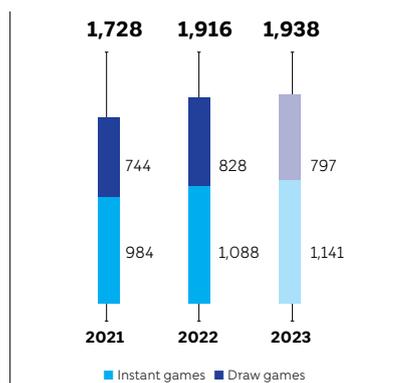
*** Including the full-year impact of the acquisitions of L'Addition (end-July 2022) and Aleda (end-November 2022), and the contribution of Premier Lotteries Ireland from November 2023.

1.2.1 Lottery

Offline and online lottery games, for which FDJ has exclusive operating rights, are the Group's legacy business and its primary source of revenue.

In 2023, the lottery business generated revenue of €1,938 million (74% of Group revenue), with a contribution margin of €723 million, i.e. 37.3% of revenue.

REVENUE BY RANGE (in millions of euros)



Growth in lotteries was more muted than in previous years (+1.1%), mainly due to the impact of the new Amigo formula (which includes a reduction in maximum stakes from €20 to €8 and a 15-minute break per hour for draws made between 6 a.m. and 2 p.m.) introduced at the beginning of June in keeping with the decision of the French gaming regulatory authority (ANJ), and the fall in the number of high-jackpot Euromillions draws.

However, we note:

- strong momentum in online lottery sales (+10%);
- persistently buoyant sales of instant games;
- successful launches of instant games (Carré d'Or, Club Color) and draw games (EuroDreams).

Focus

EURODREAMS

- FDJ and eight European lotteries in the Euromillions community have joined forces to launch the first pan-European annuity game, 20 years after the launch of Euromillions.
- For €2.50, this new draw game offers players the chance to win up to €20,000 a month for 30 years.
- There are two draws per week, on Mondays and Thursdays; the first draw took place on Monday 6 November 2023.

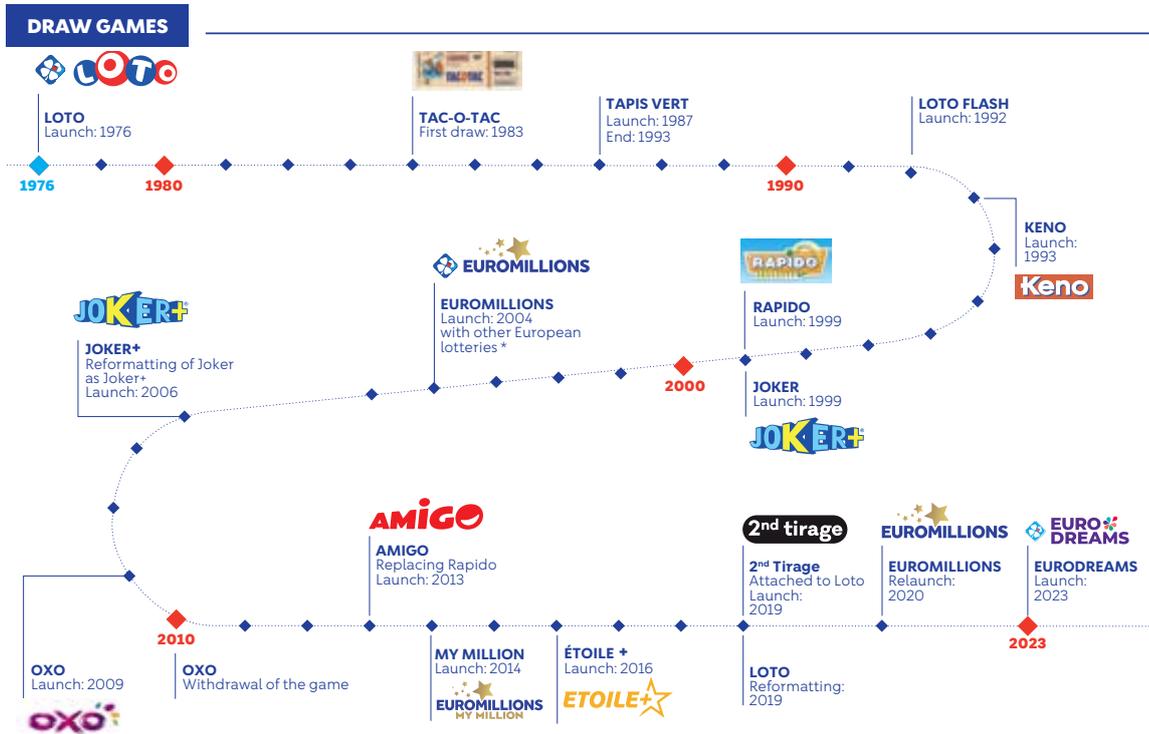
In 2023, lottery games attracted nearly 27 million players (source: FDJ), an increase compared with 2022. This increase in the lottery pool is attributable to the combined impact of recruitment, which remains at a good level, and a reduction in dropouts.

FDJ players are broadly representative of the French population aged 18 and over.

On average, nearly 200 players become millionaires each year thanks to lottery games.

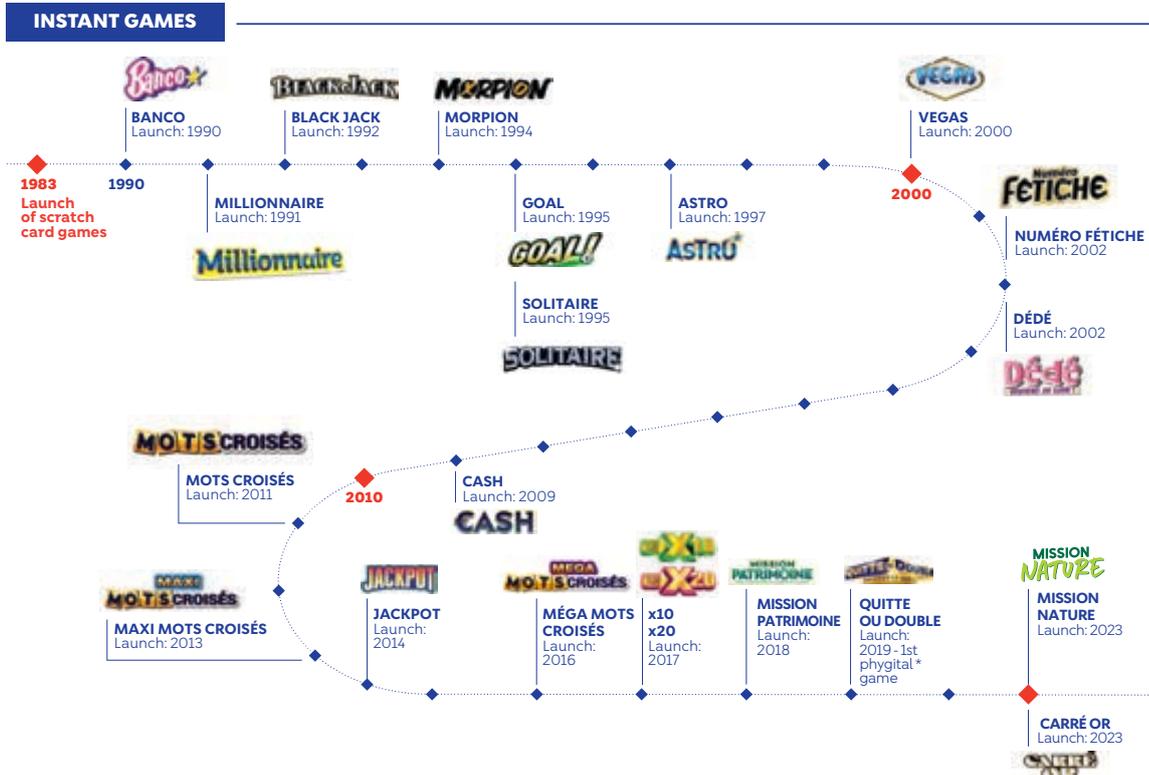
The Group's core businesses

1.2.1.1 LOTTERY GAMES OFFER



Euromillions brings together ten European lotteries (France, United Kingdom, Spain, Ireland, Belgium, Portugal, Luxembourg, Austria and two in Switzerland).

EuroDreams is a game offered by FDJ and the operators of the Euromillions community, excluding the United Kingdom, which already had a similar game.



* After scratching their ticket, players can try to multiply their winnings thanks to a digital step.

FDJ's portfolio of lottery games covers a wide range of gaming experiences and demonstrates the Group's ability to diversify, refresh its offer and roll it out at points of sale and online. The range includes well-known, long-lasting games,

as well as short-running games that are regularly renewed. FDJ is licensed to operate a maximum of 40 games in the offline distribution network and 100 online games at the same time.

Lottery games fall into two categories, namely draw games and instant games, which differ in terms of:

GAME MECHANICS	VALIDATION OF GAMES
<ul style="list-style-type: none"> - Draw games are games for which the element of chance, in the form of a draw, is the same for all players. - Instant games are games in which the element of chance is specific to each player and the outcome is determined instantly following individual action by the player. 	<ul style="list-style-type: none"> - Single stakes on traditional draw games range from €1 to €2.50. - Instant games sell from €0.10 to €15.

Lottery games can be organised on a pooled basis, on a counterparty basis or on a combination of the two:

Pooled games	Total winnings, set as a percentage of stakes, are divided among the prize winners following the draw.
Counterparty games	The type and value of the prizes allocated to prize winners are set or are based on a probability calculation.

Draw games

Draw games consist of:

TRADITIONAL DRAW GAMES

Traditional draw games are games in which chance takes the form of a draw organised once a day maximum. They are Loto® (three draws per week, on Mondays, Wednesdays and Saturdays), Euromillions (two draws per week, on Tuesdays and Fridays) and EuroDreams (two draws a week, on Mondays and Thursdays).

These games are characterised by high jackpots (which can be paid out in several instalments in the form of an annuity for the two highest winning categories on EuroDreams), and stakes are generally driven by the following elements:

- the jackpot: the higher the jackpot (which happens when there is no winner for several consecutive draws), the higher the amount of stakes, as more occasional players play;

- special events: on top of "regular" draws, games seek to attract players through major events or calendar-related cultural curiosities such as Friday the 13th.

ADDITIONAL DRAW GAMES

Additional draw games are games that are only offered as a complement to one or several other games, either as an option or not. They include My Million and Étoile + for Euromillions, and Second Tirage and Joker+ for Loto®.

SUCCESSIVE DRAW GAMES

In successive draw games, chance takes the form of draws organised several times on the same day. They include Amigo, Keno and Bingo Live.

The Group's core businesses

	 EUROMILLIONS	 EUROMILLIONS MY MILLION	 ETOILE+	 EURODREAMS
	TRADITIONAL DRAW GAME	ADDITIONAL GAME SPECIFIC TO FRANCE	ADDITIONAL OPTIONAL GAME SPECIFIC TO FRANCE	TRADITIONAL DRAW GAME <i>2 draws per week</i>
Price	€2.50 for a Euromillions game and a My Million code participating in one draw	€0.30 built into the €2.50 Euromillions ticket price	€1.00	€2.50
Mechanics	Choice of 5 numbers out of 50 and 2 stars out of 12 Players can opt for the flash system, which automatically selects a random combination	Unique My Million alphanumeric code automatically assigned to players validating a game	Players get a win if they have one or two correct stars and no numbers, or an additional win if they have already won Euromillions thanks to one of the eight combinations with one or two correct stars	Choice of 6 numbers out of 40 and 1 supplementary number – the “Dream” number – out of 5 Players can opt for the flash system, which automatically selects a random combination and make multiples within the authorised limit
Winnings	Jackpot between €17 million and €250 million for 5 correct numbers and 2 winning stars	1 player guaranteed to win €1 million in each draw	Étoile + winnings are cumulative with Euromillions winnings	Up to €20,000 per month for 30 years
	 LOTO	 2nd tirage	 JOKER+	
	TRADITIONAL DRAW GAME	ADDITIONAL OPTIONAL DRAW GAME	ADDITIONAL DRAW GAME, AVAILABLE with Loto® or Keno <i>2 draws daily</i>	
Price	€2.20 for a Loto® game participating in one draw	€0.80		
Mechanics	Choice of 5 numbers out of 49, and 1 lucky number out of 10 Players can opt for the flash system, which automatically selects a random combination For each game validated, a unique code is automatically assigned to the player, which is entered into a draw to win €20,000 (raffle mechanism). Ten codes are drawn for each draw Variants are organised to coincide with specific events, such as Friday the 13th and Christmas.	Independent draw carried out directly after the Loto® draw. A player can enter all 5 numbers in the grid of a Loto® game in a specific draw known as the “Second Tirage” (“Second Draw”). There is no Second Tirage for the Super Loto® or Grand Loto® Christmas draws.	Combination of 7 numbers from 0 to 9 Players can opt for the flash system, which automatically selects a random combination Players can double the stakes to change 1 number	
Winnings	Minimum jackpot €2 million for 5 correct numbers and the lucky number	€100,000 minimum to be shared among level one winners		Up to €500,000

The Group's core businesses

	 KENO	 AMIGO	 BINGOlive
	<p>SUCCESSIVE DRAW GAME</p> <p><i>2 draws daily, midday and evening</i></p> <p><i>This game allows the player to decide the way he or she plays (depending on the number of numbers selected) and the amount to be won</i></p>	<p>SUCCESSIVE DRAW GAME</p> <p><i>in points of sale, with matching winnings</i></p>	<p>SUCCESSIVE MULTIPLAYER DRAW GAME</p> <p><i>Available exclusively online on fdj.fr</i></p> <p><i>Several players challenge each other during a draw to win the jackpot and/or amount in play</i></p>
Price	€1.00, €2.00, €3.00, €5.00 or €10.00	€2.00, €4.00, €6.00, €8.00	Between €0.20 and €3.00 depending on the game format
Mechanics	<p>From 2 to 10 numbers per game out of the 70 numbers offered</p> <p>Players can opt for the flash system, which automatically selects a random combination</p>	<p>Choice of 7 numbers out of 28</p> <p>Players can opt for the flash system, which automatically selects a random combination</p> <p>2 steps: 7 blue numbers then 5 yellow numbers</p> <p>Broadcast on Amigo screens in points of sale</p>	<p>Choice of game format and cards</p> <p>For each format, 1 draw from 75 or 90 balls, with the order of the draw determining winnings</p> <p>Form a geometric figure with the number of balls corresponding to the formula chosen to win the jackpot and rank 1 of the winnings</p>
Winnings	Up to €100,000 per year for life or €2 million immediately	<p>Up to €250,000</p> <p>Winnings start with 4 correct numbers among the 12 numbers drawn</p>	<p>Fixed jackpot of €10,000</p> <p>Rolling jackpot from €500 to a maximum of €100,000 depending on the format</p>

Instant games

FDJ's instant games are games in which the element of chance is specific to each player, by way of comparison with draw games, and whose results are revealed following individual action by the player. They can be sold in points of sale and/or online.

Since 2012, the Illiko® umbrella brand has brought together the entire range of instant games available at points of sale, including innovations in game mechanics or tickets, plus nearly 40 games offered exclusively online.

Online games derived from offline versions have the same characteristics: prizes, prize table, game mechanics, etc. Their price varies from €0.50 to €15.00, and maximum winnings from €500 to €1,500,000.

Other online-only games offer varied game mechanics and a richer gaming experience. Their price varies from €0.10 to €3.00, and maximum winnings from €1,000 to €250,000.

Some games come with the additional, non-optional Super Jackpot game. Each time they play one of these games, players are automatically entered into an additional draw for a chance to win the Super Jackpot.

The Group's core businesses

There are several types of instant games:

Scratch games	Scratch games are games issued on material or immaterial media in blocks consisting of a pre-set number of game units. Each issue consists of one or several blocks with the same prize table. The symbols representing winnings are hidden before the issue is sold to the public. They are revealed at the initiative of the player by an action or a decision on his or her part. They include games such as Cash, Astro, Banco, Millionaire, Mots Croisés, Solitaire and Morpion, X10 and X20.
Instant random games	Instant random games are games in which the element of chance results from the action of an individual player. They include games such as Instant Loto.
Additional instant games	Additional instant games are games that are only available as a complement to one or more other games, either as an option or not. Instant games have a player payout (PPO) ratio of between 60% and 75%, with an annual average of less than 70.5%.

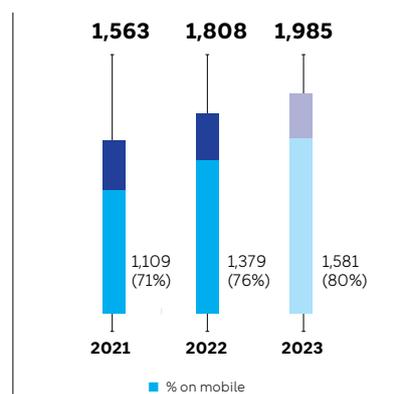
1.2.1.2 ONLINE LOTTERY

In a growing online gaming sector, FDJ has significantly strengthened its online lottery offer, gradually moving towards a more integrated and omnichannel range.

The development of online lottery has been driven by an increase in the number of players (nearly 5 million players at the end of 2023), in line with FDJ's extensive gaming model.

DIGITAL STAKES AND SHARE OF MOBILE

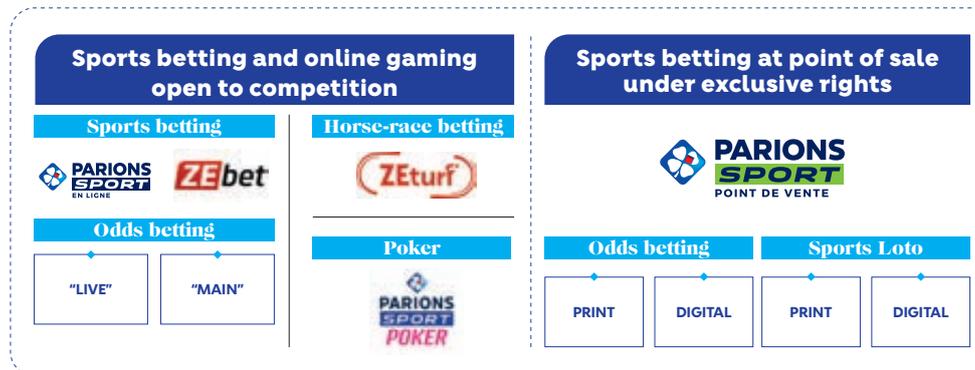
(in millions of euros)



To grow its online lottery offering, FDJ first began by transposing the games offered in its point-of-sale network, excluding Amigo. It also has an exclusive online offer (e.g. Mini Jackpot, Trésor des Pyramides, Night Wheel) with an identical optimised customer experience for games on different digital devices (web, iOS, Android). This experience

allows for cross-selling between the various online lottery games and has also been redesigned to allow the preparation on smartphones of games then played in points of sale. These elements reinforce the omnichannel nature of FDJ's offer.

1.2.2 Sports betting and online gaming open to competition ⁽¹⁾



In sports betting, FDJ considers itself to be the leader in France and one of the top five operators in Europe in terms of GGR. The Group has exclusive rights to operate sports betting in points of sale; its online offering is open to competition. Backed by its local network of more than 28,000 points of sale offering sports betting, FDJ is continuing its digital transformation with a digitalisation rate now approaching 90% (as a reminder, dematerialisation, which allows players to prepare their bets on a digital device before having them validated at points of sale, was launched in 2015). The offer is expanded every year, and now includes more than 2.2 million types of bet and 10,000 indexes. In the online sports betting market, FDJ is continuing to grow its market share, and has been outperforming the market for several quarters.

At the end of November 2022, FDJ launched its first online poker offer (Twister), which was joined in January 2023 by the entire range (Cash-Game, MTT Tournaments and Sit&Go). Poker has grown rapidly and steadily since its launch, benefiting from cross-selling with sports betting, with almost 20% of sports betting players having played poker.

With the acquisition of the ZEturf group, completed at the end of September, FDJ has added online horse-race betting to its offer and is now present in all three sector verticals in France, namely sports betting, poker and horse-race betting. ZEturf is France's second-largest online horse-race betting operator, with market share of around 20%. The acquisition makes the FDJ Group the fourth-largest operator in the French market for games of chance open to competition, with market share of over 10%.

To benefit fully from the potential of combining with ZEturf and maximise synergies in the open-to-competition market, the FDJ Group will adopt a new organisational structure for

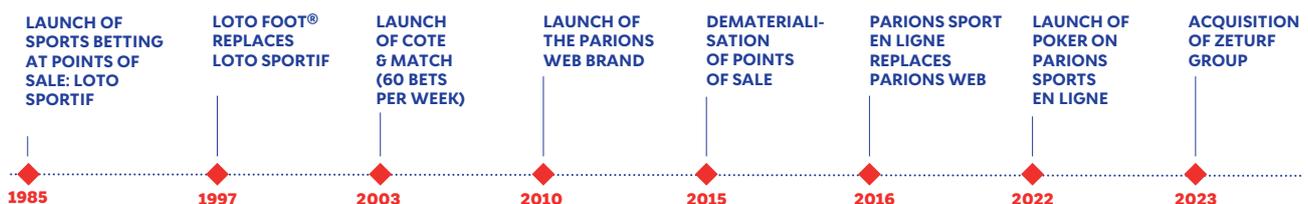
this business, in accordance with the undertakings given to the competition authority. This will involve transferring open-to-competition gaming to a subsidiary and separating player accounts. ("FDJ undertakes to set up and/or maintain a specific player account for online lottery (and any other activity subject to exclusive rights) to the exclusion of all games in the competitive market, as well as a specific player account for games in the competitive market, to the exclusion of all activities subject to exclusive rights").

On 22 January 2024, FDJ announced that it was launching a tender offer for Kindred, one of Europe's leading online betting and gaming companies, to implement its ambition to become an international gaming operator, and thus create a European champion. This offer is made at a price of SEK 130 per share listed on Nasdaq Stockholm, and corresponds to an enterprise value of Kindred of €2.6 billion.

On 19 February 2024, the Swedish Financial Supervision Authority approved the offer document relating to FDJ Group's tender offer for Kindred Group plc. The offer was launched on 20 February 2024 and will run for a period of 39 weeks. The completion of the takeover remains subject in particular to obtaining regulatory authorisations and the acquisition by FDJ of at least 90% of Kindred's share capital. Kindred held an Extraordinary General Meeting on 15 March, on second convening, to decide on a change to the Articles of Association to allow for the implementation of a squeeze-out procedure in the event that FDJ acquires at least 90% of Kindred's capital.

FDJ will finance the acquisition by drawing on a large portion of its own cash reserves, together with a bridging loan from leading French banks. The Group intends to refinance the bridging loan at attractive market rates and will target an investment-grade rating.

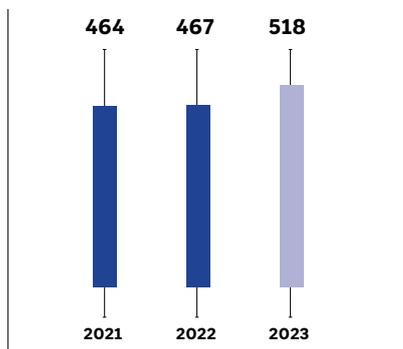
CHANGE IN SPORTS BETTING OFFERS



(1) Gaming, excluding lottery. In France, an online market open to competition is permitted for sports betting, horse-race betting and poker.

The Group's core businesses

Revenue (in millions of euros)



In 2023, the revenue of the Sports betting and online gaming open to competition BU grew by 10.9%. This growth was driven by the momentum of sports betting and poker, as well as the consolidation of ZEturf in the fourth quarter.

In 2023, the contribution margin for this business was €153 million, or 29.6% of revenue.

1.2.2.1 SPORTS BETTING OFFERS

The table below provides a comparison between offline and online sports betting offers as of 31 December 2023:

		
AVERAGE ANNUAL MAXIMUM PLAYER PAYOUT RATIO	76.5%	85%
PRODUCT RANGE	FIXED-ODDS BETTING <ul style="list-style-type: none"> - Pre-match for more than 50 sports - No live betting - Over 76,000 events available - Over 2,200,000 bets available 	
	POOLED BETTING <ul style="list-style-type: none"> - Loto Foot®, Loto Rugby® and Loto Basket® 	
SPECIFICITIES OF THE RANGE	<ul style="list-style-type: none"> - Over 28,000 points of sale - Digitalised stakes on iOS/Android apps - Customer services - Stats, Combi-bonus 	<ul style="list-style-type: none"> - Pre-match for more than 50 sports - Live betting more than 40 sports - Over 158,000 events available - Over 16 millions bets available - No pooled betting - Online - iOS/Android/Web apps - Customer Services - Video, Stats, Combi-boosted, Cash out, etc.

The differences in player payout ratios and depth of offer between the offline and online channels stem from the various regulations (see 1.5 "Regulatory environment"). The business of sports betting operators is impacted by sporting events such as the World Cup and the European Football Championships. It is also worth noting that the performance of the French team, mainly in football, has an impact on the level of betting recorded.

Football accounts for a very significant proportion of FDJ stakes – more than 70% – followed by tennis and basketball, which together account for more than 90% of stakes (data refer to stakes at points of sale and online):



PoS sports betting as of 31 December 2023

	GAME MECHANICS	PRIZES
	<ul style="list-style-type: none"> – Players predict the results of one or several sports events. Each prediction is given odds which, multiplied by the stake, determine the winnings if the prediction is correct. – The odds are greater than or equal to 1 and include up to two decimal points. The minimum odds are 1.1 for single or combined bets. – The fixed-odds betting offering in points of sale covers more than 50 sports, over 500 betting formulas and three game options (single, combined or multiple). 	<ul style="list-style-type: none"> – Cash winnings vary depending on the amount bet, the odds and the combination of bets.
	<ul style="list-style-type: none"> – Loto Foot® consists of two independent prediction sports betting games based on the results of several sports events: <ul style="list-style-type: none"> – Loto Foot® 7 – Loto Foot® 8 – Loto Foot® 12 – Loto Foot® 15 	<ul style="list-style-type: none"> – Winnings vary depending on the total stakes and are distributed to prize winners in each winnings tier. – A player can win up to €2 million if they are the only one to complete the grid with the correct predictions on a Loto Foot® 15 grid with a Super Pactole of €2 million.
	Loto Rugby® 7 comprises 7 games and Loto Rugby® 15 comprises 14 or 15 games.	
	Loto Basket® 7 comprises 7 games and Loto Basket® 15 comprises 12 or 15 games.	

Online sports betting as of 31 December 2023

	GAME MECHANICS	PRIZES
  (online fixed-odds sports betting)	<ul style="list-style-type: none"> – Players predict the results of one or several sports events. Each prediction is given odds which, multiplied by the stake, determine the winnings if the prediction is correct. – The odds are greater than or equal to 1 and include up to two decimal points. The minimum odds are 1.01 for single or combined bets. – The online fixed-odds betting offer covers over 50 sports, nearly 1,900 betting formulas and three game options (single, combined or multiple). 	<ul style="list-style-type: none"> – Cash winnings vary depending on the amount bet, the odds and the combination of bets.

In 2023, the ParionsSport Point de Vente (point of sale) and ParionsSport En Ligne (online) sports betting offers remained founded on four main pillars:

- Enrichment of the range:
 - to give players the widest possible gaming experience, with the addition of new sports, events and types of bets, plus new features (like cash out).
- Optimisation of odds and promotions:
 - FDJ offers competitive odds, while maintaining the regulatory PPO ratio. We also optimise our promotional operations so as to offer players an experience increasingly tailored to their needs.
- Strong partnerships and new advertising campaigns:
 - two prestigious football clubs, namely Paris SG and Marseille;
 - the French Rugby Federation – FFR (with the French team, particularly during the World Cup);

- the National Basketball Association – NBA (and the NBA Paris Game on 11 January 2024 at the Accor Arena, France's biggest basketball competition).

ParionsSport En Ligne is also number 1 in odds with its four partners (data from objective measurements carried out by the Nielsen Institute based on odds from the sites of six of the main sports betting operators).

- Improvement of the player experience:
 - FDJ is constantly improving and optimising its ParionsSport online and ParionsSport point-of-sale apps by adding new functionalities and new payment methods.

The aim of the sports betting business is to continuously improve its positioning in each of these areas. This will enable it to continue to offer products that meet the expectations of current and future players.

The Group's core businesses

1.2.2.2 THE HORSE-RACE BETTING OFFER

Online horse-race betting as of 31 December 2023

	GAME MECHANICS	PRIZES
 (online horse-race betting)	<ul style="list-style-type: none"> - Bets on horse races are only permitted in the form of mutual bets and must be registered before the start of the event. They may be supplemented by additional winnings, provided that this does not distort their mutual nature. - All bets are placed in a common pool. - ZEturf offers classic horse-racing bets such as single, exacta and trifecta, as well as innovative bets such as ZE4 (which involves selecting the first four finishers in the race, regardless of their order) and ZE5 (first five finishers, regardless of their order). 	<ul style="list-style-type: none"> - Cash prizes. The operator acts as an intermediary, centralising players' bets and then distributing them among the winners in proportion to their stakes, after deduction of statutory levies and its commission.

1.2.2.3 THE POKER OFFER

Online poker as of 31 December 2023

	GAME MECHANICS	PRIZES
 (Online poker)	<p>Players can take part in two types of games:</p> <ul style="list-style-type: none"> - cash games: players have to put up a minimum amount of money, converted into chips, to buy into a game. Players can enter and exit the game at will, retaining any winnings when they leave. Their losses or gains vary according to their success in each round. - tournaments: players again have to buy into a competition that they cannot leave voluntarily, on pain of losing their buy-in. At the start of the tournament, all players have the same number of chips, and the competition ends when one player has won the others' chips. Winnings depend on the player's final ranking in the tournament. <p>There are two types of poker game: Texas Hold'em and 4-card Omaha.</p>	<ul style="list-style-type: none"> - Cash prizes

1.2.3 Other activities

1.2.3.1 FDJ'S INTERNATIONAL ACTIVITIES

Focus

The Group's ambition is to become an international B2C operator in lotteries, sports betting and online gaming.

Lottery

Manage lottery operations internationally

Online games

Operate sports betting and online gaming in Europe

Lottery

For its international development in the lottery sector, FDJ is looking at three types of opportunities: acquiring an existing operator, obtaining a licence or winning a tender to operate a lottery (B2B2C).

FDJ has taken the first step in its ambition by acquiring 100% of the capital of Premier Lotteries Ireland (PLI), the operator holding the exclusive rights to the Irish National Lottery until 2034. This deal, completed on 3 November 2023, made the FDJ Group the operator of a lottery outside France for the first time.

PLI operates a diversified games portfolio, built around iconic brands. PLI offers are distributed through:

- a network of over 5,300 points of sale (mini-markets, supermarkets, petrol stations, post offices, small independent shops, etc.), making the density of points of sale per inhabitant one of the highest in Europe (twice that of the FDJ network in France);
- digital platforms, including a mobile app that accounts for more than 70% of digital stakes and has more than 1 million users. In total, the online segment accounts for more than 16% of PLI's stakes.

Established in 1986 and operated by PLI since 2014, the National Lottery enjoys very high awareness among the Irish population (97% aided awareness), with more than three-quarters of adults being customers (one of the highest proportions in Europe).

PLI has made responsibility and commitment one of its central pillars:

- a proactive responsible gaming approach to meet or exceed the requirements of the licence (e.g. limit of 10 scratch card games purchased in points of sale, mandatory limits on online gaming, self-exclusion, restrictions on gaming between 11 p.m. and 7 a.m., etc.). PLI has obtained responsible gaming certification from the World Lottery Association and The European Lotteries;
- actions to reduce the environmental footprint (10-year plan undertaken in 2019);
- actions to promote diversity, inclusion and gender equality (with a gender pay gap of less than 2%).

The synergies between FDJ and Premier Lotteries Ireland will draw on the respective recognised expertise of each lottery to market a recreational and responsible gaming offer to the general public in Ireland.

Online gaming open to competition

For its development in sports betting and other online gaming activities in Europe, FDJ is interested in acquiring operators who are leaders in their respective markets and who share its commitment, particularly in terms of responsible gaming.

On 22 January 2024, FDJ announced that it was launching a tender offer for Kindred, one of Europe's leading online betting and gaming companies, to implement its ambition to become an international gaming operator, and thus create a European champion.

1.2.3.2 PAYMENT & SERVICES

The FDJ Group, via its subsidiary FDJ Services, recently launched its Payment & Services business, a growth driver complementing its core businesses, namely sports betting and lottery in points of sale. With an extensive network of points of sale registered as agents with the ACPR and a wide range of services, it aims to become one of France's leading players in point-of-sale payment and collection.

Payment Services

In developing a Payment & Services offer, FDJ's goal is to help its traditional points of sale (Bar-Tobacconist-Newsagent network) to diversify their business, to create new contact opportunities with the public and to improve the resilience of its business model with new sources of revenue for the Group.

Focus

FDJ's ambition of being a key player in the offline segment by 2025 hinges on three main offers:

- collection services for third-party accounts in FDJ points of sale;
- design and distribution of its own payment solution;
- services for merchants.

In 2019, FDJ, together with the Confederation of Tobacconists, won a first contract for collection services on behalf of third parties via points of sale as part of a call for tenders by the French Treasury (Direction générale des finances publiques – DGFIP) for the outsourcing of cash and bank card collections for public treasuries.

This service has been operational since February 2020 and was extended to all of France, including the overseas departments, on 28 July 2020. The contract is awarded to the Group for five years, with the possibility of renewal each year for a further maximum period of five years.

15,180 points of sale (vs 14,330 in 2022)

2.8 million transactions completed since the launch of the offer (+22% vs 2022), in a total amount of nearly €225 million

The Group's core businesses

FDJ Services wishes to develop third-party collection services based on its distribution network and its transactional know-how in terms of financial flows. It aims to offer a solution for public and private players looking to streamline their nationwide presence while maintaining their proximity to their customers and users. FDJ Services provides a collection service on their behalf and manages the physical network of collection points (approvals, training and remuneration). These services enable the customers of companies and institutions that partner with FDJ to settle invoices, taxes and fines, or pay for a shopping basket from an e-commerce website via a simple and secure solution.

In 2021, FDJ received authorisation as a payment institution from the ACPR (French Prudential Supervision and Resolution Authority, attached to the Banque de France). Approval is necessary for the continued development of its third-party collection activity. Since then, FDJ Services has registered 10,000 agents under its approval as a Payment Institution, marking the first step towards its ambition of becoming the leading network of payment service agents in France.



To raise the profile of this activity, FDJ Services launched the Nirio brand in September 2022. It houses all dimensions of the business, namely network, product, offer and services.

Since January 2023, and in compliance with payment services regulations, FDJ Services has been operating its invoice collection solution for private creditors through its Nirio application. This application enables private institutions such as social landlords to offer their customers a physical network payment solution.

In the medium term, FDJ Services also aims to offer a rechargeable account and payment card in its point-of-sale network.

Merchant Services

In addition to the payment services business line, which targets the general public, FDJ services is now developing a merchant services business line. It aims to become the reference partner for merchants, not only in the Bars-Tobacconists-Newsagents (BTN) network, its legacy network representing a potential of more than 29,000 points of sale, but also in adjacent networks such as France's nearly 200,000 Cafes-Hotels-Restaurants (CHR).

FDJ Services has a dual offer: software development and payment. It features a platform of services designed as an integrated software suite supported by a single interface for the merchant: the PoS system (this modern "cash register" solution is today the indispensable enterprise resource planning (ERP) solution for points of sale).

Aleda | l'addition

FDJ accordingly acquired two cashier software vendors in 2022: Aleda and L'Addition, recognised as benchmarks in the tobacconist and press network (Aleda) and the CHR network (L'Addition). These two companies, which are a perfect fit, now serve FDJ's commitment to support the development of local commerce.

For merchants, the value proposition is clear: simplify the operation of their business and make it profitable so that they can focus solely on the essentials, namely growing their business and satisfying their customers.

In 2023, efforts focused on expanding the customer base and rolling out the first interconnected solution enabling a single point of sale to reconcile transactional data for the bar/restaurant and tobacconist/press activities from the two PoS systems.

1.2.3.3 ENTERTAINMENT

As a major player in the gaming and entertainment sector in France, La Française des Jeux is attentive to changes in the regulatory framework relating to games with monetisable digital objects and, more broadly, the opportunities offered by Web3. FDJ aims to grow in the entertainment market, a vector for innovation and new uses.

As such, in 2022, FDJ acquired The Sandbox, a plot of land in the metaverse, and together with French start-up BEM Builders is now developing a virtual world offering new experiences, and immersive and fun adventures within the Group's various universes including sports and gaming: encounters and exchanges with other players, participation in games, and the collection of items to win exclusive rewards.

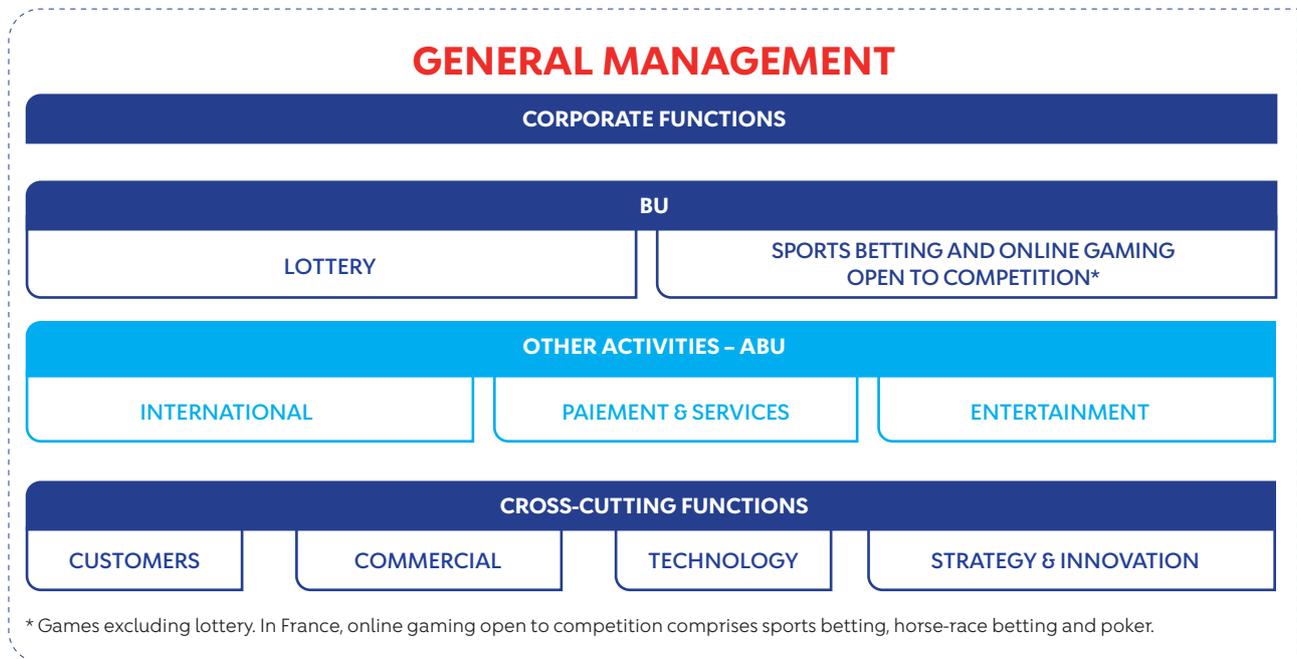
At the same time, the Group is preparing the launch of a trading card game based on the FDJ universe, co-developed with Cometh, a French studio specialising in Web3 games. Players will be able to win rewards in the form of NFTs.⁽¹⁾

(1) NFT, for non-fungible token, is a type of cryptographic token that represents a digital object such as an image, video or audio file, to which a digital identity is attached. The NFT's authentication involves a blockchain protocol ensuring that tokens cannot be interchanged.

1.3 Operational organisation

The implementation of the strategy by the Lottery and Sports betting and online gaming Business Units (BU), and the three Accelerated Business Units (ABU), each responsible

for an other activity, is overseen by the corporate functions and four cross-cutting functions (customer service, sales, technology, and strategy and innovation).



Operational organisation

1.3.1 Customer Department

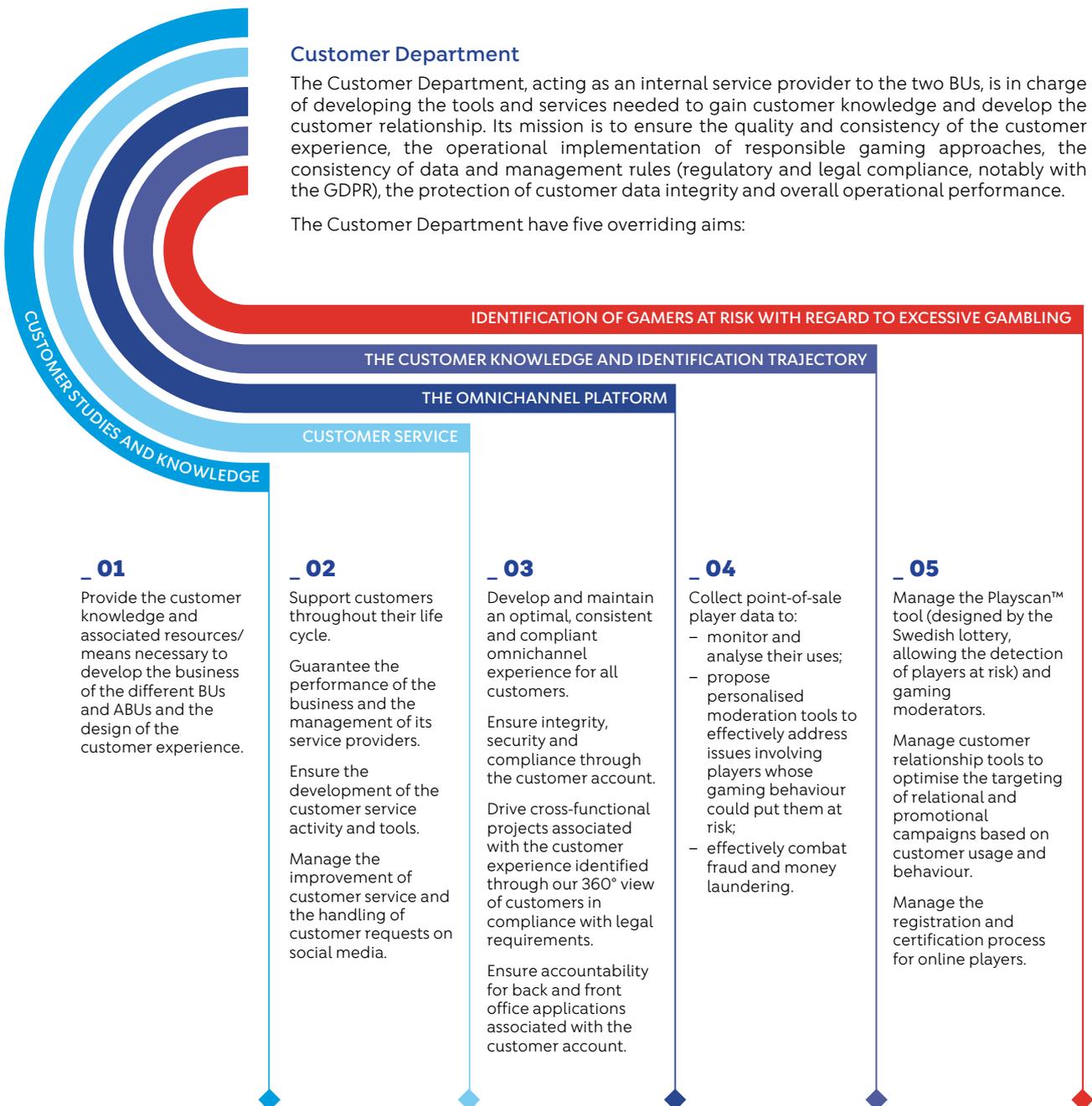
Customer strategy

Customers are the central focus of FDJ's strategy. The Company is developing a model based on identifying and getting to know players online and at the point of sale in order to build relationships that meet players' expectations while cementing its responsible gaming policy.

Knowing our players, their expectations and their gaming behaviour (frequency, amount, type of games and channels) allows us to:

- offer a seamless, personalised and innovative customer experience leveraging three drivers: products and services, distribution and activation;

- implement a responsible gaming approach drawing on differentiated and proportionate systems depending on the gaming behaviour of each player in the various channels. This makes it possible to support vulnerable players (excessive gambling) and to prevent and detect risky behaviour at an early stage;
- optimise the fight against fraud and money laundering.



1.3.2 Commercial function and offline distribution network ⁽¹⁾

Commercial strategy

FDJ's commercial strategy is organised around three pillars:

01

SUPPORT AND REVITALISE THE LEGACY BAR-TOBACCONIST-NEWSAGENT NETWORK

- Build up the business by renewing the range of games on a regular basis, particularly with innovative games, and by maximising the number of accreditations per point of sale;
- Modernise the customer experience at the point of sale by investing in the digitalisation of the customer point-of-sale experience and in the modernisation of network equipment (over €20 million a year invested since 2015);
- Diversify network revenue streams through the addition of new payment-related services.

02

EXTEND AND DIVERSIFY OFFLINE DISTRIBUTION CHANNELS

- To maximise the number of points of contact with the population, and to reflect change in the player base and the drop in footfall in the Bar-Tobacconist-Newsagent network, particularly among the 18-34 age group, FDJ is working to diversify its distribution network. It has begun to distribute its products in new types of points of sale, mainly service stations and convenience stores.
- The aim is to reach out to customers who do not frequent the Bar-Tobacconist-Newsagent network or do not use the digital channel. This selective diversification is carried out with a view to improving local network coverage and targeting new populations, taking existing points of sale into account.

03

CONTINUE TO TRANSFORM THE SALES MODEL IN SEARCH OF GREATER PERFORMANCE

- To ensure the sustainability of its extensive gaming model and to reassure its physical distribution channels, FDJ constantly adapts its distribution model and commercial function.
- In doing so, its aim is to guarantee better economic, managerial and operational performance, as well as the harmonisation of commercial practices throughout the country.

(1) On the scope managed by the FDJ sales force, excluding Aleda and PLI.

Operational organisation

Commercial function business lines

The commercial function is responsible for managing retailers, all of whom are independent. It consists of five business lines:

 <p>Strategy, transformation and performance</p> <p>Tasked with defining the network strategy over successive five-year periods, building network transformation plans and measuring the performance of the points of sale.</p>	 <p>Projects</p> <p>Works with IT to steer all projects with a technical component, particularly those relating to the industrialisation of the back office, the supply chain and the development of sales tools.</p>	 <p>Trade marketing and point-of-sale customer experience</p> <p>Tasked with:</p> <ul style="list-style-type: none"> - developing the sales action plan for retailers in collaboration with the BUs; - training retailers and communicating with them; - managing the sales force; - managing the retailer and player-customer experience at the point of sale; - designing all tools needed to market our offers and services at the point of sale. 	 <p>Supply chain products and points of sale</p> <p>Tasked with:</p> <ul style="list-style-type: none"> - manufacturing and supplying gaming materials; - receiving, storing and distributing products (via couriers from two warehouses located in Greater Paris); - the installation and maintenance of equipment in the network; - technical support for retailers; - the administrative management of retailer contracts plus the collection of stakes from points of sale. 	 <p>Sales force</p> <p>Tasked with:</p> <ul style="list-style-type: none"> - implementing action plans with retailers through calls and sales visits; - prospecting to identify new points of sale; - managing applications to open new points of sale or granting new accreditations for games and services to existing points of sale.
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The largest local network in France

> 29,000 points of sale

With a network of more than 29,000 points of sale (PoS) in more than 11,000 towns and cities, FDJ's physical distribution network enables 90% of the French population to be within ten minutes of one of its outlets, whether in urban, suburban or rural areas.

FDJ has initiated a diversification of its distribution, which is overwhelmingly comprised of tobacconists (72%), bars (55%) and newsagents (50%), in new types of points of sale so as to maintain its nationwide coverage and reach new populations that do not frequent the current network. This complementary network now has nearly 1,500 points of sale, mainly in service stations and convenience stores.

The draw, instant play and sports betting ranges are each distributed in over 90% of points of sale. Amigo is a game that encourages players to linger at the point of sale, so it is mainly offered in bars.

A dynamic and resilient network

€18.1bn in PoS stakes, i.e. weekly stakes averaging €11,850 per PoS

With €18 billion, almost 85% of the Group's stakes go through its point-of-sale network. That represents an average of €11,850 per PoS per week of trading.

€967m in commissions paid to retailers over the year, i.e. €33,000 in annual commissions per PoS

Through its distribution network, FDJ contributes to the economic and social activity of all French regions, with €967 million in commissions paid to retailers in 2023, i.e. an average annual commission of €33,000 per point of sale in 2023. This is often the second-largest source of income for retailers. Commissions have created or maintained 21,800 jobs⁽¹⁾ in the Bar-Tobacconist-Newsagent network.

(1) Source BDO-Bipe.

The remuneration of FDJ retailers is consistent with the Group's marketing and responsible gaming challenges. It consists of:

- a commission on the stakes collected at the point of sale, ranging from 3.8% to 5.8% depending on the games sold;
- a responsible gaming bonus system providing additional remuneration equivalent to 0.2% of stakes, subject to compliance with six responsible gaming and security criteria;
- remuneration for certain services such as the management of vouchers, discount coupons, payment of prizes by bank transfer and collections on behalf of third parties (DGFiP, etc).

A network segmented and equipped in line with its performance

The point-of-sale network is segmented into four categories (Platinum, Gold, Silver and Bronze), based on average weekly stakes. This segmentation makes it possible to manage investments, visits and sales calls in line with the volume of activity in the point of sale.

FDJ distributes and maintains more than 390,000 items of PoS equipment throughout its network to provide a quality experience to players and distributors alike in points of sale. 100,000 of these items are connected.

100% of PoS connected

390,000 items of PoS equipment

This equipment is positioned along the four key steps of the customer journey and meets four objectives:

- indicate FDJ's presence from outside the point of sale (signs and outside poster frames);
- promote the FDJ games offer inside (cash counters with screens, self-service furniture, multi-game kits and Amigo screens);
- enable transactions (33,000 gaming terminals);
- enable people to check their winnings (28,000 receipt checkers).

Operational organisation

1.3.3 Technology function

The Technology Department is responsible for the Group's technology strategy and for managing all computer transactions related to FDJ's core businesses.

100,000 items of PoS equipment
connected in real time

5 billion transactions per year

1,000 transactions per second
during peak periods

The technology function comprises the Information Systems Department, the Technical Department (technical engineering, supervision & operations) and the Group Cybersecurity Department, representing a total of around 550 employees.

The information system is FDJ's industrial tool, on which all transactional and financial flows corresponding to stakes recorded by the Group are based. It covers the entire game transaction processing, from validation of the gaming operations in the points of sale and online through the management of gaming platforms, customers, the supply logistics for distributors, their invoicing, their remuneration and the sales force management tools.

It is built on state-of-the-art technology infrastructure consisting of a high-performance dual-room data centre located in Vitrolles, as well as a data integrity centre and local infrastructure dedicated to logistics warehouses. This infrastructure of more than 13,000 virtual servers represents 1.9 petabytes of storage capacity. It is operational 24/7 all year round, with a very high level of availability.

FDJ'S certifications IN THE FIELD OF INFORMATION SYSTEMS SECURITY



ISO 27001
Information
Security
Management
System



**WLA Security
Control Standard**
(Specific standard
for lotteries)



**French Gaming
Regulatory
Authority (ANJ)**
(Regulator)



Euromillions
(Security Standards
and Entry Criteria)



PCI-DSS SAQ-A
(Protection of bank
cards)

FDJ's information system was originally designed to manage an offline distribution network consisting exclusively of bars, tobacconists and newsagents, and games without customer identification. The Group's technology strategy is to transform the information system into a modular, omnichannel target offering management of a diversified distribution network based on infrastructure including cloud technologies. This involves a gradual upgrade of the information system to transform its foundations, while

building new capabilities. Since 2018, more than €250 million has been invested in technology.

This transformation is based on the choice of technological expertise focused on high-value core business components. The principles for allocating resources and using suppliers are therefore differentiated for each facet of the information system, enabling the optimal application of resources to the key challenges.

1.3.4 Strategy and Innovation Department

The Strategy and Innovation Department has two main purposes:

- develop and manage the Group's strategy (see "Strategy and business model" in the integrated activity report) and ensure that it is implemented consistently at operational level;
- roll out innovative solutions that meet the needs of tomorrow for the benefit of stakeholders.

a. Develop and manage the FDJ Group's strategy and ensure that it is implemented consistently at operational level

The Strategy & Innovation Department is responsible for defining the Group's strategy and managing its implementation, taking into account internal and external parameters including developments in the gaming sector and the Group's environment.

It supports the BUs, ABUs and the corporate functions in their appropriation and implementation of the Group's strategy at their respective level. It contributes to the prioritisation and appraisal of their major projects.

It also carries out strategic studies on major cross-cutting challenges for the Group.

b. Roll out innovative solutions that meet the needs of tomorrow

Strategy and Innovation Department:

- defines the Group's innovation strategy;
- identifies relevant start-ups via FDJ Ventures, the Group's corporate venture capital fund;
- conducts experiments through Lab Inno, its innovation lab;
- Promotes the FDJ Group as a technology and innovation company.

i. Innovation strategy

The innovation strategy is based on the five Key Innovation Areas (KIAs):

Innovation strategy: implementing solutions for future uses FOR THE BENEFIT OF OUR CUSTOMERS, OUR DISTRIBUTORS AND SOCIETY AS A WHOLE



FUTURE OF GAMING

DESIGN the next-generation gaming offer



FUTURE OF PLAYER EXPERIENCE

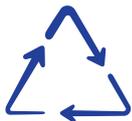
SIMPLIFY and **PERSONALISE** player experience & **STRENGTHEN** responsible gaming thanks to better knowledge of players

5 Major innovations topics (GSI)



FUTURE OF OMNICHANNEL DISTRIBUTION

MODERNISE FDJ's distribution in an increasingly omnichannel model and close to French people



TECH FOR GOOD

POSITION FDJ as a pioneer in sustainable, responsible and positive-impact innovation, for the benefit of its activities and society as a whole



WEB3

UNDERSTAND and **ANTICIPATE** trends related to the new decentralised Internet based on blockchain

Operational organisation

ii. FDJ Ventures

FDJ Ventures is the FDJ Group's private equity fund for start-ups (e.g. PandaScore, Cometh, Captain Cause) and venture capital fund (e.g. Serena, Partech, Raise), with investment capacity of over €100 million,

It is the cornerstone of the Group's Open Inno approach. Its investment case focuses on its five KIAs, enabling it to identify start-ups with the potential to help the Group implement its innovation strategy.

FDJ Ventures aims to develop win-win relationships with the start-ups in its portfolio, notably by leveraging the Group's assets and expertise to accelerate their growth.

iii. Lab Inno

To implement its innovation strategy, FDJ draws on an experimental approach, mainly with start-ups. This approach aims to facilitate exploration and prototyping, and to accelerate the spread of innovation within the Group.

Each year, Lab Inno conducts about 20 experiments in the five key innovation areas, of which about 30% reach the industrial stage. In the area of player protection, for example, the Sesame project, which emerged from the FDJ's intrapreneurship programme, offers an anonymous majority certificate integrated into the QR code for games played within the ParionsSport Point de Vente app. The aim of the new system, which will be rolled out in 2024, is to combat underage gambling, facilitate verifications by retailers and simplify the process for players at points of sale.

iv. Promotion of the FDJ Group

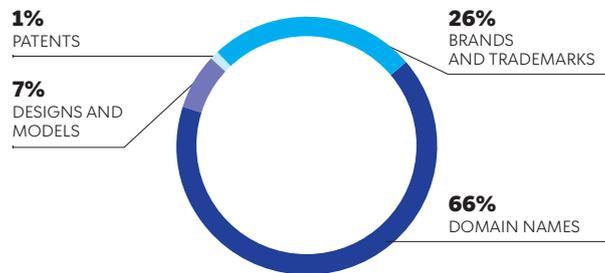
In 2023, the FDJ Group had its first-ever stand at Viva Technology, the world's largest tech event. The Group offered the show's 150,000 visitors a unique experience built around its five KIAs and showcasing some 20 innovative projects.

The event was also an opportunity to highlight the Group's contribution to French Tech. Since 2015, the FDJ Group has directly or indirectly supported more than 400 French and European start-ups, including 23 listed in the French Tech 120 index.



1.4 Trademarks, patents and licences

FDJ has an extensive portfolio of intellectual and industrial property rights. It includes numerous trademarks, domain names and patents, as well as some designs.



Filings are made mainly in France, with international filings subject to specifics that may require FDJ to file in Europe or other countries in order to ensure the best possible protection of its assets.

1.4.1 Brands and trademark licences

The Group's brands, the most significant of which are FDJ and Loto®, are highly visible and very important for FDJ's communication and brand recognition. The Group attaches great importance to the choice of brands for its games.

The brands are usually developed in-house by the lottery and sports betting teams. FDJ's game brands contain strong markers, often based on humour. The name and graphics for all new games require joint in-depth work by the lottery or sports betting teams (depending on the case) responsible for the creation and development of the games, the Sales Department and the Legal Department.

The Legal Department constantly monitors trademarks registered by third parties so as to be able to act if a trademark registered by a third party infringes FDJ's rights.

FDJ has also elected to occasionally use licensing agreements to develop themed games within its various game lines.

1.4.1.1 TRADEMARKS REGISTERED BY THE GROUP

FDJ has registered more than 700 trademarks in France, more than 70 in the European Union, and about a hundred with WIPO (World Intellectual Property Organization) or in other countries with the national offices of those countries.

In principle, trademarks are registered at least in classes 9 (game software), 16 (printing products), 28 (games) and 41 (entertainment, sports and cultural activities, and gaming services).

The names of the games marketed by the Group are most often registered in the form of a logo; FDJ is notably the owner of the Illiko® umbrella brand used for its games of chance offering an immediate result.

In 2023, some 30 prior-art searches were carried out and 13 trademarks subsequently registered. In addition, more than 50 trademarks were renewed.

Trademarks include, but are not limited to, the following:



Finally, it should be noted that the Group's acquisition policy may also help develop its brand portfolio, as with the buyout of the RBP Luxembourg Group (ZEturf), which owns several brands such as ZEturf, ZEbet and ZECash.

Trademarks, patents and licences

1.4.1.2 LOTO® BRAND

Loto® is one of FDJ's flagship brands.

As such, FDJ is the owner of many Loto® trademarks (word and semi-figurative) and pays close attention to their protection.

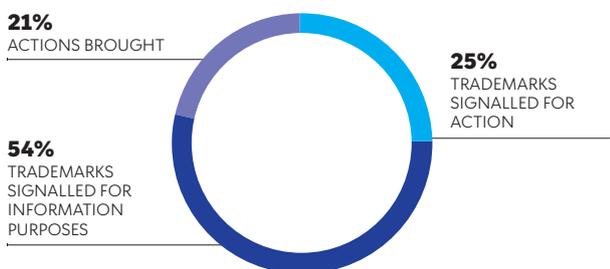
FDJ has owned the Loto® wordmark since 1983. In 2002, FDJ registered the Loto® wordmark again, notably to designate games and gambling services, limiting its wording to products and services "not related to traditional lotto games". Aware of the importance of the brand, but also of its generic nature to designate traditional lotto games, FDJ has implemented a special strategy to protect it, which enables it to defend and maintain the exclusive operating territory of the brand in the field of gaming.

1.4.1.3 MONITORING AND DEFENCE OF FDJ BRANDS

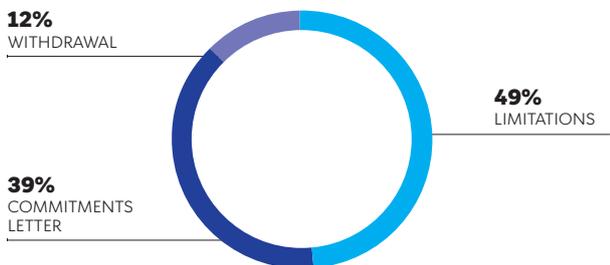
FDJ is very active in defending its brands. The Group's main brands are monitored bi-monthly. This enables the identification of trademark registrations by third parties that are similar or identical to its own.

In 2023, this monitoring served to identify 230 similar trademarks registered by third parties. Of these, FDJ decided to take action against 74 that presented a potential threat to its business. The others were not directly related to the Company's sector of interest. The various actions taken may include obtaining letters of commitment or coexistence agreements from third parties, with the limitation or withdrawal of the trademark, and sometimes a decision to challenge.

TRADEMARKS DISPUTED IN 2023



RESULTS OF ACTIONS TAKEN IN 2023



In 2023, FDJ obtained the limitation of roughly 20 disputed trademarks and the withdrawal of a further five.

1.4.1.4 LICENCES

FDJ has two types of licences: (i) long-term licences, and (ii) short-term licences, which enable it to launch themed games using brands and worlds known to the general public or insiders.

Long-term licences

FDJ has:

- an exclusive use and operating licence for the Joker brand and the Joker + brand for France and Monaco, running until 2027. The first licence for this brand was granted to FDJ in 1999;
- FDJ has had an exclusive use and operating licence for the Euromillions brand in France since 2004. It is valid until the end of the agreement between the European lotteries for the operation of the Euromillions game.
- FDJ has had an exclusive use and operating licence for the EuroDreams brand in France since 2023. It is valid until the end of the agreement between the European lotteries for the operation of the EuroDreams game.

Short-term licences

In the past, FDJ has signed several licences with the TF1 and Endemol groups to market scratch tickets for Koh-Lanta in 2015, The Voice in 2016, The Wall in 2019 and Qui veut Gagner des Millions (Who Wants to Be a Millionaire) in 2020.

FDJ has also signed two licensing agreements with Scientific Games International (SGI), one on behalf of Hasbro, for the Monopoly trademark for use in an exclusively online game, and the other on behalf of Endemol, for the A Prendre ou À Laisser trademark (based on the codes of the TV programme of the same name, known in English as Deal or No Deal) for a game marketed in the form of a scratch card with a digital component.

Finally, FDJ also holds a licence granted by the Paris 2024 Olympic and Paralympic Games Organising Committee, allowing it to market games on the theme of the Olympic and Paralympic Games until 30 September 2024.



1.4.2 Domain names

Most of FDJ's domain names are registered with the extensions .com, .fr and .net.

FDJ's domain names are all reserved and hosted by the same service provider. They renew automatically from year to year, unless otherwise requested by FDJ within 30 days before their expiry date.

FDJ also monitors the domain names registered by third parties containing trademarks registered by FDJ. Action is regularly taken against disputed domain names detected, with a view to having the disputed sites closed or transferred, via legal action (unfair competition and parasitism) and/or extra-judicial action (Syreli or UDRP procedure, depending on the extension).

FDJ also sometimes acquires domain names that may be of interest to the Group (acquisition in connection with a project or defensive strategy).

In 2023, FDJ's portfolio includes more than 2,000 domain names, most of which are variations of its trademarks. Note that registrations are made as a defensive measure to prevent third parties from appropriating them.

The companies that joined the FDJ Group in 2023 also hold several domain names in their portfolios that are directly related to their brands: RBP Luxembourg (ZEturf) has registered more than 50 domain names and Premier Lotteries Ireland (PLI) 10.

1.4.3 Designs and models

The Group registers few designs and models. One significant example is the jersey of the Groupama FDJ cycling team, which was registered in France and the European Union in 2018 for the old jersey and at the end of 2022 for the new jersey used from the start of the 2023 season.



1.4.4 Patents

The FDJ Group's current patent portfolio includes 15 patents granted in the field of lotteries and sports betting (gaming experience, security, responsible gaming, etc.) and 19 patents pending, mainly covering France, the rest of Europe, the United States, Canada and Australia.

Since 2020, the portfolio has included more than 10 new patent applications protecting technological innovations of strategic interest to the Group.

In addition, the patent portfolios of lotteries, lottery suppliers and competing sports betting operators are monitored on a monthly basis and presented to the patent liaison officers of each Group entity during patent committee meetings.

1.5 Regulatory environment

Given their importance and weight in the Group's activities, this section only describes the regulations applicable to gaming in France. It should be noted that the Group is or may be subject to other regulations, in particular (i) in the context of its international activities, including the laws and

regulations applicable to the activities of Premier Lotteries Ireland and the ZEturf group (see section 1.2.3.1 "FDJ's international activities"), and (ii) as part of its Payment & Services activities (see section 1.2.3.2 "Payment & Services").

1.5.1 Exclusive rights regime and close control of FDJ by the French State

REGIME OF EXCLUSIVE RIGHTS ENTRUSTED TO FDJ

Article 137 of the Pacte Law of 22 May 2019 confirms that the operation of lottery games marketed in physical distribution networks and online and sports betting games marketed in physical distribution networks is entrusted to FDJ. These arrangements cover a period of 25 years. FDJ is closely monitored by the French State. As a result of the combination of Article 137 and the provisions of Order No. 2019-1015 of 2 October 2019 (Article 15) adopted for their application, the exclusive rights entrusted to FDJ were secured for a period of 25 years as from the entry into force of the Pacte Law.

Decree No. 2019-1060 of 17 October 2019 on the terms of application of the French State's close control over La Française des Jeux (the "Close Control Decree"), issued pursuant to the Order, includes a provision relating to the amount that FDJ should pay the French State in return for securing the exclusive rights, pursuant to the provisions of Article 17 of the Order. This was set at €380 million after the assent of the French Investments and Transfers Commission (Commission des Participations et des Transferts – CPT).

The Close Control Decree approves:

- the agreement between the French State and FDJ, which expires on 22 May 2044, the date on which the exclusive rights granted to FDJ lapse;
- FDJ's specification document (*Cahier des Charges*).

The primary purpose of this Convention is to:

- anticipate the consequences of the occurrence of events likely to deteriorate the economic conditions for operation of FDJ's exclusive rights (changes in laws or regulations);
- anticipate the end of the exclusive rights, including the future of staff and intellectual property assets.

The specification document imposes obligations on FDJ in return for the exclusive rights entrusted to it. These obligations include:

- the requirement to offer a range of games throughout the country;
- the purchase of the insurance necessary to adequately cover the counterparty risks relating to certain games;
- the performance of player and retailer satisfaction measurements;
- the organisation of continuous consultation with FDJ's stakeholders.

The French State ensures that the Specification Document is maintained over time in line with the objectives of the

gaming policy set out in Article L. 320-3 of the French Internal Security Code, the provisions and implementation of which are assessed every 10 years. FDJ submits an annual report on this to the ministers responsible for the economy and the budget. The ANJ contributes to monitoring compliance with the Terms and Conditions and the Agreement. As such, it informs the competent ministers of any possible shortcomings on the part of FDJ.

Developments

In 2023, the Council of State confirmed FDJ's exclusive rights, as defined by the Pacte Law of 23 May 2019, the Order of 2 October 2019 and the implementing decrees. The Council of State handed down five rulings on 14 April 2023 and one on 12 July 2023.

It found FDJ's monopoly to be justified on the grounds of public order and the control of the risk of addiction. By granting exclusive rights to a private company subject to close control by the public authorities, the government was found to be pursuing an objective in the public interest, namely the protection of health and public order, given the proven risks of excessive gambling, fraud and the exploitation of lottery games for criminal purposes.

The 25-year duration of the exclusive rights granted to the FDJ was not deemed excessive. During this period, it is up to the State to ensure that the measures taken are proportionate to achieving the objectives set for the protection of gaming consumers and, if not, to put an end to them. In this respect, it has been established that the obligations and restrictions imposed on La Française des Jeux, as well as the reinforced control procedures carried out by the ANJ, make it possible to guide its promotional policy and ensure that its gaming offer remains limited in quantity and developed in quality.

The Council of State saw no reason to refer questions to the European Court of Justice for a preliminary ruling. One issue remains unresolved: for procedural reasons, the Council of State has not ruled on whether the amount of the consideration paid by the FDJ for the exclusive rights was underestimated and constitutes illegal state aid. This was the subject of a stay of proceedings by the Council of State and will have to be clarified by the European Commission (see Note 16 "Ongoing litigation and legal proceedings" of Chapter 6, section 6.1 "Consolidated financial statements for the year ended 31 December 2023").

Terms of the close control by the French State

 <p>APPROVAL OF THE ARTICLES OF ASSOCIATION AND THEIR AMENDMENTS BY DECREE</p>	 <p>APPROVAL OF THE APPOINTMENT OF THE CHAIRMAN AND CHIEF EXECUTIVE OFFICER OF FDJ BY THE MINISTERS IN CHARGE OF THE ECONOMY AND THE BUDGET, AFTER CONSULTATION WITH THE ANJ</p>	 <p>AUDITS BY THE COURT OF AUDIT (<i>COUR DES COMPTES</i>)</p>
 <p>ECONOMIC AND FINANCIAL CONTROL</p>	 <p>GOVERNMENT COMMISSIONER</p>	 <p>PRIOR MINISTERIAL AUTHORISATION FOR SHAREHOLDINGS</p>

Focus

The **Government Commissioner**, appointed by the minister in charge of the budget, is attached to FDJ to ensure that the Group's activities comply with the objectives of the national gaming policy mentioned in Article L. 320-3 of the French Internal Security Code. This Government Commissioner sits on the Board of Directors of FDJ in an advisory capacity, and on committees and commissions created by the Board of Directors of FDJ.

In this capacity, the Government Commissioner may:

- request the inclusion of any matter on the agenda of an ordinary meeting of those bodies and is the intended recipient of their minutes;
- oppose a decision of FDJ's governing body on the grounds of gaming policy;
- oppose decisions relating to the estimates of the Company's revenue and operating expenses or capital expenditure.

He or she informs the ANJ of any failure on the part of FDJ to comply with the obligations imposed on it that fall within the competence of that authority.

The decisions of the Board of Directors of FDJ are automatically enforceable, provided that the Government Commissioner has not opposed them on grounds relating to national gaming policy, within five days of the meeting of the Board of Directors attended or, failing that, upon receipt of the minutes. Similarly, the decisions relating to the estimates of operating or investment revenue and expenditures are automatically enforceable, provided that the Government Commissioner has not objected to them within five days of the meeting of the Board of Directors attended or, failing that, upon receipt of the minutes. The use of this prerogative by the Government Commissioner is immediately reported to the minister in charge of the budget.

Focus

The **ownership, whether direct or indirect**, of shares representing more than one-tenth or a multiple of one-tenth of the share capital or voting rights of FDJ by an individual or corporate entity, acting alone or in concert, requires the prior authorisation by the ministers in charge of the economy and the budget. This authorisation must be renewed if its beneficiary acts in concert with another party or undergoes a change of control within the meaning of Article L. 233-3 of the French Commercial Code or if the identity of one of the persons acting in concert changes. It will also be renewed prior to any new crossing of the thresholds mentioned above.

The crossing of the relevant thresholds is deemed approved if the ministers in charge of economy and budget have not opposed it within one month starting either as of the notification of the projected threshold crossing, recorded by receipt issued by the administration, or within one month following the notification of effective crossing of the relevant thresholds when such crossing results from a reduction in the total number of shares issued by the Company, a variation in the total number of voting rights, or the allocation of voting rights. This time period may be extended for 15 days, by order of the ministers in charge of the economy and the budget.

Reasons must be given for the authorisation or refusal. In the event of withdrawal of an authorisation, the beneficiary cannot exercise voting rights corresponding to the shares in question. When the relevant thresholds are crossed without prior authorisation, the holders of shareholdings improperly acquired cannot exercise corresponding voting rights until such shareholdings have been approved by the ministers in charge of the economy and the budget.

Regulatory environment

1.5.2 Specific regulations for the operation of gaming activities

FDJ operates in the gaming sector, a highly regulated sector and one that is strictly controlled by the French State, in view of the specific risks it entails, particularly in terms of excessive

gambling, underage gambling and use for criminal purposes, such as fraud or money laundering.

COMMON REGULATION OF ALL GAMING AND BETTING

The gaming sector falls under a general prohibition principle set out in Article L. 320-1 of the French Internal Security Code. However, this prohibition in principle comes with exceptions provided for by law in certain gaming segments, where the operation of gaming is placed either under a system of exclusive rights, or under a system of approvals granted by the government or licences issued by the French gaming regulatory authority (ANJ).

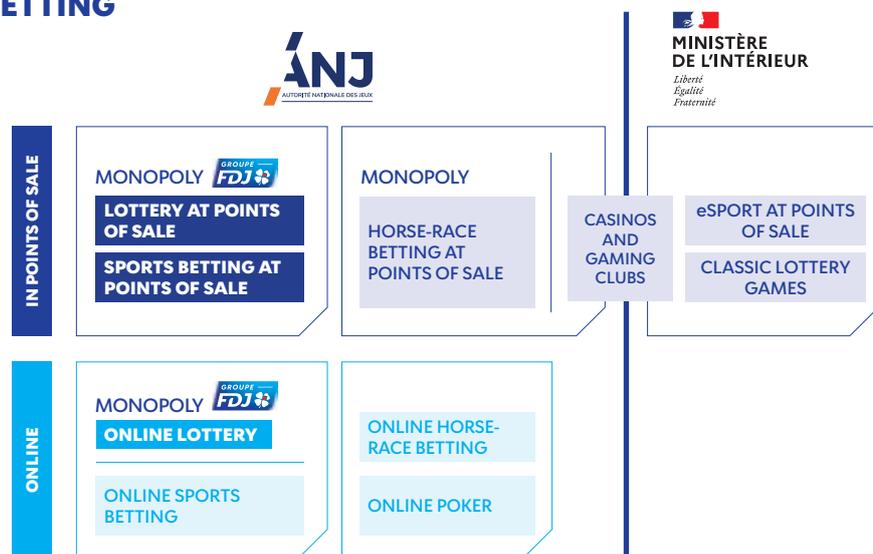
Organisation of the French gaming sector FOR GAMING AND BETTING

◆ In France, gambling is illegal

- prohibited by the Internal Security Code
- the law nevertheless provides for several exemptions

◆ The market is very closely controlled

- with monopolies for FDJ and PMU
- with two regulators: ANJ and the Ministry of the Interior



While the various gaming segments are subject to separate regulations, operators licensed to operate gaming must comply with certain general objectives of the national gaming policy with a view to:

- preventing excessive or pathological gambling and protecting minors, including:
 - submission each year of their action plan for the prevention of excessive and underage gambling for the subsequent year to the ANJ for approval, together with a report on the implementation of their most recently approved action plan,
 - compliance with the reference framework for the prevention of excessive or pathological gambling and the protection of minors, proposed by the ANJ and adopted in the Order of 9 April 2021, which specifies the obligations placed on operators in this area, supplemented by recommendations and examples of good practice for their implementation,
 - compliance with the advertising framework for gaming and betting operators and the promotion of their offers, which includes restrictions on the content

of messages (Articles D. 320-9 and D. 320-10 of the French Internal Security Code), as well as the guidelines and recommendations adopted by the ANJ in 2022 and 2023 with regard to commercial communications, financial bonuses and sports partnership agreements. In addition, the provisions of Article 34 of Law No. 2010-476 of 12 May 2010 give the ANJ the power to limit, by a reasoned decision, the commercial offers of operators involving a financial reward for players, as well as to order an operator to withdraw any commercial communication encouraging, directly or indirectly, underage gambling or gambling by persons banned from gambling or involving an encouragement of excessive gambling. The use of commercial influence in favour of gaming is authorised by French Law 2023-451 of 9 June 2023, which aims to regulate commercial influence and combat the excesses of influencers on social media. However, commercial influence in favour of sports betting subscriptions or predictions is prohibited;

- ensuring the integrity, reliability and transparency of gaming operations, for example by:
 - a certain number of reporting obligations to the ANJ for online gaming and betting operators, whether operating in competition (online sports and horse-race betting, online poker) or under exclusive rights (online lottery), and for gaming and betting operators in points of sale (lottery, sports and horse-race betting), aimed at enabling the Authority to monitor all gaming activities, control the regularity and integrity of operations, and to verify the proper performance by operators of their obligations; to ensure the protection of players' assets, licensed gaming and betting operators and holders of exclusive rights must justify the existence of a security, trust, insurance or any other instrument or mechanism guaranteeing the repayment of all assets due to players holding accounts under all circumstances;
- obliging all gaming and betting operators to implement measures to help prevent fraudulent or criminal activities, or money laundering and the financing of terrorism, pursuant to Title VI of Book V of the French Monetary and Financial Code, the proper execution of which is controlled by the ANJ through:
 - the submission each year for approval, by authorised operators and holders of exclusive rights, of an action plan to combat fraud, money laundering and the financing of terrorism for the subsequent year, together with a report on the implementation of the most recently approved action,
 - compliance with the reference framework for the prevention of fraud, money laundering and the financing of terrorism, proposed by the ANJ and adopted in the order of 9 September 2021, which specifies the obligations placed on operators in this area, supplemented by recommendations and examples of good practice for their implementation.

SPECIFIC REGULATION OF GAMES AND BETTING UNDER EXCLUSIVE RIGHTS

The lottery games that FDJ may be authorised to operate are defined in Articles L. 322-9 et seq. of the French Internal Security Code and fall into three distinct categories, each of which is subject to ranges applicable to the share of stakes allocated to winners.

CATEGORIES	RANGE OF GAMES	PLAYER PAYOUT	EXAMPLES
DRAW GAMES the element of chance, which takes the form of a draw, is common to all players	Traditional draw games (draws held once a day at most)	Between 50% and 60%	Loto®, Euromillions, EuroDreams
	Successive draw games (draws held more than once a day)	Between 65% and 72%	Amigo, Keno, Bingo Live
	Additional draw games (games offered in addition to another game, optionally or otherwise)	Between 59% and 70%	My Million, Étoile + linked to Euromillions, Second Tirage linked to Loto, Joker+
INSTANT GAMES the element of chance is unique to each player, and the result can be determined instantaneously as a result of a player's action	Scratch games (games whose materials, physical or otherwise, are issued in blocks made up of a determined number of game units)	Between 62% and 75%	Cash, Mission Patrimoine, Mots Croisés
	Instant random games (games for which the element of chance is generated at the player's individual request and is the result of an action by him or her)	Between 65% and 75%	Instant Loto, Les Mystères du Mage, Les Clés du Trésor
	Additional instant games (games that are only available as a complement to one or more other games, optionally or otherwise)	Between 60% and 70%	Super Jackpot

Regulatory environment

Lottery games are subject to regulatory limits set out in the relevant legislation:

- 40 = maximum number of lottery games, all ranges combined, simultaneously operated in the physical distribution network;
- 100 = maximum number of lottery games, all game categories combined, simultaneously operated online;

- €250 million = maximum amount of first-rank winnings from a lottery game actually paid to the winners, for each intervention of chance;
- €100 million = maximum amount of winnings from lottery games based on the counterparty principle actually paid to winners, for each intervention of chance.

The sports betting that FDJ is authorised to operate under exclusive rights in a physical distribution network falls into two categories under the combined provisions of Articles L. 320-13 et seq. of the French Internal Security Code.

CATEGORIES	DEFINITION	SHARE OF STAKES ALLOCATED TO WINNERS	TRADEMARK
Pooled betting	Betting in which the winning players share the full amount of the sums involved, which are placed in the same pool before the event takes place, less deductions in force on the part of the operator, which has a neutral and disinterested role as to the outcome of the bets	For all offline sports betting, the maximum payout amounts to 76.5% of the average of stakes over a calendar year	Sports Loto
Fixed-odds betting	Betting where the operator offers players odds corresponding to its assessment of the probability of the outcome of the competitions on which the players are betting; the winnings are fixed, expressed as a multiplier of the stake and guaranteed to the players by the operator		Parions Sport Point de Vente

Pursuant to Decree No. 2021-249 of 3 March 2021, FDJ may offer sports betting at points of sale on 60% of the disciplines of sporting events and up to 60% of the types of results included in the list of betting media authorised by the ANJ in accordance with Article 12 of the same law.

Control of games and betting operated under exclusive rights

The offer of lottery and betting games operated under exclusive rights by FDJ is subject, as it was under the previous framework, to a multi-level authorisation regime governed by the provisions of Article 34 of Law No. 2010-476 of 12 May 2010 and the Exclusive Rights Decree.

Each year, FDJ must submit to the ANJ for approval its gaming and betting programme, with a description of all the new games it plans to operate for the following year and the terms and conditions for the continued operation of existing games. In this document, FDJ also reports on the execution of the most recently approved gaming and betting programme. On 7 July 2022, the ANJ approved FDJ's gaming and betting programme for 2023. On 22 June 2023, it approved the 2024 programme.

Moreover, the operation of any new lottery game is subject to prior authorisation by the ANJ. The application for authorisation of any new game must be submitted to the ANJ several months before the start of operation of the game in question. The ANJ may authorise a game on a trial basis, for a limited purpose and time-period to evaluate the safeguards offered in terms of preservation of public order for each of the relevant games.

In addition, the ANJ approves the rules and regulations of FDJ's authorised games and betting operated under exclusive rights, which constitute membership contracts defining the conditions for public participation in them, as well as the software for such games and betting operations.

Control of points of sale

FDJ's authorisation of any third party to operate lottery or sports betting registration stations, i.e. points of sale for those games, can only be granted after the assent of the Minister for the Interior, who takes into consideration issues of public order, public security and the protection of health and minors.

Article L. 320-15 of the French Internal Security Code provides that a perimeter may be established by departmental prefects around public or private educational institutions, or youth training or leisure facilities, within which new points of sale cannot be established, the acquired rights of the more than 29,000 existing FDJ points of sale being maintained.

Law No. 2010-476 of 12 May 2010 provides that the standard clauses of contracts between FDJ and the people operating its points of sale shall be approved by the ANJ, as well as any amendments thereto. In addition, the exclusive rights decree requires FDJ to ensure that these contracts impose on retailers the obligations to take the measures and perform the due diligence necessary to achieve the objectives of gaming regulation. FDJ must ensure that failure to comply with these obligations results in proportionate penalties.

The control and supervision of the operation of the points of sale of gaming and betting operators under exclusive rights are carried out by sworn agents of the ANJ, if necessary with the assistance of officers in charge of the policing of racing and gaming for the Ministry of the Interior and by the departmental or, failing that, regional directors of public finance or their representatives.

1.5.3 Specific regulation of activities open to competition

FDJ currently operates gaming activities that are open to competition, namely its online sports betting offer, on the basis of approval granted for five years in June 2010 and renewed several times, most recently by the ANJ in September 2020, as well as an online poker offer by virtue of the licence granted on 20 October 2022. The ZEturf group, which FDJ acquired in 2023, also holds licences for online horse-race and sports betting.

The granting of online gaming and betting approvals is subject to the fulfilment of legal, technical and financial conditions by applicants, as set out in Law 2010-476 of 12 May 2010, the decrees issued for its application, the specifications relating to approvals to which it refers and which were approved by the Order of 27 November 2015, as well as technical requirements grouped together in a "technical requirements file" adopted by the ANJ.

1.5.4 Control by administrative authorities, and administrative and criminal sanctions

CONTROL BY THE ANJ

The ANJ, an independent administrative authority, regulates lottery, sports betting and horse-race betting activities, both online and in physical distribution networks, as well as online poker. Its purpose is to ensure compliance with the objectives of gaming policy. It regulates all of FDJ's gaming activities.

CONTROLS BY THE MINISTER IN CHARGE OF THE BUDGET AND THE MINISTER IN CHARGE OF THE ECONOMY

For motives stemming from safeguarding of the public order, the minister in charge of the budget may at any time suspend or prohibit the operation of a game operated under exclusive rights. This suspension or prohibition is adopted after an adversarial procedure, upon opinion issued by the ANJ.

The minister in charge of the Budget and the minister in charge of the Economy have several control tools at their disposal for close control.

ECONOMIC AND FINANCIAL SUPERVISION BY THE PUBLIC AUTHORITIES

Under Article 22 of the Order, FDJ is subject to economic and financial control by the French State.

Lastly, pursuant to Article 19 of the Order, the Economic and Financial Controller may oppose the decisions of the corporate body that approves FDJ's budget (estimated receipts and operating or investment expenses).

AUDITS BY THE COURT OF AUDIT (COUR DES COMPTES)

The Order provides that FDJ falls within the scope of Article L. 133-1 of the French Financial Jurisdiction Code. As such, FDJ is subject to periodic audits by the French Court of Audit (Cour des Comptes).

INSPECTIONS BY INSPECTORATE GENERAL OF FINANCES (INSPECTION GÉNÉRALE DES FINANCES)

Lastly, in accordance with Article 43 of Law No. 96-314 of 12 April 1996 relating to various economic and financial

provisions, FDJ is subject to the supervision of the Inspectorate General of Finances (Inspection Générale des Finances) and will remain so for as long as the French State remains a shareholder.

This supervision is performed on the basis of documents on-the-spot and covers all financial statements and the management of FDJ

CRIMINAL PENALTIES INCURRED BY FDJ

Primary criminal penalties incurred

The fact for an operator to allow a person prohibited from gambling to participate in an online gaming activity or to send commercial communication to such a person may result in a fine of €10,000.

In addition, a fine of €100,000 is provided for in the event of the establishment by an operator of a new point of sale in violation of a perimeter, set by the competent prefect, around public or private educational institutions, or youth training or leisure facilities, in the event of commercial communication in favour of an operator or its gaming and betting offer carried out within this perimeter, in the event of commercial communication in favour of an operator or its gaming and betting offer not including the warning message provided for by the law, or in the event of direct access by an operator to gaming systems, without human intermediation, to a player whose identity and date of birth were not verified beforehand.

A fine of €150,000 is provided for against an operator in the event of non-compliance with the obligations relating to the prohibition against money lending to players (or the prevention of such acts) and the prohibition of advertisements related thereto.

Additional criminal penalties incurred

In the event of a failure to comply with its legislative and regulatory obligations, FDJ may, in addition to the fines presented above, be exposed to additional specific penalties that may consist of:

- closure, whether permanent or temporary, for a period not exceeding five years, of one or several establishments having served for the commission of offences;
- in the event of an objection to an offence found by an official authorised for that purpose, a fine of €300,000.

Regulatory environment

Administrative penalties incurred by FDJ

In the context of its activities operated under exclusive rights, pursuant to Law No. 2010-476 of 12 May 2010 as amended by the Order, the ANJ Sanctions Committee may punish FDJ with various penalties, after formal notice, depending on the seriousness of the breaches found. These penalties may take the form of (i) a warning, (ii) the temporary suspension for a period of six months at most of the operation of the game or set of games that gave rise to the breach, (iii) a ban on the operation of the game or set of games at issue, or (iv) submission of a request for withdrawal of approval from FDJ's officers to the minister in charge of the budget.

In addition, the Sanctions Committee may impose, in lieu of or in addition to such penalties, a monetary penalty whose amount may not exceed 5% of the revenue excluding VAT of the most recent financial year corresponding to its activities covered by the exclusive rights. This amount is increased to 10% in the event of a repeat offence.

As part of its online sports betting approval, FDJ is subject to the same obligations and permanent controls exercised by the ANJ, as laid down in Law No. 2010-476 of 12 May 2010, as other online gaming and betting operators approved by the ANJ. In particular, it must transmit several certificates to that Authority concerning compliance with its legal obligations and technical requirements, and make data relating to online gamers and all their betting activities permanently available to the Authority.

In the event of a breach of its legislative and regulatory obligations, the ANJ Sanctions Committee may apply one of the following penalties: (i) a warning; (ii) a reduction of up to one year in the period of the approval; (iii) suspension of the approval for three months at most; or (iv) withdrawal of the approval, which may be accompanied by the prohibition to apply for a new approval for a maximum period of three years.

In addition, the Sanctions Committee may impose, in lieu of or in addition to such penalties, a monetary penalty whose

amount may not exceed 5% of the revenue excluding VAT of the most recent financial year corresponding to its activities covered by the approval. This amount is increased to 10% in the event of a repeat offence.

As part of its exclusive rights activities and its online sports betting approval, FDJ is subject to the anti-money laundering and anti-terrorist financing obligations set out in the French Monetary and Financial Code. In the event of breaches of these obligations, the ANJ refers the matter not to the ANJ Sanctions Committee but to the National Sanctions Commission.

This Commission may impose one of the following sanctions: (i) a warning; (ii) a reprimand; (iii) a temporary ban on carrying out the activity or exercising managerial responsibilities within a legal entity carrying out this activity for a period not exceeding five years, which sanction may be suspended; or (iv) withdrawal of the approval or the professional card.

It may impose, either in lieu of or in addition to such penalties, a monetary penalty whose amount may not exceed €5 million or, where the benefit derived from the infringement can be determined, twice that amount.

In the event that FDJ fails to fulfil all or part of its obligations, the National Sanctions Commission may also sanction FDJ's Executive Management, as well as other natural persons who are employees, agents or acting on behalf of that person, due to their personal involvement in these infringements.

The National Sanctions Commission's decision, any appeal against that decision, the outcome of the appeal, the decision to cancel a previously imposed sanction shall be made public. The costs are borne by the persons sanctioned. However, the Commission's decisions are published anonymously in certain cases provided for by law.

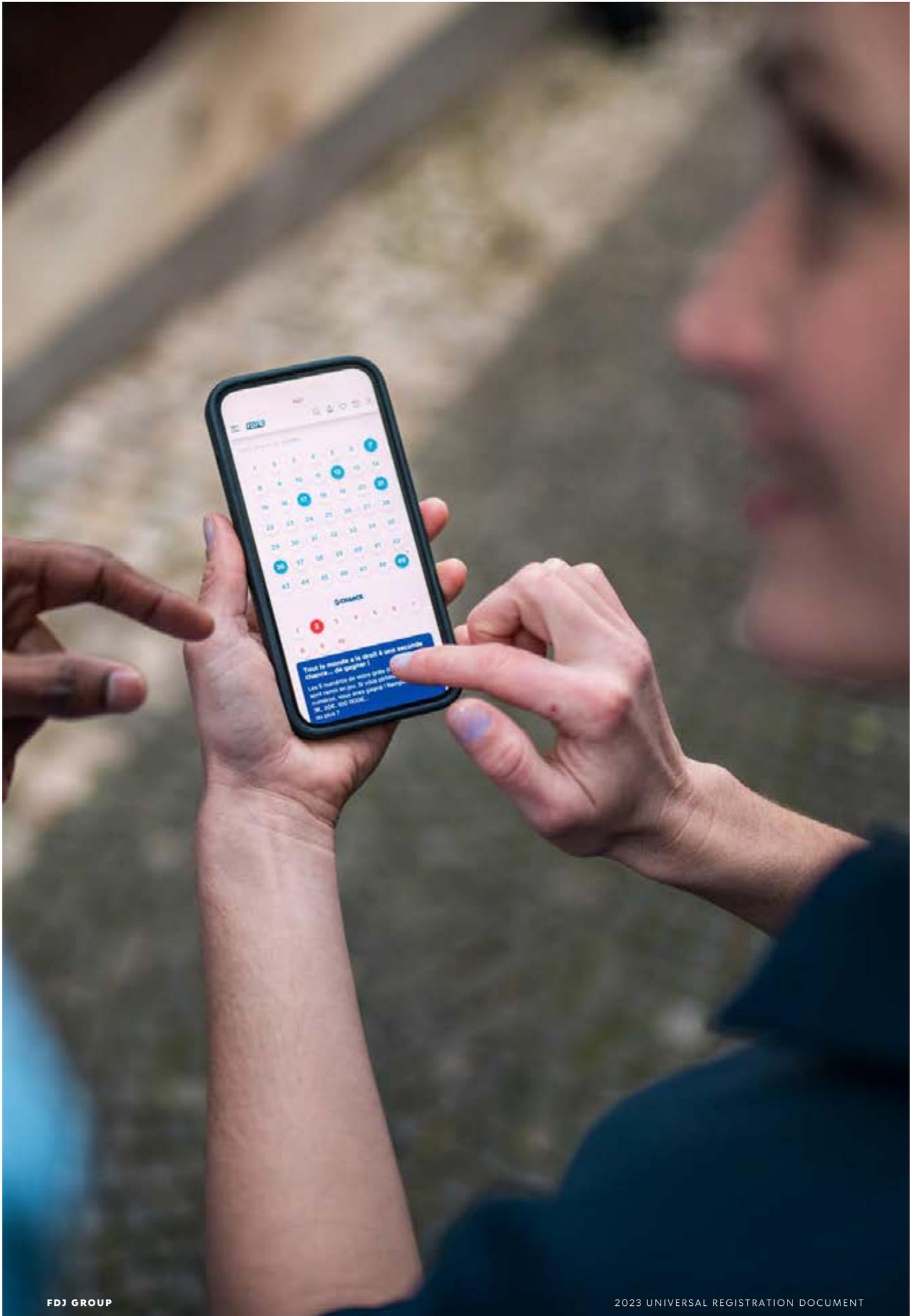
The National Sanctions Commission may decide to charge to the person penalised all or part of the costs incurred by the control measures that resulted in the discovery of the acts sanctioned.

1.5.5 Taxation of gaming

	CASINOS	GAMING CLUBS	ONLINE LOTTERY GAMES IN OFFLINE DISTRIBUTION NETWORK	SPORTS BETTING IN OFFLINE DISTRIBUTION NETWORKS	ONLINE SPORTS BETTING	
Base	GGR after flat-rate allowance of 25% (additional allowances for hotel or spa investments)	GGR after flat-rate allowance of 30%	Gross gaming revenue	Unclaimed prizes	Gross gaming revenue	Gross gaming revenue
State and local authorities	Progressive levy (rate ranging from 6% on the lowest bracket to a marginal rate of 83.5% on the highest bracket), with no more than 10% of the proceeds going to the municipalities where the casinos are located, and the remainder going to general government revenues.	Progressive levy (rate ranging from 5% on the lower bracket to a marginal rate of 70% on the upper bracket)	Depending on the game: 42.0% or 54.5%	100%	27.9%	33.7%
CSG	11.2% of slot machine GGR less 32%	-	6.2%	-	-	-
CRDS	3% of total GGR	-	2.2%	-	-	-
National Sports Agency (Agence Nationale du Sport)	-	-	5.1%	-	6.6%	10.6% (capped at €34.6 million)
Social security body and ANSP	-	-	-	-	6.6%	10.6%
Racing societies	-	-	-	-	-	-

Regulatory environment

	HORSE-RACE BETTING IN OFFLINE DISTRIBUTION NETWORKS	HORSE-RACE BETTING OUTSIDE FRANCE BUT AGGREGATED IN FRANCE	ONLINE HORSE-RACE BETTING	ONLINE CIRCLE GAMES (online poker)
Base	Stakes	Commission	Stakes	Stakes
French State	5.3% (of which 15% paid to local authorities capped at €11,182,394)	12%	5.3% (of which 15% paid to local authorities capped at €11,182,394)	1.8% (capped at €0.9 per cash-game deal), of which 15% is paid to the municipalities where the casinos are located, capped at €11,182,394
Local authorities	-	-	-	-
CSG	-	-	-	-
CRDS	-	-	-	-
National Sports Agency (Agence Nationale du Sport)	-	-	-	-
Social security body and ANSP	1.8%	-	1.8%	0.2% (capped at €0.1 per cash-game deal)
Racing societies	PMU's profits from its exclusive rights are paid back to the horse-racing industry	PMU's profits from its exclusive rights are paid back to the horse-racing industry	23.8%, then 25.2% following the adoption of Decree 2023-1202 of 18 December 2023 amending Article 331W of Annex III of the French General Tax Code.	-



02 Corporate governance

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2.1 Composition and operation of the Board of Directors, Board committees and Executive Management

2.1.1 Corporate governance regime

From the time its shares are admitted to trading on the regulated market of Euronext Paris, the Company is referred to the recommendations of the Afep-Medef Code, particularly when the Board of Directors prepares its report on corporate governance as required by Article L. 225-37 of the French Commercial Code.

The Afep-Medef Code, to which the Company refers, can be found online at the following address: www.medef.com. The Company always has copies of this Code available for members of its corporate bodies to review.

As of the Date of the Universal Registration Document, the Company complies with all recommendations of the Afep Medef Code.

2.1.2 Composition and operation of the Board of Directors, Board committees and Executive Management

	Age	Number of offices in listed companies	Number of shares	Independence	Date of first appointment	Date of reappointment	Duration of current term of office	Expiry of term of office	Number of years on the Board as at 31.12.2023	Audit and Risks Committee	Governance, Nominations and Remuneration Committee	CSR & RG Committee
Chairwoman and CEO												
Stéphane Pallez	64	1	1,628		21.10.2014	05.06.2019	5 years	GM 2024 ⁽¹⁾	9 years			
Directors appointed by the General Meeting of Shareholders												
L'Union des Blessés de la Face (UBFT), represented by Olivier Roussel	62	0	19,310,362		19.12.1978	05.06.2019	5 years	GM 2024 ⁽¹⁾	45 years			◆
Fédération nationale André Maginot des anciens combattants (FNAM), represented by Jacques Sonnet	85	0	8,159,100		05.10.2009	05.06.2019	5 years	GM 2024 ⁽¹⁾	14 years			
Predica (represented by Florence Barjou)	51	1	10,183,592	✘	18.06.2020	18.06.2020	4 years	GM 2024 ⁽¹⁾	3 years	◆		
Fabienne Dulac	56	2	500	✘	04.11.2019	27.04.2023	4 years	GM 2027 ⁽³⁾	4 years			◆ ⁽⁴⁾
Xavier Girre	54	1	528	✘	17.10.2014	26.04.2022	4 years	GM 2026 ⁽²⁾	9 years	◆		
Françoise Gri	66	1	650	✘	16.12.2020	27.04.2023	4 years	GM 2027 ⁽³⁾	3 years		◆	◆ ⁽⁴⁾
Philippe Lazare	67	0	1,000	✘	08.06.2022	27.04.2023	4 years	GM 2027 ⁽³⁾	1 year	◆	◆	
Corinne Lejbowicz	63	0	1,120	✘	04.11.2019	27.04.2023	4 years	GM 2027 ⁽³⁾	4 years	◆		
Director representing the French State												
Charles Sarrazin since 9 March 2020	49	0			09.03.2020	26.04.2022 (notice of appointment of Charles Sarrazin)	4 years	GM 2026 ⁽²⁾	3 years	◆	◆	
Directors appointed by the General Meeting of Shareholders on the proposal of the French State												
Ghislaine Doukhan	56	0			02.02.2017	26.04.2022	4 years	GM 2026 ⁽²⁾	6 years	◆		
Didier Trutt	63	0			17.10.2014	26.04.2022	4 years	GM 2026 ⁽²⁾	9 years			◆
Directors representing employees*												
Philippe Pirani	62	0			01.06.1999	13.12.2019	4 years	GM 2024 ⁽¹⁾	24 years			◆
Agnès Lyon-Caen	54	0			12.02.2018	13.12.2019	4 years	GM 2024 ⁽¹⁾	5 years	◆	◆	
Director representing employee shareholders**												
David Chianese	54	0			18.06.2020	18.06.2020	4 years	GM 2024 ⁽²⁾	3 years	◆		

◆ Committee Member

◆ Committee Chairman

* The elections for directors representing employees took place from 18 January to 25 January 2024. The newly elected directors are Didier Pitisi and Agnès Lyon-Caen. In accordance with Article 13.1 of the Articles of Association, these directors will take office at the end of the 2024 General Meeting called to approve the financial statements for the financial year ending 2023.

** Elections for the position of director representing employee shareholders will take place in March 2024. After these elections, the General Meeting of 25 April 2024 will appoint a Director representing employee shareholders (and his/her substitute), among the two candidates appointed after these elections.

(1) 2024 General Shareholders' Meeting approving financial statements for the financial year ending 2023.

(2) 2026 General Shareholders' Meeting approving financial statements for the financial year ending 2025.

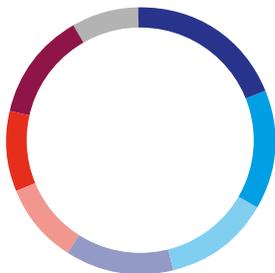
(3) 2027 General Shareholders' Meeting approving financial statements for the financial year ending 2026.

(4) From the Board meeting on 18 January 2024, Françoise Gri will chair the CSR and Responsible Gaming Committee, replacing Fabienne Dulac, who will remain a member of this Committee.

Composition of the Board of Directors

Complementary experiences

Skills map of the directors



- Governance and executive management
- Financing, capital and M&A issues
- Public sector and regulatory environment
- CSR, climate and stakeholder dialogue
- Digital and new technologies
- Sales, marketing and customer knowledge
- International
- Change management

Sales, marketing and customer knowledge



Experience in brand and product development, distribution and customer knowledge.

Change management



Experience in supporting managers and companies in their development and transformation strategies.

Digital and new technologies



Expertise or experience in developing and implementing digital strategies, experience in companies with a strong interest in digital.

Governance and executive management



experience as a company director, CEO, member of an executive committee.

International



Experience in companies with commercial activities in various parts of the world, supervision of international operations.

Financing, capital and M&A issues



Experience in the financial sector, capital management which translates into an understanding of the financial reporting processes of corporate finance, mergers and acquisitions, treasury and tax.

Public sector and regulatory environment



Experience in managing activities in which the state is involved, knowledge of regulatory requirements related to the public sector and/or gaming or any other sector or activity with a specific regulatory environment.

CSR, climate, stakeholder dialogue



Experience in taking account of environmental, social and societal issues.

Changes in the Board of Directors

since the last General Meeting and until the Date of the Universal Registration Document

- ◆ **Replacement of Pierre Pringuet**, independent director whose term of office expired at the 2023 General Meeting, by **Philippe Lazare** (Lead Director).
- ◆ **Appointment of Françoise Gri** as member of the CSR and Responsible Gaming Committee and Chair of the CSR and Responsible Gaming Committee, replacing **Fabienne Dulac**, with effect from 18 January 2024.
- ◆ **Election of directors representing employees: Didier Pitisi and Agnès Lyon-Caen** for a four-year term. They will take office at the close of the 2024 General Meeting.
- ◆ **Election of the Central Economic and Labour Relations Council** representative: replacement of Karim Dahdouh by **Sébastien Devillepoix** for a four-year term.

Diversity of ages

49 years

The youngest director (director representative of the French State).

85 years

The oldest director (representative of the legal entity FNAM).

60 years

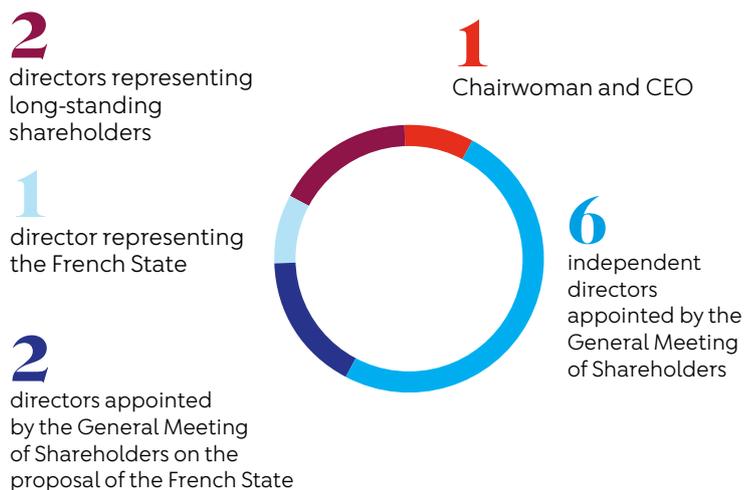
Average age of the directors at 31 December 2023.

Independence of the Board of Directors

The Board of Directors is made up of 15 members, six of whom are independent. The maximum number of directors may not exceed 18 (Article L. 225-17 French Commercial Code). The rate of independence of the Board of Directors of FDJ is 50%*.

AFEP-MEDEF RECOMMENDATION:

50% independent members of the Board of Directors (Article 10.1 of the Afep-Medef Code)



* Excluding directors representing employees and employee shareholders in accordance with the Afep-Medef Code.
 ** Article 10.3 of the Afep-Medef Code excludes the three employee directors from the basis for calculating the rate of independence.

A total of 15 members out of 18 maximum
 (Article L.225-17 French Commercial Code)

- 1** Chairwoman and CEO
- 2** directors representing long-standing shareholders
- 6** independent directors appointed by the General Meeting of Shareholders

- 6** directors designated in application of legal texts
 - 1** director representing the French State (Article 4 or the 2014 Order)
 - 2** directors appointed by the General Meeting of Shareholders on the proposal of the French State (Article 6 or the 2014 Order)
 - 2** directors representing employees of the company and its subsidiaries (Article L.225-27-1 French Commercial Code)
 - 1** director representing employee shareholders (Article L. 225-23 French Commercial Code)

Expiry of terms of office

The Afep-Medef Code recommends that directors be appointed for a term of four years, with staggered renewal. All directors appointed after FDJ's IPO were appointed in accordance with these provisions. The five-year terms began before the IPO and expire at the 2024 General Meeting.



The diagram above shows the number of terms of office expiring at the next General Meetings.

Composition and operation of the Board of Directors, Board committees and Executive Management

2.1.2.1 EXECUTIVE MANAGEMENT

The Executive Management of the Company is the responsibility of the Chairwoman and CEO (Stéphane Pallez) and a Deputy Chief Executive Officer (Charles Lantieri). As these terms of office will expire at the end of the 2024 General Meeting, the Board of Directors meeting of 19 December 2023 (i) proposed that the directors be reappointed and (ii) confirmed the consolidation of the offices of Chairwoman of the Board of Directors and Chief Executive Officer.

A consolidated position is considered appropriate for a number of reasons:

- 1. the procedures for appointing executive corporate directors are linked to close State control:** the new regulatory framework provides that the appointment of executive corporate directors is subject to prior approval by the Ministers in charge of the Economy and the Budget, after consultation with the ANJ. It therefore seems appropriate that the functions should not be separated, to ensure that close control is exercised over all aspects of the Company's governance;
- 2. the launch of a transforming operation initiated by the Company:** with the unanimous support of the Board of Directors, the FDJ Group launched an operation that took place within the framework of the current governance structure. It does not seem appropriate to change the governance while this operation must be completed and may represent a major change for the Company.

Under these conditions, the consolidation of the offices should enable the Group to develop its identity and its brand, and maintain coherence, while being more agile in the deployment of initiatives and giving greater autonomy to its (future) subsidiaries. To achieve this, it is more important than ever to have clear central direction.

In addition, as in all companies that have adopted consolidation of offices, **effective control mechanisms for Executive Management** have been put in place, independently of the methods in which the State exercises close control and in compliance with the provisions of the High Committee for Corporate Governance.

For example, the Chairwoman and CEO is required to submit a large number of transactions to the Board of Directors for prior approval (see point 1.2. of the Board of Directors' Rules of Procedure):

- long-term borrowing in amounts exceeding €80 million;
- direct or indirect transactions to acquire, take possession, sell, or expand ownership in any company or entity that represents financial exposure for the Company greater than €35 million (including the impact on the Group's consolidated debt and its off-balance-sheet financial commitments);
- investment or divestment, off-budget, regardless of its nature, in a unitary amount exceeding €35 million;
- any significant transaction that falls outside of the stated strategy. In this respect, the Board of Directors is closely involved in the development and implementation of strategy, and this takes the form of at least one annual strategy seminar.

In addition, the specialist work of the Board's committees (CAR, CGNR and CCSR&RG), of which the CEO is not a member and which are chaired by independent directors, provides an objective and independent view of the Company's fundamental issues.

In addition, executive sessions of the Board of Directors have been held since 2020, without the presence of the Chairwoman and CEO. Conducted by the Lead Director, these sessions enable the directors to have a direct dialogue on all of the Company's current issues, in particular questions of corporate governance.

Lastly, an annual evaluation of the Board of Directors is carried out by the Lead Director, using the services of an external consultant every three years. Reports are then made to the members of the Board, as well as to the Chairwoman and CEO, so that the recommendations made can be taken into account and implemented.

Stéphane Pallez – Profile

Stéphane Pallez has been Chairwoman and Chief Executive Officer of FDJ since November 2014. In her first term of office, she successfully completed a new phase in the Company's development, initiating the digital transformation. She confirmed the territorial anchoring of FDJ, France's leading local distribution network, while stepping up the Group's international growth by creating FDJ Gaming Solutions. In 2019, she led the Company's privatisation through an initial public offering.

Stéphane Pallez was previously Chairwoman and Chief Executive Officer of the CCR reinsurance group from 2011 to 2014.

From 2004 to 2011, she was deputy Chief Financial Officer at France Télécom-Orange telecommunications group.

From 1984 to 2004, Stéphane Pallez held various positions in the Executive Management of the Treasury at the Ministry of Economy and Finance. She was successively responsible for the Insurance subdirectorates from 1995, a portfolio of French State investments between 1998 and 2000, then Head of the European and International Affairs Department between 2000 and 2004.

During that period, she was also alternate Executive Director for the World Bank in Washington from 1988 to 1990, and technical advisor to the Ministers in charge of the Economy and Finance Pierre Bérégovoy and Michel Sapin, responsible for industrial matters, from 1991 to 1993.

Stéphane Pallez is a member of the Board of Directors of CNP Assurances, where she chairs the Audit and Risks Committee and of Eurazeo, where she chairs the Audit Committee.

She is also Chairwoman of the Board of Directors of the Conservatoire national supérieur de musique et de danse de Paris, and Director of the National sports agency (Agence nationale du sport).

Born in 1959, she is a graduate of the Institut d'Études Politiques (IEP) in Paris and of the École nationale d'administration (ENA – Louise Michel cohort).

Charles Lantieri – Profile

Charles Lantieri has been Deputy Chief Executive Officer of FDJ since 2006. He is also Chairman of FDP, a subsidiary which distributes lottery and betting games in mainland France, Chairman of the Supervisory Board of FDJ Services, a subsidiary having a collection activity on behalf of third parties, and Chairman of the FDJ Corporate Foundation.

Charles Lantieri joined FDJ while working as Head of Department and Deputy Budget Director at the Ministry of Economy and Finance, where he spent the first part of his career. He performed a range of functions at the Ministry, steering budgetary policy, preparing and implementing

Composition and operation of the Board of Directors, Board committees and Executive Management

finance laws, as well as conducting public management reforms. He began his career at Insee (the national institute of statistics and economics studies), where he conducted macroeconomic modelling studies and medium-term forecasts.

Charles Lantieri has also served as director of several companies (Gaz de France, France Télévisions, La Poste, Agence France Presse, etc.) and of institutions such as Institut Pasteur and École polytechnique.

Born in 1961, Charles Lantieri is a graduate of École polytechnique and the Ensae.

Terms of office

Stéphane Pallez

**Age as of 31 December 2023 and nationality:**

64, French national

First appointment:

21 October 2014

Expiry of the current term of office:

2024 (General Meeting approving the financial statements for the financial year ending 2023)

Shares held at the Date of the Universal Registration Document*:

1,628 shares

Involvement in Board Committees:

Ms. Pallez chairs the Company's strategic seminar, which meets at least once a year.

Main activity:

Chairwoman and CEO of FDJ

Expertise - Experience - Other activities:

See section 2.1.2.1 "Executive Management"

OFFICES HELD IN 2023:**Offices within the FDJ Group:**

- Chairwoman and CEO of FDJ

Offices outside the FDJ Group in French limited companies (listed or unlisted) and in listed foreign companies (pursuant to the rules on the limitation of the number of offices set out in Articles L. 225-21 and L. 225-94-1 of the French Commercial Code and Articles 19.2 and 19.4 of the Afep-Medef Code):

Listed French limited companies:

- Member of the Supervisory Board, Audit Committee and CSR Committee of Eurazeo

Unlisted French limited companies:

- Member of the Board and Chair of the Audit and Risk Committee of CNP Assurances

Foreign companies:

n/a

Offices outside the FDJ Group in other types of companies and other groupings (French and foreign):

- Chairwoman of the Board of Directors of the Conservatoire National Supérieur de Musique et de Danse de Paris
- Director of the National Sports Agency (Agence nationale du sport)

OFFICES EXPIRED WITHIN THE LAST FIVE YEARS:

- Director of Engie (until 2018)

* Article 2.1 of the Rules of Procedure provides that: "With the exception of directors representing employees, directors representing employee shareholders, the member of the Board representing the French State and members of the Board appointed upon proposal by the French State, each member of the Board must own at least 500 shares. Any director who does not own the requisite number of shares when appointed must acquire them within one year of being appointed."

Charles Lantieri



OFFICES HELD IN 2023:

Offices within the FDJ Group:

- Deputy Chief Executive Officer of FDJ
- Chairman of the FDJ Corporate Foundation
- Chairman of FDP (a subsidiary of FDJ)
- Permanent representative of FDJ on the Board of Directors of La Pacifique des Jeux (a subsidiary of FDJ)
- Permanent representative of FDJ on the Board of Directors of FGS (a subsidiary of FDJ)
- Chairman of the Supervisory Board of FDJ Services (a subsidiary of FDJ)

Offices outside the FDJ Group in French limited companies (listed or unlisted) and in listed foreign companies (pursuant to the rules on the limitation of the number of offices set out in Articles L. 225-21 and L. 225-94-1 of the French Commercial Code and Articles 19.2 and 19.4 of the Afep-Medef Code):

Listed French limited companies:

n/a

Unlisted French limited companies:

n/a

Listed foreign companies:

n/a

Offices outside the FDJ Group in other types of companies and other groupings (French and foreign):

n/a

OFFICES EXPIRED WITHIN THE LAST FIVE YEARS:

n/a

Appointment and cessation of duties

STÉPHANE PALLEZ

In accordance with Article 19 of Order 2014-948 of 20 August 2014, on 5 June 2019 the Board of Directors proposed Ms. Pallez to the President of France as a candidate for Chairwoman and CEO of the Company.

She was reappointed to those duties by decree of the President of France on 9 September 2019 for a period of five years following her appointment.

Since the Company's initial public offering on 21 November 2019, the rules of appointment and withdrawal set out in the French Commercial Code have applied to the Chairwoman and CEO.

However, it should be noted that Article 20 of Order 2019-1015 of 2 October 2019 requires that she cannot take office until the Ministers of the Economy and the Budget have granted prior licence, after consulting the French gaming regulatory authority (ANJ). Furthermore, that same article states that this approval can be withdrawn by order of the Ministers of the Economy and the Budget, after consulting the ANJ; such withdrawal shall by operation of law

cause the Chairwoman and Chief Executive Officer's duties to cease.

The term of office of Stéphane Pallez expires at the end of the General Meeting held on 25 April 2024.

In accordance with the above procedure, the Board of Directors meeting on 19 December 2023, on the recommendation of the Governance, Nominations and Remuneration Committee meeting on 13 December 2023, decided:

- to propose that the functions of Chairwoman of the Board of Directors and Chief Executive Officer remain consolidated, with the appointment of a Deputy Chief Executive Officer on the recommendation of the Chairwoman and Chief Executive Officer;
- to approve the principle of renewing the terms of office of FDJ's executive corporate directors for a period of four years;
- to initiate the procedure for requesting the approval of Stéphane Pallez and Charles Lantieri from the Ministers responsible for the Budget and the Economy after receiving the opinion of the ANJ (see paragraph below "Appointment and cessation of duties").

Composition and operation of the Board of Directors, Board committees and Executive Management

Requests for approval for the appointment of the Chairwoman and Chief Executive Officer and the Deputy Chief Executive Officer were sent by letter dated 10 January 2024 to the Ministers responsible for the Budget and the Economy, who had 30 days in which to rule on the said request. In a decision dated 9 February 2024, the Ministers in charge of the Economy and the Budget approved the appointment of Stéphane Pallez as Chairwoman and Chief Executive Officer of FDJ and Charles Lantieri as Deputy Chief Executive Officer of FDJ, subject to their appointment by the competent bodies of the Company.

Indeed, a proposal will be made to the General Meeting of 25 April 2024 to approve the renewal of Stéphane Pallez's term of office as director for a period of four years. The Board of Directors meeting to be held after this General Meeting will (i) confirm the consolidation of the functions of Chairwoman of the Board of Directors and Chief Executive Officer and (ii) decide on the appointment of Stéphane Pallez as Chairwoman and Chief Executive Officer for the duration of her term of office as director. It will also vote on the appointment of Charles Lantieri as Deputy Chief Executive Officer for the same term, on the proposal of Stéphane Pallez.

CHARLES LANTIERI

As proposed by the Chairwoman and CEO, on 5 June 2019, the Company's Board of Directors reappointed the Deputy Chief Executive Officer, Charles Lantieri, with the same duties and assignments set by the Board of Directors at its 6 July 2006 and 2 July 2014 meetings.

The rules for appointment and withdrawal set out in the French Commercial Code apply to the Deputy Chief Executive Officer. However, it should be noted that Article 20 of Order 2019-1015 of 2 October 2019 requires that he cannot take office until the Ministers of the Economy and the Budget have granted prior licence, after consulting the ANJ. Furthermore, that same Article states that this licence can be withdrawn by order of the Ministers of the Economy and the Budget, after consulting the ANJ; such withdrawal shall by operation of law cause the Deputy Chief Executive Officer's duties to cease.

The term of office of Charles Lantieri expires at the end of the General Meeting held on 25 April 2024. The renewal of his term of office is subject to the same procedure as that described above for Stéphane Pallez.

Management bodies

The Chairwoman and CEO and the Deputy Chief Executive Officer are assisted by two management bodies, which are composed as follows as at the Date of the Universal Registration Document:

- **a Business Steering Committee (CPA)**, which manages the business and oversees the proper implementation of the strategy. It meets on a weekly basis with the Chairwoman and CEO, the Deputy Chief Executive Officer, the Executive Vice-Presidents, the Director responsible for Strategy, Innovation and New Activities and the Director in charge of Communication & Sponsorship Group, namely:
 - Stéphane Pallez, Chairwoman and CEO,
 - Charles Lantieri, Deputy Chief Executive Officer of FDJ, Chairman of FDP, Chairman of the Supervisory Board of FDJ Services and Chairman of FDJ Corporate Foundation,
 - Patrick Buffard, Executive Vice-President, Sales, Business Unit Sports betting and online gaming open to competition,

Media, TV Production and Events, CEO of FDP, Chairman of the Board of La Pacifique des Jeux,

- Pascal Chaffard, Executive Vice-President Finance, Performance & Strategy,
- Xavier Etienne, Executive Vice-President Technology & International, Chairman of FDJ Gaming Solutions and FGS New Markets,
- Cécile Lagé, Executive Vice-President Lottery Business Unit, Chairwoman of Services aux loteries en Europe,
- Raphaël Botbol, Director responsible for Strategy, Innovation and New Activities, Chairman of FDJ Services and FDJ Services Holding,
- Raphaële Rabatel, Director in charge of Communication & Sponsorship, Group,

Jonathan Gindt, Chief of Staff to the Chairwoman and CEO, attends Business Steering Committee meetings and provides secretariat functions.

The Business Steering Committee also continues to meet regularly in "extended" format, inviting, as required, members of the Group Management Committee concerned by subjects necessitating an in-depth review or decision based on a direct exchange. The role of these "extended" Business Steering Committee meetings is to monitor and oversee the Company's major projects and strategic and operational issues and, if required, to make the necessary adjustments;

- **a Group Management Committee** which shares operational and financial priorities, and in particular strengthens the common understanding of cross-business issues and the proper coordination of corporate functions and Business Units. The Group Management Committee meets every month and comprises the following persons plus the members of the Business Steering Committee (22 members in total):

- Dominique Cavalié, Employee Experience and Transformation Director, Chairman of FDJ Développement,
- Isabelle Bastien, Commercial Director,
- Valérie Berche, Director of Audit, Risks, Control, Quality and Ethics,
- Cédric Breton, Director of lottery operations,
- Jean-Christophe Buvat, Director of Transformation and Employee Environment, Chairman of la Française d'Images,
- Richard Courtois, Director of the Business Unit Sports betting and online gaming open to competition, Chairman of FDJ Online Betting & Gaming Holding and FDJ Online Betting & Gaming France, Chairman of the Board of Directors of ZEturf,
- Jonathan Gindt, Chief of Staff to the Chairwoman and CEO,
- Marion Hugé, Director of Regulation and Public Affairs,
- Stéphane Labarre, Director of Performance Management,
- Philippe Lemaire, Director of Safety,
- Sophie Metras, Clients Director,
- Elisabeth Monégier du Sorbier, Director of Legal, and Board Secretary, Chairwoman of l'Association L'Echappée,
- Yovan Obrenovitch, Director of Information Systems, Chairman of FDJ Développement, Chairman of FDJ Gaming Solutions France,
- Vincent Perrotin, Director of Commitment and Responsible Gaming.

Composition and operation of the Board of Directors, Board committees and Executive Management

2.1.2.2 COMPOSITION AND OPERATION OF THE BOARD OF DIRECTORS**Composition of the Board of Directors**

The Company is administered by a Board of Directors with at most 18 members, according to Article L. 225-17 of the French Commercial Code, including:

- a representative of the French State, appointed in compliance with Article 4 of Order no. 2014-948 of 20 August 2014 on governance and capital transactions of companies in which the French State is a shareholder;
- where applicable, members of the Board appointed by the General Meeting of Shareholders on the proposal of the French State, in compliance with Article 6 of Order no. 2014-948 of 20 August 2014 on governance and capital transactions of companies in which the French State is a shareholder;
- directors appointed by the General Meeting of Shareholders, including a proportion of independent members in compliance with Afep-Medef Code recommendations;
- two directors representing the employees of the Company and of its subsidiaries, whether direct or indirect (in compliance with law), having registered office on the French territory, appointed under conditions stated in Article L. 225-27-1 of the French Commercial Code;
- one director representing employee shareholders, appointed under Article L. 225-23 of the French Commercial Code.
- Furthermore, and in accordance with Article 19 of Order 2019-1015 of 2 October 2019, the Minister of the Budget appoints a Government Commissioner to the Company. This person ensures that the Company's operations

comply with the goals mentioned in Article L. 320-3 of the French Code of Domestic Security. To that end, he may make arrangements to receive any form of information and have any verifications carried out as necessary for the accomplishment of his mission.

The Government Commissioner sits on the Board of Directors in an advisory capacity. He also sits on the committees and commissions set up by the Board of Directors. He may request the inclusion of any matter on the agenda of an ordinary meeting of those bodies and shall be the intended recipient of their deliberations. He may oppose a deliberation of the Board of Directors based on the objectives defined by Article L. 320-3 of the French Code of Domestic Security under conditions set by decree of the Council of State. He may also oppose deliberations relating to the estimates of the Company's revenue and operating or capital expenses.

The Government Commissioner informs the ANJ of any failure on the part of the Company to comply with the obligations imposed on it that fall within the competence of that authority.

In accordance with Article 13.3 of the Articles of Association, the Board of Directors may, based on a proposal from its Chairwoman, appoint between one and three non-voting members (censeurs), who may be artificial or natural persons, for a one-year renewable term. If required, the Board of Directors may decide to allocate some of its members' remuneration budget to remuneration for non-voting members. The non-voting members sit on the Board with no vote in deliberations.

At the Date of the Universal Registration Document, the following individuals were members of the Company's Board of Directors:

Term of office	Identity
Directors appointed by the General Meeting of Shareholders	Stéphane Pallez (Chairwoman and Chief Executive Officer) L'Union des blessés de la face et de la tête (UBFT) (Association incorporated under 1901 law), represented by Olivier Roussel Fédération nationale André Maginot des anciens combattants (FNAM), represented by Jacques Sonnet Fabienne Dulac Xavier Girre Françoise Gri Philippe Lazare Corinne Lejbowicz Predica, represented by Florence Barjou
Director representing the French State	Charles Sarrazin
Directors appointed by the General Meeting of Shareholders on the proposal of the French State	Ghislaine Doukhan Didier Trutt
Directors representing employees ⁽¹⁾	Agnès Lyon-Caen Philippe Pirani
Director representing employee shareholders ⁽²⁾	David Chianese

(1) The elections for the directors representing the employees took place from 18 to 25 January 2024. Didier Pitisi and Agnès Lyon-Caen were elected by the employees and will take up their positions at the close of the General Meeting on 25 April 2024.

(2) Elections for the position of director representing employee shareholders will take place in March 2024. After these elections, the General Meeting of 25 April 2024 will appoint a director representing employee shareholders (and his/her substitute), among the two candidates appointed after these elections.

The representative of the Economic and Labour Relations Council also attends the meetings of the Company's Board of Directors in an advisory capacity. The Government Commissioner and the General Economic and Financial Controller also sit on the Board of Directors and the committees in an advisory capacity.

Composition and operation of the Board of Directors, Board committees and Executive Management

NATIONALITY OF THE MEMBERS OF THE BOARD OF DIRECTORS

All members of the Board of Directors are French nationals.

INDEPENDENT MEMBERS OF THE BOARD OF DIRECTORS**Number**

At the Date of the Universal Registration Document, the Board of Directors counts six independent members, or 50% of the 12 members counted for these purposes (excluding directors representing employees ⁽¹⁾ and the director representing employee shareholders ⁽²⁾).

Selection process

As regards the selection process for independent directors, they are selected beforehand by the Governance, Nominations and Remuneration Committee (CGNR) in collaboration with a firm specialising in the recruitment of these functions. These selections are made on the basis of objective criteria relating in particular to their professional experience in other companies and their experience on

other Boards of Directors in relation with the strategic needs and challenges identified within FDJ.

In addition to these criteria, the committee analyses the independence of future candidates with regard to the criteria of the Afep-Medef Code and checks that their integration into the Board allows it a balanced and equal composition (gender balance, diversified and complementary skills in relation to the Company's businesses and strategy, etc.).

The selected candidates are then presented to the Board of Directors, which submits their appointment to the shareholders' vote at the Annual General Meeting.

Analysis of the independence criterion

At the time of each appointment of a director and annually, the Board of Directors, after a review by the CGNR, assesses the independent status of each of the directors with regard to the criteria set out in the Afep-Medef Code and included in the Board's Rules of Procedure.

The Board of Directors of 14 February 2024 took note of the annual analysis as at 31 December 2023 of the independence of each director appointed by the General Meeting ⁽³⁾ established by the CGNR of 6 February 2024, with regard to the criteria set out in the Afep-Medef Code:

Criteria / Directors	Ms. Pallez	UBFT, represented by Mr. Roussel	FNAM, represented by Mr. Sonnet	PREDICA, represented by Ms. Barjou	Ms. Barjou	Ms. Dulac	Mr. Girre	Ms. Gri	Ms. Lejbowicz	Mr. Lazare	Mr. Sarrazin	Ms. Doukhan	Mr. Trutt
Criterion 1: Employee executive corporate director over the previous five years	✘	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 2: Cross-directorships	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 3: Significant business relationships	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 4: Family connection	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 5: Statutory Auditors	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 6: Term of office in excess of 12 years	✓	✘	✘	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 7: Receiving variable remuneration or remuneration linked to FDJ's performance*	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Criterion 8: The director does not represent a major shareholder of FDJ (threshold of 10% of the capital or voting rights)	✓	✘	✓	✓	✓	✓	✓	✓	✓	✓	✘	✘	✘

In this table, ✓ denotes an independence criterion that has been met and ✘ denotes an independence criterion that has not been met.

* The Afep-Medef Code specifies that this criterion concerns only non-executive corporate directors.

During this annual review, the CGNR and the Board looked into the existence of significant business relationships between the Company, its directors and the companies of the groups within which FDJ directors are Corporate Directors or within which they hold executive functions. To this end, qualitative criteria are taken into account, such as the nature of existing business relationships and the functions performed within certain entities held by the State, and quantitative criteria such as the amounts committed under these contracts and the supplier's level of dependence on FDJ.

The analysis revealed that none of the independent directors has business relationships with the Company that could call into question their independence or compromise their ability to exercise their judgement in the performance of their duties.

(1) Agnès Lyon-Caen and Philippe Pirani.

(2) David Chianese.

(3) In accordance with the recommendations of the Afep-Medef Code, the directors representing employees and employee shareholders are not subject to such an assessment.

Composition and operation of the Board of Directors, Board committees and Executive Management

Having reviewed the work of the CGNR, the Board, at its meeting of 14 February 2024, thus deemed that at the end of the 2023 financial year, only: Fabienne Dulac, Xavier Girre, Corinne Lejbowicz, Françoise Gri and Philippe Lazare, as well as Predica, represented by Florence Barjou, meet all eight criteria set out in the Afep-Medef Code to qualify as independent directors. The independent directors thereby represent half of the Board of Directors. In accordance with the provisions of the Afep-Medef Code, directors representing employees and employee shareholders are not taken into account for the calculation of this ratio.

LEAD DIRECTOR**Role and powers of the Lead Director**

The role and powers of the Lead Director are set out in Article 2.3 of the Rules of Procedure of the Board of Directors.

The Lead Director has the following responsibilities:

- they ensure that the Company's governance bodies, and in particular the Board of Directors and its committees, function properly, in accordance with the Rules of Procedure;
- they supervise the periodic assessment of the Board's performance;
- they chair the Board in the absence of the Chairwoman or when the Chairwoman is unable to take part in the discussions and/or deliberations;
- if necessary, they act as the directors' spokesperson to the Chairwoman;
- they examine potential conflicts of interest with the Chairwoman;
- they may propose to the Chairwoman that items be included on the agenda of any Board meeting;
- they attend meetings of all specialist committees, if they so wish;
- they take note of shareholders' requests relating to corporate governance and ensure that they are responded to.

Activity report of the Lead Director

Philippe Lazare was initially appointed as a non-voting member of FDJ's Board of Directors on 8 June 2022. Subsequently, on the recommendation of the CGNR, the Board of Directors meeting of 16 March 2023 decided to appoint Philippe Lazare as Lead Director, subject to his appointment as director by the General Meeting.

Following a positive vote at the General Meeting on 27 April 2023, Philippe Lazare was appointed to succeed Pierre Pringuet as Lead Director.

During the year ended 31 December 2023, Philippe Lazare's main activities were as follows:

- he made himself available to the directors and maintained regular dialogue with those who requested it;
- he also met individually with all the directors (including the Chairwoman and Chief Executive Officer) to carry out the annual evaluation of the Board's performance and that of its committees, a summary of which can be found in the "Evaluation of the Board of Directors" section below;

- he organised two executive sessions with the directors, without the executive corporate directors being present. The purpose of these meetings was to discuss the remuneration criteria for executive corporate directors and the composition of the Board of Directors, in particular the renewal of the terms of office of the Chairwoman and Chief Executive Officer and the Deputy Chief Executive Officer.

DIVERSITY POLICY APPLICABLE WITHIN THE BOARD OF DIRECTORS

At the Date of the Universal Registration Document, the Company's Board of Directors contains six women and six men (excluding the directors representing employees and employee shareholders), or 50% women and 50% men among Board members.

The recruitment of Board members took into account a diverse range of professional experience and complementary profiles (see Chapter 2, section 2.1.2 of the Universal Registration Document).

RESULTS IN TERMS OF GENDER DIVERSITY IN THE 10% OF HIGHEST-RESPONSIBILITY POSITIONS

In accordance with Article 225-37-4 6 of the French Commercial Code, the Company must disclose its results for gender diversity in the 10% of highest-responsibility positions.

The Group is convinced that diversity and the gender diversity within its teams is essential to innovation, engagement and performance. To attract talent from a wide range of backgrounds and secure the loyalty of these employees, the Group's entities are developing tools and programmes to promote gender equality, generational diversity and the inclusion of people with disabilities.

In 2021, FDJ renewed its Diversity certification (from AFNOR, the French national organisation for standardisation) and its Workplace Gender Equality label (also from AFNOR), evidencing the Company's commitment to promoting diversity and preventing all forms of discrimination.

FDJ ensures that promotions are offered based on contributions and competence, including by working on gender stereotypes and respect for the work/life balance, and by supporting the Group gender diversity promotion network "All 'In", which was created by employees in 2017 to help develop leadership and the place of women within the Group.

In 2015, women represented 34% of FDJ's managers and 44% of its staff. In 2023, they represented 40% of FDJ's managers and 41% of its staff. The aim is, by 2025, to achieve the same percentage of women in management as in the Company as a whole and to eventually achieve full parity. In 2022, women represented 35.9% of the Group's managers and 38.9% of its staff. In 2023, they represented 37.8% of the Group's managers and 39.1% of its staff.

Likewise, since 2016, the rate at which women have been promoted has remained higher than or very similar to the rate for men within FDJ. In 2022, 11% of women were promoted, compared to 9% of men.

Composition and operation of the Board of Directors, Board committees and Executive Management

Gender diversity in managerial positions remains a goal of the Company in its governance, as women accounted for 41% of Group Management Committee (CDG) members in 2022, compared with 38% in 2021. For the second year, FDJ contributed to the 8th edition of the *Palmarès de la féminisation des instances dirigeantes des entreprises* du SBF 120 (ranking of women in the management bodies of SBF 120 companies). FDJ took seventh place in this ranking, particularly thanks to its index for gender equality (100 points out of 100). It should be noted that the proportion of women among the top 100 highest earners is 35%.

In addition, in accordance with Article 8.1 of the Afep-Medef Code, the Board of Directors meeting of 16 December 2020 set objectives for the diversity of management bodies for 2023, details of which are given in Chapter 4 of this Universal Registration Document.

In addition to the career path measures being taken, the gender pay gap has been under review for several years and initiatives have been introduced, bringing it down from 9.75% in 2016, before the wage policy, to 4.17% in 2023 after the wage policy. This has been achieved by increasing the proportion of women in the most senior roles and constantly paying attention to wage equality at recruitment and during annual wage reviews.

Law No. 2018-771 of 5 September 2018 on freedom in career choices and the implementing Decree No. 2019-15 of 8 January 2019 created a gender equality index⁽¹⁾ with an obligation to score at least 75 points out of 100 as of 2019. For the third consecutive year, the score is 100 out of 100 for FDJ.

This index includes a special grade on the proportion of women among the highest wage-earners. That proportion is 4 in 10, thereby allowing FDJ to earn the highest score of 10 out of 10.

(1) In accordance with the regulatory calculation of the index, the remuneration elements taken into account in the calculation are the annual base salary (full-time), any variable portion, the holiday bonus and the benefit in kind for the car.

Composition and operation of the Board of Directors, Board committees and Executive Management

PROFILE, EXPERIENCE AND EXPERTISE OF THE DIRECTORS

The profile, experience and expertise of each director as of 31 December 2023 is provided below.

DIRECTORS APPOINTED BY THE GENERAL MEETING OF SHAREHOLDERS

Stéphane PALLEZ



Age as of 31 December 2023 and nationality:

64, French national

First appointment:

21 October 2014

Expiry of the current term of office:

2024 (*General Shareholders' Meeting approving financial statements for the financial year ending 2023*)

Shares held at the Date of the Universal Registration Document*:

1,628 shares

Involvement in Board Committees:

Ms. Pallez chairs the Company's strategic seminar, which meets at least once a year.

Main activity:

Chairwoman and CEO of FDJ

Expertise – Experience – Other activities:

See section 2.1.2.1 "Executive Management"

OFFICES HELD IN 2023:

Offices within the FDJ Group:

- Chairwoman and CEO of FDJ

Offices outside the FDJ Group in French limited companies (listed or unlisted) and in listed foreign companies (pursuant to the rules on the limitation of the number of offices set out in Articles L. 225-21 and L. 225-94-1 of the French Commercial Code and Articles 19.2 and 19.4 of the Afep-Medef Code):

Listed French limited companies:

- Member of the Supervisory Board, Audit Committee and CSR Committee of Eurazeo

Unlisted French limited companies:

- Member of the Board and Chair of the Audit and Risk Committee of CNP Assurances

Listed foreign companies:

n/a

Offices outside the FDJ Group in other types of companies and other groupings (French and foreign):

- Chairwoman of the Board of Directors of the Conservatoire National Supérieur de Musique et de Danse de Paris
- Director of the National Sports Agency (Agence nationale du sport)

OFFICES EXPIRED WITHIN THE LAST FIVE YEARS:

- Director of Engie (until 2018)

* Article 2.1 of the Rules of Procedure provides that: "With the exception of directors representing employees, directors representing employee shareholders, the member of the Board representing the French State and members of the Board appointed upon proposal by the French State, each member of the Board must own at least 500 shares. Any director who does not own the requisite number of shares when appointed must acquire them within one year of being appointed."

Olivier ROUSSEL

Permanent representative of l'Union des blessés de la face et de la tête (UBFT) (Association incorporated under 1901 Law)

**Age as of 31 December 2023 and nationality:**

62, French national

First appointment:

UBFT has been a member of the Board since 19 December 1978, represented by Mr. Roussel since 2002

Expiry of the current term of office:

2024 (General Shareholders' Meeting approving financial statements for the financial year ending 2023)

Shares held at the Date of the Universal Registration Document*:

19,310,362 shares held by UBFT

Involvement in Board Committees:

Since 21 November 2019, Mr. Roussel has been a member of the CSR and Responsible Gaming Committee.

Main activity:

General Director of UBFT

Expertise – Experience – Other activities:

Knowledge of the veterans' milieu: social actions and duty to remember Medical sponsorship.

Knowledge of the history of the development of the National Lottery, then of Loto®.

OFFICES HELD IN 2023:**Offices within the FDJ Group:**

– Permanent representative of UBFT, director of FDJ

Offices outside the FDJ Group in French limited companies (listed or unlisted) and in listed foreign companies (pursuant to the rules on the limitation of the number of offices set out in Articles L. 225-21 and L. 225-94-1 of the French Commercial Code and Articles 19.2 and 19.4 of the Afep-Medef Code):

Listed French limited companies:

n/a

Unlisted French limited companies:

n/a

Listed foreign companies:

n/a

Offices outside the FDJ Group in other types of companies and other groupings (French and foreign):

- General Director of UBFT
- General Director of la Fondation des Gueules cassées
- Chief Executive of CYP SAS and member of its Strategic Committee, operating the "Résidence Colonel Picot" retirement home
- Director of Association Lino Ventura
- Vice-President and Director of Association du Clos Pas Saint-Maurice

OFFICES EXPIRED WITHIN THE LAST FIVE YEARS:

n/a

* Article 2.1 of the Rules of Procedure provides that: "With the exception of directors representing employees, directors representing employee shareholders, the member of the Board representing the French State and members of the Board appointed upon proposal by the French State, each member of the Board must own at least 500 shares. Any director who does not own the requisite number of shares when appointed must acquire them within one year of being appointed."

Jacques SONNET

Permanent representative of Fédération nationale André Maginot des anciens combattants et victimes de guerre (FNAM)

**Age as of 31 December****2023 and nationality:**

85, French national

First appointment:

FNAM has been a member of the Board since 5 October 2009, represented by Mr. Sonnet since 22 October 2021

Expiry of the current term of office:

2024 (General Shareholders' Meeting approving financial statements for the financial year ending 2023)

Shares held at the Date of the Universal Registration Document*:

8,159,100 shares held by FNAM

Involvement in Board Committees:

Mr. Sonnet does not sit on any of the Board Committees.

Main activity:

Director of FNAM

Expertise – Experience – Other activities:

Knowledge of the veterans' milieu: social actions and duty to remember.
Knowledge of the history of the development of the National Lottery, then of Loto®.

OFFICES HELD IN 2023:**Offices within the FDJ Group:**

– Permanent representative of FNAM, director of FDJ

Offices outside the FDJ Group in French limited companies (listed or unlisted) and in listed foreign companies (pursuant to the rules on the limitation of the number of offices set out in Articles L. 225-21 and L. 225-94-1 of the French Commercial Code and Articles 19.2 and 19.4 of the Afep-Medef Code):

Listed French limited companies:

n/a

Unlisted French limited companies:

n/a

Listed foreign companies:

n/a

Offices outside the FDJ Group in other types of companies and other groupings (French and foreign):

n/a

OFFICES EXPIRED WITHIN THE LAST FIVE YEARS:

n/a

* Article 2.1 of the Rules of Procedure provides that: "With the exception of directors representing employees, directors representing employee shareholders, the member of the Board representing the French State and members of the Board appointed upon proposal by the French State, each member of the Board must own at least 500 shares. Any director who does not own the requisite number of shares when appointed must acquire them within one year of being appointed."

Fabienne DULAC



Age as of 31 December 2023 and nationality:
56, French national

First appointment:
4 November 2019 (with effect from 21 November 2019)

Expiry of the current term of office:
2027 (General Shareholders' Meeting approving financial statements for the financial year ending 2026)

Shares held at the Date of the Universal Registration Document*:
500 shares

Involvement in Board Committees:

Since 21 November 2019, Ms. Dulac has been a member of the CSR and Responsible Gaming Committee, which she has chaired since 14 October 2020. She is also a permanent guest of the Governance, Nominations and Remuneration Committee⁽¹⁾

Main activity:

Deputy CEO of Orpea

Expertise – Experience – Other activities:

Ms. Dulac holds a Master's degree in history, political science and modern literature, a DEA in political sociology (Sciences Po Paris) and is a graduate of the Stanford Executive Programme. Between 1993 and 1997, she was Head of Communication and Marketing at VTCOM. From 1997 to 1999, she was Head of Communications and the Multimedia division of France Telecom. In 1999, she joined Wanadoo and became Head of Business Development. In 2003, she held the functions of Head of Marketing of Internet Market Services. In 2005, Ms. Dulac became Director in charge of Sales and Online customer relations at Orange, then in 2011, Operational Director for the North of France until 2013, when she became Director in charge of Communication for the Group. From 2015 to 2023, Ms. Dulac was CEO of Orange France, appointed Executive Vice-President of Orange in 2018. In 2023, as a member of the Executive Committee, she was Chairwoman of Orange Business. From October 2023, Ms. Dulac was appointed Deputy CEO of the Orpea Group (retirement homes and care clinics).

OFFICES HELD IN 2023:

Offices within the FDJ Group:

- Independent director at FDJ

Offices outside the FDJ Group in French limited companies (listed or unlisted) and in listed foreign companies (pursuant to the rules on the limitation of the number of offices set out in Articles L. 225-21 and L. 225-94-1 of the French Commercial Code and Articles 19.2 and 19.4 of the Afep-Medef Code):

Listed French limited companies:

- Director and member of the Audit Committee of L'Oréal, member of the Human Resources and Remuneration Committee of L'Oréal

Unlisted French limited companies:

n/a

Listed foreign companies:

n/a

Offices outside the FDJ Group in other types of companies and other groupings (French and foreign):

n/a

OFFICES EXPIRED WITHIN THE LAST FIVE YEARS:

- CEO Orange France, Deputy General Director of Orange
- Chairwoman of Orange Business and member of the Executive Committee of Orange group

(1) From the Board meeting on 18 January 2024, Françoise Gri will chair the CSR and Responsible Gaming Committee, replacing Fabienne Dulac, who will remain a member of this Committee.

* Article 2.1 of the Rules of Procedure provides that: "With the exception of directors representing employees, directors representing employee shareholders, the member of the Board representing the French State and members of the Board appointed upon proposal by the French State, each member of the Board must own at least 500 shares. Any director who does not own the requisite number of shares when appointed must acquire them within one year of being appointed."

Xavier GIRRE

Age as of 31 December 2023 and nationality:
54, French national

First appointment:
17 October 2014

Expiry of the current term of office:
2026 (General Shareholders' Meeting approving financial statements for the financial year ending 2025)

Shares held at the Date of the Universal Registration Document*:
528 shares

Involvement in Board Committees:

Since 21 November 2019, Mr. Girre has been Chairman of the Audit and Risks Committee.

Main activity:

Executive Director of EDF group in charge of the Finance Department

Expertise – Experience – Other activities:

Mr. Girre, a graduate from HEC (1990), holds a Master's degree in corporate law (1990), graduated from IEP Paris (1992) and is a former student of ENA (1995). He started his career at the Cour des Comptes from 1995 to 1999 as an auditor and later a conseiller référendaire. He joined the Veolia Environnement group in 1999, serving as task officer with the Chairman of Dalkia, before successively becoming the Audit Director of Veolia Environnement (2002-2004), Risk and Audit Director at Veolia Environnement (2004-2007), member of the Management Committee of Veolia Environnement and Executive Vice-President of Veolia Transport (2007-2011), then in 2011, Chief Financial Officer of Veolia Propreté and Managing Director of the Central Europe region. From 2011 to 2015, within the La Poste group, Mr. Girre worked as Executive Vice-President in charge of group finances. He also served as President of the Management Board of Xange Private Equity. Mr. Girre joined EDF group in 2015, where he has held the position of Executive Director for the group in charge of the group Finance Department since 2016.

OFFICES HELD IN 2023:**Offices within the FDJ Group:**

- Independent director at FDJ

Offices outside the FDJ Group in French limited companies (listed or unlisted) and in listed foreign companies (pursuant to the rules on the limitation of the number of offices set out in Articles L. 225-21 and L. 225-94-1 of the French Commercial Code and Articles 19.2 and 19.4 of the Afep-Medef Code):

Listed French limited companies:

n/a

Unlisted French limited companies:

- Chairman of the Supervisory Board of RTE⁽¹⁾
- Member of the Supervisory Board of Enedis⁽¹⁾
- Director of EDF Renouvelables⁽¹⁾

Foreign companies:

- Director of Edison

Offices outside the FDJ Group in other types of companies and other groupings (French and foreign):

- Director and Chairman of the Audit Committee of EDF Energy Holding
- Chairman of the Board of Directors of EDF Trading UK⁽¹⁾

OFFICES EXPIRED WITHIN THE LAST FIVE YEARS:

- Chairman and CEO of Coentreprise de Transport d'Electricité (until 2021)
- Director and Chairman of the Audit Committee of Dalkia (until 2021)
- Independent Director, member of the Strategy Committee and the Remuneration Committee, Chairman of the Audit Committee of CNIM (until January 2022)

(1) Offices held in RTE, Enedis, EDF Renouvelables and EDF Trading only count for one office (in accordance with paragraph 3 of Article L. 225-21 of the French Commercial Code), because those companies, whose securities are not admitted to trading on a regulated market, are controlled within the meaning of Article L. 233-16 of the French Commercial Code by the same company, namely EDF.

* Article 2.1 of the Rules of Procedure provides that: "With the exception of directors representing employees, directors representing employee shareholders, the member of the Board representing the French State and members of the Board appointed upon proposal by the French State, each member of the Board must own at least 500 shares. Any director who does not own the requisite number of shares when appointed must acquire them within one year of being appointed."

Françoise GRI



Age as of 31 December 2023 and nationality:

66, French national

First appointment:

4 November 2019, co-optation on 16 December 2020 for the remaining term of office of Ms. Debon

Expiry of the current term of office:

2027 (General Meeting approving the financial statements for the financial year ending 2026)

Shares held at the Date of the Universal Registration Document*:

650 shares

Involvement in Board Committees:

Since 16 December 2020, Ms. Gri has been a member of the Governance, Nominations and Remuneration Committee. She has also been a member of the CSR and Responsible Gaming Committee since 27 April 2023⁽¹⁾.

Main activity:

Company director
Chairwoman of the Board of Directors of Maisons du Monde

Expertise – Experience – Other activities:

Ms. Gri is an engineer in computer science and applied mathematics, and a graduate of École nationale supérieure d'ingénieurs de Grenoble (ENSIMAG). After joining IBM in 1981, Ms. Gri held various positions there before serving as CEO of IBM France from 2001 to 2007. She then joined Manpower group from 2007 to 2012, as Chairwoman France, then Chairwoman France and Southern Europe. From 2013 to 2014, Ms. Gri was Managing Director of the Pierre et Vacances – Center Parcs group. Since 2015, she has devoted herself entirely to her duties as an independent director.

OFFICES HELD IN 2023:

Offices within the FDJ Group:

- Independent director at FDJ

Offices outside the FDJ Group in French limited companies (listed or unlisted) and in listed foreign companies (pursuant to the rules on the limitation of the number of offices set out in Articles L. 225-21 and L. 225-94-1 of the French Commercial Code and Articles 19.2 and 19.4 of the Afep-Medef Code):

Listed French limited companies:

- Chairwoman of the Board of Directors of Maisons du Monde

Unlisted French limited companies:

- Director of the company Berger-Levrault

Listed foreign public limited companies:

- Director of WNS (Worldwide business process management company)

Offices outside the FDJ Group in other types of companies and other groupings (French and foreign):

n/a

OFFICES EXPIRED WITHIN THE LAST FIVE YEARS:

- Lead Director and Vice-Chairwoman of the Board of Directors of Edenred; Chairwoman of the Remuneration and Nomination Committee (until September 2023)
- Director of Crédit Agricole, member of the Audit, Remuneration, Strategy and CSR Committees (until May 2023)
- Member of the Board of Directors of CACIB (Crédit Agricole Investment Bank) (until May 2023)
- Chairwoman of the Supervisory Board of INSEEC-U (until 2023)
- Member of the High Committee on Corporate Governance (2013 to 2019)

(1) From the Board meeting on 18 January 2024, Françoise Gri will chair the CSR and Responsible Gaming Committee, replacing Fabienne Dulac, who will remain a member of this Committee.

* Article 2.1 of the Rules of Procedure provides that: "With the exception of directors representing employees, directors representing employee shareholders, the member of the Board representing the French State and members of the Board appointed upon proposal by the French State, each member of the Board must own at least 500 shares. Any director who does not own the requisite number of shares when appointed must acquire them within one year of being appointed."

Philippe LAZARE

Age as of 31 December 2023 and nationality:
67, French national

First appointment:
Non-voting director from 8 June 2022 to 27 April 2023 then director with effect from 27 April 2023.

Expiry of the current term of office:
2027 (General Shareholders' Meeting approving financial statements for the financial year ending 2026)

Shares held at the Date of the Universal Registration Document*:
1,000

Involvement in Board Committees:

Since 27 April 2023, Mr. Lazare has been the Lead Director of FDJ. Since that date, he has also been Chairman of the Governance, Nominations and Remuneration Committee and a member of the Audit and Risks Committee.

Main activity:

Company director

Expertise – Experience – Other activities:

Mr. Lazare graduated from the École Supérieure d'Architecture in Paris-La Défense before beginning his career in 1983 within the Purchasing Department of PSA group. In 1990, he joined Sextant Avionique group as Director of the industrial site at Châtelleraut then in 1994 he joined the Executive Committee of Air France group in charge of Air France Industrie, Air France Maintenance and Servair. In 1998, he was appointed Chief Executive Officer of Barrière group, then from 2000 to 2002, Chairman and CEO of Eurotunnel group. In 2003, he joined the Executive Committee of La Poste group, in charge of the Purchasing Department, the real estate arm Post Immo and the post office network. In 2006, he was appointed director of Ingenico group and Chairman of the Audit Committee. In 2007, he was appointed Chief Executive of the group, before serving as its Chairman and Chief Executive Officer until November 2018.

OFFICES HELD IN 2023:**Offices within the FDJ Group:**

- Independent director and Lead Director of FDJ

Offices outside the FDJ Group in French limited companies (listed or unlisted) and in listed foreign companies (pursuant to the rules on the limitation of the number of offices set out in Articles L. 225-21 and L. 225-94-1 of the French Commercial Code and Articles 19.2 and 19.4 of the Afep-Medef Code):

Listed French limited companies:

n/a

Unlisted French limited companies:

n/a

Listed foreign companies:

n/a

Offices outside the FDJ Group in other types of companies and other groupings (French and foreign):

- Member of the High Committee on Corporate Governance
- Chairman of the Strategy and Supervisory Committee of Normandy Hadrontherapy (SAS)
- Chairman of Versantur (SAS)
- Member of the Supervisory Committee of Vascos (SAS)

OFFICES EXPIRED WITHIN THE LAST FIVE YEARS:

- Independent director and member of the Audit Committee of Bureau Veritas (until June 2022)
- Chairman and CEO of Ingenico (until November 2018)

* Article 2.1 of the Rules of Procedure provides that: "With the exception of directors representing employees, directors representing employee shareholders, the member of the Board representing the French State and members of the Board appointed upon proposal by the French State, each member of the Board must own at least 500 shares. Any director who does not own the requisite number of shares when appointed must acquire them within one year of being appointed."

Corinne LEJBOWICZ**Age as of 31 December 2023 and nationality:**

63, French national

First appointment:4 November 2019
(effective 21 November 2019)**Expiry of the current term of office:**

2027 (General Meeting approving the financial statements for the financial year ending 2026)

Shares held at the Date of the Universal Registration Document*:

1,120 shares

Involvement in Board Committees:

Since 21 November 2019, Ms. Lejbowicz has been a member of the Audit and Risks Committee.

Main activity:

Company director

Expertise – Experience – Other activities:

Ms. Lejbowicz is a graduate from ESCP Europe and of Institut d'Études Politiques (IEP) in Paris. She started her career in 1986 as Marketing and Export Director at Nemo, a design furniture start-up. From 1987 to 1994, she occupied commercial functions, then worked as General Director at TBWA. In 1994, she joined Infogrammes, and participated in the launch of the first French internet service provider. From 1996 to 1998, she became project manager of the high-speed internet access project at Numericable (Vivendi group). In 1998, she was appointed as Director in charge of Strategy and New Projects at AOL France. In 2001, she served as Strategic Marketing Director at the Internet Department of the holding company of Vivendi group. In 2005, she joined the first independent French operator of search engines, comparators and shopping guides online: LeGuide.com. First, she served as Deputy Director, then as Chief Executive Officer and finally as Chairwoman and CEO of the company between 2007 and 2012. From 2013 to 2015, she was Head of Strategy and Director of Minutebuzz. From 2015 to 2018, she served as General Director of PrestaShop. Ms. Lejbowicz has also been a mentor at Moovjee, an association promoting entrepreneurship by young people, since 2011. She has been a member of the Board of Directors of the Ares group, the leading player in the field of integration through economic activity in the Ile-de-France region, since 2020. From July 2021 to July 2023, she was Chairwoman of Qwant, the French search engine that respects privacy.

OFFICES HELD IN 2023:**Offices within the FDJ Group:**

- Independent director at FDJ

Offices outside the FDJ Group in French limited companies (listed or unlisted) and in listed foreign companies (pursuant to the rules on the limitation of the number of offices set out in Articles L. 225-21 and L. 225-94-1 of the French Commercial Code and Articles 19.2 and 19.4 of the Afep-Medef Code):

Listed French limited companies:

n/a

Unlisted French limited companies:

- Director and member of the Strategy and Investment Committee of the La Poste group
- Director of the Ares group
- Director of Transdev (since December 2023)

Foreign companies:

n/a

Offices outside the FDJ Group in other types of companies and other groupings (French and foreign):

- Director of Kaktus SAS
- Director Ares group

OFFICES EXPIRED WITHIN THE LAST FIVE YEARS:

- Chairwoman of Qwant (until July 2023)
- Chief Executive Officer of PrestaShop (until 2018)
- Director of Lengow SAS (until 2021)
- Director of Agriconomie.com (until 2022)

* Article 2.1 of the Rules of Procedure provides that: "With the exception of directors representing employees, directors representing employee shareholders, the member of the Board representing the French State and members of the Board appointed upon proposal by the French State, each member of the Board must own at least 500 shares. Any director who does not own the requisite number of shares when appointed must acquire them within one year of being appointed."

Florence BARJOU

Permanent representative of Predica



Age as of 31 December 2023 and nationality:
51, French national

First appointment by Predica:

18 June 2020 Ms. Barjou has been the representative of Predica since 1 March 2022.

Expiry of the current term of office:

2024 (General Meeting approving the financial statements for the financial year ending 2023)

Shares held at the date of the Universal Registration Document*:

10,183,592 shares held by Predica and Crédit Agricole Assurances Retraites (CAAR)

Involvement in Board Committees:

Since 29 July 2020, Predica has been a member of the Audit and Risks Committee.

Main activity:

Chief Investment Officer at Crédit Agricole Assurances

Expertise – Experience – Other activities:

Ms. Barjou graduated from the University of Paris Dauphine and holds a doctorate in economic science (2000) from the University of Nanterre. She began her career in the Economic Research Department of BNP's investment banking arm. She joined Lyxor in 2006 as Global Macro Strategist and Portfolio Manager. She was subsequently named head of diversified management in 2013, followed by deputy head of the Absolute Performance & Solutions division in 2014 and Managing Director, deputy CIO. In 2020, Ms. Barjou was promoted to Chief Investment Officer of Lyxor. In 2022, Ms. Barjou received a diploma from the Company Director course at Sciences Po.

OFFICES HELD IN 2023:

Offices within the FDJ Group:

- Permanent representative of Predica, independent director at FDJ, Member of the Audit and Risks Committee.

Offices outside the FDJ Group in French limited companies (listed or unlisted) and in listed foreign companies (pursuant to the rules on the limitation of the number of offices set out in Articles L. 225-21 and L. 225-94-1 of the French Commercial Code and Articles 19.2 and 19.4 of the Afep-Medef Code):

Listed French limited companies:

- Permanent representative of Predica on the Board of Directors of Clariane (Korian), Chairwoman of the Investment Committee and member of the Audit Committee.

Unlisted French limited companies:

- Director and Chairwoman, on her own behalf, of PrediRungis SAS
- Director, on her own behalf, of Semmaris SA
- Director, on her own behalf, of Cacéis SA
- Director, on her own behalf, of Cacéis Bank SA

Unlisted foreign companies:

- Director of CA VITA Spa Italie

Offices outside the FDJ Group in other types of companies and other groupings (French and foreign):

n/a

OFFICES EXPIRED WITHIN THE LAST FIVE YEARS:

- Director, on her own behalf, of Cassini SAS and member of the Remuneration Committee (May 2023)

* Article 2.1 of the Rules of Procedure provides that: "With the exception of directors representing employees, directors representing employee shareholders, the member of the Board representing the French State and members of the Board appointed upon proposal by the French State, each member of the Board must own at least 500 shares. Any director who does not own the requisite number of shares when appointed must acquire them within one year of being appointed."

DIRECTOR REPRESENTING THE FRENCH STATE

Charles SARRAZIN

Age as of 31 December 2023 and nationality:
49, French national

First appointment:
9 March 2020

Expiry of the current term of office:
2026 (General Meeting approving the financial statements for the financial year ending 2025)

Involvement in Board Committees:

Mr. Sarrazin is a member of the Audit and Risks Committee and the Governance, Nominations and Remuneration Committee.

Main activity:

Representative of the French State, Director of Services and Finance Investments, French Investment Management Agency, Ministry of Economy and Finance

Expertise – Experience – Other activities:

Business financing
Corporate governance
Economy and finance

OFFICES HELD IN 2023:**Offices within the FDJ Group:**

- Director representing the French State

Offices outside the FDJ Group in French limited companies (listed or unlisted) and in listed foreign companies (pursuant to the rules on the limitation of the number of offices set out in Articles L. 225-21 and L. 225-94-1 of the French Commercial Code and Articles 19.2 and 19.4 of the Afep-Medef Code):

Listed French limited companies:

n/a

Unlisted French limited companies:

- Director representing the French State on the Board of Directors of La Poste, Chairman of the Audit Committee
- Director representing the French State on the Supervisory Board of Arte France, Chairman of the Audit Committee
- Director representing the French State on the Board of Directors of France Télévisions
- Director representing the French State on the Board of Directors of Bpifrance Participations

Foreign companies:

n/a

Offices outside the FDJ Group in other types of companies and other groupings (French and foreign):

- Director representing the French State on the Board of Directors of Bpifrance Investissement (SAS)

OFFICES EXPIRED WITHIN THE LAST FIVE YEARS:

- Director representing the French State on the Board of Directors of CNP Assurances
- Director representing the French State on the Board of Directors of Bpifrance SA

DIRECTORS APPOINTED BY THE GENERAL MEETING ON THE PROPOSAL OF THE FRENCH STATE

Ghislaine DOUKHAN**Age as of 31 December 2023 and nationality:**

56, French national

First appointment:

2 February 2017

Expiry of the current term of office:

2026 (General Meeting approving the financial statements for the financial year ending 2025)

Involvement in Board Committees:

Since 21 November 2019, Ms. Doukhan has been a member of the Audit and Risks Committee.

Main activity:

CEO of Safran Power Units

Expertise – Experience – Other activities:

Ms. Doukhan graduated from HEC (École des hautes études commerciales) in 1991. She started her career at Snecma, within the International Affairs Department (1991-2000), before joining the Production Department as Treasury Department Supervisor (2000-2004), then as Director of the Testing division within the Technical Department (2004-2007). She served as Director of High-Power Engine Programmes at the Civilian Engines division (2007-2010), then as Director of the Services and Spare Parts division (2010-2015). She joined Safran in 2015 and became Director of Safran Analytics, a new entity dedicated to value creation based on data. Since 1 July 2021, she has been CEO of Safran Power Units and member of the Executive Committee of Safran Helicopter Engines.

OFFICES HELD IN 2023:**Offices within the FDJ Group:**

- Director of FDJ appointed by the General Meeting on the proposal of the French State

Offices outside the FDJ Group in French limited companies (listed or unlisted) and in listed foreign companies (pursuant to the rules on the limitation of the number of offices set out in Articles L. 225-21 and L. 225-94-1 of the French Commercial Code and Articles 19.2 and 19.4 of the Afep-Medef Code):

Listed French limited companies:

- Independent director of Accor Acquisition Company (AAC)
- Director of ACA (Aéroports de la Côte d'Azur)

Unlisted French limited companies:

- CEO of Safran Power Units
- Member of the Executive Committee of Safran Helicopter Engines

Foreign companies:

n/a

Offices outside the FDJ Group in other types of companies and other groupings (French and foreign):

n/a

OFFICES EXPIRED WITHIN THE LAST FIVE YEARS:

n/a

Didier TRUTT**Age as of 31 December 2023 and nationality:**

63, French national

First appointment:

17 October 2014

Expiry of the current term of office:

2026 (General Shareholders' Meeting approving financial statements for the financial year ending 2025)

Involvement in Board Committees:

Since 21 November 2019, Mr Trutt has been a member of the CSR and Responsible Gaming Committee.

Main activity:

Chairman and Chief Executive Officer of IN group

Expertise – Experience – Other activities:

Mr. Trutt was appointed Chief Executive Officer of IN group (previously Imprimerie Nationale) in September 2009 and his appointment was renewed in July 2020. His mandate at the head of IN group has been acclaimed given his success in transforming the company through digital transformation, return to profitability and expansion of international activities. Having graduated as an engineer (École national d'ingénieurs de Saint-Etienne), Mr. Trutt joined Thomson group in 1984, within which he spent a significant amount of time working abroad, particularly in Asia. He is one of the key players in the transformation of the company from analogue to digital technology.

OFFICES HELD IN 2023:**Offices within the FDJ Group:**

- Director of FDJ appointed by the General Meeting on the proposal of the French State

Offices outside the FDJ Group in French limited companies (listed or unlisted) and in listed foreign companies (pursuant to the rules on the limitation of the number of offices set out in Articles L. 225-21 and L. 225-94-1 of the French Commercial Code and Articles 19.2 and 19.4 of the Afep-Medef Code):

Listed French limited companies:

n/a

Unlisted French limited companies:

- Chairman and Chief Executive Officer of IN group

Foreign companies:

n/a

Offices outside the FDJ Group in other types of companies and other groupings (French and foreign):

- Director representing the French State, member of the Economic and Strategic Commission at RATP
- French Foreign Trade Advisor

OFFICES EXPIRED WITHIN THE LAST FIVE YEARS:

n/a

DIRECTORS REPRESENTING EMPLOYEES

Agnès LYON-CAEN



Age as of 31 December 2023 and nationality:
54, French national

First appointment:
12 February 2018

Expiry of the current term of office:
2024 (General Meeting approving the financial statements for the financial year ending 2023)*

Involvement in Board Committees:

Since 19 December 2019, Ms. Lyon-Caen has been a member of the Audit and Risks Committee and the Governance, Nominations and Remuneration Committee.

Main activity:

Project Manager, Governance, Performance and Compliance, FDJ

Expertise – Experience – Other activities:

Information system infrastructure

OFFICES HELD IN 2023:**Offices within the FDJ Group:**

– Director of FDJ representing employees

Offices outside the FDJ Group in French limited companies (listed or unlisted) and in listed foreign companies (pursuant to the rules on the limitation of the number of offices set out in Articles L. 225-21 and L. 225-94-1 of the French Commercial Code and Articles 19.2 and 19.4 of the Afep-Medef Code):

Listed French limited companies:

n/a

Unlisted French limited companies:

n/a

Listed foreign companies:

n/a

Offices outside the FDJ Group in other types of companies and other groupings (French and foreign):

n/a

OFFICES EXPIRED WITHIN THE LAST FIVE YEARS:

n/a

* In application of Article 13.1 of the Articles of Association, the candidate elected by the employees as director representing employees in the elections held at the end of 2023 will take office at the end of the 2024 General Meeting called to approve the 2023 financial statements.

Philippe PIRANI

Age as of 31 December 2023 and nationality:
62, French national

First appointment:
1 June 1999

Expiry of the current term of office:
2024 (General Meeting approving the financial statements for the financial year ending 2023)*

Involvement in Board Committees:

Since 19 December 2019, Mr. Pirani has been a member of the CSR and Responsible Gaming Committee.

Main activity:

Qualification Integration Officer at FDJ

Expertise – Experience – Other activities:

Information technology. Point of sales. Employee savings

OFFICES HELD IN 2023:**Offices within the FDJ Group:**

– Director of FDJ representing employees

Offices outside the FDJ Group in French limited companies (listed or unlisted) and in listed foreign companies (pursuant to the rules on the limitation of the number of offices set out in Articles L. 225-21 and L. 225-94-1 of the French Commercial Code and Articles 19.2 and 19.4 of the Afep-Medef Code):

Listed French limited companies:

n/a

Unlisted French limited companies:

n/a

Listed foreign companies:

n/a

Offices outside the FDJ Group in other types of companies and other groupings (French and foreign):

n/a

OFFICES EXPIRED WITHIN THE LAST FIVE YEARS:

n/a

* In application of Article 13.1 of the Articles of Association, the candidate elected by the employees as director representing employees in the elections held at the end of 2023 will take office at the end of the 2024 General Meeting called to approve the 2023 financial statements.

DIRECTOR REPRESENTING EMPLOYEE SHAREHOLDERS

David CHIANESE

**Age as of 31 December 2023 and nationality:**

54, French national

First appointment:

18 June 2020

Expiry of the current term of office:

2024 (General Shareholders' Meeting approving financial statements for the financial year ending 2023)*

Involvement in Board Committees:

Since 16 December 2020, Mr. Chianese has been a member of the Audit and Risks Committee.

Main activity:

Head of Back Office Operations, FDJ

Expertise – Experience – Other activities:

May 2008 to November 2019: membership of the Board of Directors of FDJ, as secretary of the Central Works Council (CCE).

OFFICES HELD IN 2023:**Offices within the FDJ Group:**

– Director of FDJ representing employee shareholders

Offices outside the FDJ Group in French limited companies (listed or unlisted) and in listed foreign companies (pursuant to the rules on the limitation of the number of offices set out in Articles L. 225-21 and L. 225-94-1 of the French Commercial Code and Articles 19.2 and 19.4 of the Afep-Medef Code):

Listed French limited companies:

n/a

Unlisted French limited companies:

n/a

Listed foreign companies:

n/a

Offices outside the FDJ Group in other types of companies and other groupings (French and foreign):

n/a

OFFICES EXPIRED WITHIN THE LAST FIVE YEARS:

n/a

* Elections for the position of director representing employee shareholders will take place in March 2024. After these elections, the General Meeting of 25 April 2024 will appoint a Director representing employee shareholders (and his/her substitute), among the two candidates appointed after these elections.

APPOINTMENT AND TERMINATION OF DUTIES OF MEMBERS OF THE BOARD OF DIRECTORS DURING FINANCIAL YEAR 2023

Article 14 of the Company's Articles of Association states:

"In the event of vacancy by death or resignation of one or more Board members appointed by the General Meeting of Shareholders, the Board of Directors may, between two General Meetings of Shareholders, make temporary appointments under the conditions set by the French Commercial Code, except for: (i) the representative of the State, who is appointed as per Article 4 I of the 2014 Order and (ii) the directors representing the employees and the employee shareholders, appointed in accordance with the legislative and regulatory provisions in force, as well as these Articles of Association. The Board member co-opted by the Board of Directors to replace an outgoing member remains in office only long enough to serve out the remaining term of their predecessor. Appointments made by the Board shall be subject to ratification by the next Ordinary General Meeting. In the absence of ratification, resolutions passed and actions taken by the Board nevertheless remain valid.

If the seat of a director representing employee shareholders becomes vacant, that person's replacement will be under the conditions set out in Article 13.1 a) above, with that Board member being appointed by the Ordinary General Meeting of Shareholders for a new period of four years⁽¹⁾.

In the event of a vacancy for the director elected by employees, the vacancy will be filled in accordance with Article L. 225-34 of the French Commercial Code.

The General Meeting can at any time dismiss the directors that it has appointed."

The members of the Board of Directors are elected by the General Meeting of Shareholders, subject to special rules that apply (i) to the representative of the State, appointed in accordance with Article 4, I of Order no. 2014-948 of 20 August 2014, (ii) to directors representing the employees, appointed in accordance with the legislative and regulatory provisions in force, as well as these Articles of Association and (iii) to directors representing the employee shareholders elected by the General Meeting of Shareholders based on a proposal by the employee shareholders per the applicable laws.

Indeed:

- the representative of the State is appointed by the Minister of the Economy from among active Category A or equivalent civil servants with at least five years' professional experience. He or she is appointed for a term that may not exceed the maximum term of office of the members of the Board of Directors specified in the Company's Articles of Association. This representative's duties end with resignation or if he or she loses the position whereby he or she was appointed. That person may be replaced at any time to serve out the remainder of the term;

- directors representing the employees of the Company or its direct or indirect subsidiaries are elected to their positions by the employees of the Company and its direct or indirect subsidiaries. The reasons for duties to end that are specific to this category are breach of employment contract and managed withdrawal (it is necessary to be able to prove that the person whose term is ending was at fault in the exercise of their duties; the decision can be made only by the President of the court of justice at the request of a majority of all Board members);
- the director representing employee shareholders is elected by the Ordinary General Meeting of Shareholders upon a proposal by the employee shareholders. Before this happens, the employee shareholders appoint candidates at a single consultation with all employee shareholders. The reasons for duties to end that are specific to this category are loss of status as employee or shareholder of the Company, either individually or via a company mutual fund.

Furthermore, Article 13.3 of the Articles of Association specifies that the Board of Directors can, based on a proposal from the Chairwoman of the Board of Directors, appoint a non-voting member, for a one-year renewable term. The latter is subject, in the same way as the directors, to the regulations on market abuse and must apply the measures for preventing conflicts of interest and the rules of confidentiality applicable to directors.

MEASURES TAKEN TO AVOID POSSIBLE CONFLICTS OF INTEREST IN THE CONTEXT OF A POSSIBLE CHANGE IN THE COMPANY'S GOVERNANCE SYSTEM

Article 2.2 of the Rules of Procedure of the Board of Directors sets out the criteria presented in the Afep-Medef Code for qualifying a director as independent and for preventing the risk of a conflict of interest between the director and the management, the Company or its Group.

It is also specified in the same article that directors representing major shareholders of the Company or its parent company may be considered as independent if these shareholders do not participate in the control of the Company. However, above a threshold of 10% in capital or voting rights, the Board, on the basis of a report from the CGNR, systematically examines whether a director qualifies as independent, taking into account the composition of the Company's capital and the existence of a potential conflict of interest.

Finally, the Directors' Charter appended to the Rules of Procedure of the Board of Directors stipulates that a director is obliged to inform the Board of any conflict of interest, even a potential conflict of interest, and to refrain from attending the debate and from taking part in the vote on the corresponding deliberation.

The non-voting member is also subject to the above provisions.

(1) In this respect, Article 13.1 b) of the Articles of Association states: "In the event of the termination of the term of office of the director representing employee shareholders for any reason, his/her substitute will be called upon to exercise the functions of the director representing employee shareholders for the remainder of his/her predecessor's term of office."

Composition and operation of the Board of Directors, Board committees and Executive Management

Operation of the Board of Directors

Since the Company's initial public offering, the Board of Directors of the Company has been completely overhauled in order to comply with the rules applicable to listed companies and with the provisions of the Afep-Medef Code.

POWERS

In accordance with the Rules of Procedure of the Board of Directors, the powers of the Company's Board of Directors are as follows:

- the Board of Directors endeavours to promote value creation by the Company over the long term by reviewing social and environmental issues related to its business;
- it determines strategic directions, reviews and decides on significant operations after examination by the Strategic Committee and the ad hoc committees, as the case may be;
- it appoints and dismisses executive corporate directors, sets their compensation, chooses the mode of organisation of its governance, controls management, ensures the quality of the information provided to shareholders and to the markets, sets the annual financial statements, consolidated financial statements and prepares the management report, the consolidated management report and the management planning documents.

In particular, the following items must be reviewed by the Board of Directors, after examination, if necessary, by the relevant committee(s):

- the annual Budget including the gaming programme and the multi-year financial plans associated with strategic directions; and
- the multi-year strategic plan.

In accordance with the Afep- Medef Code, the Board of Directors:

- is informed of market developments, the competitive environment and main challenges faced by the Company, including in the area of social and environmental responsibility;
- regularly reviews, in connection with the strategy it has defined, the opportunities and risks such as financial, legal, operational, social and environmental risks and the measures taken as a result;
- ensures, as the case may be, the implementation of a prevention and detection system of corruption and influence peddling and receives all information necessary for this purpose;
- ensures that the executive corporate directors implement non-discrimination and diversity policies, particularly in terms of balanced gender representation within the governing bodies; ensures that shareholders and investors receive relevant, balanced and educational information on the strategy, the development model, the consideration of significant extra-financial issues for the Company as well as on its long-term outlook;

- ensures compliance with the provisions of the Afep-Medef Code when a disposal is contemplated, whether through one or several transactions, involving at least half of the Company's assets over the last two financial years;
- subject to the powers expressly granted to shareholders' meetings and within the limits of the corporate purpose, it considers any matter concerning the proper operation of the Company and through its deliberations addresses any matters concerning the Company;
- in terms of social and environmental responsibility (SER), the Board of Directors has the following powers in particular:
 - determining multi-year SER strategic guidelines (and setting specific climate change targets) on the recommendation of Executive Management,
 - examining, on an annual basis, the results obtained in relation to the SER strategy, and the need to adapt or modify the action plan or climate targets,
 - determining targets for gender diversity within the Group's management bodies, on the recommendation of Executive Management,
 - ensuring that the above-mentioned climate strategy, as well as the main actions undertaken to this end, are presented to the Ordinary General Meeting of Shareholders at least every three years or in the event of any significant change to the said strategy.

LIMITS ON THE POWERS OF EXECUTIVE MANAGEMENT

In accordance with Article L. 225-56 of the French Commercial Code, the Chairwoman and CEO has the broadest powers to act in all circumstances in the name of the Company. She exercises her powers within the limits of the Company's duties and subject to those powers which the law expressly grants to shareholder meetings and the Board of Directors. She represents the Company in its relations with third parties.

Article 1.2 of the Rules of Procedure of the Board of Directors sets the rules limiting the powers of the Chairwoman and CEO, defining the thresholds at which point prior authorisation by the Board of Directors is required for certain decisions. Those decisions are as follows:

- long-term borrowing in amounts exceeding €80 million;
- direct or indirect transactions to acquire, take possession, sell, or expand ownership in any company or entity that represents financial exposure for the Company greater than €35 million (including the impact on the Group's consolidated debt and its off-balance-sheet financial commitments);
- investment or divestment, off-budget, regardless of its nature, in a unitary amount exceeding €35 million;
- any significant transaction that falls outside of the stated strategy.

BOARD MEETINGS (ARTICLE 16.1 OF THE ARTICLES OF ASSOCIATION)

The Board of Directors shall meet when convened by its Chairman, as often as the interests of the Company require and, in any event, at least four times a year, either at the registered office or in any other place indicated in the notice of meeting. The Chairman may invite the directors to meetings of the Board of Directors by any means, including by e-mail.

When the Board has not met for more than two months, at least a third of its members can require the Chairman to convene a meeting on a specific agenda, or can convene a meeting themselves, stating the agenda for the meeting.

The Board of Directors may also take decisions by means of written consultation of the directors under the conditions defined by the laws and regulations in force.

FREQUENCY OF MEETINGS (ARTICLE 3.1 OF THE RULES OF PROCEDURE)

In accordance with Article 3.1 of the Rules of Procedure, the Board of Directors meets at least four times during the financial year and whenever circumstances require.

CONVENING OF MEMBERS AND HOLDING OF MEETINGS (ARTICLE 3.1 OF THE RULES OF PROCEDURE)

The notice to convene sets the location of the meeting, which may be held at the registered office or any other place. It is sent by letter, fax, or email to the Board members, at least five working days prior to the meeting date.

Documents related to matters on the agenda that would enable the members to take informed positions with full knowledge of the facts on the agenda items are also sent to each member as soon as possible, and unless there is particular urgency, at least three calendar days before the meeting when those topics will be addressed.

The agenda is attached to the notice; it mentions the matters to be deliberated on and is accompanied by the draft minutes that will be submitted for the Board's approval.

PROCEDURE FOR EVALUATING STANDARD AGREEMENTS

In accordance with Article L. 22-10-12 of the French Commercial Code and AMF recommendation DOC-2012-05, the Board of Directors' meeting on 12 March 2020 approved an internal charter relating to the procedures for identifying regulated agreements and evaluating standard agreements. It is available on the Company's website.

The procedure that enables agreements related to ordinary, arm's length transactions to be evaluated on a regular basis to ensure they fulfil these conditions is described below:

- (i) a report on the different categories of agreements considered to be ordinary and arm's length that are in effect during the financial year, drawn up by the Legal Department in consultation with the Finance Department, must be sent to the Audit and Risks

Committee at least five days before the Audit and Risks Committee meeting called to approve the financial statements for the financial year. The committee reports its findings to the Board of Directors called to approve the financial statements for the financial year;

- (ii) this report includes:
 - a. the criteria used to classify each of the categories of agreement as ordinary, arm's length transactions,
 - b. the criteria used to classify the financial conditions as normal, providing market comparables if applicable,
 - c. the categories of interested parties if this is likely to have an impact on the evaluation of the agreement as an ordinary, arm's length transaction;
- (iii) if applicable, this agreement contains recommendations that amend one or more of the criteria stipulated in paragraph (ii) above.

This report is then sent, with the Audit and Risks Committee's recommendations, to the Board of Directors.

If an individual is directly or indirectly an interested party of one of the categories of agreement, that individual will not take part in the evaluation (either as part of the Audit and Risks Committee or the Board of Directors).

The Board of Directors is required to confirm that the different categories of agreement submitted to it fulfilled the conditions to be classified as ordinary, arm's length transactions on the date they were signed. It may also decide to amend the classification criteria and, if applicable, re-examine the agreements that do not or no longer fulfil the necessary criteria.

INFORMING AND EDUCATING THE MEMBERS OF THE BOARD

Informing the Board of Directors (Article 1.3 of the Rules of Procedure)

The Chairwoman places on the agenda of the Board of Directors:

- at least once a year, a review of the implementation of the Company's and the Group's strategy;
- at least once a year, a review of the Company's and the Group's cash position, liquidity situation and commitments;
- a review of the performance of the Company subsidiaries when the annual and half-year financial statements are presented;
- the reports prepared annually excluding financial statements;
- the commercial policy;
- the policy implemented to prevent excessive gambling and the gambling of minors and to promote reasonable gambling;
- the policy implemented to fight against fraud and money laundering and terrorist financing; and
- the human resources policy including, in particular, the remuneration policy within the Group;

Composition and operation of the Board of Directors, Board committees and Executive Management

- monitoring adherence to the obligations placed on the Company by the list of requirements set by the Close Control Decree. This includes in particular:
 - an obligation to offer an attractive set of games and bets aimed at diverting players from the illegal offer. FDJ must ensure that players, throughout metropolitan France and overseas territories referred to in Article 73 of the Constitution, have access to all the lottery and sports betting games it is authorised to operate,
 - an obligation to carry out investigations in order to assess the concentration of gaming and the players' gaming habits,
 - an obligation to limit the share of the Company's revenue or of its stakes resulting from its most intensive gamblers, under conditions defined by the Minister of the Budget, in order to help contain the consumption of gambling,
 - an obligation to measure retailers' satisfaction,
 - an obligation to implement attention policy and measure players' satisfaction and to publish regular qualitative surveys,
 - an obligation to organise, at least once a year, meetings with all stakeholders on issues relating to the prevention of excessive gambling, prevention of underage gambling, support for people in vulnerable situations and participation of the offline distribution network in responsible gaming initiatives,
 - in addition to the authorisation of the French gaming regulatory authority (ANJ), an obligation to obtain the authorisation of the Minister of the Budget for the launch of games dedicated to cultural heritage,
 - an obligation to subscribe the necessary insurance policies to adequately cover counterparty risks relating to games operated by FDJ under the exclusive rights,
 - an obligation to pursue FDJ's initiative to control the environmental impact of its activities relating to games operated under the exclusive rights and to limit the carbon impact of its information technologies,
 - an obligation to draw up an annual report on the implementation of the list of requirements approved by decree, addressed to the Ministers in charge of the Budget and Economy, with a copy to the French gaming regulatory authority (ANJ).

The monitoring of the budget, financial situation and performance indicators is subject to reporting, which is discussed by the Board of Directors at meetings dedicated to the annual financial statements, management planning documents and the Budget.

Information on a regular basis

The Board of Directors is regularly informed, either directly or through its committees, of any significant event related to the Company's business. It may also be informed at any time, including between meetings dedicated to the review of financial statements, of any significant changes in the Company's financial and liquidity position and commitments.

In order to support their considerations, the members of the Board of Directors receive all the relevant information,

including critical information concerning the Company, in particular press articles and financial analysis reports.

Conversely, the members of the Board of Directors have a duty to request any useful information they need to fulfil their mission. If a member of the Board of Directors considers that he or she has not been put in a position to deliberate in full knowledge of the facts, he or she must inform the Board and obtain the information necessary for the performance of his or her duties.

The members of the Board of Directors may meet with the Company's main executives, including in the absence of executive corporate directors. In this case, executive corporate directors must be previously informed.

Educating the members of the Board of Directors (Article 2.4 of the Rules of Procedure)

Each Board member has received additional education with respect to the unique features of the Company, its business lines, its sector of activity, and its corporate social responsibility challenges, in particular climate issues.

The members of the Audit and Risks Committee, when appointed, receive specific information about the Company's accounting, financial, and operational situation.

The directors representing employees and those representing employee shareholders receive appropriate training to carry out their duties.

EVALUATION OF THE BOARD OF DIRECTORS

In accordance with the provisions of the Afep-Medef Code, the Rules of Procedure provide that the Board of Directors assesses its ability to meet expectations of the shareholders who have given it the mandate to administer the Company, by reviewing periodically its composition, organisation and operation (which also implies a review of the committees of the Board of Directors and, in particular, of the Audit and Risks Committee).

The Board of Directors shall consider the desirable balance of its composition and that of the committees it sets up and periodically examines the adequacy of its tasks, its organisation and functioning.

The evaluation has three objectives:

- review the operating procedures of the Board of Directors;
- ensure that important issues are properly prepared and discussed; and
- assess the effective contribution of each member of the Board to the work of the Board of Directors.

The evaluation shall be carried out in accordance with the following procedures:

- once a year, the Board of Directors discusses its functioning;
- a formal evaluation is carried out at least every three years. It is implemented under the direction of the Governance, Nominations and Remuneration Committee with the assistance of an external consultant and the Lead Director ⁽¹⁾ if one has been appointed;
- shareholders are informed annually in the corporate governance report of the performance of the evaluations and, where applicable, the follow-up given to such evaluations.

(1) Mr. Pringuet was appointed Lead Director of the Company by the Board of Directors of 16 December 2020.

Composition and operation of the Board of Directors, Board committees and Executive Management

Reminder of the Board's evaluations in 2021 and 2022

- For 2021, an evaluation of the Board of Directors was implemented under the direction of the Governance, Nominations and Remuneration Committee with the assistance of an external consultant and the Lead Director, Pierre Pringuet. In general, it emerged that the Company's Board of Directors has reached a very good level of maturity, in line with that of the SBF 120 companies. As regards the directors, the evaluation shows that they are highly involved in their role and demonstrate a strong level of commitment and availability to the Company.
- In 2022, the Lead Director, Pierre Pringuet, Chairman of the Governance, Nominations and Remuneration Committee, conducted the evaluation of the Board. Discussions focused on the following three themes: (i) the role and skills of the directors (ii) the Board and strategy and (iii) the added value of the Board. The recommendations and areas for improvement resulting from this evaluation have been taken into account and an action plan was implemented accordingly.

2023 annual evaluation

With regard to the year 2023, the Lead Director, Philippe Lazare, Chairman of the Governance, Nominations and Remuneration Committee, conducted the evaluation of the Board.

He met individually with all Board members.

The discussions focused on the three themes, summarised below:

- **The Board and the Company's management:** the Board expressed the wish to involve managers (other than ECDs) to a greater extent, in order to assess how they operate as a team. A presentation to the Board by the management of recently acquired companies would be appreciated. In addition, the Board would like greater visibility over (i) the succession plan for members of the Business Steering Committee and the Group Management Committee, and (ii) cross-business recruitment in relation with the Group's various activities. Lastly, the directors offer to put their experience to play for the benefit of the Company's management in connection with M&A transactions;
- **the Board and strategy:** the Board is very supportive of the Group's digital, M&A and international strategy. However, the Board expressed the wish to obtain more detailed analyses of past and future acquisitions (from an operational perspective, steering team and changes in FDJ's profile over the next three years);
- **The operation and composition of the Board:** the Board stresses that the recent acquisitions will profoundly change the Company and consequently have a greater impact on the Board's responsibility to shareholders. The Board also recommends the recruitment of a digital-focused member, ideally from the world of online gaming, with strong international experience. Lastly, the directors put forward a number of proposals aimed at streamlining the Board's operations.

Philippe Lazare presented his report to the CGNR on 13 December 2023 and to the Board on 18 January 2024. The recommendations and avenues for improvement resulting from this evaluation are being taken into account by the Company's general management.

Overview of the Board of Directors' activity

In 2023, the Board of Directors met 14 times, one of which during a strategy seminar, with an attendance rate, in-person or by telecommunication, of 93% of its members.

The Board's activity centred on the following issues:

- **monitoring the Group's ongoing management:**
 - reviewing the quarterly business reports, annual and half-year parent and consolidated financial statements in the presence of the Statutory Auditors,
 - regularly reviewing the Group's financial situation, and more specifically the financing and outside growth strategy,
 - monitoring of risks and prevention measures (responsible gambling, prevention of money laundering),
 - reviewing the Company documents: parent company balance sheet and management planning documents,
 - the 2024 Budget including the gaming programme and the multi-year financial plans associated with strategic directions,
 - preparing for the Annual General Meeting of Shareholders (agenda, draft resolutions, annual management report, and any other reports or sections that appear in the annual financial report which originated from or were approved by the Board),
 - liquidity contract,
 - sureties, endorsements and guarantees,
 - professional and wage equality;
- **remuneration of Corporate Directors:**
 - determination of the annual variable portion of the remuneration of Stéphane Pallez and Charles Lantieri for financial year 2022 and first estimation for financial year 2023 (ex post),
 - breakdown of the remuneration package for directors for financial years 2022 and 2023 (ex post),
 - remuneration policy 2024 for executive corporate directors (ex ante): annual and long-term variable remuneration for 2023,
 - remuneration policy for directors for financial year 2024 (ex ante),
 - definition of a long-term incentive plan (LTI 2023-2026);
- **evaluation of the Board:**
 - self-evaluation of the Board of Directors by the Lead Director and report on the evaluation to the Board of Directors;
- **composition of the Board:**
 - annual review of the independence of directors,
 - proposed renewal of the terms of office of four independent directors whose term of office expired at the 2023 General Meeting,

Composition and operation of the Board of Directors, Board committees and Executive Management

- proposed appointment of Philippe Lazare to replace Pierre Pringuet, whose term of office expired at the 2023 General Meeting,
- discussions on the methods of exercise of Executive Management,
- proposal to renew the ECDs and launch of the authorisation application procedure,
- standard and regulated agreements,
- review of regulated agreements,
- review of the report on standard agreements;
- **strategy:**
 - update on M&A projects: acquisition of ZEturf and PLI,
 - metamorphosis responsible growth in monopoly activities,
 - metamorphosis competitive gaming;
- **miscellaneous:**
 - decisions of the ANJ,
 - monitoring sector and market news,
 - regulatory trends outside of France,
 - innovation, Innoday FDJ and Vivatech conference.

Executive session

During the 2023 financial year, the Lead Director organised several meetings of the Board of Directors without the executive corporate directors being present, in accordance with the recommendations of the Afep-Medef Code. These meetings were held on 30 June 2023 and 7 November 2023.

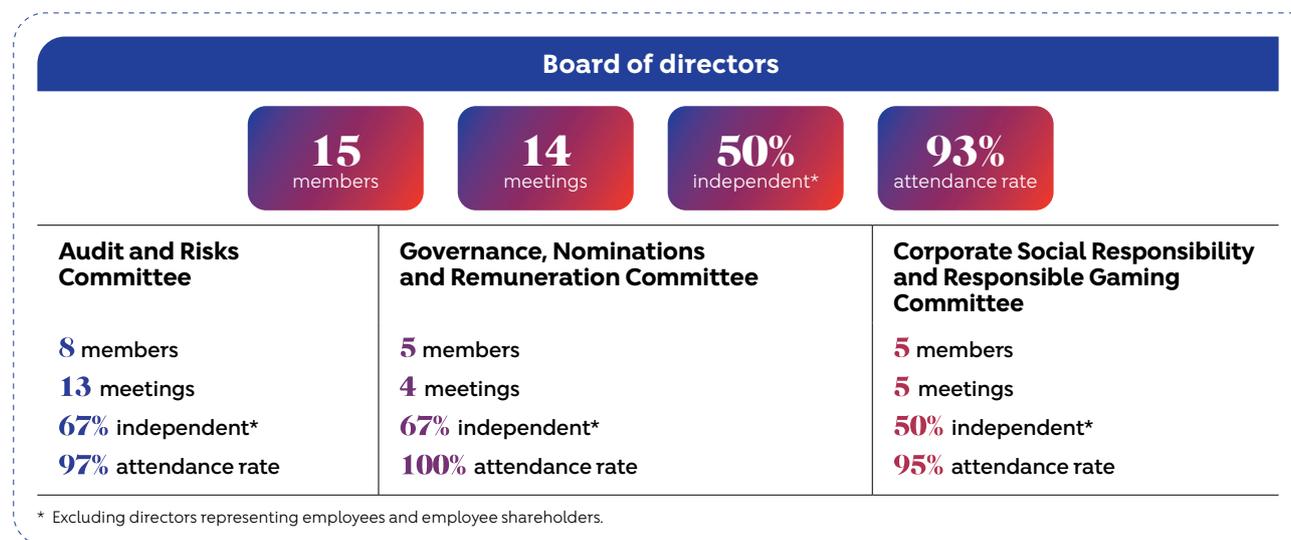
Directors' individual attendance rate at Board and Committee meetings in 2023

In accordance with Article 12.1 of the Afep-Medef Code, directors' individual attendance rate at Board and Committee meetings in 2023 was as follows:

	Attendance rate at Board of Directors meetings	Attendance rate at Audit and Risks Committee meetings	Attendance rate at CGNR meetings	Attendance at CSR and RG Committee meetings	Overall average for each director
Stéphane PALLEZ	100%	-	-	-	100%
French State (represented by Charles SARRAZIN)	93%	92%	100%	-	95%
Ghislaine DOUKHAN	100%	100%	-	-	100%
Didier TRUTT	86%	-	-	80%	83%
UBFT (represented by Olivier ROUSSEL)	100%	-	-	100%	100%
FNAM (represented by Jacques SONNET)	100%	-	-	-	100%
Fabienne DULAC	100%	-	-	100%	100%
Xavier GIRRE	100%	100%	-	-	100%
Françoise GRI	79%	-	100%	100%	93%
M. Philippe LAZARE (non-voting director then director from 27 April 2023)	100%	100%	100%	-	100%
Corinne LEJBOWICZ	93%	92%	-	-	93%
Pierre PRINGUET (whose term of office expired during the General Meeting of 27 April 2023)	100%	100%	100%	-	100%
Predica (represented by Florence BARJOU)	64%	92%	-	-	78%
Philippe PIRANI	93%	-	-	100%	96%
Agnès LYON-CAEN	100%	100%	100%	-	100%
David CHIANESE	86%	100%	-	-	93%
Average participation per body	93%	97%	100%	95%	-
Overall average Board and committee attendance rate	96%				

2.1.2.3 THE BOARD OF DIRECTORS' COMMITTEES

The composition of the Board of Directors and its various committees is valid as at 31 December 2023.



AUDIT AND RISKS COMMITTEE



The Audit and Risks Committee assists the Board of Directors with the analysis of the financial statements and financial information, major risk management policy and internal control.

COMPOSITION

The members of the Audit and Risks Committee have financial or accounting expertise ⁽¹⁾ and its Chairman, Xavier Girre, has specific expertise in the financial field and is therefore the Board's financial expert.

The Audit and Risks Committee comprises at least four directors. The percentage of independent directors on the Audit and Risks Committee must be at least two-thirds and the committee must not include any executive corporate directors.

The appointment or reappointment of the Chairman of the Audit and Risks Committee, proposed by the Governance, Nominations and Remuneration Committee, is subject to the specific review of the Board of Directors.

A Government Commissioner and a General Economic and Financial Controller sit on the Audit Committee in an advisory capacity.

DUTIES AND REMIT

The Audit and Risks Committee carries out the duties described in Article L.821-67 of Order no. 2023-1142 of 6 December 2023.

In addition to its legal responsibilities, the Audit and Risks Committee carries out the following tasks:

- carry out a preliminary review of the accounting and financial documents to be submitted to the Board of Directors, including in particular the annual and half-year parent and consolidated financial statements, provisional accounts and budgets, multi-year plans, the management report and its appendices;
- monitor the financial reporting process and review the quality and reliability of the financial information produced by the Company;
- review the Company's financial communication policy and elements;

(1) See page 98 of the Universal Registration Document for further details on the competences of the members of the Audit and Risks Committee.

Composition and operation of the Board of Directors, Board committees and Executive Management

- review the relevance and consistency of accounting standards and methods and of the options for closing the accounts for the financial year; examine any proposal for significant amendment of these standards and methods before their implementation;
- review the overall risk control policy based on a mapping of the risks; as such, the committee reviews the main financial risks and any other questions likely to lead to significant risks, commitments or threats;
- examine, as part of the review of the financial statements, material transactions under which a conflict of interest could have occurred;
- review the nature and scope of significant off-balance sheet commitments;
- examine the evolution of internal control systems; review the activity debriefings and the conclusions of the internal audit reports, and the follow-up provided by the Company thereto; provide its opinion on the annual internal audit programmes;
- supervise the Statutory Auditors' appointment or renewal procedure by competitive bidding and issue an opinion on the selection of the said Statutory Auditors, as well as on their work programme, their fees and the quality of their work;
- periodically review the status of the Statutory Auditors' interventions and of their recommendations;
- review the scope of the consolidation of companies and, where applicable, the reasons for which companies would not have been included within such scope;
- examine draft strategic, acquisition, disposal and other significant agreements falling within the remit of the Board of Directors, before they are submitted to the Board of Directors and, where appropriate, [set up] an ad hoc committee to study [and, where appropriate, monitor] projects of particular importance to the Group;
- ensure that CSR elements are taken into account in the systems for preparing and controlling non-financial information and ensure consistency between non-financial and financial developments;
- ensure the relevance and integrity of the CSR information provided to the Board;
- prepare the work of the Board of Directors on financial and sustainability issues, with the possibility for the Audit and Risks Committee to delegate responsibility to the CSR & RG Committee.

The Audit and Risks Committee may also be consulted on any other regular assignment or on an ad hoc basis as assigned by the Board of Directors; it may also suggest to the Board of Directors the referral of any issue that it deems necessary or relevant.

At least once a year, a meeting of the Audit and Risks Committee is held without the executive Corporate Directors.

OPERATION

The Audit and Risks Committee meets at least three times a year.

The time periods allocated for provision of financial statements and for their examination must be sufficient.

The Audit and Risks Committee shall hear the Statutory Auditors, in particular at meetings devoted to the review of the financial reporting process and the review of the financial statements, in order to report on the execution of their mission and the conclusions of their work.

It also hears annually the Chief Financial Officers, the Chief Accountants, the Chief Treasury Officers and the Internal Control Officers. These hearings may be held, when the committee so wishes, without the presence of the Company's executive management.

The Audit and Risks Committee met 13 times in 2023 with an attendance rate of 97%.

The committee particularly dealt with the following matters:

Finance and Treasury

- Presentation of closing options;
- 2022 parent company and consolidated financial statements;
- Half-yearly financial report;
- presentation of the preliminary work by the Statutory Auditors for closing the 2022 financial year;
- Statutory Auditors' programme;
- Budget/business plan;
- Financial communication on 2022 results.

Management

- Management report;
- Management planning documents;
- Review of ongoing and regulated agreements.

Risk analysis

- Review of work carried out in 2022 and DARCQUE (Audit, Risks, Quality Control and Ethics Department) work programme for 2023;
- Work on risks and control;
- Review of legal proceedings underway;
- Impact of the pension reform.

Remuneration criteria

- Review of the achievement of the financial criteria of the variable remuneration (ex post);
- Determination of the financial criteria of the variable remuneration (ex ante).

Miscellaneous

- Decisions of the ANJ;
- Performance of investments;
- FDJ Ventures.

Strategy

- Review of M&A projects;
- Integration process;
- Review of integration of companies acquired.

GOVERNANCE, NOMINATIONS AND REMUNERATION COMMITTEE

Chairman

Philippe Lazare (independent director, Lead Director and Chairman of the CGNR)

Members

- ◆ Charles Sarrazin (director representing the French State)
- ◆ Françoise Gri (independent director)
- ◆ Agnès Lyon-Caen (director representing employees)
- ◆ Fabienne Dulac⁽¹⁾ is also a permanent guest in her role as Chairwoman of the CSR and RG Committee (independent director)

5 members
4 meetings
67% independent*
100% attendance rate

(1) From the Board meeting of 18 January 2024, Françoise Gri will chair the CSR and Responsible Gaming Committee, she is also a member of the CGNR. Consequently, Fabienne Dulac no longer sits on the CGNR as permanent guest.

* Excluding directors representing employees and employee shareholders.

The CGNR is comprised of at least four directors⁽¹⁾. It must not include any executive corporate director and must be composed of a majority of independent directors. The Chairman of the committee must be independent, and a director shall represent the employees.

A Government Commissioner and a General Economic and Financial Controller sit on the CGNR in an advisory capacity.

The CGNR met four times in 2023 with a 100% attendance rate.

Duties and remit

- **With respect to the selection of new members of the Board**

The Governance, Nominations and Remuneration Committee is responsible for making proposals to the Board of Directors after having examined in detail all the elements to be taken into account in its deliberation, in particular in view of the composition and evolution of the shareholding structure of the Company, to achieve a balanced composition of the Board of Directors: gender representation, nationality, international experiences, expertise, etc.

In particular, it organises a procedure to select future independent directors and carries out its own studies into potential candidates before beginning the process of selecting them. During the recruitment and selection process for new directors, the committee should take account of the Board's needs in terms of skills, particularly regarding CSR.

- **With respect to the succession of executive corporate directors**

It is the responsibility of the CGNR to establish, if necessary, a succession plan for the executive corporate directors. It should be noted that the terms of office of the Company's executive corporate directors were renewed in June 2019, prior to the Company's IPO, for a period of five years.

Furthermore, the governance of the Company, established around two executive corporate directors, a Chairwoman and Chief Executive Officer and a Deputy Chief Executive Officer, is such as to favour continuity in the management of the Company in the event of an unforeseen succession (impediment, resignation, death) during the term of office.

It should also be noted that Article 20 of the Order of 2 October 2019, issued in application of the Pacte Law, provides for specific appointment procedures for FDJ's executive corporate directors. Indeed, the provisions in question specify that their appointment is subject to the prior approval of the Ministers in charge of the Budget and the Economy, after consultation with the French gaming regulatory authority (ANJ).

- **With respect to the remuneration of executive corporate directors**

The CGNR is responsible for reviewing and proposing to the Board of Directors all components of remuneration and benefits for the executive corporate directors. It also makes a recommendation on the package and the terms and conditions for the distribution of the remuneration allocated to directors. This remuneration must be competitive, adapted to the Company's strategy and context, and must aim to promote the Company's performance and competitiveness over the medium and long term, by integrating several criteria linked to social and environmental responsibility, including at least one criterion linked to the Company's climate targets. These criteria, which must be precisely defined, should reflect the most important social and environmental issues for the Company. Quantifiable criteria should be given priority.

In addition, the CGNR is informed of the remuneration policy for the main executives who are not Corporate Directors. In this role, the committee shall involve the executive corporate directors in its work.

Finally, the Governance, Nominations and Remuneration Committee is informed, by the committee Chairman, of appointments concerning the Executive Management.

(1) See page 98 of the Universal Registration Document for further details on the competences of the members of the CGNR.

Composition and operation of the Board of Directors, Board committees and Executive Management

FUNCTIONING

When presenting the report of the work of the CGNR, it is necessary for the Board of Directors to deliberate on the items of remuneration of executive corporate directors without their presence.

The committee particularly dealt with the following matters:

Remuneration of Corporate Directors

- Review of the achievement of all the financial and non-financial criteria as assessed by the STI 2022 (annual variable remuneration) as assessed by the Audit and Risks Committee and the CSR & Responsible Gaming Committee;
- Proposal of an achievement rate of all the criteria for determining the annual variable portion of the remuneration of Stéphane Pallez and Charles Lantieri for the 2022 financial year;
- proposal for the breakdown of the remuneration package for the directors for the 2022 and 2023 financial years (ex post) in accordance with the procedures defined in the remuneration policy;
- Proposal for the implementation of a long-term incentive plan (LTI 2024-2026);
- Proposal for the 2024 remuneration policy for executive corporate directors (ex ante); annual and long-term variable remuneration for 2023;

- Proposal for the remuneration policy for directors for financial year 2024 (ex ante).

Composition of the Board of Directors:

- Proposed renewal of the terms of office of three directors whose term of office expired at the 2023 General Meeting;
- Proposed appointment of Philippe Lazare to replace Pierre Pringuet, whose term of office expired at the 2023 General Meeting;
- Proposed composition of the Board committees after the General Meeting;
- Discussions on the methods of exercise of Executive Management;
- Proposal to renew the ECDs and launch of the authorisation application procedure;
- Evaluation of the Board of Directors;
- report on the evaluation of the Board of Directors presented by the Lead Director.

Independence of directors:

- Annual review of the independence of directors;
- Analysis of the independence of Philippe Lazare with a view to the proposal of his appointment as director.

CSR AND RESPONSIBLE GAMING COMMITTEE**Chairman**

Fabienne Dulac⁽¹⁾ (independent director)

Members

- ◆ Didier Trutt (director proposed by the French State)
- ◆ UBFT (director appointed by the General Meeting, represented by Olivier Roussel)
- ◆ Françoise Gri (independent director)
- ◆ Philippe Pirani (director representing the employees)

5 members
5 meetings
50% independent*
95% attendance rate

(1) From the Board meeting on 18 January 2024, Françoise Gri will chair the CSR and Responsible Gaming Committee, replacing Fabienne Dulac, who will remain a member of this Committee.

* Excluding directors representing employees and employee shareholders.

COMPOSITION

The CSR and Responsible Gaming Committee comprises at least four directors⁽¹⁾. It must include at least one independent director.

A Government Commissioner and a General Economic and Financial Controller sit on the CSR and Responsible Gaming Committee in an advisory capacity.

DUTIES AND REMIT

The CSR and Responsible Gaming Committee carries out the following tasks:

- ensuring that the Group promotes a responsible gaming model that develops moderate and supervised gambling among the general public, from the design of the games to their sale;

- reviewing CSR policy and, more broadly, addressing issues essential for the business model;
- examining the relationship between the steps taken; and
 - the Company's strategic approach,
 - the Company's management processes,
 - the promotion of the Company's essential assets;
- supporting the actions and evolution of the FDJ Corporate Foundation's policy;
- issuing a decision on the action plan to prevent excessive gambling and underage gambling and promoting a reasonable practice of the gaming;
- each year, it validates the action plan to combat fraud and money laundering that is transmitted to the French gaming regulatory authority (ANJ) before 31 January.

(1) See page 98 of the Universal Registration Document for further details on the competences of the members of the CSR and Responsible Gaming Committee.

Composition and operation of the Board of Directors, Board committees and Executive Management

In terms of CSR, the CSR and RG Committee has the following powers in particular:

- determining multi-year SER strategic guidelines (and setting specific climate change targets) on the recommendation of Executive Management;
- Examining, on an annual basis, the results obtained in relation to the SER strategy, and the need to adapt or modify the action plan or climate targets;
- determining targets for gender diversity within the Group's management bodies, on the recommendation of Executive Management;
- ensuring that the above-mentioned climate strategy, as well as the main actions undertaken to this end, are presented to the Ordinary General Meeting of Shareholders at least every three years or in the event of any significant change to the said strategy.

It reports on its work to the Board of Directors. It may also be consulted on any other regular assignment or on an ad hoc basis as assigned by the Board of Directors. In addition, it can suggest that the Board of Directors refer to it any issue that it deems necessary or relevant.

OPERATION

The CSR and Responsible Gaming Committee meets at least twice a year.

Joint Session

At least once a year, the members of the CSR and RG Committee and the members of the Audit and Risks Committee meet in a joint session, chaired by the Chairman of the Audit and Risks Committee, to strengthen coordination and sharing between the two committees on the subject of the environmental and societal risks to which the Company is exposed.

The CSR and Responsible Gaming Committee met five times in 2023 with an attendance rate of 95%.

The committee dealt in particular with the following matters:

Responsible gaming

- ANJ promotional strategies;
- Review of 2023 RG indicators and Focus World Cup;
- Update "2030 player protection strategy".

Environment

- 2022 carbon review / 2030 trajectory;
- 2030 environmental strategy / focus on the #buyforgood programme;
- Follow-up 2023 energy savings plan.

Wages and salaries

- Review of the achievement of the CSR and responsible gaming criteria for the 2022 annual variable remuneration;
- Definition of non-financial indicators of 2023 annual variable remuneration;
- Definition of non-financial indicators of 2023-2025 long-term variable remuneration;
- First estimate for achieving non-financial criteria of the STI 2023;
- Discussions around non-financial indicators for the STI 2024 and LTI 2024-2026;
- Diversity and professional equality policy.

Raison d'être

- Sharing work from the FDJ Stakeholder Committee with the CSR and RG Committee.

Miscellaneous

- Revision of the Afep-Medef Code on taking CSR and climate change into account as well as amendments;
- Study on the social cost related to gaming in France (December 2022).

STRATEGY SEMINAR

At least once per year, the Board of Directors meets in a strategy seminar led by the Chairwoman and CEO to decide on the Company's main strategic focuses. In particular, the purpose of this seminar is to:

- discuss the multi-year strategic plan and review how it is being implemented;
- study significant issues and facts that may have an impact on the strategic plan;
- examine projects related to the development of the Group, monitor the evolution of industrial partnerships, strategic draft agreements, the evolution of the competitive environment and the positioning of the Group;
- make any recommendations it deems useful to the Chairwoman and CEO.

In 2023, the Board of Directors met in the Strategic Committee on 29 and 30 June 2023.

AD HOC COMMITTEE

Where necessary, the Board of Directors may decide to set up an ad hoc committee to study and, where appropriate, monitor draft strategic, acquisition, disposal and other significant agreements falling within the remit of the Board of Directors. This Committee shall comprise at the very least the Chairs of each of the Board committees, and its composition may vary depending on the project under review. Members of the ad hoc committee may only take part if they have no conflict of interest with the project under review. This Committee is chaired by the Chairwoman of the Board.

2.1.3 Presentation of potential impacts on the change in governance

Not applicable.

2.1.4 Representations regarding members of the Board of Directors and the executive corporate directors

As far as the Company is aware, at the time of writing the Universal Registration Document, over the last five years:

- none of the Company's directors or Corporate Directors has been convicted of fraud;
- none of the Company's directors or executive corporate directors has been involved in or related to a bankruptcy, receivership, liquidation or court-ordered administration;
- none of the Company's directors or Corporate Directors has been the subject of an accusation and/or official public penalty by a judiciary, administrative, statutory or regulatory authority (including an appointed professional body); and
- none of the Company's directors or Corporate Directors has been prohibited by a court from sitting on an administrative, management or supervisory board of an issuer, or from being involved in the management or business of an issuer.

To the Company's knowledge at the Date of the Universal Registration Document, there were no service contracts binding the members of the Board of Directors or the executive corporate directors of the Company to the Company or to any of its subsidiaries stipulating that benefits be granted at the end of such a contract.

2.1.5 Conflicts of interest

To the Company's knowledge as at the Date of the Universal Registration Document, there were no potential conflicts of interest between the duties towards the Company of

members of the Board of Directors and the executive corporate directors and their private interests.

2.2 Remuneration of Corporate Directors

This section includes a full description of the items of the remuneration of the Company's Corporate Directors that will be submitted to the vote of the General Meeting of 25 April 2024:

- the remuneration policy for all Corporate Directors presented in sub-section 2.2.1 in accordance with the provisions of Article L. 22-10-8 of the French Commercial Code ("ex ante" vote);
- the items of remuneration of any kind and benefits granted during or paid in respect of the 2023 financial year to the Deputy Chief Executive Officer, presented in sub-section 2.2.2 in accordance with the provisions of Article L. 22-10-9 of the French Commercial Code (ex post vote). Pursuant to Article L. 22-10-34, II of the French Commercial Code, the variable or exceptional items of remuneration, granted to the executive corporate directors (ECDs) in respect of financial year 2022, will only be paid after approval by the General Meeting of Shareholders on 25 April 2024;
- the items of remuneration of any kind and benefits granted during or paid in respect of the 2023 financial year to the directors of the Company, presented in sub-section 2.2.3 in accordance with the provisions of Article L. 22-10-9 of the French Commercial Code (ex post vote).

Sub-section 2.2.4 presents a description of the share subscription and purchase options and award of performance shares. These items are not subject to a vote at the General Meeting.

2.2.1 General remuneration policy

The remuneration policy for Corporate Directors is established by the Board of Directors in accordance with the provisions of Article L. 22-10-8 of the French Commercial Code and is submitted for approval to the General Meeting of 25 April 2024 in accordance with the provisions of the same article.

This policy describes all the items of the remuneration of Corporate Directors and explains the decision-making process followed for its determination, review and implementation.

2.2.1.1 DETERMINATION OF THE REMUNERATION POLICY FOR ALL CORPORATE DIRECTORS

The remuneration policy is determined by the Board of Directors on the proposal of the CGNR, with the objective of supporting the sustainable growth of the Company.

Remuneration in accordance with the Company's general interest and remuneration in line with the Company's business strategy and sustainability

The Board of Directors complies with the recommendations of the Afep-Medef Code when determining its Corporate Directors' remuneration policy.

The remuneration of Corporate Directors must be competitive in order to attract and motivate the talent needed to implement the Company's commercial strategy and achieve its short and long term goals. It must encourage the search for financial and non-financial performance. It must be coherent with the different levels of remuneration of the Company's executives and the responsibilities exercised. Lastly, the remuneration has been defined in a way that takes into account relevant comparables and market practices.

It should be noted, on this last point, that there is not a sufficiently large sectoral market in France to compare FDJ directly to other companies. Consequently, in order to compare FDJ to comparable companies, the size of FDJ's scope (composed of revenue, workforce and stock market capitalisation) was used as a reference. The SBF 80 was therefore chosen, as it includes companies that are the closest to FDJ on the basis of this scope.

The CGNR's recommendations on the executive corporate directors' (ECD) remuneration policy and its development take into account the remuneration level and structure of executive directors of the SBF 80, as well as the practices observed for comparable levels of duties within relevant comparables. This data is provided by an independent global firm that specialises in executives' remuneration. These reference sources are consistent and stable but are nonetheless subject to change due to the composition of the SBF 80 index and to changes in the structures or activities selected, based on the proposals of the independent firm.

Furthermore, the remuneration policy applicable to ECDs is forward-looking in both the short and long term on the one hand, while also seeking to align the ECDs' interests with the Company's general interest and the interests of its shareholders on the other hand:

- by aligning with the strategic orientations and the annual objectives defined by the Board of Directors, in accordance with the Company's general interest, its raison d'être, via performance criteria affecting both the annual variable remuneration and the long-term variable remuneration based on performance shares;
- by specifically taking into account the Company's business strategy, through performance criteria defined for the annual variable portion;
- by working toward the Company's goal of sustainability, in the form of performance criteria included in both the annual and long-term variable remuneration, enabling:
 - alignment with the shareholders' interests with the goal of creating long-term value. A significant portion (around one third of total remuneration assuming 100% of objectives are achieved) of ECD remuneration is to be comprised of performance shares, which only vest if long-term performance objectives are met,

- in line with the Company's general remuneration policy, to best approximate the relevant comparables in order to be able to attract, retain, and motivate the talents that the Group needs, by gradually shrinking the gap between its total remuneration (due to FDJ's history) and that of the relevant comparables,
- taking into account stakeholders in the Company's sustainable development, with at least one CSR and responsible gaming criterion for determining the annual variable remuneration,
- the CGNR proposes criteria to the Board of Directors for how to determine the Corporate Directors' remuneration policy, as well as how to revise and implement it.

Within this context, the CGNR describes and explains any changes in the Corporate Directors' remuneration policy and takes into account shareholders' votes and opinions.

The CGNR particularly relies on comparative studies conducted by a specialist firm to ensure the transparency, consistency, balance, and competitiveness of the remuneration compared to market practices. These comparative studies are based on the remuneration practices of SBF 80 companies, distinguishing between the functions of ECDs no.1 (CEO, Chairman of the Management Board, managing director in structures with a Non-Executive Chairman) and ECDs no.2 (Deputy Chief Executive Officer, member of the Management Board). The figures underlying these studies can be verified by referring to the universal registration documents of SBF 80 companies available on the internet.

The CGNR also relies on the business reports of the High Committee on Corporate Governance (HCGE) as well as on the AMF's annual reports on corporate governance. It takes this into account in its recommendations and proposals to the Board of Directors.

The Company generally accepts the recommendations of the Afep-Medef Code, and adheres to the principles of exhaustiveness, balance, comparability, consistency, intelligibility and measurement as described below:

Exhaustiveness

All of the ECDs' remuneration items and benefits are taken into account when determining total remuneration.

Balance

While remaining within the general interest of the Company and its growth targets, the ECDs' remuneration strives for balance in terms of:

- short-term/long-term performance horizon, particularly through setting up a long-term variable remuneration plan;
- the nature of the performance criteria and taking stakeholders into account: value creation, operational profitability, growth, CSR and responsible gaming, managerial;
- the part of remuneration that depends on performance conditions (variable/fixed).

Comparability

Variable remuneration is expressed relative to a fixed remuneration level. The market references are stated clearly and the sources used are consistent and stable. The market constitutes a reference in combination with the actual responsibilities assumed, the contribution provided and the results achieved.

Remuneration of Corporate Directors

Consistency

The ECD remuneration policy relates to the remuneration policy for all employees, which pursues the same objectives (attract, retain and motivate talent) and approach (be similar to the market in terms of both levels and structure of remuneration). More specifically, it is based on the same foundations and instruments as those applied to the Company's executives.

Intelligibility

The rules for determining and implementing the ECD remuneration policy should be intelligible; that is, simple, clear, and understandable. The performance criteria applied to determine the ECDs' remuneration are aligned with the Company's strategy and objectives; they are as ambitious, explicit, and permanent as possible.

Measurement

Determining the remuneration items takes into account all of the principles mentioned above, with the aim of achieving a well-understood balance between the interests of Company stakeholders, including its own general interest, the shareholders' interest, market practices and executives' performance.

To prevent conflicts of interest, the Company follows the recommendations of the Afep-Medef Code. The CGNR has been chaired by Philippe Lazare, an independent director and Lead Director of the Board of Directors since 27 April 2023.

The CGNR and the Board of Directors deliberate on the remuneration policy and finalise the remuneration items with the ECDs not present.

TAKING INTO ACCOUNT THE REMUNERATION AND EMPLOYMENT CONDITIONS OF EMPLOYEES

In order to take into account employees' remuneration and employment conditions when drafting the remuneration policy that applies to Corporate Directors, the Board of Directors, based on the CGNR's recommendation, draws on remuneration and employment data provided by the Company, on an international job classification, and on research from a firm that specialises in remuneration. More specifically, it is informed about the remuneration of executives who are not Corporate Directors. The method of comparison is the International Position Evaluation.

When determining the remuneration policy, the CGNR takes into account the ratios set out in Article L. 22-10-9 of the French Commercial Code between the remuneration of the two ECDs and, on the one hand, the mean remuneration of the Company's employees and, on the other hand, the median remuneration of the Company's employees for the previous financial year. The CGNR also takes into account comparable company ratios, particularly the SBF 80.

PERFORMANCE EVALUATION AFFECTING ANNUAL AND LONG-TERM VARIABLE REMUNERATION

At the end of the financial year the CGNR evaluates to what extent the ECDs have reached the performance criteria set for annual and long-term variable remuneration, based on:

- (i) the performance criteria and their weight in determining the ECDs' annual and long-term variable remuneration;
- (ii) the performance levels achieved and their correlation with the amounts to be allocated;
- (iii) all items defined in the remuneration policy that apply to the ECDs for the financial year.

To this end, the CGNR relies on the recommendation of the Corporate Social Responsibility and Responsible Gaming Committee regarding the CSR criteria, including responsible gaming.

EXERCISE OF THE BOARD'S DISCRETION IN THE CONTEXT OF THE REMUNERATION POLICY

Within the framework of the remuneration policy as described in this sub-section 2.2.1, the Board may, on the recommendation of the CGNR, exercise its discretion in two cases:

- (i) in the event of the arrival of a new ECD during the year, the Board will assess the latter's performance in a discretionary manner on the proposal of the CGNR, and in this case, the new director will receive as variable remuneration the pro rata amount of the variable portion for which the shareholders have voted favourably;
- (ii) in the event of a major event that requires the Board to modify, upwards or downwards, one or more of the criteria making up the variable remuneration of the ECDs in order to ensure greater consistency between the performance of the director and that of the Company, in accordance with the principles of the remuneration policy.

These adjustments could concern the quantitative criteria depending on the circumstances. For example:

- (i) in the event of a transaction that significantly changes the Group's scope, the quantitative criteria could be adapted to take into account the new scope. The qualitative criteria could also be adapted if they were to become obsolete;
- (ii) with regard to annual variable remuneration: in the event of a change in accounting standards or any other significant change that would have a structural and significant impact on the parameters used to define the performance conditions;
- (iii) with regard to the long-term variable remuneration and in accordance with the plan regulations: in the event of a significant change in the scope of consolidation of the Group, a change in accounting standards or any other significant change that would have a structural and significant impact on the parameters used to define the performance conditions at the time of awarding the shares, the Board of Directors of the Company reserves the possibility of adjusting the assessment of the fulfilment of the performance conditions set at the time of the award in order to take account of these events and to neutralise the impact on the performance objectives defined.

Adjustments decided by the Board, on the proposal of the CGNR, will be made within the respective ceilings of the annual variable remuneration and the long-term variable remuneration. The said ceilings are defined in the framework of the variable remuneration items allocated to the ECDs under the remuneration policy.

In addition, as part of its discretionary power and in accordance with the Afep-Medef Code, the Board may, in very specific circumstances, grant exceptional remuneration to the ECDs (for example, when these circumstances have, or are likely to have, significant impacts for the Company, when they require a particularly high level of involvement on the part of the ECDs and when they present significant difficulties). Exceptional remuneration must be justified, and the event justifying it must be made explicit. The amount of exceptional remuneration for the ECDs may not, if applicable, exceed 100% of their annual fixed remuneration.

In any event, if the Board were to exercise its discretion, it would have to justify it to the shareholders, who would have to decide on the exercise of this discretion through the "ex post" vote. The payment of the annual variable portion, the long-term variable portion as well as the exceptional remuneration items, remains conditional on the positive vote of the General Meeting. Furthermore, the CGNR should learn from any adjustments that have had to be made when defining the remuneration policy for the following year.

EXCEPTION TO THE REMUNERATION POLICY - EXCEPTIONAL CIRCUMSTANCES

In accordance with the provisions of Article L. 22-10-8 III of the French Commercial Code, no remuneration component of any sort whatsoever can be determined, awarded, or paid by the Company, to the ECDs or any other Corporate Directors, nor any commitment corresponding to remuneration items, indemnities, or benefits owed or likely to be owed due to their entering, leaving, or changing office

or subsequent to their holding that office, may be made by the Company if it does not comply with the remuneration policy described in this Document and as approved by the shareholders.

However, in accordance with the aforementioned article, the Board of Directors may override the application of the remuneration policy in the event of exceptional circumstances, provided that such an exception is temporary, in line with the Company's general interest and as needed to ensure its sustainability or viability; these three conditions set out in Article L. 22-10-8 III of the French Commercial Code being cumulative.

The exceptional circumstances that may lead the Board of Directors to override the application of the items of the remuneration policy may consist of any major event affecting the markets in general and/or the Group's sector of activity (events external to the Company, with significant consequences unforeseeable at the date of determination of the remuneration policy), unforeseen changes in the regulatory context, unforeseen continuation of effects resulting from the Covid-19 crisis.

Such an exception will have to be decided by the Board of Directors, on the recommendation of the CGNR, it being specified that this exception will, in any event, have to be motivated by the Board and comply with the three conditions set out in Article L. 22-10-8 III of the French Commercial Code.

In such circumstances, the Board of Directors may adjust, either upwards or downwards, one or more parameters linked to the financial and non-financial criteria of the annual variable remuneration.

The adjustments decided by the Board, on the proposal of the CGNR, will be made within the limit of the annual variable remuneration as defined in the remuneration policy applicable to the ECDs.

2.2.1.2 ECD REMUNERATION POLICY: REMUNERATION AND BENEFITS GRANTED TO THE COMPANY'S EXECUTIVE CORPORATE DIRECTORS FOR THE YEAR 2024

The remuneration policy described below is applicable to the Chairwoman and CEO and the Deputy Chief Executive Officer.

The annual remuneration of ECDs is made up of a fixed portion, a monetary annual variable portion, and a long-term variable portion in the form of awarding performance shares.

The Board of Directors finalises its various items based on a CGNR proposal, while being attentive to the necessary balance between those items.

FIXED ITEMS	Annual fixed remuneration (in cash)	
		<p>This is determined based on:</p> <ul style="list-style-type: none"> - the level and complexity of the responsibilities given to the ECDs, particularly in light of the economic and social aspects of the Company (market capitalisation, revenue, number of employees); - the ECDs' experience and their expected contribution to the enactment of the Company's business strategy and the achievement of its growth targets; - market analyses for comparable positions with respect to the data taken from SBF 80, which constitute a useful reference source in light of the economic aspects of the Company. A study is conducted each year with data provided by an independent global firm that specialises in the positioning and structure of ECD remuneration (fixed, annual and long-term variable remuneration, other benefits).

Remuneration of Corporate Directors

VARIABLE ITEMS	Annual variable remuneration (in cash)	<p>This is conditioned by the achievement of five performance criteria set by the Board of Directors and proposed by the CGNR. These five criteria are based on one or more indicators each, financial and non-financial, quantitative and qualitative (see table in section "Annual variable remuneration").</p> <p>Half the total weight (50%) of the performance criteria is based on financial criteria, with a balance between growth and performance. These financial criteria aim to reflect the Company's development (revenue) and operating/financial performance (recurring EBITDA margin and volume, recurring EBITDA to cash conversion rate) targets.</p> <p>The overall percentage achievement of the STI cannot exceed 100% unless the CSR/RG criterion is achieved with at least 20 points out of the potential 30.</p> <p>The weight given to non-financial criteria (50%, of which 30% for the CSR & RG criterion) and the conditionality of the overall outperformance of the STI to the achievement of a minimum rate of 20 points out of 30 for the CSR/RG criterion reflect the Company's commitment as well as compliance with market recommendations (principles recommended by the Afep-Medef Code).</p> <p>The overall outperformance of the STI cannot exceed 130%.</p> <p>The annual variable remuneration is capped at:</p> <ul style="list-style-type: none"> - 100% of fixed remuneration if objectives are achieved; and - 130% of fixed remuneration in the event of outperformance.
	Long-term variable remuneration (FDJ shares)	<p>The Company implemented long-term variable remuneration for the ECDs and a significant number of executives and managers of the Company by awarding performance shares. The description of the LTIs in force is set out in section 2.2.4 "Share subscription and purchase options and allocation of performance shares".</p> <p>This long-term variable remuneration is meant to incentivise the ECDs to achieve the Company's long-term performance in order to create value while remaining consistent with the interests of stakeholders, particularly shareholders.</p> <p>For the ECDs and the LTI 2024-2026, it is subject to:</p> <ul style="list-style-type: none"> - performance criteria over three years (2024, 2025, 2026): <ul style="list-style-type: none"> ▪ one financial criterion, ▪ one shareholder return criterion (broken down into three indicators), ▪ one strategic criterion, ▪ one CSR and responsible gaming criterion (broken down into three indicators); - a continuous presence condition, from the date of award until 31 December 2026; - an obligation to retain 20% of shares acquired annually until cessation of the term of office (for ECDs only); - the commitment not to engage in hedging during the term of office and the formalisation of this commitment by appropriate means. <p>Long-term variable remuneration is capped at:</p> <ul style="list-style-type: none"> - 100% of fixed remuneration if objectives are achieved; and - 145% of fixed remuneration in the event of outperformance.
BENEFITS OTHER THAN REMUNERATION	Benefits in kind	<p>The ECDs also receive benefits in kind, detailed in the section "Details of the items of ECD remuneration (fixed, variable, exceptional and benefits of all types) for 2024".</p>
	Employee benefits	<p>The ECDs do not benefit from any supplementary pension scheme. Any employee benefits are described in the section "Details of the items of ECD remuneration (fixed, variable, exceptional and benefits of all types) for 2024".</p>

THEORETICAL STRUCTURE OF 2024 REMUNERATION FOR ECDs ASSUMING 100% OF OBJECTIVES ARE ACHIEVED**THEORETICAL STRUCTURE OF 2024 REMUNERATION FOR ECDs IN THE EVENT OF OUTPERFORMANCE**

In accordance with the recommendations of the Afep-Medef Code and the recommendations of the Autorité des marchés financiers (AMF), the ECDs do not combine their office with an employment contract with the Company.

Fixed remuneration

In accordance with the decision taken by the Board of Directors on 22 February 2024, on the recommendation of the CGNR, the fixed remuneration of Stéphane Pallez is increased to €384,000 with effect from 2024. The fixed remuneration of Charles Lantieri is increased to €297,600. This corresponds to a 20% increase compared to the fixed remuneration of 2023.

The annual fixed remuneration of the two ECDs will remain unchanged until the end of the term of office of the Chairwoman and CEO.

This decision is in line with the recommendations of the Afep-Medef Code which recommends that fixed remuneration is changed only at "relatively long intervals" (Article 25.3.1 of the Afep-Medef Code).

Annual variable remuneration

In accordance with the decision of the Board of Directors of 11 February 2021, approved by the General Meetings from 2021 to 2023, a gradual change in the annual variable remuneration of the ECDs, post IPO, was implemented in order to remedy the significant gap between the remuneration of the two ECDs and market practices:

- in terms of amount, the Company's CEO had the lowest remuneration of the SBF 80 in 2020;
- in terms of structure: her variable remuneration if objectives were met was equal to 25% of her annual fixed remuneration in 2020, compared with a market standard of around 100%⁽¹⁾.

As a result, since 2021 onwards, the annual variable remuneration, the "STI" (short term incentive), of the ECDs has consisted of:

1. the "base STI", corresponding to 25% of their fixed remuneration multiplied by the STI achievement rate for year N;
2. to which is added a "reintegrated STI", corresponding to 89% of the STI for year N-1, multiplied by the STI achievement rate for year N.

This system had two advantages:

- aligning the interests of ECDs and shareholders with much more variable remuneration;
- establishing a strong conditionality (the increase in the basis for calculating the annual variable remuneration being strictly linked to the actual variable remuneration of the previous year).

As the objective of this system has been achieved, the target amount (i.e. if objectives are met) of the annual variable remuneration of the ECDs now corresponds to 100% of their fixed remuneration. The maximum amount (i.e. in the event of outperformance) of annual variable remuneration of the ECDs corresponds to 130% of their fixed remuneration.

Performance criteria

The Board of Directors of 22 February 2024 decided:

- financial criteria:
 - regarding the Group 2024 recurring EBITDA margin criterion: the Board decided to:
 - reduce the nominal weighting of this indicator from 30% to 20% and its maximum weight from 45% to 30% in order to rebalance this weighting with that assigned to the managerial performance criterion,
 - change the achievement rate grid, which in 2024 will be based on recurring EBITDA volume, conditional on achieving the budgeted recurring EBITDA margin, and rename the criterion "Group recurring EBITDA margin and volume";
 - regarding the "development" and "cash" criteria, the Board has decided to maintain the same indicators and weightings;
- non-financial criteria:
 - regarding the "CSR and RG" criterion, the Board decided to:
 - maintain the responsible gaming and gender equality indicators, as well as their respective weightings, while changing their achievement rate grid, to take into account the 2023 achievement rates and the new objectives for 2024,

(1) These findings are based on a study carried out by a specialist firm on the companies making up the SBF 80 (SBF 120 restated from the CAC 40).

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- replace the "reduction in direct carbon emissions (scopes 1 and 2)" indicator - which is included in the LTI 2024-2026 CSR indicators - with an indicator relating to the "campaign to collect carbon data attributable to FDJ from its 100 main suppliers carried out in 2024 for the calculation of the annual carbon review ⁽¹⁾". This new indicator will make it possible to specify the measurement of the carbon review to improve the management of the reduction of scope 3 purchasing,
- regarding the managerial performance criterion, the Board decided to:
 - replace the "Growth rate for online lottery stakes" indicator with two indicators relating to the achievement of objectives for recent acquisitions:
 1. the sum of the 2024 revenues of the acquisitions integrated at the end of 2023 (= sum of Aleda + L'Addition + PLI + ZEturf revenues in 2024),
 2. the sum of 2024 recurring EBITDA of the acquisitions integrated at the end of 2023 including integration costs (= sum of recurring EBITDA of Aleda + L'Addition + PLI + ZEturf),
 - change the weighting of this criterion by increasing the nominal weighting from 10% to 20% and the maximum weight from 10% to 25%, thereby introducing an outperformance reflecting the importance given to managing new acquisitions.

The overall percentage achievement of the STI cannot exceed 100% unless the CSR/RG criterion is achieved for at least 20 points out of the potential 30.

The overall outperformance of the STI is capped at 130%.

Criteria	Indicators	Nominal weight	Maximum weight	Weight corresponding to the triggering threshold	Achievement rate grid
Recurring EBITDA	Group 2024 recurring EBITDA margin and volume ^{(1) (2)} Achieved compared to budgeted 2024 recurring EBITDA margin and volume	20%	30% ⁽³⁾	10%	<ul style="list-style-type: none"> - if actual EBITDA is less than 98% of the budget: 0% - if actual EBITDA is greater than or equal to 98% of the budget and less than or equal to the budget: weighted from 50% to 100% if the margin is greater than or equal to the budget - if actual EBITDA is greater than or equal to the budget and less than or equal to 102% of the budget: weighted from 100% to 150% if the margin is greater than or equal to the budget - if the actual figure is more than 102% of the budget: 150% if the margin is greater than or equal to the budget
Development	Group 2024 revenue ⁽¹⁾ Achieved compared to budgeted Group revenue	20%	30% ⁽³⁾	10%	<ul style="list-style-type: none"> - if the actual figure is less than 98%*budget n: 0% - if the actual figure is greater than or equal to 98%*budget n and less than or equal to budget n: weighted from 50% to 100% - if the actual figure is greater than or equal to budget n and less than or equal to 102%*budget n: weighted from 100% to 150% - if the actual figure is greater than 102%*budget n: 150%
Cash	2024 recurring EBITDA-to-cash conversion rate ^{(1) (2) (4)} Achieved compared to budgeted recurring EBITDA-to-cash conversion ratio	10%	15% ⁽⁵⁾	5%	<ul style="list-style-type: none"> - if the actual figure is less than the guidance: 0% - if the actual figure is greater than or equal to the guidance and less than or equal to budget n: weighted from 50% to 100% - if the actual figure is greater than or equal to budget n and less than or equal to budget n +5 points: weighted from 100% to 150% - if the actual figure is greater than the budget n by +5 points: 150%
CSR/responsible gaming	Responsible gaming Share of GGR carried by high-risk players exclusive to online lottery	20%	20%	10%	<ul style="list-style-type: none"> - 100% if the share of the GGR carried by high-risk online lottery players is less than or equal to 2% over the whole year - 50% if the share of the GGR carried by high-risk online lottery players is more than 2% over the whole year but less than or equal to 2% for at least two quarters of the year - 0% if the share of GGR carried by high-risk online lottery players is greater than 2% over the whole year and for at least three quarters of the year
	Campaign to collect carbon data attributable to FDJ from its 100 main suppliers carried out in 2024 for the calculation of the annual carbon review	5%	5%	5%	<ul style="list-style-type: none"> - 0% achieved if the response rate is less than 50% - 100% achieved if the response rate is greater than or equal to 50%

(1) "A supplier is classified as "strategic" primarily on the basis of its impact on one or more of the Company's key processes ("core business"), but also by its position in the supplier market on which it depends or by the amount of business it represents for FDJ. "Core business" is understood as suppliers whose activity is specific to the gaming sector or who have a direct and immediate impact on FDJ's business. For example: scratch card printers who specialise in the gaming world or spool manufacturers, who, although not specific to the lottery world, can have a direct impact on FDJ's revenue in the event of the termination of commercial relations or poor product quality."

Criteria	Indicators	Nominal weight	Maximum weight	Weight corresponding to the triggering threshold	Achievement rate grid
CSR/RG (cont.)	Gender equality Representation of women within the <i>Group of Executive Managers (GEM)</i> , currently composed of 98 Group managers	5%	5%	5%	– less than 39%: 0% – greater than or equal to 39%: 100%
Managerial performance⁽⁶⁾	Sum of 2024 revenue of acquisitions integrated at end-2023 Sum of Aleda + l'Addition + PLI + ZEturf revenue budgeted in 2024	10%	15% ⁽⁵⁾	5%	– if the actual figure is less than 95% of the budget: 0% – if the actual figure is greater than or equal to 95% of the budget and less than or equal to budget: weighted from 50% to 100% – if the actual figure is greater than or equal to budget n and less than or equal to 105% of the budget: weighted from 100% to 150% – if the actual figure is greater than or equal to 105% of the budget: 150%
	Sum of 2024 recurring EBITDA of acquisitions integrated at end-2023 including integration costs Sum of Aleda + l'Addition + PLI + ZEturf recurring EBITDA budgeted in 2024	10%	15% ⁽⁵⁾	5%	– if the actual figure is less than 90% of the budget: 0% – if the actual figure is greater than or equal to 90% of the budget and less than or equal to budget: weighted from 50% to 100% – if the actual figure is greater than or equal to the budget and less than or equal to 110% of the budget: weighted from 100% to 150% – if the actual figure is greater than or equal to 110% of the budget: 150%
TOTAL		100%	135%		
CAP		100%	130%		

- (1) Excluding the impact of new key projects not projected in the budget, such as external growth projects, and excluding major decisions that may be made during the year and excluding assets held for sale.
- (2) Excluding 2024 integration costs of ZEturf and PLI acquisitions.
- (3) 20% (weight) X 150% (% maximum of target achieved) = 30% (maximum achievable).
- (4) Recurring EBITDA to cash conversion rate = free cashflow (= recurring EBITDA + WC change – CAPEX) / recurring EBITDA.
- (5) 10% (weight) X 150% (% maximum of target achieved) = 15% (maximum achievable).
- (6) The total % of the "managerial performance" criterion may not exceed 125%.

Long-term variable remuneration: ("LTI 4: 2024-2026")

The long-term variable remuneration takes the form of a free allocation of performance shares in accordance with the 15th resolution adopted by the General Meeting on 26 April 2022.

The total performance shares awarded are capped at 0.6% of the Company's share capital over 38 months, for all recipients combined. The total number of shares that may be awarded to ECDs shall not exceed 15% of this limit, i.e. 0.09% of the share capital, as indicated in the 2022 URD.

The allocation of these performance shares to ECDs will take place after the General Meeting of 25 April 2024. These shares will be subject to a three-year vesting period, subject to performance conditions. Within this allocation, the ECDs will have to comply with: (i) a commitment to retain 20%, for the duration of their term of office, of shares acquired annually; (ii) a commitment not to use hedging transactions during their term of office.

PERFORMANCE CRITERIA

The allocation of these performance shares in 2024 will be based on the criteria set out below, adopted by the Board of Directors on 22 February 2024, for the ECDs.

With regard to the financial criterion, the Board has decided to make no changes to the cumulative Group EBITDA indicator applicable to ECDs, on the understanding that integration costs are included in the scope.

For information, the Board has also decided to supplement the Group financial indicators with Business Unit (BU) financial indicators for the employees concerned:

- criterion common to all LTI employees = cumulative EBITDA over 3 years;
- additional criterion for BU employees = BU EBITDA over 3 years;
 - EBITDA = equivalent to the contribution margin for the Lottery BU and the Sports Betting BU,
 - EBITDA = including the holding costs of subsidiaries acquired and dedicated to the BU (eg: P&S BU and International Lottery BU).

With regard to the shareholder return criterion, the Board of Directors has decided:

- with regard to the TSR indicator relating to benchmark companies: to include Lottomatica in the panel of comparables and to remove Kindred. As FDJ announced in January 2024 that it had launched a takeover bid for Kindred, changes in the share price will be directly impacted by this announcement and not by the Company's performance. Completion of this transaction would also result in Kindred being delisted.

The panel of comparable companies used is likely to change as the sector recomposes itself and as a result of merger and acquisition operations. In the event of a change in the panel resulting in a reduction in the number of comparable companies to 7 or below, the achievement rate grid below will be revised as follows:

- if the number of comparable companies falls to 7 or below, the maximum percentage of target achievement will be capped at 125%, with each of the following thresholds being lowered by one notch,

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- if the number of comparable companies falls to 5 or below, the achievement rate grid will be completely reviewed by the Board of Directors during the vesting period.

These changes may occur from one LTI to the next or during the vesting period of a given LTI;

- to make no changes to the SBF 120 cumulative EPS and relative TSR indicators;
- with regard to the TSR indicator relating to the SBF 120 restated for financials, real estate and energy stocks, it should be noted that the stocks making up the SBF 120, and consequently the restated values, vary each year as a result of entries and exits.

With regard to the strategic criterion, the Board has decided to replace the "identified stakes ratio" indicator with an indicator relating to the growth rate of revenue from the FDJ Group's online gaming activities 2026 vs Actual 2023. This indicator reflects the FDJ Group's digitalisation challenge.

Regarding the CSR/RG criterion, with a view to improving the link between the STI and the LTI, the Board of Directors has decided to replace the single indicator linked to Moody's ESG rating with the following three indicators:

- mix of generalist ratings: reaching the top four companies in the Gaming business sector for the following three generalist ratings: Moody's ESG, S&P, Sustainalytics. The ratings in the panel are subject to change as a result of developments in: the ratings market, regulations, methodologies adopted, peers in the sector concerned, etc. These developments may occur from one LTI to another or during the vesting period of a given LTI;
- reduction of scopes 1 and 2 carbon emissions on an extended scope including the companies Aleda, L'Addition, PLI and ZEturf;
- diversity and inclusion at Group level: reduction in the gap between the proportion of female managers and the proportion of women in the Group at end-2026 (on a like-for-like basis as at 31 December 2023). In the event of external growth operations carried out between 2024 and 2026 that would have a major impact on the Group's workforce at the end of 2026, the targets set in terms of reducing the gap between the proportion of female managers and the proportion of women in the Group at the end of 2026 could be revised.

Criteria	Indicators	Nominal weight	Maximum weight	Weight corresponding to the triggering threshold	Achievement rate grid
Financial criterion	Cumulative Group recurring EBITDA 2024 + 2025 + 2026 ⁽¹⁾ ,	30%	45% ⁽²⁾	15%	<ul style="list-style-type: none"> – if the cumulative actual amount is less than 97.5% of the sum of the cumulative recurring EBITDA set out in the business plan: 0% – if the cumulative actual amount is greater than or equal to 97.5% of the sum of the cumulative recurring EBITDA set out in the business plan and less than or equal to 99% of the sum of the cumulative recurring EBITDA set out in the business plan: (50+[(R-97.5)*30])% – if the cumulative actual amount is greater than or equal to 99% of the sum of the cumulative recurring EBITDA set out in the business plan and less than or equal to 100% of the sum of the cumulative recurring EBITDA set out in the business plan: (95+[(R-99)*5])% – if the cumulative actual amount is greater than or equal to 100% of the sum of the cumulative recurring EBITDA set out in the business plan and less than or equal to 101% of the sum of the cumulative recurring EBITDA set out in the business plan: (100+[(R-100)*30])% – if the cumulative actual amount is greater than or equal to 101% of the sum of the cumulative recurring EBITDA set out in the business plan and less than or equal to 102.5% of the sum of the cumulative recurring EBITDA set out in the business plan: (130+[(R-101)*13])% – if the cumulative actual amount is greater than or equal to 102.5% of the sum of the cumulative recurring EBITDA set out in the business plan: 150%
Shareholder return criteria	Cumulative earnings per share (EPS) 2024 + 2025 + 2026 (for €191 million) as a % of the sum of EPS 2024, 2025 and 2026	15%	22.5% ⁽³⁾	7.5%	<ul style="list-style-type: none"> – if the cumulative actual amount is less than 75% of the sum of the cumulative EPS based on the cumulative net results set out in the business plan: 0% – if the cumulative actual amount is greater than or equal to 75% of the sum of the cumulative EPS based on the cumulative net results set out in the business plan and less than or equal to 100% of the sum of the cumulative EPS based on the cumulative net results set out in the business plan: weighted from 50% to 100% – if the cumulative actual amount is greater than or equal to 100% of the sum of the cumulative EPS based on the cumulative net results set out in the business plan and less than or equal to 125% of the sum of the cumulative EPS based on the cumulative net results set out in the business plan: weighted from 100% to 150% – if the cumulative actual amount is greater than or equal to 125% of the sum of the cumulative EPS based on the cumulative net results set out in the business plan: 150%

Criteria	Indicators	Nominal weight	Maximum weight	Weight corresponding to the triggering threshold	Achievement rate grid
Shareholder return criteria (continued)	TSR ⁽⁴⁾ relative to comparable companies: Flutter, Entain, the Lottery Corporation, OPAP, Betsson, 888, Neogames, IGT and Lottomatica ⁽⁵⁾	7.5%	11.25% ⁽⁶⁾	3.75%	<ul style="list-style-type: none"> – FDJ is 1st: 150% – FDJ is 2nd: 125% – FDJ is 3rd: 100% – FDJ is 4th: 75% – FDJ is 5th: 50% – Further: 0%
	TSR ⁽⁴⁾ relative to the SBF 120 restated for financials, real estate and energy, i.e. withdrawal of 23 stocks out of 120 ⁽⁵⁾	7.5%	11.25% ⁽⁶⁾	3.75%	<ul style="list-style-type: none"> – FDJ is in the first quartile (1st to 23rd): 150% – FDJ is on the median (47th): 50% – Linear interpolation between median and first quartile (24th to 46th) – FDJ is below the median (48th to 94th): 0%
Strategic criterion	Growth rate of revenue from the FDJ Group's online gaming activities from 2026 vs Actual 2023	20%	30% ⁽⁷⁾	10%	<ul style="list-style-type: none"> – If growth is greater than 70%: 150% – If growth is between 60% and 70%: weighted from 100% to 150% – If growth is between 50% and 60%: weighted from 50% to 100% – If growth is less than 50%: 0%
Non-financial criterion	Generalist ratings: Moody's ESG, S&P, Sustainalytics (ratings published in 2026) <i>The gaming sector is reconstituted on the basis of information provided by each of the rating agencies</i>	10%	15% ⁽⁸⁾	5%	<ul style="list-style-type: none"> – 0% achievement if none or only one positions us in the top four in the gaming sector – 50% achievement if at least two out of three ratings positions us in the top four in the gaming sector – 100% achievement if all three ratings position us in the top four in the gaming sector – 150% achievement if all three ratings position us in the top three in the gaming sector
	25% reduction in carbon emissions in 2025 on scopes 1 & 2 (available in 2026) vs 2021	5%	5%	5%	<ul style="list-style-type: none"> – 0% achievement if the reduction in carbon emissions in 2025 (scopes 1 and 2) is less than 25%. – 100% achievement if the reduction in carbon emissions in 2025 (scopes 1 and 2) vs 2021 is greater than or equal to 25%
	Reduction in the gap between the proportion of female managers and the proportion of women in the Group at end-2026 at constant scope as at 31 December 2023	5%	5%	2.5%	<ul style="list-style-type: none"> – 0% if the gap between the proportion of female managers and the proportion of women in the Group is greater than or equal to 4 points – 50% if the gap between the proportion of female managers and the proportion of women in the Group is greater than 2 points or less than 4 points – 100% if the gap between the proportion of female managers and the proportion of women in the Group is less than or equal to 2 points
TOTAL		100%	145%		

- (1) Excluding the impact of new key projects not projected in the Budget, such as an external growth project, excluding major decisions that may be made during the years 2024 to 2026 and excluding business disposals.
- (2) 30% (weight) X 150% (% maximum of target achieved) = 45% (maximum achievable).
- (3) 15% (weight) X 150% (% maximum of target achieved) = 22.5% (maximum achievable).
- (4) Total shareholder return – TSR: stock market performance over the period under review taking into account dividends received and reinvested in company shares, by shareholders over the same period.
- (5) Reference price: average weighted price in Q4 2026 vs average weighted price in Q4 2023; dividends reinvested.
- (6) 7.5% (weight) X 150% (% maximum of target achieved) = 11.25% (maximum achievable).
- (7) 20% (weight) X 150% (% maximum of target achieved) = 30% (maximum achievable).
- (8) 10% (weight) X 150% (% maximum of target achieved) = 15% (maximum achievable).

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The target amount (i.e. if objectives are met) of long-term variable remuneration of the ECDs corresponds to 100% of their fixed remuneration. The maximum amount (i.e. in the event of outperformance) of long-term variable remuneration of the ECDs corresponds to 145% of their fixed remuneration. The conditional and deferred component of ECD remuneration (LTI) may be re-examined with a view to a possible increase in proportion to fixed remuneration, in the event of the completion of a transforming international acquisition. This increase would then be applied to the conditional deferred remuneration covering the financial year underway at the annual Ordinary General Meeting following the completion of the said transaction and subsequent financial years, as well as to subsequent generations of this remuneration component.

In the event of a significant change in the scope of consolidation of the Group, a change in accounting standards or any other significant change that would have a structural and significant impact on the parameters used to define the performance conditions at the time of allocation, the Board of Directors of the Company reserves the possibility of adjusting the assessment of the fulfilment of the performance conditions set at the time of granting in order to take account of these events and to neutralise the impact on the performance objectives defined.

LOCK-UP OBLIGATION UNTIL END OF TERM OF OFFICE

In accordance with the French Commercial Code, the ECDs shall be required to hold a number of performance shares set by the Board of Directors at the time of the award decision, until the end of their terms of office. This number of shares to be held corresponds to 20% of the shares included in the 2024 award.

CONDITION OF PRESENCE

The performance shares will be definitively acquired by the beneficiaries, provided that they are executive Corporate Directors (or employees) in a company of the FDJ Group, from the date of allocation until 31 December 2026, except in the event of death, disability or retirement, as provided for in the plan regulations.

In accordance with the Afep-Medef Code, the Board of Directors may decide, if warranted, to remove the condition of presence on a pro rata basis for the two ECDs (unless they were withdrawn for negligence or misconduct) provided

that this decision be made public and explained. The performance shares retained in this way will still be subject to the applicable plan rules, particularly in terms of the schedule and performance conditions.

The possibility of retaining their rights to performance shares if they leave before the end of the period set for evaluating the performance criteria helps incentivise the ECDs to take a long-term view of their actions.

OTHER MULTI-YEAR REMUNERATION MECHANISMS

In 2024, the ECDs do not receive any other long-term or multi-year remuneration mechanisms.

Other benefits and remuneration items

Benefits in kind: the two ECDs receive a company car as well as a fixed number of hours of specialised legal advice.

The two ECDs receive the same life and health insurance as all FDJ employees.

Neither of the executive corporate director receives any remuneration for directorships in the Company or in Group companies.

Remuneration items, indemnities or benefits owed to the ECDs for leaving office – pension commitments

In 2024, the ECDs do not receive any commitment for remuneration or indemnities that would have been owed for leaving office, regardless of the reason why, nor any supplementary pension commitments.

In accordance with the recommendations of the Afep-Medef Code, if the ECDs leave office, the amount of annual variable remuneration for the current financial year may be prorated based on the time they were present during the financial year in question, and also depending on the performance level observed and assessed by the Board of Directors for each of the criteria initially selected. It is specified that no variable remuneration will be paid for an ECD removed for negligence or misconduct.

The conditions for withdrawing Corporate Directors are as defined by law and in the Articles of Association.

In cases of retirement, the rules of the free performance share plan (LTI) plan apply to ECDs.

Details of the items of ECD remuneration (fixed, variable, exceptional and benefits of all types) for 2024

On the recommendation of the CGNR, the Board of Directors meeting of 22 February 2024 decided on the following remuneration principles for Stéphane Pallez, Chairwoman and CEO:

	Amount	Presentation
Fixed remuneration	€384,000	The Board of Directors decided to award Stéphane Pallez an annual fixed remuneration of €384,000 for 2024, i.e. a 20% increase compared to the fixed remuneration of 2023.
Annual variable remuneration	<p>Target amount assuming objectives are achieved €384,000</p> <p>Maximum amount in the event of outperformance: €499,200</p>	<p>In accordance with the remuneration policy presented to the General Meeting of Shareholders on 25 April 2024:</p> <ul style="list-style-type: none"> - the target amount (i.e. assuming objectives are achieved) of the 2024 annual variable remuneration of Stéphane Pallez corresponds to 100% of her fixed remuneration; - the maximum amount of the 2024 annual variable remuneration of Stéphane Pallez corresponds to 130% of her fixed remuneration. <p>The terms for calculating these amounts are detailed in the illustrative tables in the section "Annual variable remuneration" above.</p> <p>The amounts to be allocated for the 2024 financial year will be determined by the Board of Directors, following the CGNR's evaluation, at the end of the financial year, of the extent to which the performance criteria for the 2024 annual variable remuneration, as set out in the section "Long-term variable remuneration" above, have been met.</p>
Long-term variable remuneration	<p>Target amount assuming objectives are achieved: €384,000</p> <p>Maximum amount in the event of outperformance: €556,800</p>	<p>In accordance with the 2024 long-term remuneration plan, the principles of which are subject to the approval of the General Meeting of Shareholders on 25 April 2024:</p> <ul style="list-style-type: none"> - the target amount (i.e. assuming objectives are achieved) of the 2022 long-term variable remuneration of Stéphane Pallez corresponds to 100% of her fixed remuneration; - the maximum amount the 2022 long-term variable remuneration of Stéphane Pallez corresponds to 145% of her fixed remuneration. <p>The amounts to be allocated for the 2024 financial year will be determined by the Board of Directors, following the CGNR's evaluation, at the end of the three-year vesting period, of the extent to which the performance criteria applicable to the 2024 long-term variable remuneration, as set out in the table in the section "Long-term variable remuneration" above, have been met.</p> <p>The number of shares attributable to Stéphane Pallez, if 100% of her objectives are met, will correspond to 100% of her fixed annual remuneration for 2024 divided by the fair value ⁽¹⁾ of the FDJ share defined in accordance with IFRS 2 with regard to the conditions of the LTI 2024 plan.</p> <p>This fair value will be defined by an independent expert on the basis of the FDJ share price on the date of allocation of the LTI 2024 performance shares.</p>
Benefits in kind	<p>Company car: estimated at €5,160</p> <p>Fixed number of hours of specialised legal/tax advice, the amount of which cannot be estimated in advance.</p>	Stéphane Pallez receives a company car as well as a fixed number of hours of specialised legal/tax advice.
Employee benefits	The contributions are based on the remuneration subject to social security contributions that Stéphane Pallez receives for her term of office.	Stéphane Pallez receives the same life and health insurance as all FDJ employees.

(1) Share price on the allocation date less the present value of the dividends for the vesting period and adjusted for the LTI TSR criterion.

Remuneration of Corporate Directors

On the recommendation of the CGNR, the Board of Directors meeting of 22 February 2024 decided on the following remuneration principles for Charles Lantieri, Deputy Chief Executive Officer:

	Amount	Presentation
Fixed remuneration	€297,600	The Board of Directors decided to award Charles Lantieri an annual fixed remuneration of €297,600 for 2024, i.e. a 20% increase compared to the fixed remuneration of 2023.
Annual variable remuneration	<p>Target amount assuming objectives are achieved: €297,600</p> <p>Maximum amount in the event of outperformance: €386,880</p>	<p>In accordance with the remuneration policy presented to the General Meeting of Shareholders on 25 April 2024:</p> <ul style="list-style-type: none"> - the target amount (i.e. assuming objectives are achieved) of the annual variable remuneration of Charles Lantieri corresponds to 100% of his fixed remuneration; - the maximum amount of the annual variable remuneration of Charles Lantieri corresponds to 130% of his fixed remuneration. <p>The terms for calculating these amounts are detailed in the illustrative tables in the section "Annual variable remuneration" above.</p> <p>The amounts to be allocated for the 2024 financial year will be determined by the Board of Directors, following the CGNR's evaluation, at the end of the financial year, of the extent to which the performance criteria for the 2024 annual variable remuneration, as set out in the section "Long-term variable remuneration" above, have been met.</p>
Long-term variable remuneration	<p>Target amount assuming objectives are achieved: €297,600</p> <p>Maximum amount in the event of outperformance: €431,520</p>	<p>In accordance with the 2024 long-term remuneration plan, the principles of which are subject to the approval of the General Meeting of Shareholders on 25 April 2024:</p> <ul style="list-style-type: none"> - the target amount (i.e. assuming objectives are achieved) of the long-term variable remuneration of Charles Lantieri corresponds to 100% of his fixed remuneration; - the maximum amount the long-term variable remuneration of Charles Lantieri corresponds to 145% of his fixed remuneration. <p>The amounts to be allocated for the 2024 financial year will be determined by the Board of Directors, following the CGNR's evaluation, at the end of the three-year vesting period, of the extent to which the performance criteria applicable to the 2024 long-term variable remuneration, as set out in the table in the section "Long-term variable remuneration" above, have been met.</p> <p>The number of shares attributable to Charles Lantieri, if 100% of his objectives are met, will correspond to 100% of his fixed annual remuneration for 2024 divided by the fair value⁽¹⁾ of the FDJ share defined in accordance with IFRS 2 with regard to the conditions of the LTI 2024 plan.</p> <p>This fair value will be defined by an independent expert on the basis of the FDJ share price on the date of allocation of the LTI 2024 performance shares.</p>
Benefits in kind	<p>Company car: estimated at €1,677</p> <p>Fixed number of hours of specialised legal/tax advice, the amount of which cannot be estimated in advance.</p>	Charles Lantieri receives a company car as well as a fixed number of hours of specialised legal advice.
Employee benefits	The contributions are based on the remuneration subject to social security contributions that Charles Lantieri receives for his term of office.	Charles Lantieri receives the same life and health insurance as all FDJ employees.

(1) Share price on the allocation date less the present value of the dividends for the vesting period and adjusted for the LTI TSR criterion.

2.2.1.3 REMUNERATION POLICY FOR DIRECTORS: REMUNERATION GRANTED TO THE COMPANY'S DIRECTORS FOR THE YEAR 2024

The remuneration policy for directors is established in accordance with the principles and procedure described in 2.2.1.1. above.

To take into account the increase in the number of bodies observed in 2022, the Board of Directors of 14 February 2023, on the proposal of the CGNR, decided to propose to the General Meeting of 27 April 2023 an increase in the maximum annual budget allocated to the remuneration of the members of the Board of Directors from €600,000 to €700,000. This proposal was adopted by the General Meeting in the vote on the 12th resolution.

At its meeting on 14 February 2024, the Board of Directors decided to propose to the General Meeting of 25 April 2024 that a maximum annual amount of €700,000 be maintained for directors' remuneration.

The rules for the distribution of this budget are based on the following principles:

a. defining a fixed portion based on the minimum work required by the position; According to Article 3.7 of the Rules of Procedure of the Board of Directors, this fixed portion "should represent a maximum of 40% of the total amount of the Board of Directors' remuneration package";

b. keeping the variable portion larger than the fixed portion; According to Article 3.7 of the Rules of Procedure of the Board of Directors, this variable portion "should represent a minimum of 60% of the total amount of the Board of Directors' remuneration package";

c. taking into account the additional workload associated with chairing a committee, both for fixed and variable remuneration.

If the maximum annual budget is exceeded, capping and reduction will be proposed, applied in priority to the fixed remuneration of Board members so as not to exceed the ceiling of the budget defined by the Board.

The directors representing employees and employee shareholders, as well as the Chairwoman and CEO, do not collect remuneration for their participation in Board meetings and committees.

In addition, the Board of Directors may, where appropriate, grant one or more directors exceptional remuneration for a specific assignment in accordance with the provisions of Articles L. 225-46 and L. 22-10-15 of the French Commercial Code and in compliance with Articles 15 para. 3 of the Articles of Association and 3.7 b) of the Rules of Procedure. The allocation of any such remuneration will be subject to the procedure governing regulated agreements. The total amount of this exceptional remuneration will be capped at 10% of the annual remuneration package for directors.

The table below summarises the distribution rules for the maximum remuneration package allocated to the remuneration of the members of the Board of Directors:

Board of Directors	Annual fixed share	Per meeting (variable portion)
Director	€10,000	€2,000/Board meeting or Board strategy seminar lasting less than half a day
		€3,500/Board meeting or Board strategy seminar lasting more than half a day
Non-voting director (if applicable) -		€2,000/Board meeting or Board strategy seminar lasting less than half a day
		€3,500/Board meeting or Board strategy seminar lasting more than half a day
Audit and Risks Committee	Annual fixed share	Per meeting (variable portion)
Member/Non-voting member	-	€2,000
Chairman	€5,000	€3,000
Other committees	Annual fixed share	Per meeting (variable portion)
Member/Non-voting member	-	€2,000
Chairman	€2,000	€3,000

Concerning the variable portion granted to directors, it is specified that if multiple Board of Directors meetings are held on the same day, particularly the day of the Annual General Meeting of Shareholders, then participating in more than one of those meetings only counts as one participation.

In accordance with the provisions of Article 3.7 of the Board's Rules of Procedure: "directors shall be reimbursed, on the

basis of receipts, for travel and other expenses incurred by them in the interests of the Company."

The Board of Directors' meeting of 14 February 2024 decided to formalise in the Board of Directors' Rules of Procedure the practice of setting up ad hoc committees for the purpose of studying and, where appropriate, monitoring draft strategic, acquisition, disposal and other major agreements falling

Remuneration of Corporate Directors

within the remit of the Board of Directors. Members/Chairs of ad hoc committees are remunerated in the same way as members/Chairs of "other committees".

Seven ad hoc committee (AHC) meetings were held in 2023 in connection with a significant external growth project for the FDJ Group. On 14 February 2024, the Board of Directors decided to propose to the General Meeting that the balance of the unused 2023 remuneration package, i.e. €34,605, be distributed among the members who took part in these meetings, as indicated in section 2.2.3 of this Document; this represents €1,081 per meeting per member, calculated as follows:

1. the total amount voted at the last General Meeting was €700,000;

2. without taking into account the ad hoc committees, and in application of the distribution rules voted at the General Meeting on 27 April 2023, the total remuneration of directors amounts to €665,395 (see section 2.2.3 of this Document);

3. €34,605 may therefore be distributed in respect of ad hoc committees;

4. there are 32 total attendances at ad hoc committee meetings;

5. therefore the €34,605 divided by the 32 attendances means that €1,081 (rounded) can be allocated per person, per attendance at ad hoc committee meetings;

6. this gives a total remuneration for the ad hoc committees of €34,592.

The table below presents the detail of the calculation.

	AHC 15 May 2023	AHC 29 May 2023	AHC 17 June 2023	AHC 13 July 2023	AHC 7 Nov. 2023	AHC 24 Nov. 2023	AHC 13 Dec. 2023	Total (in euros)
Xavier Girre (Indep. Director and Chairman of the Audit and Risks Committee)	1,081	1,081	1,081	1,081	1,081	1,081		€6,486
Philippe Lazare (Indep. Director and Chairman of the Governance, Nominations and Remuneration Committee)	1,081	1,081	1,081	1,081	1,081	1,081	1,081	€7,567
Charles Sarrazin (Director representing the French State)	1,081	1,081	1,081	1,081	1,081	1,081		€6,486
Fabienne Dulac (Indep. Director and Chairwoman of the CSR and RG Committee)		1,081	1,081	1,081	1,081	1,081	1,081	€6,486
Predica repr. by Florence Barjou (Indep. director)		1,081	1,081	1,081		1,081	1,081	€5,405
Françoise Gri (Indep. Director and Chairwoman of the CSR and RG Committee from 18 January 2024)					1,081		1,081	€2,162
TOTAL								€34,592

2.2.2 Remuneration and benefits paid or granted to the Company's executive corporate directors in respect of the 2023 financial year (ex post)

Pursuant to Article L. 22-10-34, II, of the French Commercial Code, the fixed, variable and exceptional items of the total remuneration and benefits in kind paid or granted in respect of the financial year 2023 will be subject to a vote at the General Meeting of 25 April 2024 ("ex post" vote).

Variable or exceptional remuneration items, granted in respect of the 2023 financial year, will only be paid after approval by the General Meeting of 25 April 2024.

The 2023 remuneration policy for the ECDs was decided on by the Board of Directors meeting of 14 February 2023, on the proposal of the CGNR, and approved by the General Meeting of 27 April 2023 by 99.31% of the votes cast.

Changes in the 2023 remuneration policy compared to the 2022 remuneration policy

As a reminder, the changes in the remuneration policy applicable to the financial year 2023 compared to the remuneration policy for the financial year 2022 were as follows:

Annual variable remuneration

Financial criteria:

- regarding the "recurring EBITDA" criterion: keeping the indicator as well as its nominal and maximum weights, while changing the achievement rate grid that had been used for the 2022 STI:
 - the limits of the grid are indexed in 2023 on a range of points (+/- 0.5 points) in relation to the budget and
 - this grid is subject to an achievement condition on the amount of recurring EBITDA in 2023 (in value),

Non-financial criteria:

- regarding the "CSR and RG" criterion:
 - replacing the indicator relating to the Moody's ESG non-financial rating, an external indicator, with an in-house measurable indicator. The choice fell on a "gender equality" indicator based on the representation of women within the Group's management. This new indicator, like the previous one, has a nominal weight and a maximum weight of 5%,
 - keeping the responsible gaming and environment indicators, as well as their respective nominal and maximum weights, while changing their achievement rate grid, to take into account the 2022 achievement rates and the new objectives for 2023;
- regarding the "managerial performance rate" criterion:
 - adjusting the conditions for achieving this criterion with the implementation of an intermediate level in the event of underperformance, thus allowing the weighting of the achievement rate from 0% to 100%.

The overall percentage achievement of the STI cannot exceed 100% unless the CSR/RG criterion is achieved for at least 20 points out of the potential 30.

Long-term variable remuneration

Financial criteria:

Regarding the shareholder return criterion:

- regarding the TSR indicator relating to the SBF 120 restated for financials, real estate and energy stocks, it should be noted that the stocks making up the SBF 120, and consequently the restated values, vary each year as a result of entries and exits;
- with regard to the TSR indicator relating to the reference companies, the panel of comparable companies used is likely to change as the sector recomposes itself and as a result of merger and acquisition operations. In the event of a change in the panel resulting in a reduction in the number of comparable companies to 7 or below, the achievement rate grid below will be revised as follows:
 - if the number of comparable companies falls to 7 or below, the maximum percentage of target achievement will be capped at 125%, with each of the following thresholds being lowered by one notch,
 - if the number of comparable companies falls to 5 or below, the achievement rate grid will be completely reviewed by the Board of Directors during the vesting period.

These changes may occur from one LTI to the next or during the vesting period of a given LTI.

Non-financial criterion:

In view of the removal of the letter-based rating system by Moody's, the assessment of whether the financial rating criterion has been met has been adjusted as follows:

- replacement of the reference to the letter-based ratings by a requirement to be among the top 2% of companies in all sectors for the percentage of achievement of the criterion; and
- for the 125% outperformance, this involves a rating strictly higher than the last rating out of 100 obtained by FDJ and known at the date of allocation of the performance shares.

Deviations from the remuneration policy approved by the General Meeting of Shareholders on 27 April 2023

There are no deviations from the remuneration policy approved by the General Meeting of Shareholders on 27 April 2023.

Remuneration of Corporate Directors

2.2.2.1 REMUNERATION ITEMS PAID OR AWARDED DURING OR IN RESPECT OF THE 2023 FINANCIAL YEAR TO THE CHAIRWOMAN AND CHIEF EXECUTIVE OFFICER

As a reminder, the General Meeting of Shareholders on 27 April 2023 approved by a majority of 99.56% of the votes cast, the information relating to the remuneration items paid or awarded during or in respect of the financial year ending 31 December 2022 to the Chairwoman and CEO.

Remuneration items subject to a vote	Amounts granted in respect of financial year 2023 <i>(Paid during this financial year or subsequent financial years)</i>	Amounts paid during financial year 2023 <i>(Granted during this financial year or subsequent financial years)</i>	Presentation/Comments
Fixed remuneration	€320,000	€320,004	<p>Stéphane Pallez' fixed remuneration for financial year 2023 was approved by the General Meeting of Shareholders on 27 April 2023 after being adopted by the Board of Directors on 14 February 2023 on the proposal of the CGNR.</p> <p>Stéphane Pallez's fixed remuneration has remained stable since 2020.</p>
Annual variable remuneration	€356,073	€302,349	<p>Stéphane Pallez' annual variable portion could have amounted to €349,091 (without outperformance), or 109% of her fixed remuneration for financial year 2023. If the objectives giving rise to outperformance were achieved, the maximum annual variable portion could have reached €453,818, i.e. 142% of her fixed remuneration.</p> <p>In accordance with the elements detailed in 2.2.2.3 below, the financial criteria were reached at 120% and the non-financial criteria by 75% with a total achievement rate of 102%.</p> <p>It was unnecessary for the Company to use the option to request the repayment of variable remuneration during financial year 2023 under the provisions of Article L. 22-10-9 of the French Commercial Code.</p>
Multi-year variable remuneration	n/a	n/a	Stéphane Pallez did not receive any multi-year variable remuneration for financial year 2023.
Allocations of share subscription or purchase options	n/a	n/a	Stéphane Pallez was not allocated any share subscription or purchase options for financial year 2023.
Performance share allocations	€320,004	n/a	<p>On 27 April 2023, the Board of Directors awarded Stéphane Pallez long-term variable remuneration in the form of performance shares allocated free of charge (LTI 2023).</p> <p>Under the LTI 2023, Stéphane Pallez was awarded 10,323 FDJ shares. This number of shares corresponds to an assumption that the applicable performance conditions are met at 100%.</p> <p>In the event of outperformance, Stéphane Pallez could acquire up to 45% additional FDJ shares.</p> <p>The number of performance shares allocated to Stéphane Pallez, if 100% of her objectives are met, corresponds to 100% of her fixed annual remuneration for 2023, divided by the fair value ⁽¹⁾ of the FDJ share defined in accordance with IFRS 2 standards with regard to the conditions of the LTI plan: €31 (320,004/€31 = 10,323 shares).</p>

Remuneration items subject to a vote	Amounts granted in respect of financial year 2023 <i>(Paid during this financial year or subsequent financial years)</i>	Amounts paid during financial year 2023 <i>(Granted during this financial year or subsequent financial years)</i>	Presentation/Comments
Performance share allocations (cont.)			<p>This fair value was defined by an independent expert on the basis of the FDJ share price on 27 April 2023, the date of allocation of the performance shares of the LTI 2023.</p> <p>The definitive acquisition of this remuneration will take place in 2026 and will depend on both performance conditions assessed over three financial years (2023-2024-2025) and a condition of presence on 31 December 2025 as an employee or corporate director of FDJ or the FDJ Group.</p> <p>The performance conditions and other conditions applicable to the LTI 2023 are detailed in section 2.2.4 of this Document.</p>
Exceptional remuneration	n/a	n/a	No exceptional remuneration was awarded to Stéphane Pallez for financial year 2023.
Severance pay	n/a	n/a	The Company did not make any commitments corresponding to items of remuneration, indemnities or benefits due or likely to be due as a result of Stéphane Pallez entering, leaving, or changing office or subsequent to holding that office, in particular pension commitments and other lifetime benefits.
Benefits in kind	€7,760: company car (€5,160) and fixed number of hours of specialised legal advice (€2,600)	€7,760: company car (€5,160) and fixed number of hours of specialised legal advice (€2,600)	Stéphane Pallez received professional communication devices (telephone, laptop computer), the services of a driver, and a company car, and the option to use a number of hours of custom legal advice for professional purposes. She made use of this option in 2023.
Remuneration as a director	n/a	n/a	Stéphane Pallez did not collect any remuneration as a Director of the Company for financial year 2023.
Supplementary pension scheme	n/a	n/a	Stéphane Pallez did not benefit in 2023 from any supplementary pension commitments.

(1) Share price on the allocation date less the present value of the dividends for the vesting period and adjusted for the LTI TSR criterion.

Remuneration of Corporate Directors

2.2.2.2 Remuneration items paid or awarded during or in respect of the 2023 financial year to the Deputy Chief Executive Officer

As a reminder, the General Meeting of Shareholders on 27 April 2023 approved by a majority of 99.59% of the votes cast, the information relating to the remuneration items paid or awarded during or in respect of the financial year ending 31 December 2022 to the Deputy Chief Executive Officer.

Remuneration items subject to a vote	Amounts granted in respect of financial year 2023 <i>(Paid during this financial year or subsequent financial years)</i>	Amounts paid during financial year 2023 <i>(Granted during this financial year or subsequent financial years)</i>	Presentation/Comments
Fixed remuneration	€248,000	€248,004	<p>Charles Lantieri's fixed remuneration for financial year 2023 was approved by the General Meeting of Shareholders on 27 April 2023 after being adopted by the Board of Directors on 14 February 2023 on the proposal of the CGNR.</p> <p>Charles Lantieri's fixed remuneration has remained stable since 2020.</p>
Annual variable remuneration	€275,956	€234,321	<p>Charles Lantieri's annual variable portion could have amounted to €270,545 (without outperformance), or 109% of his fixed remuneration for financial year 2023. If the objectives giving rise to outperformance were achieved, the maximum annual variable portion could have reached €351,709, i.e. 142% of his fixed remuneration.</p> <p>In accordance with the elements detailed in 2.2.2.3 below, the financial criteria were reached at 120% and the non-financial criteria at 75% with a total achievement rate of 102%.</p> <p>It was unnecessary for the Company to use the option to request the repayment of variable remuneration during financial year 2023 under the provisions of Article L. 22-10-9 of the French Commercial Code.</p>
Multi-year variable remuneration	n/a	n/a	Charles Lantieri did not receive any multi-year variable remuneration for financial year 2023.
Allocations of share subscription or purchase options	n/a	n/a	Charles Lantieri was not granted any share subscription or purchase options for financial year 2023.
Performance share allocations	€248,004	n/a	<p>On 27 April 2023, the Board of Directors awarded Charles Lantieri long-term variable remuneration in the form of performance shares allocated free of charge (LTI 2023).</p> <p>Under the LTI 2023, Charles Lantieri was allocated 8,001 shares. This number of shares corresponds to an assumption that the applicable performance conditions are met at 100%.</p> <p>In the event of outperformance, Charles Lantieri could acquire up to 45% of additional FDJ shares.</p> <p>The number of shares attributed to Charles Lantieri, if 100% of his objectives are met, corresponds to 100% of his fixed annual remuneration for 2023 divided by the fair value ⁽¹⁾ of the FDJ share defined in accordance with IFRS 2 with regard to the conditions of the LTI plan: €31 (248,004/€31 = 8,001 shares).</p>

Remuneration items subject to a vote	Amounts granted in respect of financial year 2023 <i>(Paid during this financial year or subsequent financial years)</i>	Amounts paid during financial year 2023 <i>(Granted during this financial year or subsequent financial years)</i>	Presentation/Comments
Performance share allocations (cont.)			<p>This fair value was defined by an independent expert on the basis of the FDJ share price on 27 April 2023, the date of allocation of the performance shares of the LTI 2023.</p> <p>The definitive acquisition of this remuneration will take place in 2026 and will depend on both performance conditions assessed over three financial years (2023-2024-2025) and a condition of presence on 31 December 2025 as an employee of FDJ or the FDJ Group.</p> <p>The performance conditions and other conditions applicable to the LTI 2023 are detailed in section 2.2.4 of this document.</p>
Exceptional remuneration	n/a	n/a	No exceptional remuneration was allocated to Charles Lantieri for financial year 2023.
Severance pay	n/a	n/a	The Company did not make any commitments corresponding to items of remuneration, indemnities or benefits due or likely to be due as a result of Charles Lantieri entering, leaving, or changing office or subsequent to holding that office, in particular pension commitments and other lifetime benefits.
Benefits in kind	€4,577: company car (€1,677) and fixed number of hours of specialised legal advice (€2,900)	€4,577: company car (€1,677) fixed number of hours of specialised legal advice (€2,900)	Charles Lantieri received professional communication devices (telephone, laptop computer), a company car, and the option to use a number of hours of custom legal advice for professional purposes. He did not use this option in 2023.
Remuneration as a director	n/a	n/a	Charles Lantieri did not collect any remuneration as a Director of the Company for financial year 2023.
Supplementary pension scheme	n/a	n/a	Charles Lantieri did not benefit in 2023 from any supplementary pension commitments.

(1) Share price on the allocation date less the present value of the dividends for the vesting period and adjusted for the LTI TSR criterion.

Remuneration of Corporate Directors

2.2.2.3 Evaluation of the performance of executive Corporate Directors for the 2023 financial year in the context of the allocation of the annual variable portion (STI 2023)

The principles and criteria of the 2023 annual variable portion, decided by the Board of Directors on 14 February 2023, were approved by the General Meeting of Shareholders on 27 April 2023.

In accordance with the procedure described in sub-section 2.2.1 of this Document, the CGNR evaluated, at the end of the financial year, the extent to which the ECDs had achieved the performance criteria provided for the annual variable remuneration, attributable in respect of the 2023 financial year.

The criteria for the variable portion, their weighting, the achievement rate and the evaluation given are detailed in the summary table below.

Criteria	Indicators	No-minal weight	Maximum achievement rate	Maximum weight	Evaluation	Achievement rate	Actual weight
Recurring EBITDA	Group 2023 recurring EBITDA margin ⁽¹⁾ achieved compared to the budgeted 2023 recurring EBITDA margin, and forecast in the business plan, as determined by the Board of Directors	30%	150%	45%	Actual Group 2023 recurring EBITDA margin above the upper bound of the 2023 criteria giving rise to outperformance	150%	45%
Development	Group 2023 revenue achieved compared to the budgeted Group revenue, as determined by the Board of Directors	20%	150%	30%	Actual Group revenue 2023 less than budget but greater than 98% of the budget	61%	12%
Cash	2023 recurring EBITDA to cash conversion rate achieved compared to the budgeted and guidance recurring EBITDA to cash conversion rate, as determined by the Board of Directors	10%	150%	15%	Actual Group 2023 recurring EBITDA conversion rate above the upper bound of the 2023 criteria giving rise to outperformance	150%	15%
CSR/ responsible gaming	Responsible gaming: Share of GGR carried by high-risk players exclusive to online lottery	20%	100%	20%	Share of GGR of high-risk players exclusive to online lotteries at 1.8% cumulatively at the end of 2023	100%	20%
	Environment: Reduction in direct carbon emissions vs 2017 (scopes 1 and 2)	5%	100%	5%	The carbon review shows an effective reduction of carbon emissions in scopes 1 and 2 of 71% scopes 1 and 2: energy consumption of buildings (gas, fuel oil, electricity), refrigerant for air conditioning, consumption regarding travel using the Company vehicle fleet	100%	5%
	Gender equality	5%	100%	5%	2023 rate at 38%	100%	5%
Managerial performance	Growth rate of online lottery stakes 2023 vs. 2022 ⁽²⁾	10%	100%	10%	Growth rate lower than the lower limit	0%	0%
TOTAL		100%		130%			102%

(1) Excluding the impact of new key projects not projected in the Budget, such as the external growth project, and excluding major decisions that may be made during the year.

Recurring EBITDA to cash conversion rate = free cashflow (= recurring EBITDA + WC change – CAPEX) / recurring EBITDA.

(2) Online lottery stakes = stakes recorded on "fdj.fr" and the "FDJ" mobile application.

THEORETICAL TARGET AND MAXIMUM REMUNERATION, INCLUDING FIXED AND ANNUAL VARIABLE PORTIONS, ALLOCATED TO THE CHAIRWOMAN FOR FINANCIAL YEAR 2023 COMPARED TO THE ACTUAL REMUNERATION, INCLUDING FIXED AND ANNUAL VARIABLE PORTIONS, ALLOCATED TO THE CHAIRWOMAN FOR FINANCIAL YEAR 2023

2023: Objectives met Theoretical



2023: Max outperformance Theoretical



2023 actual



■ Fixed ■ STI

THEORETICAL TARGET AND MAXIMUM REMUNERATION, INCLUDING FIXED AND ANNUAL VARIABLE PORTIONS, ALLOCATED TO THE DEPUTY CHIEF EXECUTIVE OFFICER FOR FINANCIAL YEAR 2023 COMPARED TO ACTUAL REMUNERATION, INCLUDING FIXED AND ANNUAL VARIABLE PORTIONS, ALLOCATED TO THE DEPUTY CHIEF EXECUTIVE OFFICER FOR FINANCIAL YEAR 2023

2023: Objectives met Theoretical



2023: Max outperformance Theoretical



2023 actual



■ Fixed ■ STI

2.2.2.4 CHANGES IN REMUNERATION, EQUITY RATIOS AND COMPANY PERFORMANCE OVER THE PAST FIVE YEARS

Methodology

The ratios are calculated as follows:

- **in the numerator:** the total gross remuneration paid to Stéphane Pallez or Charles Lantieri, including the base salary, the variable portion paid during the 2023 financial year in respect of 2022, benefits in kind and the LTI awarded in 2023 and valued at fair value;
- **in the denominator:** for employees with permanent and fixed-term contracts present throughout the financial year at FDJ and FDP (representing more than 80% of the Group's business in France), the average/median gross

annual remuneration paid on a full-time equivalent basis, including all remuneration items included in the gross amount (base salary, variable portion paid in 2023 in respect of 2022, exceptional remuneration paid, benefits in kind), adjusted for absences, but also profit-sharing, incentives, any additional incentives and employer's matching contribution, as well as the LTI allocated in 2023 and valued at fair value.

The scope of the listed company is FDJ, the extended scope is FDJ and FDP.

Remuneration of Corporate Directors

Ratios

	2019	2020	2021	2022	2023
Change (in %) in Stéphane Pallez ' remuneration	5.98%	19.00%	80.64%	15.28%	12.62%
Information on the scope of the listed company: FDJ					
Change (in %) in the average employee remuneration	2.98%	0.90%	9.50%	2.21%	2.72%
Ratio to average employee remuneration	4.44	5.23	8.63	9.74	10.68
Change in the ratio (in %) compared to the previous year	2.91%	17.93%	64.97%	12.78%	9.64%
Ratio to median employee remuneration	4.96	5.75	9.74	11.09	12.12
Change in the ratio (in %) compared to the previous year	3.44%	15.95%	69.50%	13.85%	9.29%
Additional information on the extended scope: FDJ + FDP					
Change (in %) in the average employee remuneration	4.15%	1.24%	9.40%	2.03%	2.45%
Ratio to average employee remuneration	4.76	5.60	9.24	10.44	11.48
Change in the ratio (in %) compared to the previous year	1.75%	17.54%	65.11%	12.98%	9.92%
Ratio to median employee remuneration	5.41	6.21	10.55	11.95	12.93
Change in the ratio (in %) compared to the previous year	1.83%	14.84%	69.92%	13.25%	8.19%
Company performance					
Revenue	1,956	1,920	2,256	2,461	2,621
Change in %	8.51%	-1.84%	17.50%	9.09%	6.50%
Recurring EBITDA	346	427	522	590	657
Change in %	8.46%	23.41%	22.25%	13.09%	11.31%
Information on the scope of the listed company: FDJ					
Change (in %) in Charles Lantieri 's remuneration	5.69%	18.30%	78.49%	15.74%	13.51%
Information on the scope of the listed company: FDJ					
Change (in %) in the average employee remuneration	2.98%	0.90%	9.50%	2.21%	2.72%
Ratio to average employee remuneration	3.45	4.05	6.60	7.47	8.26
Change in the ratio (in %) compared to the previous year	2.63%	17.24%	63.01%	13.23%	10.51%
Ratio to median employee remuneration	3.86	4.45	7.45	8.51	9.38
Change in the ratio (in %) compared to the previous year	3.16%	15.26%	67.49%	14.31%	10.16%
Additional information on the extended scope: FDJ + FDP					
Change (in %) in the average employee remuneration	4.15%	1.24%	9.40%	2.03%	2.45%
Ratio to average employee remuneration	3.71	4.33	7.07	8.21	8.88
Change in the ratio (in %) compared to the previous year	1.47%	16.84%	63.16%	13.43%	10.79%
Ratio to median employee remuneration	4.21	4.80	8.06	9.17	9.99
Change in the ratio (in %) compared to the previous year	1.55%	14.16%	67.91%	13.70%	9.05%
Company performance					
Revenue	1,956	1,920	2,256	2,461	2,621
Change in %	8.51%	-1.84%	17.50%	9.09%	6.50%
Recurring EBITDA	346	427	522	590	657
Change in %	8.46%	23.41%	22.25%	13.09%	11.31%

2.2.2.5 SUMMARY TABLES SHOWING THE REMUNERATION AND BENEFITS OF ALL TYPES PAID TO EXECUTIVE CORPORATE DIRECTORS BY THE COMPANY OR BY ANY GROUP COMPANY DURING THE FINANCIAL YEARS ENDED 31 DECEMBER 2022 AND 31 DECEMBER 2023

The tables below show the remuneration and benefits of all types paid to executive corporate directors by the Company or by any Group company during the financial years ended 31 December 2022 and 31 December 2023.

TABLE NO. 1 (AMF NOMENCLATURE) - SUMMARY TABLE OF THE REMUNERATION AND OPTIONS AND SHARES ALLOCATED TO EACH EXECUTIVE CORPORATE DIRECTOR

	FY 2022	FY 2023
Stéphane Pallez, Chairwoman and CEO		
Remuneration due in respect of the reporting period (detailed in table 2)	€632,809	€683,833
Value of the options allocated during the reporting period (detailed in table 4)	None	None
Value of the performance shares allocated during the reporting period (detailed in table 6)	€320,008	€320,000
Value of the other long term remuneration plans	None	None
TOTAL	€952,809	€1,003,833

	FY 2022	FY 2023
Charles Lantieri, Deputy Chief Executive Officer		
Remuneration due in respect of the reporting period (detailed in table 2)	€484,001	€528,533
Value of the options allocated during the reporting period (detailed in table 4)	None	None
Value of the performance shares allocated during the reporting period (detailed in table 6)	€248,006	€248,000
Value of the other long term remuneration plans	None	None
TOTAL	€732,001	€776,533

TABLE NO. 2 (AMF NOMENCLATURE) - SUMMARY TABLE OF THE REMUNERATION PAID TO EACH EXECUTIVE CORPORATE DIRECTOR

	FY 2022		FY 2023	
	Amounts due (in euros, gross)	Amounts paid (in euros, gross)	Amounts due (in euros, gross)	Amounts paid (in euros, gross)
Stéphane Pallez, Chairwoman and CEO				
Fixed remuneration	€320,000	€320,000	€320,000	€320,000
Annual variable remuneration	€302,349*	€193,211	€356,073**	€302,349
Exceptional remuneration	None	None	None	None
Remuneration as a director	None	None	None	None
Benefits in kind	€10,460	€10,460	€7,760	€7,760
TOTAL	€632,809	€523,671	€683,833	€630,109

* The annual variable remuneration to be received by Stéphane Pallez in 2023 in respect of 2022 represents 94% of the annual fixed remuneration due, i.e. €320,000, in accordance with the decision of the Board of Directors on 14 February 2023.

** The annual variable remuneration to be received by Stéphane Pallez in 2024 in respect of 2023 represents 111% of the annual fixed remuneration due, i.e. €320,000, in accordance with the decision of the Board of Directors on 14 February 2024.

Remuneration of Corporate Directors

Charles Lantieri, Deputy Chief Executive Officer	FY 2022		FY 2023	
	Amounts due (in euros, gross)	Amounts paid (in euros, gross)	Amounts due (in euros, gross)	Amounts paid (in euros, gross)
Fixed remuneration	€248,000	€248,000	€248,000	€248,000
Annual variable remuneration	€234,321*	€19,738	€275,956**	€234,321
Exceptional remuneration	None	None	None	None
Remuneration as a director	None	None	None	None
Benefits in kind	€1,680	€1,680	€4,577	€4,577
TOTAL	€484,001	€399,418	€528,533	€486,898

* The annual variable remuneration to be received by Charles Lantieri in 2023 in respect of 2022 represents 94% of the annual fixed remuneration due, i.e. €248,000, in accordance with the decision of the Board of Directors on 14 February 2023.

** The annual variable remuneration to be received by Charles Lantieri in 2024 in respect of 2023 represents 111% of the annual fixed remuneration due, i.e. €248,000, in accordance with the decision of the Board of Directors on 14 February 2024.

TABLE NO. 4 (AMF NOMENCLATURE) – SHARE SUBSCRIPTION OR PURCHASE OPTIONS ALLOCATED DURING THE FINANCIAL YEAR TO EACH EXECUTIVE CORPORATE DIRECTOR

	FY 2023					
	Plan no. and date	Nature of the options (purchase or subscription)	Value of the options according to the method used for the consolidated financial statements	Number of options allocated during the reporting period	Exercise price	Reporting period
Stéphane Pallez			None			
Charles Lantieri			None			

TABLE NO. 5 (AMF NOMENCLATURE) – SHARE SUBSCRIPTION OR PURCHASE OPTIONS EXERCISED DURING THE FINANCIAL YEAR BY EACH EXECUTIVE CORPORATE DIRECTOR

	FY 2023		
	Plan no. and date	Number of options exercised during the reporting period	Exercise price
Stéphane Pallez		None	
Charles Lantieri		None	

TABLE NO. 6 (AMF NOMENCLATURE) – PERFORMANCE SHARES ALLOCATED FREE OF CHARGE TO EACH EXECUTIVE CORPORATE DIRECTOR BY THE ISSUER

FY 2021						
	Plan no. and date	Number of shares allocated during the reporting period	Value of the shares according to the method used for the consolidated financial statements	Vesting date	Availability date*	Performance conditions
Stéphane Pallez	Plan no. 1 30 June 2021	7,240	€44.20	30 June 2024	2024 (General Shareholders' Meeting approving financial statements for the financial year ending 2023)	Performance conditions in section 2.2.4.1
Charles Lantieri	Plan no. 1 30 June 2021	5,611	€44.20	30 June 2024	2024 (General Shareholders' Meeting approving financial statements for the financial year ending 2023)	Performance conditions in section 2.2.4.1
FY 2022						
	Plan no. and date	Number of shares allocated during the reporting period	Value of the shares according to the method used for the consolidated financial statements	Vesting date	Availability date*	Performance conditions
Stéphane Pallez	Plan no. 2 26 April 2022	11,170	€28.65	26 April 2025	2025 (General Shareholders' Meeting approving financial statements for the financial year ending 2024)	Performance conditions in section 2.2.4.1
Charles Lantieri	Plan no. 2 26 April 2022	8,657	€28.65	26 April 2025	2025 (General Shareholders' Meeting approving financial statements for the financial year ending 2024)	Performance conditions in section 2.2.4.1
FY 2023						
	Plan no. and date	Number of shares allocated during the reporting period	Value of the shares according to the method used for the consolidated financial statements	Vesting date	Availability date*	Performance conditions
Stéphane Pallez	Plan no. 3 27 April 2023	10,323	€31	27 April 2026	2026 (General Meeting approving the financial statements for the financial year ending 2025)	Performance conditions in section 2.2.4.1
Charles Lantieri	Plan no. 3 27 April 2023	8,001	€31	27 April 2026	2026 (General Shareholders' Meeting approving financial statements for the financial year ending 2025)	Performance conditions in section 2.2.4.1

* ECDs are required to hold 20% of the shares acquired under the 2021, 2022 and 2023 allocations until the end of their term of office.

Remuneration of Corporate Directors

TABLE NO. 7 (AMF NOMENCLATURE) – PERFORMANCE-BASED SHARES BECOMING AVAILABLE DURING THE FINANCIAL YEAR TO EACH EXECUTIVE CORPORATE DIRECTOR

	FY 2023	
	Plan no. and date	Number of shares becoming available during the financial year
Stéphane Pallez		None
Charles Lantieri		None

Tables 8 to 10 are set out in sub-section 2.2.4.

TABLE NO. 11 (AMF NOMENCLATURE)

Executive corporate directors	Employment contract		Supplementary pension scheme		Indemnities or benefits due or likely to become due as a result of a cessation or change of function		Indemnities relating to a non-compete clause	
	Yes	No	Yes	No	Yes	No	Yes	No
Stéphane Pallez Chairwoman and CEO Start of term of office: 21 October 2014 End of term of office: 2024 (General Shareholders' Meeting approving financial statements for the financial year ending 2023)		X		X		X		X
Charles Lantieri Deputy Chief Executive Officer Start of term of office: 06 July 2006 End of term of office: 2024 (General Shareholders' Meeting approving financial statements for the financial year ending 2023)		X		X		X		X

2.2.3 Remuneration and benefits paid to the Company's other Corporate Directors

The remuneration items paid or allocated by the Company to the Corporate Directors for financial year 2023 are in accordance with the remuneration policy decided on by the Board of Directors meeting of 14 February 2023, on the proposal of the CGNR, and approved by the General Meeting of 27 April 2023 with 99.31% of the votes cast.

In addition, it is recalled that the same meeting approved the information relating to the remuneration of Corporate Directors for the financial year ending 31 December 2022 by a majority of 99.81% of the votes cast.

In addition, it is recalled that the same meeting approved the information relating to the remuneration of Corporate Directors for the financial year ending 31 December 2022 by a majority of 99.81% of the votes cast.

After noting the number of meetings of the Board of Directors and the committees during the past financial year, the Board of Directors of 14 February 2024 noted that the total gross remuneration of the directors amounted to €665,395.

As indicated in section 2.2.1.3 of the Document, the Board of Directors meeting on 14 February 2024 decided to propose to the General Meeting that the balance of the unused 2023 remuneration package (i.e. €34,605) be distributed among the directors who attended the ad hoc committee meetings. As seven meetings of the ad hoc committee were held, representing 32 attendances, the amount to be paid per member per meeting would be equal to €1,081, i.e. €34 592, subject to approval of the remuneration policy as described in section 2.2.1.3 of this Document by the General Meeting. The total remuneration due to the directors for financial year 2023 therefore amounts to €699,987.

Consequently, the Board of Directors of 14 February 2024, on the proposal of the CGNR, adopted the distribution of the remuneration budget of the directors as shown in the table below:

TABLE NO. 3 (AMF NOMENCLATURE) – TABLE ON REMUNERATIONS RECEIVED BY CORPORATE DIRECTORS

	FY 2022			FY 2023			Attendance rate in meetings of the Board of Directors and its committees
	Gross amount* of remuneration due (after capping of €2,500)	Gross amount* due to the State	Gross amount* due to the director	Gross amount* due to the State	Gross amount* due to the State	Gross amount* due to the director	
State (C. Sarrazin)	€63,000	€63,000	-	€75,986	€75,986	-	95%
D. Trutt	€43,000	€6,450	€36,550	€43,500	€6,525	€36,975	83%
G. Doukhan	€57,000	€8,550	€48,450	€65,500	€9,825	€55,675	100%
UBFT (represented by O. Roussel)	€47,000	-	€47,000	€49,500	-	€49,500	100%
FNAM (represented by J. Sonnet)	€37,000	-	€37,000	€39,500	-	€39,500	100%
F. Dulac	€50,000	-	€50,000	€62,986	-	€62,986	100%
X. Girre	€76,000	-	€76,000	€89,986	-	€89,986	100%
F. Gri	€39,000	-	€39,000	€49,662	-	€49,662	93%
P. Lazare	€19,500	-	€19,500	€74,962	-	€74,962	100%
As Director (from 27 April 2023)	n/a	n/a	n/a	€60,962	-	€60,962	100%
As a non-voting member (from 18 June 2022 to 27 April 2023)	€19,500 (no fixed amount)	-	€19,500	€14,000	-	€14,000	100%
C. Lejbowicz	€57,000	-	€57,000	€61,500	-	€61,500	93%
P. Pringuet (Director until 27 April 2023)	€72,000	-	€72,000	€28,000	-	€28,000	100%
Predica (represented by F. Barjou)	€39,500	-	€39,500	€58,905	-	€58,905	78%
TOTAL	€600,000	€78,000	€522,000	€699,987	€92,336	€607,651	96%

The methods for allocating the remuneration of the directors in force for 2023 are the same as those described in the sub-section 2.2.1.3 "Remuneration policy for directors: Remuneration granted to directors for 2024".

The amounts owed to the eligible directors are either paid to them directly and/or paid in whole or part to the French State's budget, in accordance with Articles 5 and 6V of Order no. 2014-948.

The Chairwoman and CEO does not receive any director's remuneration in respect of her work within the Board of Directors.

The Director representing the French State, did not personally receive any remuneration from the Company in respect of his office. The full amount of remuneration corresponding to his office was paid directly to the French Public Treasury.

The directors appointed by the General Meeting of Shareholders upon proposal from the French State, Ghislaine Doukhan and Didier Trutt received 85% of the remuneration corresponding to their offices by virtue of the Order of 5 January 2018 pursuant to Article 6 of Order No. 2014-948 of 20 August 2014 on governance and transactions

on the share capital of publicly-held companies. The remainder of the remuneration corresponding to these offices is paid directly to the Public Treasury in line with regulations.

The directors representing employees on the Company's Board of Directors did not receive any remuneration from the Company in respect of their offices as Directors. They are Philippe Pirani and Agnès Lyon-Caen. The same applies to the director representing employee shareholders, David Chianese.

The non-executive directors did not collect any remuneration from the Company or from a company within its scope of consolidation for serving as directors, nor:

- any exceptional remuneration;
- any share subscription or purchase options;
- any free share allocations;
- any benefits in kind.

No commitments were made to directors corresponding to items of remuneration, indemnities or benefits due or likely to be due as a result of entering, leaving, or changing office or subsequent to their holding that office, in particular pension commitments and other lifetime benefits.

2.2.4 Share subscription and purchase options and allocation of performance shares

2.2.4.1 Performance share plans

For the first time in 2021, the Company implemented long-term variable remuneration for the ECDs and a significant number of executives and managers of the Company by awarding performance shares. This was reflected in the implementation, from 2021, of the plans described below.

These performance share plans are part of a long-term incentive policy aimed, on the one hand, at contributing to the Group's growth and encouraging the creation of value for the Group and, on the other hand, at retaining and attracting talent.

The plans are part of an annual award target.

They are based on a dedicated staff review, integrated into the Group's talent management system.

Furthermore, the plans are based on a specific evaluation grid, based on criteria of sustainable performance and potential/capacity to create value, which are discussed at several meetings of the Business Steering Committee.

The FDJ shares allocated may be actually vested by the beneficiaries:

- at the end of a three-year vesting period from the date of grant of the shares;
- depending on the level of achievement of performance conditions, on all performance shares granted to any beneficiary, measured over three consecutive years;
- subject to a condition of presence at the end of the performance measurement period.

In the event of a significant change in the scope of consolidation of the Group, a change in accounting standards or any other significant change that would have a structural and significant impact on the parameters used to define the performance conditions at the time of allocation, the Board of Directors of the Company reserves the possibility of adjusting the assessment of the fulfilment of the performance conditions set at the time of granting in order to take account of these events and to neutralise the impact on the performance objectives defined.

Retention obligation

In accordance with the French Commercial Code, the ECDs shall be required to hold a number of performance shares set by the Board of Directors at the time of the award decision, until the end of their terms of office. The number of shares to be held corresponds to 20% of the shares vested in the LTI plans described below.

No retention obligation applies to the other beneficiaries of the LTI plans described below.

Condition of presence

The shares will be definitively vested by the beneficiary, provided that the latter is an employee or executive corporate director in a company of the FDJ Group, (i) from the date of allocation and (ii) until the end of the performance measurement period⁽¹⁾, except in the event of death, disability or retirement, as provided for in the plan rules.

(1) Namely 31 December 2023 for the 2021 LTI and 31 December 2024 for the 2022 LTI.

(2) Namely 30 June 2024 for the 2021 LTI and 26 April 2025 for the 2022 LTI.

(3) For the financial year in which the shares are allocated.

(4) On the basis of the fair value as at 30 June 2021.

(5) On the basis of the fair value as at 26 April 2022.

(6) On the basis of the fair value as at 27 April 2023

In accordance with the Afep-Medef Code, the Board of Directors may decide, if warranted, to remove the condition of presence on a pro rata basis for the two ECDs (unless they were withdrawn for negligence or misconduct) provided that this decision be made public and explained. The performance shares retained in this way will still be subject to the applicable plan rules, particularly in terms of the schedule and performance conditions.

Beneficiaries

The list of beneficiaries is defined by taking into account, simultaneously, the level of responsibility, key competences and impact on the Company's strategy. This list may be reexamined and amended each year.

Allocation principles

Subject to the fulfilment of the presence and performance conditions, these shares will be definitively vested by the beneficiaries at the end of the last day of the three-year vesting period⁽²⁾.

The number of shares allocated to each beneficiary, for a performance objective of 100%, is defined by applying a percentage to the fixed annual remuneration of each beneficiary⁽³⁾ (as necessary, excluding bonuses, variable items, profit-sharing and incentive schemes), divided by the fair value of the FDJ share defined in accordance with IFRS 2 standards with regard to the conditions of the LTI plan.

This fair value is defined by an independent expert, Ernst & Young, on the basis of the FDJ share price on the date of allocation of the performance shares.

The shares delivered to the beneficiaries are at least in part existing shares purchased by FDJ on the market. The Board of Directors entrusted an investment services provider (ISP) with one or more mandates to purchase a capped number of Company shares over a fixed period:

- for the 2021 LTI: purchase of a maximum of 139,007⁽⁴⁾ shares over 3 years;
- for the 2022 LTI: purchase of a maximum of 253,408⁽⁵⁾ shares over 3 years;
- for the 2023 LTI: purchase of a maximum of 255,005⁽⁶⁾ shares over 3 years.

Plans implemented pursuant to the decision of the General Meeting of 26 April 2022.

The Company's General Meeting of Shareholders of 26 April 2022 authorised, for a period of 38 months, the Board of Directors to proceed with the free allocation of performance shares of the Company, within the limit of 0.6% of the share capital, to the benefit of Corporate Directors and employees of the Company, and companies related to it, within the framework of the provisions of Articles L. 225-197-1 et seq. of the French Commercial Code. The total number of shares that may be awarded to ECDs shall not exceed 15% of this limit, i.e. 0.09% of the share capital.

Plan 27 April 2023: LTI 2023

The Board of Directors on 27 April 2023 conditionally allocated 175,828 shares, i.e. 0.091% of the share capital.

The list concerns 132 employees (excluding ECDs), i.e. nearly 4.5% of the Group's workforce (median of 1.78% in other SBF 80 companies).

PERFORMANCE CONDITIONS

Criteria	Indicators	Nominal weight	Maximum weight	Weight corresponding to the triggering threshold	Achievement rate grid
Financial criterion	Cumulative recurring EBITDA 2023 + 2024 + 2025⁽³⁾ as a % of the sum of Group recurring EBITDA 2023, 2024 and 2025 set out in the business plan presented to the Board of Directors in December 2022	30%	45% ⁽²⁾	15%	<ul style="list-style-type: none"> - if the cumulative actual amount is less than 97.5% of the sum of the cumulative recurring EBITDA set out in the business plan: 0% - if the cumulative actual amount is greater than or equal to 97.5% of the sum of the cumulative recurring EBITDA set out in the business plan and less than or equal to 99% of the sum of the cumulative recurring EBITDA set out in the business plan: $(50 + [(R - 97.5) * 30])\%$ - if the cumulative actual amount is greater than or equal to 99% of the sum of the cumulative recurring EBITDA set out in the business plan and less than or equal to 100% of the sum of the cumulative recurring EBITDA set out in the business plan: $(95 + [(R - 99) * 5])\%$ - if the cumulative actual amount is greater than or equal to 100% of the sum of the cumulative recurring EBITDA set out in the business plan and less than or equal to 101% of the sum of the cumulative recurring EBITDA set out in the business plan: $(100 + [(R - 100) * 30])\%$ - if the cumulative actual amount is greater than or equal to 101% of the sum of the cumulative recurring EBITDA set out in the business plan and less than or equal to 102.5% of the sum of the cumulative recurring EBITDA set out in the business plan: $(130 + [(R - 101) * 13])\%$ - if the cumulative actual amount is greater than or equal to 102.5% of the sum of the cumulative recurring EBITDA set out in the business plan: 150%
Shareholder return criteria	Cumulative EPS 2023 + 2024 + 2025⁽³⁾ (for 191 million shares) as a % of the sum of EPS 2023, 2024 and 2025 set out in the business plan presented to the Board of Directors in December 2022	15%	22.5% ⁽⁴⁾	7.5%	<ul style="list-style-type: none"> - if the cumulative actual amount is less than 75% of the sum of the cumulative EPS based on the cumulative net results set out in the business plan: 0% - if the cumulative actual amount is greater than or equal to 75% of the sum of the cumulative EPS based on the cumulative net results set out in the business plan and less than or equal to 100% of the sum of the cumulative EPS based on the cumulative net results set out in the business plan: from 50% to 100% - if the cumulative actual amount is greater than or equal to 100% of the sum of the cumulative EPS based on the cumulative net results set out in the business plan and less than or equal to 125% of the sum of the cumulative EPS based on the cumulative net results set out in the business plan: from 100% to 150% - if the cumulative actual amount is greater than or equal to 125% of the sum of the cumulative EPS based on the cumulative net results set out in the business plan: 150%
Shareholder return criteria	TSR⁽⁵⁾ relative to comparable companies: Flutter, Entain, the Lottery Corporation, OPAP, Kindred, Betsson, 888, Neogames and IGT⁽⁶⁾	7.5%	11.25% ⁽⁷⁾	3.75%	<ul style="list-style-type: none"> - FDJ is 1st: 150% - FDJ is 2nd: 125% - FDJ is 3rd: 100% - FDJ is 4th: 75% - FDJ is 5th: 50% - Further: 0%

Remuneration of Corporate Directors

Criteria	Indicators	Nominal weight	Maximum weight	Weight corresponding to the triggering threshold	Achievement rate grid
Shareholder return criteria (continued)	TSR⁽⁸⁾ relative to the SBF 120 restated for financials, real estate and energy, i.e. withdrawal of 25 stocks out of 120 ⁽⁹⁾	7.5%	11.25% ⁽¹⁰⁾	3.75%	<ul style="list-style-type: none"> – FDJ is in the first quartile (1st to 23rd): 150% – FDJ is on the median (47th): 50% – Linear interpolation between median and first quartile (24th to 46th) – FDJ is below the median (48th to 94th): 0%
Strategic criterion	2025 identified stakes ratio⁽¹¹⁾ set in the business plan presented to the Board of Directors meeting in December 2022	20%	30% ⁽¹²⁾	10%	<ul style="list-style-type: none"> – if the 2025 actual figure is less than the target by 3 points: 0% – if the 2025 actual figure is greater than or equal to the target by 3 points and less than or equal to the target: from 50% to 100% – if the 2025 actual figure is greater than or equal to the target and less than or equal to the target by 3 points: from 100% to 150% – if the actual figure for 2025 is greater than or equal than the target by +3 points: 150%
Non-financial criterion	Moody's ESG rating ⁽¹³⁾ 2024 (available end-March 2025)	20%	25%	10%	<ul style="list-style-type: none"> – 0% of achievement if FDJ's 2024 Moody's ESG rating does not place it in the top 2% of the best rated companies in all sectors, and if FDJ's 2024 Moody's ESG rating is not among the three best ratings among companies in the gaming sector – 50% of achievement if FDJ's 2024 Moody's ESG rating places it in the top 2% of the best rated companies in all sectors, or if FDJ's 2024 Moody's ESG rating is among the three best ratings among companies in the gaming sector – 100% of achievement if FDJ's 2024 Moody's ESG rating places it in the top 2% of the best rated companies in all sectors, and if FDJ's 2024 Moody's ESG rating is among the three best ratings among companies in the gaming sector – 125% of achievement if FDJ's 2024 Moody's ESG rating places it in the top 2% of the best rated companies in all sectors, and if FDJ's 2024 Moody's ESG rating is strictly higher than that of 2022, which was known in 2023 (72/100).
Total		100%	145%		

- (1) Excluding the impact of new key projects not projected in the Budget, such as external growth projects, and excluding major decisions that may be made during the years 2023 to 2025.
- (2) 30% (weight) X 150% (% maximum of target achieved) = 45% (maximum achievable).
- (3) Excluding the impact of new key projects not projected in the Budget, such as external growth projects, and excluding major decisions that may be made during the years 2023 to 2025.
- (4) 15% (weight) X 150% (% maximum of target achieved) = 22.5% (maximum achievable).
- (5) Total shareholder return – TSR: stock market performance over the period under review taking into account dividends received and reinvested in company shares, by shareholders over the same period.
- (6) Reference price: average price in Q4 2025 vs average price in Q4 2022; dividend reinvested.
- (7) 7.5% (weight) X 150% (% maximum of target achieved) = 11.25% (maximum achievable).
- (8) Total shareholder return – TSR: stock market performance over the period under review taking into account dividends received and reinvested in company shares, by shareholders over the same period.
- (9) Reference price: average price in Q4 2025 vs average price in Q4 2022; dividend reinvested.
- (10) 7.5% (weight) X 150% (% maximum of target achieved) = 11.25% (maximum achievable).
- (11) The identified stakes ratio will be equal to the total amount of stakes recorded on "fdj.fr" and "enligne.parionssport.fdj.fr", stakes recorded on FDJ mobile applications: the lottery application named "FDJ" and the sports betting application named "Parions Sport En Ligne", as well as stakes recorded at points of sale by identified players, in relation to the total amount of stakes.
- (12) 20% (weight) X 150% (% maximum of target achieved) = 30% (maximum achievable).
- (13) Previously Vigeo.

Remuneration of Corporate Directors

Furthermore, the panel of comparable companies used is likely to change as the sector recomposes itself and as a result of merger and acquisition operations. In the event of a change in the panel resulting in a reduction in the number of comparable companies to 7 or below, the achievement rate grid below will be revised as follows:

- if the number of comparable companies falls to 7 or below, the maximum percentage of target achievement will be capped at 125%, with each of the following thresholds being lowered by one notch;

- if the number of comparable companies falls to 5 or below, the achievement rate grid will be completely reviewed by the Board of Directors during the vesting period.

These changes may occur from one LTI to the next or during the vesting period of a given LTI.

The estimated expense, calculated at the allocation date, represents a cumulative amount, over three years, of €6.7 million⁽¹⁾ in pre-tax IFRS costs, based on a scenario without outperformance.

Plan 26 April 2022: LTI 2022

The Board of Directors on 26 April 2022 conditionally allocated 174,764 shares, i.e. 0.091% of the share capital.

The list concerns 116 employees (excluding ECDs), i.e. nearly 4.8% of the Group's workforce (median of 1.78% in other SBF 80 companies).

PERFORMANCE CONDITIONS

Criteria	Indicators	Nominal weight	Maximum weight	Weight corresponding to the triggering threshold	Achievement rate grid
Financial criterion	Cumulative Group recurring EBITDA 2022 + 2023 + 2024⁽⁴⁾ as a % of the sum of Group recurring EBITDA 2022, 2023 and 2024 set out in the business plan presented to the Board of Directors in January 2022	30%	45% ⁽²⁾	15%	<ul style="list-style-type: none"> - < 97.5%: 0% - between 97.5% and 99%: $(50 + [(R - 97.5) * 30])\%$ - between 99% and 100%: $(95 + [(R - 99) * 5])\%$ - between 100% and 101%: $(100 + [(R - 100) * 30])\%$ - between 101% and 102.5%: $(130 + [(R - 101) * 13])\%$ - > 102.5%: 150%
Shareholder return criteria	Cumulative EPS 2022 + 2023 + 2024⁽³⁾ (for 191 million shares) as a % of the sum of EPS 2022, 2023 and 2024 based on the Net Results 2022, 2023 and 2024 set out in the business plan presented to the Board of Directors in January 2022	15%	22.5% ⁽⁴⁾	7.5%	<ul style="list-style-type: none"> - < 75%: 0% - between 75% and 100%: from 50% to 100% - between 100% and 125%: from 100% to 150% - > 125%: 150%
	TSR⁽⁵⁾ relative to comparable companies: Flutter, Entain, OPAP, Kindred, Betsson, 888, Neogames and IGT ⁽⁶⁾	7.5%	11.25% ⁽⁷⁾	3.75%	<ul style="list-style-type: none"> - FDJ is 1st: 150% - FDJ is 2nd: 125% - FDJ is 3rd: 100% - FDJ is 4th: 75% - FDJ is 5th: 50% - Further: 0%
	TSR⁽⁸⁾ relative to the SBF 120 restated for financials, real estate and energy, i.e. withdrawal of 25 stocks out of 119 ⁽⁹⁾	7.5%	11.25% ⁽¹⁰⁾	3.75%	<ul style="list-style-type: none"> - FDJ is in the first quartile (1st to 23rd): 150% - FDJ is on the median (47th): 50% - Linear interpolation between median and first quartile (24th to 46th) - FDJ is below the median (48th to 94th): 0%
Strategic criterion	2024 identified stakes ratio⁽¹¹⁾ set in the business plan presented to the Board of Directors meeting in January 2022	20%	30% ⁽¹²⁾	10%	<ul style="list-style-type: none"> - < objective- 3 points: 0% - between objective- 3 points and objective: from 50% to 100% - between objective and objective+3 points: from 100% to 150% - > objective+ 3 points: 150%

(1) €5.6 million in IFRS costs + €1.1 million employer costs = €6.7 million pre-tax IFRS costs.

Remuneration of Corporate Directors

Criteria	Indicators	Nominal weight	Maximum weight	Weight corresponding to the triggering threshold	Achievement rate grid
Non-financial criterion	Moody's ESG rating ⁽¹³⁾ 2023 (available end-March 2024)	20%	25%	10%	<p>0% of achievement if FDJ's 2023 Moody's ESG rating (rating for FY 2023, available in 2024) does not place it in the top 2% of the best rated companies in all sectors, and if FDJ's 2023 Moody's ESG rating is not among the three best ratings among companies in the gaming sector</p> <p>50% of achievement if FDJ's 2023 Moody's ESG rating (rating for FY 2023, available in 2024) places it in the top 2% of the best rated companies in all sectors, or if FDJ's 2023 Moody's ESG rating is among the three best ratings among companies in the gaming sector</p> <p>100% of achievement if FDJ's 2023 Moody's ESG rating (rating for FY 2023, available in 2024) places it in the top 2% of the best rated companies in all sectors, and if FDJ's 2023 Moody's ESG rating is among the three best ratings among companies in the gaming sector</p> <p>5-point bonus if FDJ's 2023 Moody's ESG rating (rating for FY 2023, available in 2024) places it in the top 2% of the best rated companies in all sectors, and if FDJ's 2023 Moody's ESG rating out of 100 is strictly higher than that of 2021, which was known in 2022 (72/100).</p>
TOTAL		100%	145%		

- (1) Excluding the impact of new projects not projected in the Budget, such as external growth projects, subject to the approval of the Board of Directors, and excluding major decisions that may be made during the years 2022 to 2024.
- (2) 30% (weight) X 150% (% maximum of target achieved) = 45% (maximum achievable).
- (3) Excluding the impact of new projects not projected in the Budget, such as external growth projects, subject to the approval of the Board of Directors, and excluding major decisions that may be made during the years 2022 to 2024.
- (4) 15% (weight) X 150% (% maximum of target achieved) = 22.5% (maximum achievable).
- (5) Total shareholder return – TSR: stock market performance over the period under review taking into account dividends received and reinvested in company shares, by shareholders over the same period.
- (6) Reference price: average price in Q4 2024 vs average price in Q4 2021; dividend reinvested.
- (7) 7.5% (weight) X 150% (% maximum of target achieved) = 11.25% (maximum achievable).
- (8) Total shareholder return – TSR: stock market performance over the period under review taking into account dividends received and reinvested in company shares, by shareholders over the same period.
- (9) Reference price: average price in Q4 2024 vs average price in Q4 2021; dividend reinvested.
- (10) 7.5% (weight) X 150% (% maximum of target achieved) = 11.25% (maximum achievable).
- (11) The identified stakes ratio will be equal to the total amount of stakes recorded on "fdj.fr" and "enligne.parionssport.fdj.fr", stakes recorded on FDJ mobile applications: the lottery application named "FDJ" and the sports betting application named "Parions Sport En Ligne", as well as stakes recorded at points of sale by identified players, in relation to the total amount of stakes.
- (12) 20% (weight) X 150% (% maximum of target achieved) = 30% (maximum achievable).
- (13) Previously Vigeo.

With regard to the indicator "TSR relative to comparable companies", the following have been withdrawn from the panel of companies against which FDJ's TSR will be compared at the end of the vesting period of the performance shares granted on 26 April 2022, in accordance with the provisions of the plan's regulations:

- Tabcorp, by decision of the Board of Directors dated 14 February 2023. This company has made changes that call into question the objective of comparing FDJ's performance, using this indicator, with companies in the same business sector.

With regard to the "Moody's ESG rating" indicator, given the removal of the Moody's letter-based rating system, it is no longer possible for the Board of Directors to determine whether the non-financial criterion will be met with a view to the definitive allocation of shares in April 2025 for the 2022-2024 plan. Consequently, at its meeting on 27 April

2023, the Board of Directors, on the recommendation of the CGNR, used its discretionary power to adjust the assessment of whether the financial rating criterion would be met as follows:

- replace, across this criterion, the reference to the letter-based rating system by a requirement to be among the top 2% of companies in all sectors for the percentage meeting the criterion; and
- for the 125% outperformance, this involves a rating strictly higher than the last rating out of 100 obtained by FDJ and known at the date of allocation of the performance shares.

The estimated expense, calculated at the allocation date, represents a cumulative amount, over three years, of €6.3 million ⁽¹⁾in pre-tax IFRS costs, based on a scenario without outperformance.

(1) €5.1 million in IFRS costs + €1.2 million employer costs = €6.3 million pre-tax IFRS costs.

Plans implemented pursuant to the decision of the General Meeting of 04 November 2019.

The Company's General Meeting of Shareholders of 4 November 2019 authorised, for a period of 38 months, the Board of Directors to proceed with the free allocation of performance shares of the Company, within the limit of 0.6% of the share capital, to the benefit of Corporate Directors and employees of the Company, and companies related to it, within the framework of the provisions of Articles L. 225-197-1 et seq. of the French Commercial Code. The total number of shares allocated to the ECDs shall not exceed 15% of this package.

Plan 30 June 2021: LTI 2021

The Board of Directors on 30 June 2021 conditionally allocated 95,867 shares, i.e. 0.05% of the share capital.

The list concerns 92 employees (excluding ECDs), i.e. nearly 4% of the Group's workforce (median of 1.78% in other SBF 80 companies).

The criteria set out below have been assessed in detail for the ECDs in section 2.2.2.5 of this Document, with a view to delivery of the corresponding shares on 30 June 2024.

The assessment of the achievement rate of the LTI 2021 criteria and the delivery of the shares actually vested following this assessment will take place during the 2024 financial year.

PERFORMANCE CONDITIONS

Criteria	Indicators	Nominal weight	Maximum weight	Weight corresponding to the triggering threshold	Achievement rate grid
Financial criterion	Accumulated Group recurring EBITDA 2021 + 2022 + 2023⁽¹⁾ set in the business plan presented to the Board of Directors meeting of December 2020	30%	45%	15%	<ul style="list-style-type: none"> - < 97.5%: 0% - between 97.5% and 99%: $(50 + [(R - 97.5) * 30])\%$ - between 99% and 100%: $(95 + [(R - 99) * 5])\%$ - between 100% and 101%: $(100 + [(R - 100) * 30])\%$ - between 101% and 102.5%: $(130 + [(R - 101) * 13])\%$ - > 102.5%: 150%
Shareholder return criteria	Cumulative earnings per share (EPS) 2021 + 2022 + 2023⁽²⁾ (for 191 million shares) based on the net results for 2021, 2022 and 2023 set out in the business plan presented to the Board of Directors in December 2020.	15%	22.5%	7.5%	<ul style="list-style-type: none"> - < 75%: 0% - between 75% and 100%: from 50% to 100% - between 100% and 125%: from 100% to 150% - > 125%: 150%
	TSR⁽³⁾ relative to comparable companies: Flutter, Entain, OPAP, Kindred, Betsson, 888 and IGT ⁽⁴⁾	7.5%	11.25%	3.75%	<ul style="list-style-type: none"> - FDJ is 1st: 150% - FDJ is 2nd: 125% - FDJ is 3rd: 100% - FDJ is 4th: 75% - FDJ is 5th: 50% - Further: 0%
	TSR⁽⁵⁾ relative to the SBF 120 restated for financials, real estate and energy, i.e. withdrawal of 24 stocks out of 120 ⁽⁶⁾	7.5%	11.25%	3.75%	<ul style="list-style-type: none"> - FDJ is in the first quartile (1st to 24th): 150% - FDJ is on the median (48th): 50% - Linear interpolation between median and first quartile (25th to 47th) - FDJ is below the median (49th to 96th): 0%
Strategic criterion	2023 identified stakes ratio⁽⁷⁾ set in the business plan presented to the Board of Directors meeting in December 2020	20%	30%	10%	<ul style="list-style-type: none"> - < objective- 3 points: 0% - between objective- 3 points and objective: from 50% to 100% - between objective and objective+3 points: from 100% to 150% - > objective+ 3 points: 150%

Remuneration of Corporate Directors

Criteria	Indicators	Nominal weight	Maximum weight	Weight corresponding to the triggering threshold	Achievement rate grid
CSR/ Responsible gaming criterion	Moody's ESG rating 2022 (available end-March 2023),	20%	25%	10%	<ul style="list-style-type: none"> - 0% of achievement if FDJ's 2022 Moody's ESG rating (rating for FY 2022, available in 2023) does not place it in the top 2% of the best rated companies in all sectors, and if FDJ's 2022 Moody's ESG rating is not among the three best ratings among companies in the gaming sector - 50% of achievement if FDJ's 2022 Moody's ESG rating (rating for FY 2022, available in 2023) places it in the top 2% of the best rated companies in all sectors, or if FDJ's 2022 Moody's ESG rating is among the three best ratings among companies in the gaming sector 100% of achievement if FDJ's 2022 Moody's ESG rating (rating for FY 2022, available in 2023) places it in the top 2% of the best rated companies in all sectors, and if FDJ's 2022 Moody's ESG rating is among the three best ratings among companies in the gaming sector - 5-point bonus if FDJ's 2022 Moody's ESG rating (rating for FY 2022, available in 2023) places it in the top 2% of the best rated companies in all sectors, and if FDJ's 2022 Moody's ESG rating out of 100 is strictly higher than that of 2020, which was known in 2021 (70/100).
TOTAL		100%	145%		

- (1) Excluding the impact of new projects not projected in the Budget, such as external growth projects, subject to the approval of the Board of Directors, and excluding major decisions that may be made during the years 2021 to 2023.
- (2) Excluding the impact of new projects not projected in the Budget, such as external growth projects, subject to the approval of the Board of Directors, and excluding major decisions that may be made during the years 2021 to 2023.
- (3) Total shareholder return – TSR: stock market performance over the period under review taking into account dividends received and reinvested in company shares, by shareholders over the same period.
- (4) Reference price: average price in Q4 2023 vs average price in Q4 2020; dividend reinvested.
- (5) Total shareholder return – TSR: stock market performance over the period under review taking into account dividends received and reinvested in company shares, by shareholders over the same period.
- (6) Reference price: average price in Q4 2023 vs average price in Q4 2020; dividend reinvested.
- (7) The identified stakes ratio will be equal to the total amount of stakes recorded on "fdj.fr" and "enligne.parionssport.fdj.fr", stakes recorded on FDJ mobile applications: the lottery application named "FDJ" and the sports betting application named "Parions Sport En Ligne", as well as stakes recorded at points of sale by identified players, in relation to the total amount of stakes.

With regard to the indicator "TSR relative to comparable companies", the following have been withdrawn from the panel of companies against which FDJ's TSR will be compared at the end of the vesting period of the performance shares granted on 30 June 2021, in accordance with the provisions of the plan's regulations:

- Scientific Games (SG), by decision of the Board of Directors dated 16 December 2021;
- Tabcorp, by decision of the Board of Directors dated 14 February 2023.

These companies have made changes that call into question the objective of comparing FDJ's performance, using this indicator, with companies in the same business sector.

With regard to the "Moody's ESG rating" indicator, given the removal of the Moody's letter-based rating system, it is no longer possible for the Board of Directors to determine whether the non-financial criterion will be met with a view to

the definitive allocation of shares in June 2024 for the 2021-2023 plan. Consequently, at its meeting on 27 April 2023, the Board of Directors, on the recommendation of the CGNR, used its discretionary power to adjust the assessment of whether the financial rating criterion would be met as follows:

- replace, across this criterion, the reference to the letter-based rating system by a requirement to be among the top 2% of companies in all sectors for the percentage meeting the criterion; and
- for the 125% outperformance, this involves a rating strictly higher than the last rating out of 100 obtained by FDJ and known at the date of allocation of the performance shares.

The estimated expense, calculated at the allocation date, represents a cumulative amount, over three years, of €5.5 million⁽¹⁾ in pre-tax IFRS costs, based on a scenario without outperformance.

(1) €4.6 million in IFRS costs + €0.9 million employer costs = €5.5 million pre-tax IFRS costs.

Number of shares allocated to the 10 employees who are not corporate directors with the highest number of shares (Article L. 225-197-4 of the French Commercial Code)

The number of shares allocated to each of the 10 employees who are not Corporate Directors who received the highest number of shares amounts to:

Beneficiary no.	Number of shares granted		
	Plan of 30.06.2021	Plan of 26.04.2022	Plan no. 27.04. 2023
1st beneficiary	3,145	5,601	5,108
2nd beneficiary	3,058	5,148	4,895
3rd beneficiary	3,020	4,837	4,525
4th beneficiary	2,848	4,718	4,470
5th beneficiary	2,721	4,571	4,362
6th beneficiary	2,641	4,411	4,098
7th beneficiary	2,126	4,197	4,077
8th beneficiary	2,042	4,192	4,039
9th beneficiary	1,924	3,976	3,675
10th beneficiary	1,825	3,349	3,315

SUMMARY TABLE - TABLE NO. 10 (AMF NOMENCLATURE) – PAST PERFORMANCE SHARE ALLOCATIONS

	Plan of 30.06.2021	Plan of 26.04.2022	Plan no. 27.04. 2023
Date of meeting	04.11.2019	26.04.2022	26.04.2022
Date of the Board meeting allocating the shares	30.06.2021	26.04.2022	27.04.2023
Total number of shares allocated, including those allocated:	95,867	174,764	175,828
– to Stéphane Pallez, Chairwoman and CEO	7,240	11,170	10,323
– to Charles Lantieri, Deputy Chief Executive Officer	5,611	8,657	8,001
– to the first 10 employees who are not Corporate Directors	25,350	45,000	42,564
Total number of allocations/beneficiaries (including ECDs)	94	118	134
Share vesting date	30.06.2024	26.04.2025	27.04.2026
Holding period end date (only for executive corporate directors and up to 20% of their shares)	End of term of office	End of term of office	End of term of office
Performance conditions	See performance conditions set out above	See performance conditions set out above	See performance conditions set out above
Number of shares vested on 31 December 2023	0	0	0
Cumulative number of cancelled or void shares on 31 December 2023	0	0	0
Number of free performance shares outstanding as at 31 December 2023	95,867	174,764	175,828

Remuneration of Corporate Directors

2.2.4.2 PLANS FOR SHARE SUBSCRIPTION OR PURCHASE OPTIONS

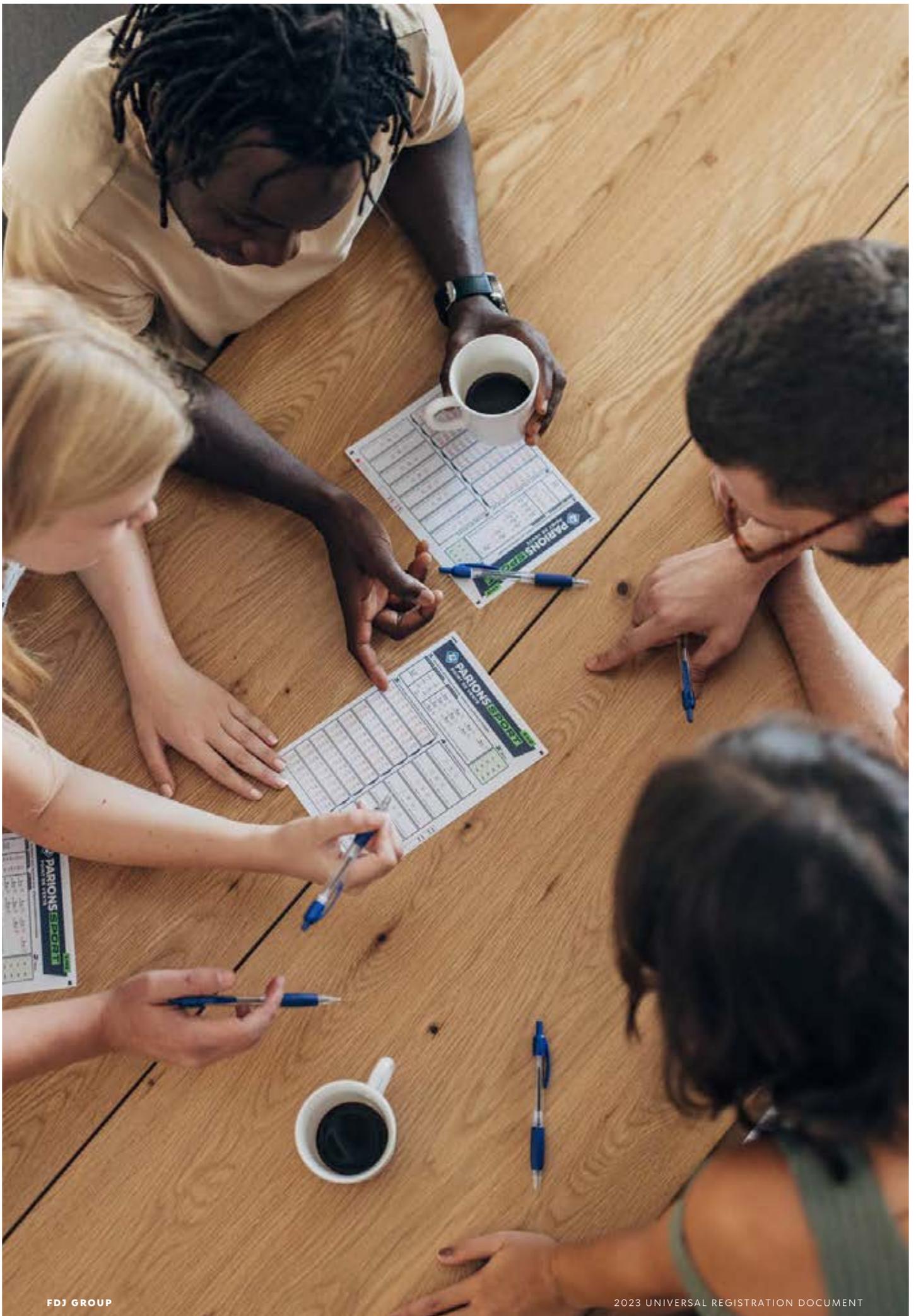
The Company has not set up any share subscription or purchase option plans.

TABLE NO. 8 (AMF NOMENCLATURE) – PAST SHARE SUBSCRIPTION OR PURCHASE OPTION ALLOCATIONS

	Plan no. 1	Plan no. 2	Plan no. 3	Etc.
Date of meeting				
Date of Board meeting				
Total number of shares that can be subscribed for or purchased, including the number that can be subscribed for or purchased by:				
Opening date to exercise options				
Expiry date			None	
Subscription or purchase price				
Exercise methods (when the plan has several tranches)				
Number of shares subscribed as at 31 December 2023 (most recent date)				
Accumulated number of share subscription or purchase options cancelled or void				
Share subscription or purchase options remaining at year-end				

TABLE NO. 9 (AMF NOMENCLATURE) – SHARE SUBSCRIPTION OR PURCHASE OPTION ALLOCATED TO FIRST 10 EMPLOYEES NOT HOLDING A CORPORATE DIRECTOR MANDATE AND OPTIONS EXERCISED BY THE LATTER

	Total number of options allocated/ subscribed or purchased	Weighted average price	Plan
Options allocated, during the financial year, by the issuer and any company comprised within the options allocation perimeter, to 10 employees of the issuer and of any company included in this perimeter, for which the number of options thus allocated is the highest (global information)			
Options held by the issuer and the companies previously referred to, exercised, during the financial year, by ten employees of the issuer and of these companies, for which the number of options thus purchased or subscribed is the highest (global information)		None	



03 Risks factors and business control framework

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Presentation of risk factors

Before acquiring company shares, investors should examine all the information contained in the Universal Registration Document, including the risks described below.

FDJ operates in an environment that may give rise to a variety of risks, some of which are beyond its control. Within the framework of the provisions of Article 16 of Regulation (EU) 2017/1129 of the European Parliament and of the Council and to comply with the ESMA guidelines applicable in France since 4 December 2019, the risks described below are, as of the date of this Universal Registration Document, those identified as being liable to have a material adverse effect on the Group, its business, results, financial position or

outlook, and which are material in making an investment decision.

The risk factors are set out, within four categories, in descending order of importance as determined by the Group as of the date of this Universal Registration Document.

FDJ's assessment of this order is subject to change at any time and cannot be considered exhaustive, as FDJ cannot exclude the possibility that other risk factors may arise that could have an unfavourable impact on the Company's business, results, financial position or outlook.

3.1 Presentation of risk factors

The FDJ Group continuously reviews its risks and periodically updates its risk mapping. The risks presented below have all been selected for their materiality, determined by means of a qualitative approach of the **level of net criticality**. This takes into account the Group's assessment of the likelihood of the risk materialising, the potential materiality (financial or non-financial impact) of the risk and the associated control measures in place.

The presentation of risk factors by category is summarised in the table below, with an indication of the degree of criticality assigned to each risk factor on a three-level scale. As such, criticality can be **high, moderate** or **low**.

Some of the risk factors presented in this chapter relate to social, environmental, ethical or human rights issues that have an impact on the Company's social responsibility and are linked to FDJ's Non-Financial Information Statement. These key non-financial risks have been identified and are marked with the symbol **[CSR]**. Chapter 4 "Corporate Social Responsibility: Non-Financial Information Statement" of this Universal Registration Document further describes the policies implemented by FDJ, particularly within the framework of its CSR strategy, to prevent, identify and mitigate the occurrence of these risks, as well as the outcomes of those policies.

IMPACT OF THE ANNOUNCEMENT OF FDJ'S OFFER FOR KINDRED ON RISK FACTORS

On 22 January 2024, FDJ announced the filing of a public cash tender offer for the entire share capital of Kindred (see Note 1.3. 2 "Significant post-closing events" in section 6.1 "Consolidated financial statements for the year ended 31 December 2023"). This transaction dovetails perfectly with the Group's strategy, and the risk factors presented in this section remain applicable.

However, the FDJ Group draws investors' attention to the fact that completion of the transaction remains subject to conditions precedent, as set out in the statement issued on 22 January 2024:

- those usual for a public offer in the Swedish market;
- regulatory approval, notably from the Swedish financial markets authority and the French competition authority;
- the amendment of Kindred's articles of association to allow a mandatory squeeze-out in the event that FDJ acquires 90% or more Kindred's share capital;
- acquisition of at least 90% of Kindred's share capital by FDJ.

In addition, most of the financial risks specific to this acquisition (e.g. liquidity risk, risks related to the implementation of bridging finance, SEK/EUR exchange rate risk, etc.) have been covered by standard due diligence measures for this type of transaction and, as of the date of publication of the Universal Registration Document, were not of a material nature requiring the development of a specific risk factor.

However, FDJ cannot exclude the possibility that other risk factors related to this transaction may arise and have an adverse effect on the Company's business, results, financial position or outlook. If it goes ahead, the transaction could also result in a significant change in the Group's risk profile, which will be taken into account in the analysis of risk factors in 2024.

SUMMARY TABLE OF RISK FACTORS

Risk factors	Net criticality (taking actions undertaken into account)
Strategic risks and risks related to the Group's transformation	
– Risks related to the competitive environment in the gaming market	●●● High
– Risks related to the development of online lotteries	●● Moderate
– Risks related to the selection and integration of acquisitions	●● Moderate
– Risks related to the development of omnichannel lotteries	●● Moderate
– Risks related to ESG challenges [CSR]	●● Moderate
– Risks related to talent attraction and retention [CSR]	● ●● Low
– Risks related to the organisation of the point-of-sale network in France	● ●● Low
Risks related to the Group's operations	
– Risks related to cybercrime and the continuity of information systems, particularly point-of-sale gaming systems	●●● High
– Risks related to the integrity and security of gaming operations [CSR]	● ●● Low
– Risk of interruption of the supply chain for points of sale	● ●● Low
– Counterparty risk	● ●● Low
Risks related to the regulatory framework of the gaming sector	
– Risks related to the implementation of the current sector regulatory framework and its developments	●●● High
– Risks related to the protection of players and minors [CSR]	●● Moderate
– Money laundering risk [CSR]	● ●● Low
Legal and non-compliance risks	
– Risks related to litigation, disputes and claims	●● Moderate
– Legal risks related to the coexistence of activities carried out under exclusive rights and in competition	●● Moderate
– Risks related to personal data security [CSR]	● ●● Low

3.1.1 Strategic risks and risks related to the Group's transformation

RISKS RELATED TO THE COMPETITIVE ENVIRONMENT IN THE GAMING MARKET

Net criticality ●●● High

Description of the risk factor	Potential impact for the Group
<p>Online gaming in France (sports betting, poker, horse-race betting) is growing fast and is still relatively unconsolidated, so the Group faces intense competition. The intensity of the competition results mainly from a high level of player volatility, leading to aggressive marketing by online gaming operators, which invest massively in communication and promotion campaigns to recruit players.</p> <p>Competition between online gaming operators is also intense in terms of the pricing of the online offer (sports and horse-race betting) and the speed at which new offers or features are developed. This competition could be further intensified by the entry of new international players into the online gaming sector.</p> <p>FDJ has been offering online poker since the end of 2022. On 29 September 2023, FDJ also acquired the ZEturf group, the second-largest operator in the French online horse-race betting market and an online sports betting operator trading as ZEbet. The acquisition was finalised following the receipt of the French competition authority's approval on 15 September 2023.</p> <p>However, FDJ still competes with larger specialised operators offering online gaming, both in France and internationally.</p> <p>Measures taken by the Group may prove insufficient to maintain the attractiveness and competitiveness of its offers, particularly because of the development and/or coverage of specialised operators.</p>	<ul style="list-style-type: none"> - Loss of existing market share. - Decline in the attractiveness of FDJ offers. - Difficulties in recruiting new customers. - Negative impact on profitability. <p>Main risk-management systems</p> <p>In the face of competition within the gaming sector, particularly with regard to online gaming activities (sports betting, horse-race betting and poker), the FDJ Group implements a strategy based notably on:</p> <ul style="list-style-type: none"> - significant investments to anticipate and adapt FDJ's offer to the expectations of online sports betting players (products, offers, services); - constant innovation to optimise the customer experience; - fine-tuned management of the financial risks and performance challenges associated with the offers proposed; - permanent monitoring to identify and track developments in online gaming; - the review of external growth opportunities in the online gaming business open to competition.

RISKS RELATED TO THE DEVELOPMENT OF ONLINE LOTTERIES

Net criticality ●●● Moderate

Description of the risk factor	Potential impact for the Group
<p>Consumption trends are changing and placing digital technology at the heart of the consumption ecosystem, with digital or mixed use (combining offline and online) becoming increasingly significant. This transformation in use was intensified by the COVID-19 crisis, during which French people turned in large numbers to e-commerce sites in response to the health measures in force at the time. In 2023, despite a slight decline in online sales of all products in France (due to rising prices and the higher cost of living), French e-commerce sales (products and services combined) continued to grow, with an increase of nearly 10% compared with the third quarter of 2022.⁽¹⁾</p> <p>In this context of increased digitalisation of uses, the digital lottery offer is a major growth driver for the Group and also a source of resilience, complementing the other gaming offers currently available exclusively at points of sale. For example, FDJ and eight European lotteries in the Euromillions community have joined forces to launch the first pan-European annuity game, available since 30 October 2023. Available in both physical and digital channels, EuroDreams aims to maintain the momentum of draw games – particularly in digital formats.</p> <p>If the strategic plan for the development of the digital offer fails (e.g. development too slow, offers insufficiently coordinated, etc.), FDJ could fail to keep up with the transition in purchasing behaviour.</p>	<ul style="list-style-type: none"> - Narrowing of the player base or reduction in the attractiveness of offers. - Difficulties in getting the point-of-sale network to accept the challenges of developing online lotteries. - Impact on the Group's growth and profitability objectives. - Damage to the Group's image or reputation. <p>Main risk-management systems</p> <p>In addition to the point-of-sale offer, the development of the online offer is one of the Group's main strategic pillars. Its implementation is based notably on:</p> <ul style="list-style-type: none"> - the development of the online lottery game range, notably through the enrichment and innovation of the game catalogue; the acceleration of the Group's omnichannel lottery trajectory through the development of phygital offers and digital services; - the implementation of streamlined pathways for online lotteries (registration, placing stakes, etc.), reinforcing the gaming pathway and CRM (customer relationship management).

(1) Source: E-commerce data for the third quarter of 2023 presented by FEVAD (Federation of e-commerce and distance selling).

Presentation of risk factors

RISKS RELATED TO THE SELECTION AND INTEGRATION OF ACQUISITIONS

Net criticality ●●● Moderate

Description of the risk factor	Potential impact for the Group
<p>The Group's strategy is based on organic growth, as well as external growth through acquisitions. The Group's ambition is to become an international B2C operator in lotteries, sports betting and online gaming open to competition.</p> <p>In 2023, the Group made two significant acquisitions:</p> <ul style="list-style-type: none"> - In September 2023, FDJ acquired the ZEturf group, the second-largest operator in the French online horse-race betting market and an online sports betting operator trading as ZEbet; - In November 2023, FDJ pursued this ambition with the acquisition of 100% of the capital of Premier Lotteries Ireland (PLI), the operator holding the exclusive rights to the Irish National Lottery until 2034. The acquisition of PLI made the Group the operator of a lottery outside France for the first time. <p>In the future, as part of its growth strategy, the Group intends to continue to develop and expand its activities by acquiring companies that match its strategic and financial criteria.⁽¹⁾</p> <p>Mergers and acquisitions (M&A) raise specific issues and risks at different levels:</p> <ul style="list-style-type: none"> - risks related to overestimating the value of targets; - risks related to non-achievement of expected synergies, particularly in terms of the integration of personnel and the structure and consolidation of information systems; - risks related to departures of key people within the acquired entities; - risks related to customer base erosion; - pre-existing risks within the target (ethical, tax, legal, cybersecurity, etc.) or related to the acquired entity's environment (e.g. new geographies). <p>Any major difficulties in the execution of external growth transactions and the subsequent integration of acquisitions could have an adverse impact on the Group's financial results and prospects.</p>	<ul style="list-style-type: none"> - Failure to achieve expected synergies. - Failure to meet the Group's growth and profitability objectives. - Loss of key people. - Difficulties in winning new market share. <p>Main risk-management systems</p> <p>To ensure the implementation of its external growth strategy, the FDJ Group relies on:</p> <ul style="list-style-type: none"> - the establishment of dedicated governance for the oversight of prospective acquisitions, under the guidance of the M&A teams, with contributions from numerous teams (Finance, Legal, etc.) and monitored by the Business Steering Committee and, where appropriate, at Board level; - the carrying out of extensive due diligence on targets with the support of internal specialists and/or external advisors to identify the risks inherent in the prospective transaction; - the coverage of financial risks specific to acquisitions (e.g. liquidity risk, risks related to the implementation of bridging finance, SEK/EUR exchange rate, etc.) through standard due diligence measures for the type of transaction in question; - an integration plan to anticipate and monitor all key stages of the process from a strategic, operational, financial and human perspective.

(1) (See Note 1.3.2 "Significant post-closing events" in section 6.1 "Consolidated financial statements for the year ended 31 December 2023".)

RISKS RELATED TO THE DEVELOPMENT OF OMNICHANNEL LOTTERIES

Net criticality ●●● Moderate

Description of the risk factor	Potential impact for the Group
<p>To achieve its strategic objectives with regard to growth in lottery games, FDJ aims to roll out an omnichannel lottery distribution model for games for which it holds exclusive rights, and an identification system in points of sale in order to better meet the needs of all customers, both online and offline, to increase customer value and to respond to the challenges of player protection.</p> <p>The rollout of this omnichannel lottery strategy also involves making the player experience more seamless and taking into account players' needs and behaviour (customer knowledge), as their tastes and aspirations are changing very quickly, particularly among the younger generations.</p> <p>The Group's capacity to implement the omnichannel lottery strategy could be constrained by significant operational complexities (technical, logistical, regulatory, etc.).</p> <p>The implementation of this strategy also poses significant challenges in terms of the commitment of external stakeholders (players, retailer network, regulators, etc.) to the development of the omnichannel lottery approach. For example, players or potential players may not naturally adhere to an identification system if they deem it too restrictive or intrusive.</p>	<ul style="list-style-type: none"> - Decline in the attractiveness of FDJ's lottery offers. - Difficulties in recruiting new customers. - Impact on the Group's growth and profitability objectives. <p>Main risk-management systems</p> <p>In response to this risk, FDJ is implementing a strategy based on an enhanced relationship policy built on better customer knowledge. The strategy of progressive and proportionate customer knowledge and identification, particularly at the point of sale, is based notably on:</p> <ul style="list-style-type: none"> - a differentiated renewal of the FDJ lottery offer; - the continuation of the omnichannel lottery customer loyalty strategy based on a centralised relationship policy; - the gradual implementation of tools and services to better identify and understand lottery players; - a responsible gaming policy according to a differentiated and proportionate approach based on customer behaviour. <p>This strategy is also based on the continued modernisation of omnichannel lottery customer relationship management tools.</p>

Presentation of risk factors

RISKS RELATED TO ESG CHALLENGES [CSR]

Net criticality ●●● Moderate

Description of the risk factor	Potential impact for the Group
<p>The expectations of external stakeholders (administrative authorities, investors, civil society and players, etc.) are becoming more demanding in the area of corporate social responsibility (CSR).</p> <p>At the same time, new regulations related to CSR challenges are emerging (new European Corporate Sustainability Reporting Directive (CSRD)) applicable from 2024, future European Corporate Sustainability Due Diligence Directive (CSDD), etc.), and could result in ambitious new objectives being imposed on companies.</p> <p>Lastly, environmental, social and governance (ESG) criteria are taking on increasing importance in investment decisions. In particular, the existence of sector exclusion policies applied by certain financial players could restrict the depth of financing available to the Group, potentially dampening demand for financial instruments issued by the Group and/or limiting access to external funding under the most favourable conditions, regardless of the Company's specific positioning.</p> <p>The Group's ability to meet new societal expectations, comply with applicable requirements and implement its commitments is a genuine strategic challenge.</p>	<ul style="list-style-type: none"> - Damage to the value, image or reputation of the Group if CSR objectives are not met. - Impact on the Group's growth and profitability objectives. - Restriction of the depth of financing and/or insurance policies available to the Group, or less favourable conditions for obtaining them. <p>Main risk-management systems</p> <p>To limit the risks related to ESG challenges and keep its non-financial performance at the highest level, the Group implements dedicated governance and initiatives at all levels of the Company:</p> <ul style="list-style-type: none"> - existence of robust governance of responsibility and sustainability challenges: based on the work of the CSR & RG Committee, the Board of Directors ensures close monitoring of FDJ's CSR and responsible gaming roadmap and commitments; - inclusion of CSR challenges at the heart of FDJ's strategy and business model, in line with the raison d'être laid out in its articles of association. - initiation of joint work between the "Commitment and Responsible Gaming" and "Regulation and Public Affairs" teams on FDJ's positioning with regard to sector exclusion policies, particularly in the field of "sustainable finance"; - the launch of joint work between multidisciplinary teams (CSR, Finance, Risks, etc.) to prepare and ensure FDJ's compliance with the CSRD, which will gradually apply from the next reporting year; - the implementation of operational work: details of the Group's ambitious CSR commitments and the main CSR risks are presented in Chapter 4 "Corporate Social Responsibility: Non-Financial information statement" of this Universal Registration Document.

As a reminder, the CSR objectives for 2025 cover three priority themes of engagement for FDJ and are aligned with stakeholders' expectations:

- responsible gaming, and more particularly the prevention of excessive gambling;
- the environment, and specifically efforts to tackle climate change;
- gender equality within the Company.

RISKS RELATED TO TALENT ATTRACTION AND RETENTION [CSR]

Net criticality ●●● Low

Description of the risk factor	Potential impact for the Group
<p>The implementation of the Group's strategy is highly dependent on its ability to attract, train and retain new talent. To ensure the success of the Group's future transformations and to successfully complete its major development projects, it is essential to have the right skills in place, both in France and internationally.</p> <p>In a tense job market in certain sectors (digital, cyber, etc.) and characterised by new expectations among applicants and employees (working environment and methods, etc.), FDJ could encounter difficulties in attracting and retaining the best talent.</p> <p>In addition, the gaming sector requires a number of specific skills, for example to support the digitalisation and innovation in lottery games, or technical expertise that is in high demand (IT or data skills, etc.).</p> <p>In a rapidly changing sector, the Group's success also depends on its ability to develop the skills of its employees through training and internal mobility to meet the Group's needs in France and internationally.</p>	<ul style="list-style-type: none"> - Loss of competitiveness, deterioration in the Group's attractiveness and reputation - Impact on the Group's growth and profitability <p>Main risk-management systems</p> <p>The FDJ Group is aware that employee engagement is an essential factor of its success. With this in mind, it is working to develop and implement an ambitious, innovative and inclusive Human Resources policy.</p> <p>To this end, FDJ's Group-wide employment and career management policy is designed to prepare for the evolving tasks that will be entrusted to employees and the skills they will need to acquire, and to optimise the manner in which they are guided along their career paths and develop their talents.</p> <p>For example, each year the Group devotes a significant part of its budget to training its employees, through a skills development plan that supports the Group's strategic priorities.</p> <p>For several years, FDJ has also been committed to the gradual construction of a Group social package (employee savings, health and provident insurance, professional equality, gender balance, diversity, etc.).</p> <p>Finally, to measure the level of employee engagement, a key factor in the Group's performance, FDJ organises an annual engagement survey and measures the internal climate, ensuring that the resulting action plans are put in place to improve engagement levels.</p> <p>Detailed information on the Group's Human Resources policy is provided in Chapter 4 "Corporate Social Responsibility: Non-Financial Information Statement" of this Universal Registration Document.</p>

Presentation of risk factors

RISKS RELATED TO THE ORGANISATION OF THE POINT-OF-SALE NETWORK IN FRANCE

Net criticality ●●● Low

Description of the risk factor	Potential impact for the Group
<p>To stay close to its customers, the Group relies on a network of nearly 30,000 points of sale spread throughout France, mainly in the Bar-Tobacconist-Newsagent network.</p> <p>However, the Bar-Tobacconist-Newsagent sector has been weakened through the implementation of various regulations, including the introduction of a smoking ban in public places, the application of the "neutral packaging" law and the steady increase in the price of tobacco (increase of nearly 50% between 2017 and 2022, plus a further 20% increase expected between 2023 and 2026), and also due to the weakening of the printed press market.</p> <p>In 2023, part of the point of sale network was also affected by an episode of urban violence. Nearly 400 points of sale were damaged in various ways, including tobacconists, bars and newsagents, mainly in the Paris region.</p> <p>The French government recently ushered in a support plan allowing the granting of specific aid to tobacconists to help them finance the transformation of their business, diversify or improve their security.</p> <p>Furthermore, the arrival of new operators, and new games and services could also ultimately change the point-of-sale ecosystem. This proliferation of services and sources of revenue for retailers is likely to eventually introduce a form of competition in the supply of FDJ products within points of sale.</p>	<ul style="list-style-type: none"> - Difficulty in supporting developments impacting its physical distribution model in France, which could eventually have the effect of reducing stakes. - Decline in the appeal of FDJ's offers and services in the wake of heightened competition within sales areas (proliferation of offers, products or services). - Limitation of spaces dedicated to the development of FDJ offers in points of sale, resulting in an increase in advertising costs and, potentially, the total cost of distributing the Group's offers in points of sale. <p>Main risk-management systems</p> <p>To continue to support the development of its physical distribution model, FDJ is implementing a strategy to assist its longstanding partners in this change, based notably on:</p> <ul style="list-style-type: none"> - support for the maintenance and development of the traditional Bar-Tobacconist-Newsagent network (e.g. €15 million contribution to the partnership fund to support local businesses in vulnerable areas, payment cards, Fonds Rebond, etc.); - the implementation of a process of diversification of the distribution network, in consultation with the organisations representing the traditional Bar-Tobacconist-Newsagent network, in order to increase the number of points of contact with its customers; - a programme to modernise and digitalise points of sale (e.g. modernising the customer experience by investing in digitalising the customer experience and modernising network equipment); - remuneration of FDJ retailers consistent with the Group's marketing and responsible gaming challenges. <p>In addition, the FDJ Group, through its subsidiary FDJ Services, offers points of sale a range of local payment services (payment at the point of sale of everyday bills or public bills, such as taxes or fines), enabling them to offer their customers more services and thereby consolidate their business.</p>

3.1.2 Risks related to the Group's operations

RISKS RELATED TO CYBERCRIME AND THE CONTINUITY OF INFORMATION SYSTEMS, PARTICULARLY POINT-OF-SALE GAMING SYSTEMS

Net criticality ●●● High

Description of the risk factor	Potential impact for the Group
<p>Central to the Company's activity, FDJ's information system is an essential element for managing operations and logistics, and processing transactions and financial flows.</p> <p>FDJ's information system, and in particular the point-of-sale gaming system, could be subject to breakdowns or human error (insufficient testing before going live, for instance), suffer from the saturation of the computer network, be subject to a third-party failure (such as a breakdown in the telecommunications network) or even be affected by a natural disaster. A malfunction or failure of such systems could result in prolonged (more than 2 hours) unavailability of the critical computerised gaming systems (validation of stakes, payment of player winnings, etc.).</p> <p>Furthermore, in the context of increased digitalisation of the Group's activities, combined with the increase in external threats, the Group may also be the target of internal or external cyberattacks by means of intrusions, scams, digital identity theft, phishing, hacking, financial misappropriation, denial of service, defacing of websites, extortion and theft of sensitive or personal data. The development of new technologies, particularly artificial intelligence, is further compounding these external threats.</p> <p>Bear in mind that gaming sector operators are increasingly subject to attacks targeting their information systems, particularly in the form of distributed denial-of-service (DDoS) attacks. Moreover, cyberattacks could also be carried out by organisations that could use the denunciation of gambling as a way to promote themselves.</p> <p>Cyber risk also exists with regard to products, services and systems developed by FDJ and marketed to B2B customers, which could also be affected by this type of threat.</p>	<ul style="list-style-type: none"> - Interruption of all or part of the Group's activities and financial losses (estimated at approximately €100,000 in lost stakes per minute of interruption at peak activity). - Violation of the integrity or confidentiality of data and gaming operations. - Loss of market share on offers open to competition. - Disputes and litigation with players or retailers. - Damage to the Group's image or reputation. <p>Main risk-management systems</p> <p>The security of information systems is a constant concern for the FDJ Group, which has implemented governance as well as dedicated organisational and technical resources to limit this risk.</p> <p>Organisation and governance:</p> <ul style="list-style-type: none"> - existence of a dedicated "Group Cybersecurity" entity reporting to the Executive Vice-President, Technology and International; - close collaboration between the Head of Information Systems Security and his liaisons within the Group's main operational entities, and in conjunction with the FDJ's Data Protection Officer (DPO) and her teams concerning personal data and privacy protection issues; - governance based on an Information Security Management System (ISMS) certified ISO 27001 and WLA-SCS (World Lottery Association Security Control Standard); - regular monitoring of cybersecurity issues by the Group Management Committee and the Audit and Risk Committee. <p>Cybersecurity awareness-raising and training:</p> <ul style="list-style-type: none"> - existence of an annual awareness-raising and training programme, notably including a mandatory module for all new employees and a training programme to combat phishing; - regular organisation of awarenessraising for employees, such as the first ever CyberWeek on the Group's various sites in 2023. <p>Main technical systems:</p> <ul style="list-style-type: none"> - existence of numerous processes and technical systems to ensure prevention, detection and response in respect of security incidents. These systems are rolled out at all levels of the FDJ information system, from the choice of IS architecture (e.g. reinforced partitioning limiting the risk of spreading a potential virus attack) to the level of each employee workstation (e.g. multi-factor authentication, secure communications system); - establishment of a Security Operation Centre (SOC) providing security supervision, detection and processing of cybersecurity threats; - performance of regular internal or external intrusion tests and security audits (specialised and qualified "PASSI" service providers); - specific management of the integrity of gaming information systems; - dedicated data centre with two independent rooms for data supply, power supply and cooling systems. Data backups are made simultaneously in both computer rooms to ensure operational continuity in the event of a failure of one of them. FDJ also has an integrity centre that allows a triple replication of critical processes and data (e.g. gaming and payments). The IT continuity plan is tested regularly.

Presentation of risk factors

RISKS RELATED TO THE INTEGRITY AND SECURITY OF GAMING OPERATIONS [CSR]

Net criticality ●●● Low

Description of the risk factor	Potential impact for the Group
<p>Several risks to the integrity of games may arise in the computer processing of games or during the various operational stages of the game processing chain, from their design to the payment of prizes.</p> <p>First of all, since FDJ offers many lottery games, both in points of sale and online, the design of which can sometimes be complex, technical and human failures cannot be ruled out (e.g. errors in the prize tables). Similarly, risks in the manufacture of instant games, especially in the printing of scratch cards, cannot be excluded.</p> <p>FDJ may also face risks in the computer processing of games:</p> <ul style="list-style-type: none"> - an anomaly in the execution of the computer draws delivering a greater or lesser number of prizes than they should; - a malfunction in the terminal at the point of sale resulting in a failure to detect winning tickets; - a malfunction in the display of the winnings (inconsistency between the computer system and what is displayed to players); - a prolonged unavailability of the odds system or a malfunction in the setting of odds; - a defect in game integrity, etc. <p>In addition, the draws for the FDJ lottery games broadcast on television or on the Internet are subject to specific controls, but the risk of technical or human error during the draws or in the announcement of the results cannot be excluded.</p> <p>This risk encompasses more broadly the issue of fraud risk, a risk inherent in the operation of games of chance (player fraud, retailer fraud, internal fraud), which may occur at all stages of the gaming chain, including during draws or payment of winnings.</p> <p>Lastly, the new poker business and the online horse-race betting business carry a number of specific new integrity and fraud risks.</p>	<ul style="list-style-type: none"> - Disputes with players or even a sanction from regulators. - Payments to players of winnings in excess of stakes or exposure to claims or litigation from players. - In the event of manufacturing errors, payment of sums that were not anticipated on the basis of the prize tables or exposure to claims or litigation from players. - Non-compliance of the games concerned with the regulations applicable to them, resulting in the temporary suspension or even permanent withdrawal of the operating licences of the relevant games, together with financial penalties. - Financial losses. - Damage to the Group's image or reputation. <p>Main risk-management systems</p> <p>Pursuant to its legal and regulatory obligations, FDJ must implement measures and perform the procedures and oversight needed to ensure the integrity, security and reliability of its gaming operations and their transparency.</p> <p>The Group has notably established and regularly maintains:</p> <ul style="list-style-type: none"> - an information security management system (ISMS) ensuring the compliance of FDJ's activities with regulations and guaranteeing the integrity of games; - preventive and detective control points, either automatic or operated by the business teams, during the design and validation, manufacturing and launch phases, on the different offers and products proposed; - specific measures to ensure the integrity of gaming operations, for example in the draw range (validation and registration of games, security of mechanical and electronic draw operations and systems, etc.) or in the instant games range (integrity and security of gaming materials, security of routing, security of information systems, etc.); - use of external third parties (laboratories, external auditors, judicial officers, etc.) to carry out controls relating to the quality of the gaming materials or the regularity of the process, for draw operations for instance.

RISK OF INTERRUPTION OF THE SUPPLY CHAIN FOR POINTS OF SALE

Net criticality ●●● Low

Description of the risk factor	Potential impact for the Group
<p>FDJ operates the largest local distribution network in France, with nearly 30,000 points of sale in 2023. This vast network must be supplied with gaming materials that meet the expected quality requirements in a timely manner.</p> <p>In the event of a prolonged interruption of the production system or supply chain, the Group could face a shortage of stocks or an interruption in the delivery chain. A significant breakdown, a national or local strike (e.g. road transport), or a major external event (climatic, health, etc.) could delay or prevent the delivery of products to the central warehouse, the preparation of orders in the warehouse or the transport of products to the distribution network.</p> <p>FDJ may also be confronted with problems of tension or even shortages affecting raw materials (inks, paper, containers, etc.), which can result in supply issues, for scratch cards for instance. In this respect, the global health crisis (Covid-19) highlighted the fact that events of unpredictable proportions can occur and complicate access to markets.</p>	<ul style="list-style-type: none"> - Delivery delays or interruptions resulting in significant replacement costs. - Inability to supply points of sale with all or some game materials (scratch cards, game slips, cash register receipts), which may result in reputational risks and, in some cases, potential disputes with retailers. - Impact on the Group's growth and profitability objectives. <p>Main risk-management systems</p> <p>Managing the risk of supply chain disruption is based on a number of measures:</p> <ul style="list-style-type: none"> - use of multiple suppliers for each type of gaming material to offset a possible failure of a supplier and formation of back-up stocks to forestall logistical failures; - a system for switching game production between two main printers, allowing one to assume all or part of the production if the other fails; - extension of logistics capacity with the introduction in 2021 of a second mechanised chain in addition to the main mechanised chain; - implementation of a business continuity plan for the central warehouse, including the opening of an operational backup warehouse with an emergency stock to cover a two- to three-week interruption; - property/operating loss insurance.

COUNTERPARTY RISK

Net criticality ●●● Low

Description of the risk factor	Potential impact for the Group
<p>Some instant games and draw games (e.g. Amigo, Keno, etc.) are based on the counterparty principle: (i) the face value of prizes is fixed or determined by probability and (ii) the number or value of prizes won is determined by chance. Therefore, the total amounts that will be effectively paid to prize winners cannot be precisely predetermined in advance. Sometimes the total amount paid out will be greater than, and sometimes less than the stakes received from players.</p> <p>The draw of one or more extremely low occurrence combinations could therefore cause FDJ to have to pay out a set of counterpart winnings of up to €100 million per draw for counterpart lottery games, in accordance with the provisions of Article D. 322-14 of the French Internal Security Code.</p>	<ul style="list-style-type: none"> - Significant impacts on the net profit for the year if the insurance ceiling is exceeded. - Damage to the Group's value, image or reputation in the event of a reduction in individual player winnings as a result of the application of the regulatory ceiling of €100 million on cumulative winnings from a draw. <p>Main risk-management systems</p> <ul style="list-style-type: none"> - Taking out insurance to cover counterparty risks for the relevant draw games up to an annual amount of €130 million (without prejudice to the application of unit ceilings per draw as indicated opposite). - Monthly monitoring of the payout ratios of each of the aforementioned games so as to align the rules of the game with an acceptable level of risk.

3.1.3 Risks related to the regulatory framework of the gaming sector

RISKS RELATED TO THE IMPLEMENTATION OF THE CURRENT SECTOR REGULATORY FRAMEWORK AND ITS DEVELOPMENTS

Net criticality ●●● High

Description of the risk factor	Potential impact for the Group
<p>Since 23 June 2020, the date on which it was set up, the French gaming regulatory authority (ANJ) has been responsible for regulating all lottery games and sports betting activities operated by FDJ in France, under exclusive rights and in competition (see Note 1.5 "Regulatory environment" in Chapter 1 "Overview of the Group").</p> <p>Although FDJ has always carried out its activities within a strictly regulated framework, the ANJ could opt to regularly issue operational prescriptions (e.g. reference framework) to guide operators in complying with the applicable legal obligations.</p> <p>The ANJ may also have cause to change the operational methods of the control it exercises or to change the regulatory framework applicable to the sector, and in doing so may create new constraints. Such developments could concern:</p> <ul style="list-style-type: none"> – operating conditions for games or betting under exclusive rights and in competition; – tighter advertising restrictions on gaming, as observed in other European countries (e.g. Belgium, Spain, Italy – see Note 1.1.2 "European gaming market" in Chapter 1 "Overview of the Group"); – a change in the duration or scope of FDJ's exclusive rights secured for 25 years by the legislator in 2019 under the terms of the Pacte Law and the Order; – authorisation of new forms of gaming or betting in France, particularly in connection with Web3, blockchain or similar technologies (e.g. a proposed law on the security and regulation of the digital space (SREN), which includes a section on experimenting with games with monetisable digital objects for a limited period, etc.); – a change in the tax regime applicable to gaming in France and in the countries in which the Group operates. <p>Moreover, the regulator could refuse FDJ's authorisation request to operate a game or require a substantial change in its operation (e.g. relaunch of Amigo with a revised formula in June 2023 in accordance with the decision of the French gaming regulatory authority). FDJ could also be forced to suspend a game or see its authorisation withdrawn at any time if the conditions under which it was authorised are no longer met or for reasons related to the preservation of public and social order.</p> <p>Finally, like all licensed operators, FDJ is also subject to penalties. The current framework provides that, in the event of a breach of the existing regulations, the ANJ's Sanctions Committee may impose a monetary penalty in an amount not exceeding 5% of the revenue excluding VAT of the most recent financial year corresponding to its activities covered by the licence. This cap would be increased to 10% in the event of a further breach.</p> <p>In Ireland, PLI has held the Irish National Lottery licence since 2014 and has exclusive rights until November 2034. The Regulator of the National Lottery (RNL) has powers of approval, control and sanctions regarding compliance with the terms of the licence (see Note 1.5 "Regulatory environment" of chapter 1 "Overview of the Group").</p>	<ul style="list-style-type: none"> – New regulatory constraints or stricter operating conditions for games, potentially impacting the FDJ Group's results. – Limiting or challenging of the growth strategy (e.g. refusal, suspension, withdrawal of a gaming licence or conditional gaming licence). – Limiting of FDJ's ability to communicate on its offers and as such to promote their sale and recruit new players. – Monetary penalty. – Temporary suspension or withdrawal of the authorisation to operate online gaming and betting activities in competition, or of the authorisation of managers for gaming and betting activities operated under exclusive rights. – Economic destabilisation of existing gaming sectors through the authorisation or opening up to competition of segments previously prohibited or operated under exclusive rights. – Damage to the Group's image or reputation. <p>Main risk-management systems</p> <p>FDJ has always operated its activities in a strictly regulated framework and is familiar with the terms of application of the regulations. The reform of the French regulatory framework for the gambling sector initiated by the Pacte Law reinforced the existing scope of FDJ's exclusive rights, which were secured for a period of 25 years from 23 May 2019.</p> <p>The Group also maintains a relatively diversified portfolio of games, thereby limiting its exposure to the tightening of operating conditions for its entire range.</p> <p>FDJ accordingly has an organisation and governance system enabling it to monitor and deal with regulatory issues, notably:</p> <ul style="list-style-type: none"> – Regulation and Public Affairs Department manages the relationship with both national and European public authorities, as well as with the regulators on all issues related to the regulation of gambling; – the department also ensures compliance with the regulatory framework for the gaming and betting activities offered by the Company in competition and under exclusive rights, notably by convening a dedicated Steering Committee that brings together and coordinates all the internal entities of the Company concerned and the implementation of a permanent regulatory watch; – on a day-to-day basis, it supports operational teams in anticipating and implementing regulatory and statutory obligations. It also liaises with the teams responsible for local sector regulations in the various international subsidiaries.

RISKS RELATED TO THE PROTECTION OF PLAYERS AND MINORS [CSR]

Net criticality ●●● Moderate

Description of the risk factor	Potential impact for the Group
<p>As a gaming operator, the FDJ Group must ensure compliance with sector requirements concerning the preservation of public and social order, notably with regard to the prevention of underage gambling and excessive gambling.</p> <ul style="list-style-type: none"> - With regard to the <i>risks associated with underage gambling</i>, FDJ is obliged to prevent the participation of minors, even emancipated minors, in its gaming or betting activities. Despite substantial efforts made by the Group to supervise the sale of games online and in its physical network, this ban may not be sufficiently respected. - With regard to the <i>risks associated with excessive gambling</i>, gaming can be addictive and may create a risk of addiction for some players. Gambling addiction can cause both financial and psychological harm to those concerned and to their families. <p>In France, the existing regulatory framework for the protection of players and the administrative and criminal sanctions for non-compliance were recently tightened (e.g. the Order issued in application of the Pacte Law in 2019, reference framework for the prevention of excessive or pathological gambling and the protection of minors adopted in 2021).</p> <p>If FDJ is found to be in breach of the regulations, it may be subject to sanctions by regulators. In the event of extremely serious breaches, FDJ could be sanctioned by various regulators, either through the suspension or prohibition of games, the withdrawal of a licence or a financial penalty proportionate to the seriousness of the breach. In France, a financial penalty imposed by the ANJ may not exceed 5% of the revenue (excluding VAT) of the most recent financial year closed corresponding to the activities covered by the licence, or 10% in the event of a further breach.</p> <p>Such situations could give rise to legal actions by players or their relatives, or could even make partner retailers (as the players' direct point of contact) or FDJ itself liable. More generally, in view of the expectations of stakeholders regarding underage and excessive gambling, any breach would also be liable to affect the image and reputation of the FDJ Group.</p>	<ul style="list-style-type: none"> - Non-compliance with the legal and regulatory framework may result in the imposition of sanctions by the regulator (e.g. withdrawal of authorisation for a game, financial penalties, temporary suspension or withdrawal of a licence, or even questioning of the operation of games under exclusive rights). - Damage to the Group's image or reputation. <p>Main risk-management systems</p> <p>The responsible gaming policy is central to FDJ's model and the Group's raison d'être. The Group has a longstanding commitment to a responsible recreational gaming model and is making significant efforts, both at the point of sale and online, to combat underage gambling and prevent excessive gambling. Actions to manage these risks are taken at all stages of the game's life cycle and notably cover the following points:</p> <ul style="list-style-type: none"> - when designing games, checks on the level of attractiveness of all game offers ("Serenigamesm" analysis matrices) serve to assess and limit the risks in terms of excessive gambling; - before being brought to the market, all gaming and betting offers operated under FDJ's exclusive rights are also verified by the regulator, ANJ, under the prior authorisation regime; - at the point of sale, training and support for retailers and the sales force is central to the responsible gaming system. This programme is supplemented by a preventive information system (posters, brochures, self-assessment tests, etc.) and by a system for monitoring the application of responsible gaming requirements (e.g. team of internal inspectors, specific tests, etc.), which can lead to sanctions for non-compliant retailers. Premier Lotteries Ireland (PLI) also uses these point-of-sale testing systems; - online, technical systems are used, first, to restrict the access of minors to online games (including the systematic verification of identity documents when registering) and second, to support players in monitoring their gaming practices (the PlayscanTM tool, game moderators, self-exclusion mechanisms, etc.); - for several years, the Group has been developing systems to identify and then guide people in vulnerable situations (e.g. partner and referral support structures, network of responsible gaming officers within sales branches, outgoing calls to players in difficulty). <p>More generally, the Group is committed to:</p> <ul style="list-style-type: none"> - informing the general public and raising awareness of responsible gaming through various channels and media (e.g. rollout of a specific Responsible Gaming Action Plan during the 2023 Rugby World Cup) and paying particular attention to the content of its advertising campaigns; - supporting research into addiction and prevention initiatives, through a number of partnerships with health and social stakeholders; - exploring innovative solutions to protect players (e.g. experimentation in 2023 with an anonymous majority certificate integrated into a QR code for taking bets within the Parions Sport Point de Vente app). <p>Finally, the Group's long-standing commitment to responsible gaming has also been recognised by The European Lotteries, which renewed FDJ's responsible gaming certification in 2022 and PLI's in 2023.</p> <p><i>[Further details are provided in Chapter 4 "Corporate Social Responsibility: Non-Financial Information Statement", in section 4.6 "Responsible gaming" of this Universal Registration Document]</i></p>

Presentation of risk factors

MONEY LAUNDERING RISK [CSR]

Net criticality ●●● Low

Description of the risk factor	Potential impact for the Group
<p>The acceleration of regulatory developments relating to the fight against money laundering and the financing of terrorism in France and in the EU (creation of a European authority, draft regulations and directives), technological innovations (generative AI, games with monetisable digital objects and crypto-assets, etc.) and FDJ's recent acquisitions of gaming operators active in France and internationally (ZÉturf and Premier Lotteries Ireland) have significantly increased FDJ's exposure to the risks of its services being used for criminal purposes, money laundering and terrorist financing on the one hand, and those of regulatory non-compliance on the other.</p> <p>Against this backdrop, FDJ is strengthening its control policy and due diligence with regard to customers and gaming operations by ensuring consistent management of the AML/CFT system at Group level. In addition, the Group's Payment & Services business is subject to supervision by the French Prudential Supervision and Resolution Authority (ACPR).</p> <p>Although, in recent years, FDJ has embarked on a process to improve its knowledge of customers and implement means to reduce the circulation of cash in points of sale in France, its activities, in particular sports betting, which is subject to greater risk than lotteries, are at risk of being used by money laundering networks. Measures to identify the origin of funds involved in transactions have therefore been stepped up in recent years. This approach contributes to the increase in the number of suspicious transaction reports: in 2023, FDJ sent 455 suspicious transaction reports to TRACFIN.</p> <p>FDJ may encounter failures in the detection or handling of money laundering cases and may not be able to keep up with the constant developments in money laundering techniques.</p> <p>Lastly, and in the context of the development of its activities, the Group makes acquisitions that may require specific AML/CFT adaptations. FDJ may be unable to apply its AML/CFT system in the newly acquired entities with sufficient agility and speed.</p>	<ul style="list-style-type: none"> - Prosecution for complicity in money laundering. - Penalties liable to damage FDJ's image and reputation. - Significant operational impacts and costs associated with a compliance order. - Withdrawal of accreditation for FDJ partner retailers and related impact on revenue. - Heavy financial penalties, up to several million euros in the event of serious or repeated breaches. - Temporary or permanent suspension of the exploitation of exclusive rights. <p>Main risk-management systems</p> <p>With regard to money laundering risk, FDJ is fully committed to the fight against illicit practices in the area of money laundering and terrorist financing.</p> <p>FDJ works tirelessly to improve its AML/CFT compliance programmes and aims for excellence in rules and procedures, notably through:</p> <ul style="list-style-type: none"> - the existence of governance and a system dedicated to the fight against fraud, money laundering and terrorist financing; - the existence of a permanent control procedure to ensure the system's compliance and effectiveness; - the integration of security requirements in new games or processes; - the monitoring and control of operations, in particular by inspecting the point-of-sale network; - regular cooperation with the authorities (judicial requests, right of communication, declarations of suspicion to TRACFIN). <p><i>[Further details are provided in Chapter 4 "Corporate Social Responsibility: Non-Financial Information Statement", in section 4.7.2 "Prevention of money laundering" of this Universal Registration Document]</i></p>

3.1.4 Legal and non-compliance risks

RISKS RELATED TO LITIGATION, DISPUTES AND CLAIMS

Net criticality ●● Moderate

Description of the risk factor	Potential impact for the Group
<p>FDJ may be involved in legal, administrative or regulatory proceedings in the normal course of its business, particularly in connection with the creation and sale of its games and services, or in connection with its relationships with retailers.</p> <p>The Group is also exposed to the risk of legal action against certain facts concerning FDJ's activities operated under exclusive rights. As a reminder, the laws and regulations applicable to FDJ and its activities were significantly overhauled in 2019 by Article 137 of the Pacte Law, the Order and its implementing decrees (including in particular the Exclusive Rights Decree and the Close Control Decree), and claims were filed against the various texts.</p> <p>For example, the Council of State had already had to review a request for referral to the Constitutional Council as a priority preliminary ruling on the issue of constitutionality in 2020, rejecting it on 19 August 2020.</p> <p>In addition, on 26 July 2021, the European Commission announced that it would conduct a detailed investigation of France regarding the appropriateness of the €380 million payment made as "remuneration of the exclusive rights awarded" for point-of-sale sports betting and for lotteries. The case is ongoing and the parties are exchanging statements of position. No timetable has yet been announced by the Commission.</p> <p>At the same time, in five rulings dated 14 April 2023 and one ruling dated 12 July 2023, the Council of State found that the exclusive rights granted to FDJ were justified on grounds of public order and the control of risks of addiction, that the 25-year duration of the exclusive rights granted to FDJ was not excessive, that the granting of exclusive rights to FDJ was compliant with European law and that there were no grounds to refer the matter to the European Court of Justice for a preliminary ruling. With regard to the amount of the consideration paid by FDJ to the State in exchange for the exclusive rights, the Council of State stayed the proceedings and will rule after the European Commission has issued its decision on this matter.</p> <p>Moreover, on 1 February 2024, the French Competition Authority published information on an appeal lodged with the Council of State against the decision of 15 September 2023 authorising the acquisition of ZEturf by FDJ. The appellant has three months from 11 December 2023 to submit evidence and claims in support of its appeal. La Française des Jeux does not have any further information at this stage.</p> <p>Lastly, on 23 May 2017, FDJ served a writ on Soficoma, a non-trading company, requesting a finding that Soficoma had lost its status as a shareholder of FDJ. The courts of first and second instance have both ruled in favour of FDJ (Marseille Commercial Court decision of 23 May 2019, Aix-en-Provence Court of Appeal decision of 17 November 2022). However, Soficoma appealed to the Court of Cassation in December 2022.</p> <p><i>[Further details are provided in Chapter 7 "Information about the Company, its Capital and Shareholding Structure", in section 7.3 "Legal and arbitration procedures" of this Universal Registration Document.]</i></p>	<ul style="list-style-type: none"> - Convictions against FDJ. - Damage to the Group's value, image or reputation. <p>Main risk-management systems</p> <p>FDJ has implemented procedures and tools to prevent, manage and monitor disputes.</p> <p>The Legal Department works closely with the Group's legal advisors to control risks as effectively as possible.</p> <p>In addition, the Group ensures that it has insurance policies covering significant amounts to cover the financial consequences of its professional liability.</p> <p>Provisions are made for expenses potentially arising from such disputes, where appropriate, in accordance with the accounting rules in force. The amount recognised as a provision is the best estimate of the expenditure required to settle the obligation discounted to the balance sheet date. Total provisions for contractual disputes are shown in Chapter 6 "Financial Information on Assets, Liabilities, Financial Position and Results" of this Universal Registration Document.</p>

Presentation of risk factors

LEGAL RISKS RELATED TO THE COEXISTENCE OF ACTIVITIES CARRIED OUT UNDER EXCLUSIVE RIGHTS AND IN COMPETITION

Net criticality ●●● Moderate

Description of the risk factor	Potential impact for the Group
<p>In France, FDJ holds exclusive rights for the operation of lottery games at points of sale and online, as well as for the operation of sports betting at points of sale, while its online activities in the sports betting, poker and horse-race betting segments are carried out in competition with other operators.</p> <p>In addition, the Group is diversifying and strengthening its non-gaming activities through its subsidiary FDJ Services, with the launch of a local collection and payment services business.</p> <p>The coexistence of activities under exclusive rights and in competition is subject to compliance with competition law. FDJ may not operate activities under exclusive rights as a monopoly in a manner that results in abusive behaviour likely to distort the market for the Company's activities that are open to competition. Doing so could give rise to possible legal proceedings by gaming operators before the French Competition Authority.</p> <p>Similarly, competition law must be taken into account at every stage of prospective acquisitions. For example, certain acquisitions may be subject to the approval of the French Competition Authority, as in the case of the acquisition of the ZEturf group, which was completed on 29 September 2023, following the approval of the Authority on 15 September 2023. Similarly, the French Competition Authority granted conditional approval for the acquisition of Aleda in November 2022.</p>	<ul style="list-style-type: none"> - Challenges, before the courts or the competent authorities, of the coexistence of activities operated under exclusive rights and in competition. - Risk of fines for FDJ and compensation for competitors. - Risk on external growth transactions. <p>Main risk-management systems</p> <p>At all times, and especially when developing a new competitive activity, FDJ takes care to apply the following noteworthy measures:</p> <ul style="list-style-type: none"> - establishment of accounting separation between monopoly activities and those open to competition; - absence of commercial solicitations of monopoly customers to an activity open to competition; - absence of cross offers; - separate websites and applications; - organisation of awareness-raising sessions for employees. <p>In accordance with the undertakings given to the French Competition Authority in connection with the acquisition of the ZEturf group, the FDJ Group plans to adopt a new organisation for its competitive online gaming business, which will notably entail the spin-off of games open to competition and the separation of player accounts.</p>

RISK RELATED TO PERSONAL DATA SECURITY [CSR]

Net criticality ●●● Low

Description of the risk factor	Potential impact for the Group
<p>The European Regulation 2016/679 on the protection of personal data (GDPR), which came into force on 25 May 2018, imposes transparency, integrity and confidentiality in the processing carried out by FDJ, as well as the possibility for data subjects (customers, employees, retailers, etc.) to exercise new rights over their personal data.</p> <p>This regulation is applicable in France, for example, where the National Commission for Information Technology and Civil Liberties (<i>Commission Nationale de l'Informatique et des Libertés</i> – CNIL) is responsible for ensuring compliance with the GDPR, while in Ireland the Data Protection Commission (DPC) is responsible for this task.</p> <p>In addition to this regulation, the legal and regulatory requirements for the protection of personal data are steadily increasing.</p> <p>Fostering the knowledge of customers so as better to meet their needs is an important aspect of the Group's strategy and requires the collection and use of an increasing amount of data, including personal data, within a constantly evolving framework.</p> <p>Although FDJ regularly updates its data security system, drawing on market best practice, situations involving the loss or theft of personal data are becoming increasingly frequent and well-publicised, notably in France.</p>	<ul style="list-style-type: none"> - Non-compliance with regulatory requirements, litigation and even sanctions. - Breach of the personal data of the persons concerned, which could result in a deterioration of the Group's image and reputation, and have a significant negative impact on its activities, results, financial position or outlook. <p>Main risk-management systems</p> <p>The FDJ Group is fully committed to protecting the data of the people concerned and implements a suite of measures to ensure its compliance with the applicable regulations, including:</p> <ul style="list-style-type: none"> - a specific organisation and governance, led by the Data Protection Officer (DPO), in coordination with the Data/IA Expertise Centre and Information Systems Security teams; - a structured approach involving many of the Group's contributors; - regular awareness-raising programmes for the various business lines and new employees on the protection of personal data and the existing procedures on the subject within the Company. <p>In addition, FDJ ensures the compliance of all subsidiaries and aims to promote compliance among companies acquired by the Group, taking into account their size and specificity.</p> <p><i>[Further details are provided in Chapter 4 "Corporate Social Responsibility: Non-Financial Information Statement", in section 4.7.4 "Personal data protection" of this Universal Registration Document]</i></p>

Information bearing on financial risks (liquidity risk, interest rate risk, market risk, etc.) and the associated management systems is provided in Note 9.5 "Financial risk management policy" in Chapter 6, section 6.1 "Consolidated Financial Statements for the Year Ended 31 December 2023" of this Universal Registration Document.

Internal control and risk management system

3.2 Internal control and risk management system

3.2.1 Presentation of the activity and risk management general framework

The risk management and internal control system consists of an organisation, procedures and control systems implemented by the Executive Management and all staff under the responsibility of the Board of Directors. It is intended to provide reasonable assurance as to the achievement of operational objectives, compliance with the laws and regulations in force, the Group's ethical principles and standards, and in particular the reliability of financial and non-financial information.

The Group's risk management and internal control system is implemented in all Group entities, with a dynamic of continuous improvement, and involves both internal and external players.

The Group has adopted an approach to governance, risk and compliance organised along three lines of defence, based on IFACI (the French Audit and Internal Control Institute), AMRAE (the French Association for Management of Corporate Risks and Insurance) and IFA (the French Institute of Administrators) guidelines.



The first line of defence

As the first line of defence, operational staff are responsible for defining, maintaining and implementing an internal control system adapted to the risks of their activity and which enables them to achieve the level of internal control required by the executive management. This system takes the form of an organisation and a set of procedures defined, applied and updated under their responsibility.

The second line of defence

The second line of defence comprises the various risk management and compliance functions capable of assisting

the operational functions in identifying and assessing the main risks in their area of expertise. These "risk specialist" functions contribute to the monitoring of first-line controls.

The third line of defence

Internal Audit adopts a systematic and methodical approach to assess the risk management, control and governance processes, and makes proposals to improve their effectiveness.

3.2.2 Main actors in risk management

FDJ's units, support departments and subsidiaries implement the internal control systems governing their activities. In addition, the Group's operations are mainly monitored and controlled by various cross-business or corporate departments. The main actors involved in the management of the internal control system are listed below.

THE BOARD OF DIRECTORS AND THE AUDIT AND RISKS COMMITTEE

The Audit and Risk Committee monitors the effectiveness of the internal control and risk management systems for the Board of Directors and reports to it on its work. Its tasks are defined in the rules of procedure of the Board of Directors and specified in section 2.1.2.3 "The Board of Directors' committees" of Chapter 2 "Corporate Governance" of this Universal Registration Document.

THE EXECUTIVE MANAGEMENT AND THE RISK COMMITTEE

The Executive Management lays down guidelines in terms of risk management, in line with the Group's strategy. It steers the internal control and risk management system.

The Risk Committee is the body that validates and monitors the effectiveness of action plans relating to the main risks identified in the Group's annual risk mapping. It ensures the effectiveness of risk management arrangements and supports them.

The Risk Committee is composed of the members of the Group Management Committee (GMC), which provides a direct link between the strategy and the risk management system. The Risk Committee meets at least twice a year to review and adjust the Group's risk mapping and the related risk mitigation plans.

THE AUDIT, RISKS, CONTROLS, QUALITY AND ETHICS DEPARTMENT

The Audit, Risks, Controls, Quality and Ethics Department (DARCQE) is responsible for the main specific or multidisciplinary risk-management systems.

- The management system, which is supported by general management, is based on the ISO 9001 quality standard. Within the Group, this system is known as the Integrated Management System (IMS). It coordinates the Group's certification, labelling and standardisation processes within the relevant scopes (e.g. ISO 9001 for quality, ISO 27001 and WLA-SCS for information security, ISO 20400 for responsible purchasing, ISO 45001 for health and safety, SA8000 for fundamental workers' rights, ISO 14001 for the environment, responsible gaming certification from The European Lotteries, Alliance label on Diversity and Professional Equality, etc.).
- The IMS's Quality function also ensures that the Group's quality approach is implemented. It provides tailored

assistance to the entities in building a solid operating platform.

- The *Risk Management* and Internal Control functions enable improvement in the governance process and the risk identification and steering process of FDJ Group by combining:
 - the strategic and forward-looking top-down approach, supported by Risk Management, in particular through annual risk mapping;
 - the bottom-up approach, which is operational and anchored in the Group's activities to date, supported by the recurring work of the internal control teams within the various Group entities. The Internal Control function draws up, distributes and leads self-assessment campaigns, focusing on the main risks and issues identified by the Risk Management function, which are gradually being rolled out to each of the business lines. The self-assessment of risk management systems enables the Group's entities to ensure that the internal control system is functioning properly and to strengthen it with operational action plans. Regular self-assessment is one of the key instruments of the internal control and risk management system and is monitored centrally by the DARCQE teams.
- Anti-corruption Compliance, which builds and coordinates the system for combating corruption and breaches of probity in accordance with the Sapin II Law and extra-territorial foreign anti-corruption laws.
- Internal Audit is a permanent, independent and objective activity (complying with professional standards and reporting directly to general management) that ensures a degree of control of the Group's operations, offers advice for improvement and helps to create added value. It helps the Group to achieve its objectives by systematically and methodically assessing its risk management, control and corporate governance processes and by making proposals to improve their effectiveness. This assessment covers all the components of the internal control system, including the reliability and integrity of financial information, the effectiveness and efficiency of operations, the protection of the Company's assets, and compliance with laws, regulations and contracts.
- Finally, since 2023, the Audit, Risks, Controls, Quality and Ethics Department has been developing fraud detection and processing capabilities with the creation of the Data Analytics & Forensics function, which reports to Internal Audit.

Since 2020, the Audit, Risks, Controls, Quality and Ethics Department has used a GRC (Governance, Risk, Compliance) tool enabling it to perform its tasks using an integrated system. This tool also supports the Group's internal control self-assessments campaign and real-time consolidation of the progress of the action plans of the various entities.

Internal control and risk management system

THE CROSS-BUSINESS OR CORPORATE DEPARTMENTS

The cross-business or corporate departments, which are independent of operations, define the policies applicable to the Group in their respective areas of expertise (e.g. security, data protection, human resources, purchasing, environment, etc.). They also monitor and control the obligations associated with these policies.

Within the FDJ Group, the second line of defence notably includes:

- the Security Department (DSEC);
- the Regulation and Public Affairs Department (DIRAP);
- The Finance, Performance and Strategy (FPS) Division;
- the Legal Department (DJUR).

Security Department

The Security Department's mission is to guarantee the security of FDJ Group's human, material and reputational assets, and with a view to combating fraud, money laundering and terrorist financing (AML/CFT), to ensure the integrity and security of games and their marketing across the point-of-sale and digital networks.

In terms of organisation, within this department:

- the **Game Security** Department fights fraud and money laundering by integrating security requirements into gaming projects or new processes, by monitoring and controlling gaming operations, logistics and payment operations, by inspecting the point-of-sale network and by collaborating with the authorities (court orders, right of communication, suspicious transaction reports to TRACFIN);
- the **Game Integrity** unit guarantees the integrity of games and processes by defining, formalising and enforcing security standards, evaluating and authorising the most sensitive processes, certifying games, ensuring anti-laundering compliance, training operators (FDJ employees and professional customers) and promoting certifications. As such, the system guarantees that there is no vulnerability or any possibility to alter or circumvent the rules and principles applicable to the games and related processes that could be used to their advantage by internal or similar actors (employees, customer service, points of sale, third parties, etc.) and external parties;
- the **AML/CFT Internal Control and Compliance Department** identifies, assesses and controls all risks of non-compliance with the legislative and regulatory obligations in terms of combating money laundering and terrorist financing (AML/CFT) and oversees the development and implementation of internal and external training and awareness-raising plans;
- the **Safety** unit protects human, tangible and intangible assets by guaranteeing the security of buildings, information and people;
- the **Economic Intelligence** unit is responsible for monitoring on behalf of the Company, performing compliance analyses relating to partners and suppliers, and producing due diligence for internal requesters;
- the **Crisis Management** unit oversees the operational measures required to respond to any disruption threatening the Group's business continuity, thereby contributing to its resilience;

- the crisis management system provides cross-functional responsiveness and coordination, and is structured around several crisis units (decision-making, operational), which may be multidisciplinary or thematic (technical, cyber, communication). It also includes the organisation of crisis communication,
- business continuity is addressed through a Group business continuity plan (BCP) designed to maintain priority activities in all circumstances in the face of major scenarios involving the unavailability of resources (premises, employees, information systems, service providers). The implementation of this plan is aligned with the requirements of the international reference standard (ISO 22301) and based on a Business Continuity Management System (BCMS), which provides the framework for maintaining it in operational condition.

The Group BCP is structured around the business continuity plans of the Business Units (BU BCPs) and an IT backup plan providing IT continuity and recovery capabilities, and also draws on the crisis management system, notably for the implementation of appropriate business continuity solutions.

Regulation and Public Affairs Department

The Regulation and Public Affairs Department manages relationships with national and European public authorities, as well as with the regulator on all issues related to the supervision and control of gambling.

It ensures financial compliance and the evaluation of counterparty risks related to the operation of games, and ensures that the gaming and betting activities offered in competition and under exclusive rights by the Company comply with regulations, notably by holding dedicated Steering Committee meetings bringing together and coordinating all the internal entities of the Company concerned.

Finance, Performance and Strategy Division

The Finance, Performance and Strategy division guarantees and checks that business performance issues are taken into account across all dimensions: financial, taxation, strategic, organisational and operational.

It is also responsible for the quality and accuracy of the accounting and financial information of the Company and its subsidiaries and of documents intended for external use.

Legal Department

The Legal Department is tasked with managing the risks of non-compliance, contractual risks and litigation risks. It protects the Group against such risks by providing legal advice consistent with the Group's interests.

DEDICATED ENTITIES WITHIN THE SUBSIDIARIES

Within the various subsidiaries, in France and internationally, the teams adapt and strengthen the Group's systems so as better to respond to the specific nature of the activities and the requirements of the applicable regulations (e.g. local regulations, activities subject to approval, etc.), including for subsidiaries conducting diversification activities. Some international entities, such as Premier Lotteries Ireland (PLI), have a local internal audit team.

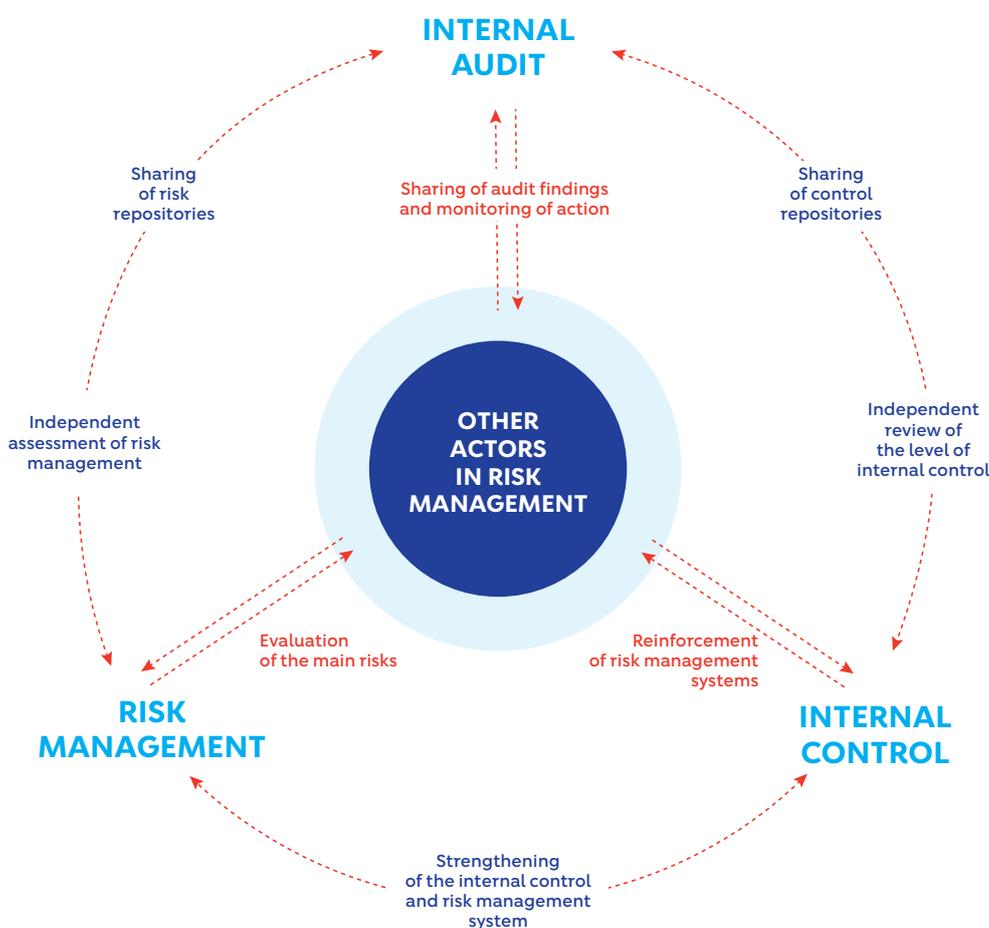
The Group's Payment & Services business in France has a specific internal control system, in compliance with the Order of 3 November 2014 on internal control of companies in the banking, payment services and investment services sector, as well as the Order of 6 January 2021 on the system and internal control of the fight against money laundering

and the financing of terrorism and the freezing of assets and the prohibition of making funds or economic resources available or using them. This activity is subject to supervision by the French Prudential Supervision and Resolution Authority (ACPR).

3.2.3 Description of the main risk management systems

3.2.3.1 INTEGRATION OF VARIOUS RISK MANAGEMENT SYSTEMS

The Group has combined *Risk Management*, Internal Control and Internal Audit in a single department in order to strengthen the Group's risk management by drawing on the expertise of each of the three functions.



3.2.3.2 RISK MANAGEMENT METHODOLOGY AND PROCESS

FDJ's risk management framework provides an approach for understanding, identifying and dealing with risks at Group level, in line with the Group's strategy and its operational implementation.

This framework allows for cross-cutting coverage of issues, from governance to risk management systems at the operational level. It also includes a set of tools, methods and guidelines for risk management.

The Audit, Risks, Controls, Quality and Ethics Department (DARCQE) has defined a universe of risks related to the Group's various businesses and activities. This risk universe is updated regularly and takes into account:

- changes in the organisational, economic and competitive, legal, social, political and cultural environment faced by the Group;
- adjustments to strategic and operational objectives;
- emerging risks, which are identified through a prospective analysis of the activity or the collection of "weak signals".

Internal control and risk management system

EMERGING RISKS

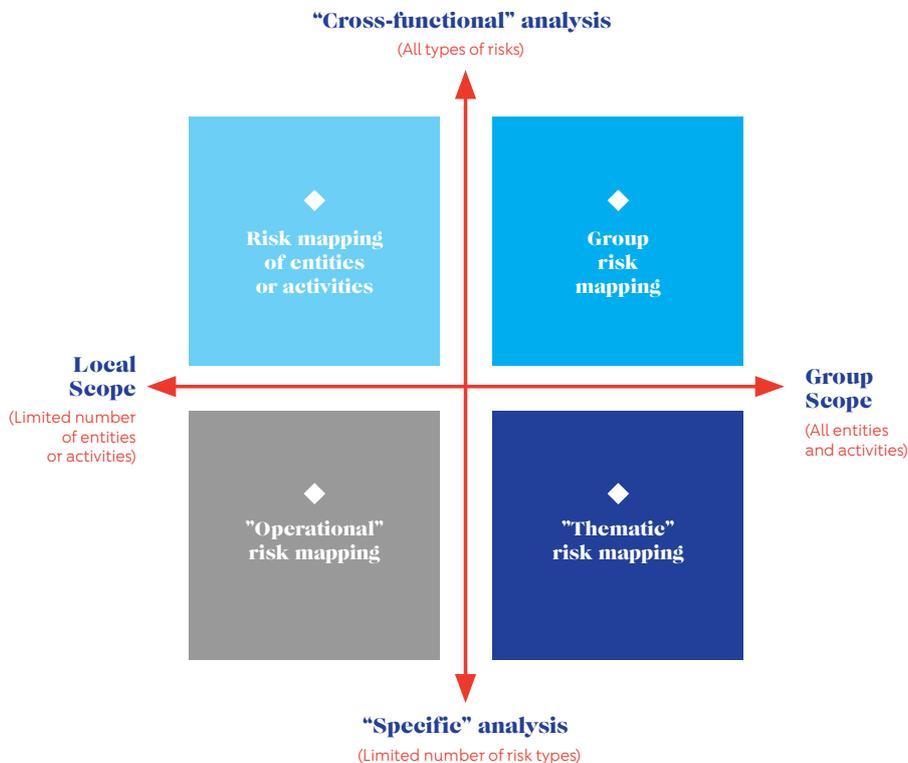
The FDJ Group has integrated an approach aimed at identifying, assessing and dealing with emerging risks.

These risks, which are constantly changing and are characterised by a high degree of uncertainty, can be detected as part of prospective analysis of the business or the collection of “weak signals”, and are then analysed and dealt with within the overall risk management system. This approach thereby contributes to making strategic decision-making more reliable and to strengthening the organisation’s capacity for anticipation and its resilience.

3.2.3.3 RISK MAPPING WITHIN THE FDJ GROUP

Different types of risk mapping coexist within the FDJ Group. They reflect specific needs (management, regulatory or certification requirements, etc.) on specific scopes in terms of:

- the number of entities/activities taken into account in the analysis, from the most “local” to the largest at a Group level;
- the typologies of risks analysed (strategic risks, operational risks, external risks, non-compliance risks), from the most specific to the most cross-cutting;
- analysis themes (e.g. CSR risks, climate change risks, corruption and influence peddling risks, human rights risks, etc.).



Group risk mapping (identification, evaluation and prioritisation of the Group’s main risks, in relation to strategic issues) takes into account in its analysis all the types of risks to be analysed and the entire organisational and business scope. It is updated annually and is based notably on:

- consolidated analysis of the various existing operational or thematic risk maps;
- a series of individual interviews with the Group’s various functions;
- the work of the various risk management actors and, in particular, the conclusions of the work of Internal Audit.

On this basis, all members of the Group Management Committee participate individually, and then in a plenary meeting, in the Risk Committee, in the assessment of the most significant risks for the FDJ Group with regard to its activity.

Each risk in the mapping system is assigned to a single "risk sponsor", a member of the Group Management Committee, whose mission is to determine and monitor the action plans related to this risk during the year.

The mapping of Group risks and the progress of related action plans are presented each year to the Audit and Risks Committee.

3.2.3.4 INTERNAL CONTROL SELF-ASSESSMENT SYSTEM

The FDJ Group's internal control system aims to provide reasonable assurance of the control of the Group's activities, and in particular to ensure that:

- the Group's overall objectives are achieved in compliance with applicable laws and regulations (whether international or locally applicable), ethical principles and Group standards;
- the Group's financial and non-financial information is reliable and prepared accurately;
- internal processes, such as those related to the protection of assets against fraud or business interruption, and all operational, industrial, commercial and financial processes, are functioning properly;
- the instructions and guidelines issued by the Group's management bodies are implemented, in line with the Group's overall objectives and the associated risks.

Internal control aims to prevent and reduce the risks resulting from the management of the Group's activity by management, as well as the risks of error or fraud, in particular in the areas of accounting, finance and related to social accountability. However, as for any control system, it cannot provide an absolute guarantee that these risks are completely eliminated.

The FDJ Group has established an annual self-assessment system for the implementation of controls based on the main risks and issues identified, which is gradually being rolled out to the Group's various businesses and entities. The internal control self-assessment is one of the tools used to ensure the quality of internal control and its organisation. At the same time, a process for testing the operational effectiveness of the controls implemented by the Group's various businesses and entities is being progressively implemented. These tests complement the self-assessment system by providing additional assurance on the level of control within the Group.

The Internal Control function continuously monitors the internal control programme through key performance indicators, such as response rates to self-assessments and the number of deficiencies identified. Information is provided to the Audit and Risks Committee on a half-yearly basis, notably concerning:

- the progress of self-assessment campaigns and operational efficiency tests;

- the results of self-assessment campaigns and operational efficiency tests by entity and/or by activity;
- the main deficiencies identified and the management action plans designed to address the associated risks.

3.2.3.5 PROCEDURES FOR THE PREPARATION AND PROCESSING OF ACCOUNTING AND FINANCIAL INFORMATION

Internal control over the publication of accounting and financial information is based on the organisation of the Finance, Performances and Strategy Division, on its various procedures and on financial controls (budgetary process, monthly accounting and management reporting, and preparation of forecasts, financial and operational performance review reporting, etc.).

Under the authority of the Executive Vice-President, Finance, Performance and Strategy, the teams in charge are tasked with:

- preparing the Group's consolidated financial statements and the separate financial statements of its constituent companies;
- preparing the budget and monitoring its execution through monthly management and performance reporting;
- implementing the Group's accounting and management policies, procedures and guidelines and updating them in line with changes to standards.

In addition, the Financial Internal Control unit and the FPS Transformation and Support unit assist the various Group entities in implementing the Group's financial processes.

The purpose of the Financial Internal Control unit, in coordination with the Audit, Risks, Quality Control and Ethics Department, is to implement the internal financial and accounting control system. It takes action in response to first-level operational controls, thereby reducing risks while ensuring the operational performance of financial processes. It notably takes part in second-level controls on key aspects.

3.2.3.6 PREVENTION OF INSIDER TRADING

In connection with the Company's IPO in 2019, FDJ has drawn up a charter of stock market ethics in line with accepted market practice in this area. The purpose of this charter, which is annexed to the Company's internal regulations, is to serve as a reminder of the legal and regulatory provisions in force in relation to stock market ethics and the criminal and/or administrative sanctions applicable in the event of non-compliance with these laws and regulations, as well as the preventive measures adopted by the Company.

As part of these preventive measures and in order to comply with its obligations in this area, the Company has set up an Insider Information Committee (*Comité d'Information Privilégiée* – CIP) tasked with determining the classification of information in the Group within the meaning of the Market Abuse Regulation. It has also adopted a set of procedures and tools designed to prevent insider misconduct and non-compliance with quiet periods.

Group insurance

3.2.3.7 INTERNAL AUDIT

The scope of intervention of the Internal Audit Department covers the FDJ Group in its entirety, i.e. FDJ and its subsidiaries. Internal Audit works with the various entities to verify and assess the knowledge and proper application of existing risk management and internal control systems.

Internal Audit assignments can be of various types (assessment of internal control of operational, support and steering processes, audit of subsidiaries, audit of compliance with laws and regulations, audits of major incidents or malfunctions, etc.).

Assignments are defined based on a provisional multi-year audit plan validated by Executive Management and submitted to the Audit and Risks Committee. This audit plan is carried out taking into account the risks arising from risk mapping, possible incidents and requests from Executive Management.

The progress of the audit plan and the summary of the action plans resulting from audit work are regularly monitored by the Group's Executive Management and presented to the Audit and Risks Committee every six months.

3.3 Group insurance

Insurance contracts are generally taken out by FDJ, on its own behalf and on behalf of its subsidiaries. Insurers are selected based on their financial rating, their ability to support FDJ and its subsidiaries in France and abroad, their ability to offer sufficient coverage in terms of both capital and guarantees, and also the quality of the claims' payments provided by insurers.

In principle, guarantees are renewed each year with effect from 1 January, except for certain multi-year contracts. Total insurance premiums for 2023 amounted to approximately €7.8 million.

Below is a summary of the main insurance policies taken out by the Group.

In addition to these insurance policies, the Group has insurance policies covering the civil liability of the Group's Corporate Directors, the Group's vehicle fleet and mission, and risks related to death/disability/medical expenses/protection against theft and loss of personal effects for all employees of FDJ and its French subsidiaries during professional missions throughout the world.

FDJ adapts its insurance coverage according to changes in the risks related to the Group's normal and new activities.

3.3.1 Counterparty risk insurance for lottery games

The Specification Document stipulates that FDJ must take out the necessary insurance policies to adequately cover counterparty risks relating to the games for which it has exclusive operating rights. As of 1 January 2020, counterparty risk for lottery games was covered by an annual insurance

policy, providing for the coverage under certain conditions of cumulative counterparty risks. For 2023, the policy includes an annual ceiling of €130 million, with an excess of €8 million.

3.3.2 Property/operating loss insurance

The Group's property and casualty insurance policy is based on the "all risks except" principle. It therefore covers all non-excluded property damage. It was effective from 1 January 2023 for a period of one year.

It covers any material damage, as well as additional costs and consequent operating losses incurred on the premises (buildings, facilities, furniture, equipment, etc.) of which FDJ is the owner or tenant. It also covers damage to equipment entrusted by FDJ to its retailers, as well as consequent operating losses. Exclusions are in line with market standards and include market losses and operating losses due to strikes.

The main guarantees, such as fires, explosions and earthquakes, are limited to the amount of damages, within the contractual limit of a global indemnity (combining direct damage and business interruption), which amounts annually to €350 million per claim. A number of sub-limits apply, in particular with regard to equipment in retailers' outlets. Buildings are insured at their value on the day of the loss, less dilapidation. The contractual indemnity limit has been determined according to the MPL (maximum possible loss) constituted by the Vitrolles site. Premiums are calculated on the basis of the valuation of the goods (containers and contents) and the gross margin for FDJ's last financial year ended.

3.3.3 General civil liability insurance

The "Operation and After-Delivery Liability/Professional Liability" coverage covers the Civil Liability financial consequences incurred by FDJ in respect of third parties in the course of operating its business as well as in connection with the sale of products and/ or services. This insurance policy also covers the professional liability risk for Euromillions, the coordinated lottery operated by several European lottery operators. The contract was renewed with

effect from 1 January 2023 for a period of one year. This contract is based on the principle of the "all risks except" guarantee, according to which only damages, liabilities or risks that are the subject of an exclusion provided for in the contract are excluded. The maximum amount of indemnities paid for the main risks, all damages combined, under this policy is €35 million per claim and per year. A number of sub-limitations apply.

3.3.4 Fraud insurance

The Group has a fraud insurance policy, which is renewed annually, the purpose of which is to protect FDJ against any damage to its property and assets, in particular in the event of theft, embezzlement, use or attempted use of forgeries,

falsification of documents, breach of trust and scams. This insurance covers internal and external acts.



04 Corporate social responsibility: non-financial information statement

/AFR/

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The FDJ Group's approach to corporate social responsibility (CSR)

4.1 The FDJ Group's approach to corporate social responsibility (CSR)

FDJ is the successor to the French National Lottery, which was founded in 1933 to help injured First World War veterans. Since its inception, corporate responsibility and solidarity have been central to its business model.

In the interest of safeguarding public and social order, FDJ's purpose under the law, and in accordance with the exclusive rights it has secured under French Law No. 2019-486 of 22 May 2019 (the Pacte Law), is to funnel public demand for gaming into a controlled channel, thereby preventing the risks and potentially negative effects of gaming and gambling activities.

Against this historical and regulatory backdrop, FDJ's gaming model is extensive, recreational and responsible:

- extensive in that it reaches a very large player base;

- recreational because it builds on diversified ranges of games fostering moderate gaming habits;
- responsible by virtue of a proactive policy of preventing excessive and underage gambling.

This "responsible gaming" (RG) policy is the foundation of the Company's social responsibility protocols. FDJ aims to be a leading player in the promotion of a responsible gaming model that serves sustainable performance and benefits all stakeholders.

FDJ's business model also benefits French society: in 2023, nearly 90%⁽¹⁾ of stakes collected were redistributed to players or transferred to central government finances and FDJ contributed some €6.6 billion to GDP (gross domestic product).

4.1.1 A statutory raison d'être (corporate purpose) defined in the articles of association

Following the entry into force of the Pacte Law, and while also conducting its initial public offering, FDJ formally defined its raison d'être. Featuring in the preamble to the articles of association, as approved by the Combined General Meeting of Shareholders held in June 2020, FDJ's raison d'être is **"Gaming is our business, giving back to society is what drives us, and responsibility is our constant focus"**.

Co-built with staff and FDJ's main external stakeholders, including the Social Laboratory (see section 4.9.2 "Dialogue with stakeholders"), and with the help of CSR and corporate governance experts, the adoption of a raison d'être was a natural choice in view of FDJ's history, business model and commitments.

4.1.1.1 THE SIX COMMITMENTS RELATING TO FDJ'S RAISON D'ÊTRE

1. Offer

Develop a range of entertaining, upstanding and responsible games.

2. Customers

Assist our customers at every stage of their online and offline gaming experience.

3. Responsible gaming

Limit excessive gambling and prevent underage gambling.

4. Social and environmental responsibility

Step up our solidarity, societal and environmental initiatives.

5. Network

Promote local businesses nationwide.

6. International

Promote our responsible gaming model worldwide.

These commitments encompass key CSR themes, but are not exclusively focused on them (gaming product range, customers, responsible gaming, social and environmental actions, local business and territories, and the international market). This approach reflects the Group's ambition to make this a very tangible exercise with a strong operational focus.

(1) Scope of the consolidated financial statements

4.1.1.2 A STAKEHOLDER COMMITTEE TO MONITOR THE EFFORTS MADE TO HONOUR THE COMMITMENTS RELATING TO FDJ'S RAISON D'ÊTRE

The Stakeholder Committee was created for two reasons: to monitor the efforts made to honour the commitments arising from FDJ's raison d'être, and to foster high-level dialogue between FDJ's Executive Management and key stakeholders.

The composition of the Stakeholder Committee reflects the diversity and expertise required to honour the commitments set forth in the raison d'être. The members of the committee reflect the plurality of the main stakeholders with which FDJ interacts and which hold expertise in key areas for the Group.

The fourteen members of the Stakeholder Committee are:

- Rose-Marie Van Lerberghe, who is the committee Chair, former Chief Executive Officer of AP-HP and Chairwoman of Korian;
- Elisabeth Belmas, gaming historian and specialist, Secretary General of scientific interest group Jeu et Sociétés;
- Joëlle Bottalico, Vice-Chairwoman, Haut Conseil de la Vie associative;
- Christian Bucher, psychiatrist specialising in addictive behaviour;
- Jean-Baptiste Carpentier, Head of Compliance – Veolia Group;
- Marion Caspers-Merck, former Chairwoman of the Baden-Wurtemberg Lottery;
- Christophe Bouillon, Mayor of Barentin, Chairman of the French small towns association (Association des Petites Villes de France);
- Philippe Coy, Chairman of the Confédération des Buralistes;
- Laurence Devillers, Professor of Artificial Intelligence – CNRS, member of the Digital Ethics Committee;
- Benoît Halgand, student at École Polytechnique, co-founder of the Manifeste Etudiant pour un Réveil Ecologique;
- Philippe Moati, Professor of Economics and Co-Chairman of the Observatoire Société et Consommation;
- Louise Nadeau, Professor Emeritus of Psychology – Université de Montréal, expert in addiction;
- Daniel Panetto, Chairman – Culture Presse;
- Sarah Ourahmoune, elite athlete, joined the committee in July 2023 to represent the world of sports.

The Chairwoman and CEO and the Deputy Chief Executive Officer of FDJ attend the Committee meetings, as do any representatives of the Company that might have an interest in the topics on the agenda.

In 2023, FDJ convened three meetings of the Stakeholder Committee:

- at the January meeting, the committee members reviewed 2022 and assessed the measures taken to honour commitments and embody the raison d'être with customers and staff. They also reviewed the Stakeholder Committee's work and procedures. This meeting was an opportunity to review the actions taken during the FIFA World Cup, namely the Responsible Gaming Action Plan, in which preventive video clips were aired on social media in particular. The Group's environmental strategy was presented and discussed also, with Benoît Halgand providing his insight into the role corporate organisations can play in tackling ecological issues;
- the June meeting covered FDJ's responsible growth model and the findings of a study into the social cost of gambling in France, published by Sophie Massin and Maxence Miéra, with insight from Louise Nadeau, Professor Emeritus of Psychology at Université de Montréal and an expert in addiction. This meeting was an opportunity to review the trends in the French and international markets, and to discuss FDJ's growth model and its proactive policy to tackle excessive gambling. An update was also provided on FDJ's partnership with Paris 2024;
- in October, the committee discussed the role of gaming in society, with a look back at gaming through the ages presented by Elisabeth Belmas, historian and Secretary General of scientific interest group Jeu et Sociétés. The committee members discussed various FDJ initiatives taken in response to changing customer needs, uses and aspirations in France. They then talked about the issues being raised by the emergence of new forms of gambling linked to Web3 technologies, which are pushing the boundaries of the gaming market.

A report on the committee's work was submitted to the FDJ Board of Directors' CSR and RG Committee. The Chair of the Stakeholder Committee met the members of the CSR and RG Committee in April 2023.

The FDJ Group's approach to corporate social responsibility (CSR)

4.1.2 CSR performance is a core aspect of the Group's business model

FDJ's business model hinges on the dynamic and on the diversity of its core businesses, as well as on the development of its adjacent activities. Responsibility is a core component of the FDJ Group's business model, through which it is pursuing a proactive policy of preventing excessive and underage gambling.

The Group's business model is in keeping with the recommendations of the *International Integrated Reporting Framework*. It includes a presentation of the Group's main resources and assets, activities and strategy, as well as a description and measurement of the value it creates for each stakeholder.

Trends More information on p.24

◆ Going local

◆ Responsibility and the quest for meaning

Resources

Employees committed to solidarity

- ◆ Nearly **3,000** employees (fixed-term contracts and permanent contracts)
- ◆ Nearly **80%** of employees are shareholders
- ◆ **92/100** employee engagement rate⁽²⁾

An extensive and scalable offer for a broad player base

- ◆ Nearly **27 million** players
- ◆ A constantly renewed and diversified gaming offer
- ◆ Iconic brands

A highest-standard responsible gaming strategy

- ◆ **11.1%** of the advertising budget devoted to responsible gaming
- ◆ **100%** of lottery games assessed using Serenigame matrices⁽³⁾
- ◆ An objective to bring the share of GGR⁽⁴⁾ derived from high-risk online lottery players **below 2%**
- ◆ **€3.2 million** allocated to responsible gaming partnerships

Cutting-edge technological know-how

- ◆ More than **100,000** connected devices in points-of-sale
- ◆ More than **5 billion** transactions processed each year in Group data centres

France's largest distribution network

- ◆ More than **29,000** points-of-sale in more than **11,000** towns and cities
- ◆ **2** integrated supply chains with **100%** of points-of-sale operated via direct distribution

A robust financial position

- ◆ **€1,071 million** in equity
- ◆ A **€671 million** net cash surplus
- ◆ **€125 million** in investments

An open approach to innovation

- ◆ More than **30** collaborations a year with start-ups
- ◆ Capacity to invest more than **€100 million** in start-ups

An ambitious environmental strategy

- ◆ A carbon reduction policy validated by the Science Based Targets initiative⁽⁵⁾
- ◆ A green IT approach
- ◆ A positive contribution to biodiversity

Activities More information on p.05

Lottery games (draw and instant games)

74%

of Group revenue

(Exclusive rights to offline and online lottery games in France)

Purpose More information on p.03

Gaming is our business, giving back to society is what drives us and responsibility is our constant focus.

1. Areas for development explored by the Group to capitalise on its assets, its know-how and its experience, and to consolidate its resilience (see page 05). / 2. Taken from the Harris Interactive annual internal employee survey. / 3. Universal and scratch card Serenigame matrices: excessive gaming risk assessment tool implemented by FDJ. / 4. Gross gaming revenue. / 5. International initiative to promote the setting of greenhouse gas reduction targets to limit the increase in the global average temperature to 1.5 °C by 2100.

FDJ's business model combines its core gaming activities and new activities⁽¹⁾. In promising markets, this enables it to capitalise on its strengths to continue to deliver sustainable and profitable growth. As a leader in gaming for entertainment, the Group is successfully developing digitalised offers and reasserts its commitment to responsible gaming practices every day.

The following indicators cover the scope of the Group.

- ◆ Digital technology at the centre of our lives
- ◆ Evolving consumer trade-offs

Sports betting and online gaming open to competition⁽⁶⁾

20%

of Group revenue

(Exclusive rights to offline sports betting in France, online gaming open to competition: sports betting, horse-race betting and poker)

Other activities

(International, Payment & Services)

6%

of Group revenue

Strategy

More information on p. 20

The FDJ Group wants to consolidate its positions in French gaming markets and become a key international player.

Value created

A notable financial & non-financial performance

- ◆ **€2.6 billion** in revenue
- ◆ **25.1%** recurring EBITDA margin
- ◆ **80%** consolidated net profit payout ratio
- ◆ A Moody's ESG Solutions score of **72/100**
- ◆ **The European Lotteries** responsible gaming certification (maximum compliance level)

Contribution to public interest causes

- ◆ **€25 million** allocated to the FDJ Corporate Foundation for 2023-2027
- ◆ More than **€150 million** collected since 2018 in support of French heritage programmes with Mission Patrimoine games
- ◆ **€72 million** in gaming levies allocated to the National Sports Agency (ANS)⁽⁷⁾

An inclusive labour policy

- ◆ **100/100** on the gender equality index (FDJ SA)
- ◆ Women make up **37.8%** of management positions and **39.1%** of the total workforce
- ◆ **5.67%** of employees have a disability

A redistributive model

- ◆ **€6.6 billion** contribution to French GDP⁽⁸⁾

- ◆ An incentive scheme and profit-sharing agreement in which employees can receive up to **24%** of their base salary

Contribution to regional development

- ◆ **€983 million** in commissions paid to retailers
- ◆ **56,000** jobs created or made permanent thanks to FDJ's activity, of which **21,800** for bars, tobacconists and newsagents⁽⁹⁾
- ◆ **85%** of purchases made in France by the Group's French entities

Contribution to environmental protection

- ◆ **70%** reduction in scope 1 and 2 emissions⁽⁹⁾ in 2022 compared to 2017
- ◆ **100%** of gaming materials are printed on responsibly-sourced FSC®-certified paper
- ◆ **110 hectares** of French forests preserved since 2019⁽¹⁰⁾

6. Online gaming, excluding lottery. In France, an online market open to competition is permitted for sports betting, horse-race betting and poker. / 7. Incidentally, alongside other approved operators, FDJ contributes to the ANS budget through gaming levies charged by the French State on online sports betting in the amount of €34.6 million (for all operators combined). / 8. BDO-Bipe (Bureau for economic information and forecasting). / 9. Reduction of emissions related to the Group's energy consumption: electricity, gas, fuel, air conditioning and fuel for company vehicles. / 10. Via PES – payments for ecosystem services – financed by the Group (see page 27).

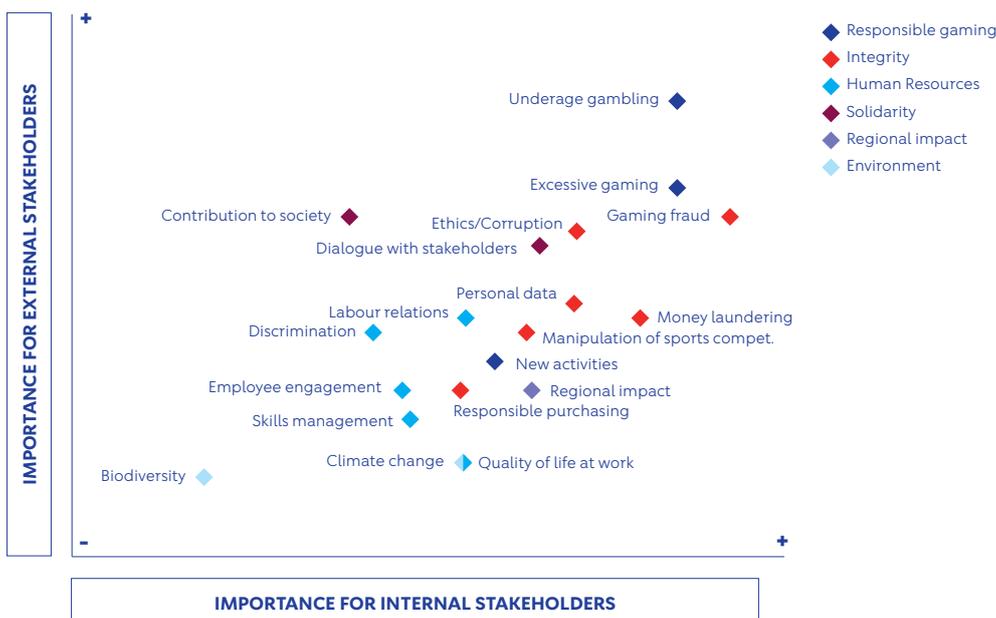
The FDJ Group's approach to corporate social responsibility (CSR)

4.1.3 Identifying the material issues for FDJ

FDJ updated its materiality matrix in 2021 to ensure that CSR issues are always commensurate with stakeholders' expectations. This involved sending out an online questionnaire to around 30 stakeholders (shareholders, suppliers, members of civil society, members of the Social Laboratory and Stakeholder Committee, industry associations, a research firm specialising in consumer trends, etc.). The materiality matrix covers 19 broadly-significant issues, divided into 6 categories (responsible gaming, integrity, human resources, solidarity, territories and the environment).

The results underpin the main directions taken in FDJ's CSR policy and, in particular, the preponderance of responsible gaming issues. The FDJ Group's top five priorities are therefore still the same: tackling underage gambling, tackling excessive gambling, ethics and efforts to combat corruption, tackling gambling fraud and protecting personal data.

Four risk levels are assigned to these priorities, providing useful information to prioritise CSR actions for the short and medium term.



In order to come into line with the CSRD (Corporate Sustainability Reporting Directive), which will gradually enter into force in the coming financial year, the Group has begun

work on a double materiality assessment, which will enable it to further determine where it stands on these material issues.

4.1.4 CSR targets for 2025

These targets are a core aspect of the Group's strategy and shape tangible medium- and long-term commitments. They cover three key engagement themes for FDJ that are aligned with stakeholders' expectations:

- responsible gaming, particularly the prevention of excessive gambling;

- the environment, with a focus on efforts to tackle climate change, and;
- gender equality within the Company.

Targets for 2025

Responsible gaming	Less than 2% of gross gaming revenue [1] to come from high-risk online lottery players
Environment	65% reduction in carbon emissions (Scopes 1 and 2) relative to 2021
Gender equality	Women to hold 40% of management positions in the Group (GEM)

The CSR and RG Committee and the Governance, Nominations and Remuneration Committee signed off on these CSR targets at the end of 2023. The targets are applied annually with a view to incorporating them into the executive corporate directors' annual variable compensation packages (see Chapter 2 "Corporate governance").

4.1.5 FDJ's contribution to achieving the Sustainable Development Goals (SDGs)

The 17 Sustainable Development Goals set by the United Nations form an international frame of reference for CSR alongside ISO 26000. The SDG targets set for 2030 are designed to meet three broad objectives: eradicate poverty, protect the planet and guarantee prosperity for all.

Drawing on the recommendations of the SDG Compass ⁽¹⁾, FDJ identified the main SDGs to which the Group contributes via its CSR initiatives, in respect of the 169 indicators breaking down the SDGs and the French roadmap set out in the 2030 Agenda. The FDJ Group's contribution to these seven SDGs is described in the following table:

SUSTAINABLE DEVELOPMENT GOALS	RELATED FDJ GOAL	PARAGRAPH
SDG 8: DECENT WORK AND ECONOMIC GROWTH		
 <p>Promote sustained, inclusive and sustainable economic growth, full productive employment and decent work for all.</p> <p>Target 8.3: promote development-oriented policies that [...] encourage the formalisation and growth of micro-, small- and medium-sized enterprises, including through access to financial services.</p> <p>Target 8.5: by 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.</p>	<p>Contribute to local economic development through employment, purchases and a presence throughout the country.</p>	<p>4.10 Territories</p>
SDG 10: REDUCED INEQUALITIES		
 <p>Reduce income inequality within and among countries.</p> <p>Target 10.3: ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.</p> <p>Target 10.4: adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality.</p>	<p>Offer an inclusive employee framework conducive to individual and collective performance contributing to the corporate strategy: contribute to equal opportunities and inclusion of all and pursue social and societal action central to the Group's identity since its creation.</p>	<p>4.8 Human resources</p> <p>4.10 Solidarity</p>
SDG 11: SUSTAINABLE CITIES AND COMMUNITIES		
 <p>Make cities and human settlements inclusive, safe, resilient and sustainable.</p> <p>Target 11.4: strengthen efforts to protect and safeguard the world's cultural and natural heritage.</p> <p>Target 11.7a: support positive economic, social and environmental links between urban, peri-urban and rural areas by strengthening national and regional development planning.</p>	<p>Continue contributing to general-interest projects as part of efforts to protect and safeguard the cultural heritage and through the presence of points of sale in declining town centres and sensitive urban areas.</p>	<p>4.9 Solidarity</p> <p>4.10 Territories</p>

(1) SDG (Sustainable Development Goal) Compass: methodology guide developed by the GRI and the UN Global Compact for companies wishing to contribute to the United Nations 2030 Agenda.

The FDJ Group's approach to corporate social responsibility (CSR)

SUSTAINABLE DEVELOPMENT GOALS	RELATED FDJ GOAL	PARAGRAPH
SDG 12: RESPONSIBLE CONSUMPTION AND PRODUCTION		
 <p>Ensure sustainable consumption and production patterns. Target 12.8: by 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.</p>	<p>◆ Continue promoting an extensive recreational gaming model.</p>	<p>4.6 <i>Responsible gaming</i></p>
SDG 13: CLIMATE ACTION		
 <p>Take urgent action to combat climate change and its impacts. Target 13.2: integrate climate change measures into national policies, strategies and planning.</p>	<p>◆ Limit the impact of the Group's activity on the environment: align the Group's greenhouse gas emissions with the 2°C objective and achieve carbon neutrality.</p>	<p>4.11 <i>Environment</i></p>
SDG 15: LIFE ON LAND		
 <p>Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and end biodiversity loss. Target 15.2: by 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation globally.</p>	<p>◆ Obtain 100% of paper supplies from sustainably managed, FSC® certified forests and help preserve biodiversity in French forests by funding the conservation and restoration of trees that are habitats for rare and endangered species.</p>	<p>4.11 <i>Environment</i></p>
SDG 16: PEACE, JUSTICE AND STRONG INSTITUTIONS		
 <p>Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels. Target 16.5: substantially reduce corruption and bribery in all their forms. Target 16.6: develop effective, accountable and transparent institutions at all levels.</p>	<p>◆ Continue building trust in the business model: contribute to the prevention of fraud, money laundering, corruption and integrity of the sports industry.</p>	<p>4.7 <i>Integrity</i></p>

4.2 CSR governance

4.2.1 Managing CSR within the Group

Developed in accordance with the ISO 26000 standard on the social responsibilities of organisations, the FDJ Group's CSR policy is an integral part of its governance and strategy. It is one of the mainstays of its integrated management system (IMS) (see Chapter 3 "Risk Factors and Business Control Framework"), designed to educate employees about CSR challenges and facilitate the effective roll-out of CSR initiatives across all Group entities.

CSR is central to the Group's 2025 strategic plan, notably through its goal of strengthening actions in the field of responsible gaming (RG), with a view to consolidating its leading position in the gaming and gambling sector in France and Europe. Another illustration is the inclusion of CSR criteria among the factors that determine the annual variable compensation of executive corporate directors.

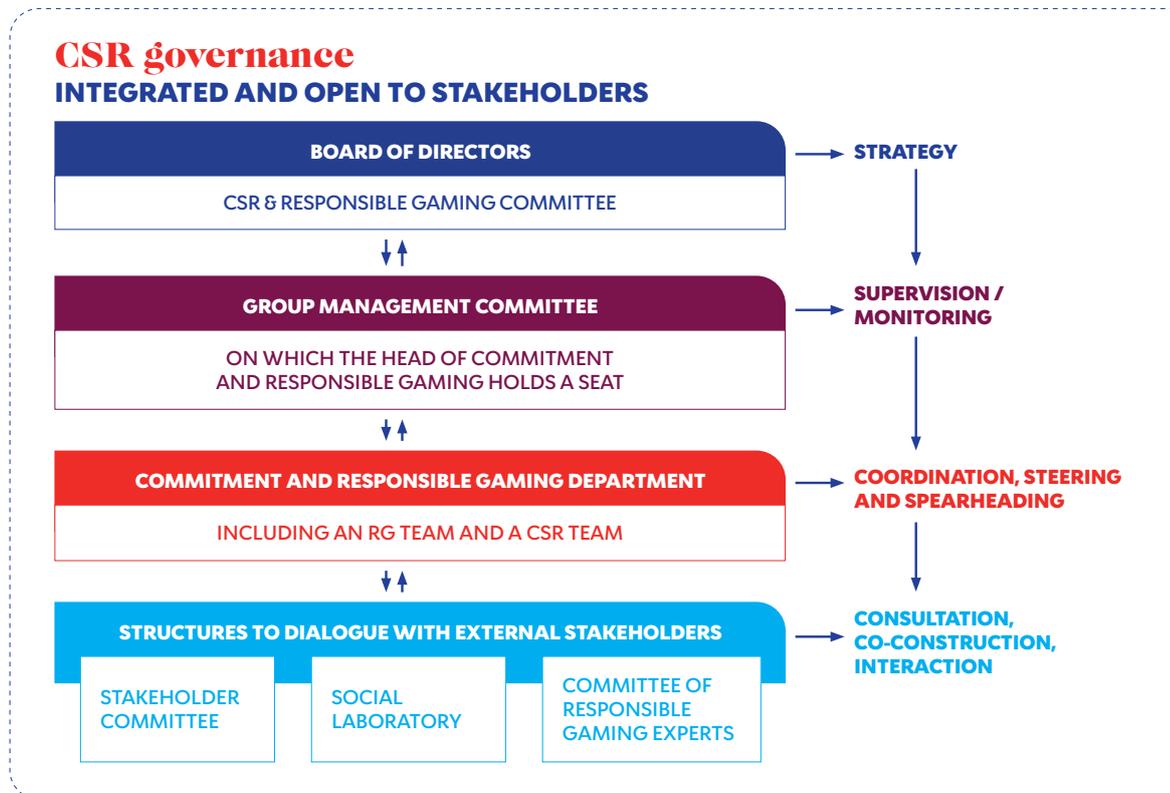
The Commitment and Responsible Gaming Department is tasked with overseeing the preparation and implementation of the engagement policy and CSR initiatives throughout the Group, ensuring their consistency, evaluating their outcomes and facilitating a dialogue with stakeholders.

The Government Commissioner and the General Economic and Financial Controller sit on the CSR and RG Committee in an advisory capacity.

At the operational level, FDJ lays down priority CSR initiatives each year. They are then validated and monitored by the Group Management Committee, which includes the head of Commitment and Responsible Gaming, before being submitted to the CSR and RG Committee⁽¹⁾. The role of the CSR and RG Committee is to examine the Company's CSR policy as a whole, and more specifically the initiatives relating to responsible gaming and how they fit into the corporate strategy, and to report on its work to the Board of Directors.

At 31 December 2023, this committee had five members:

- Fabienne Dulac, Chairwoman of the CSR and RG Committee, independent director;
- Olivier Roussel, representing Union des blessés de la face et de la tête (UBFT), director appointed by the General Meeting;
- Didier Trutt, director appointed by the General Meeting on the proposal of the French State;
- Françoise Gri, independent director;
- Philippe Pirani, director representing the employees.

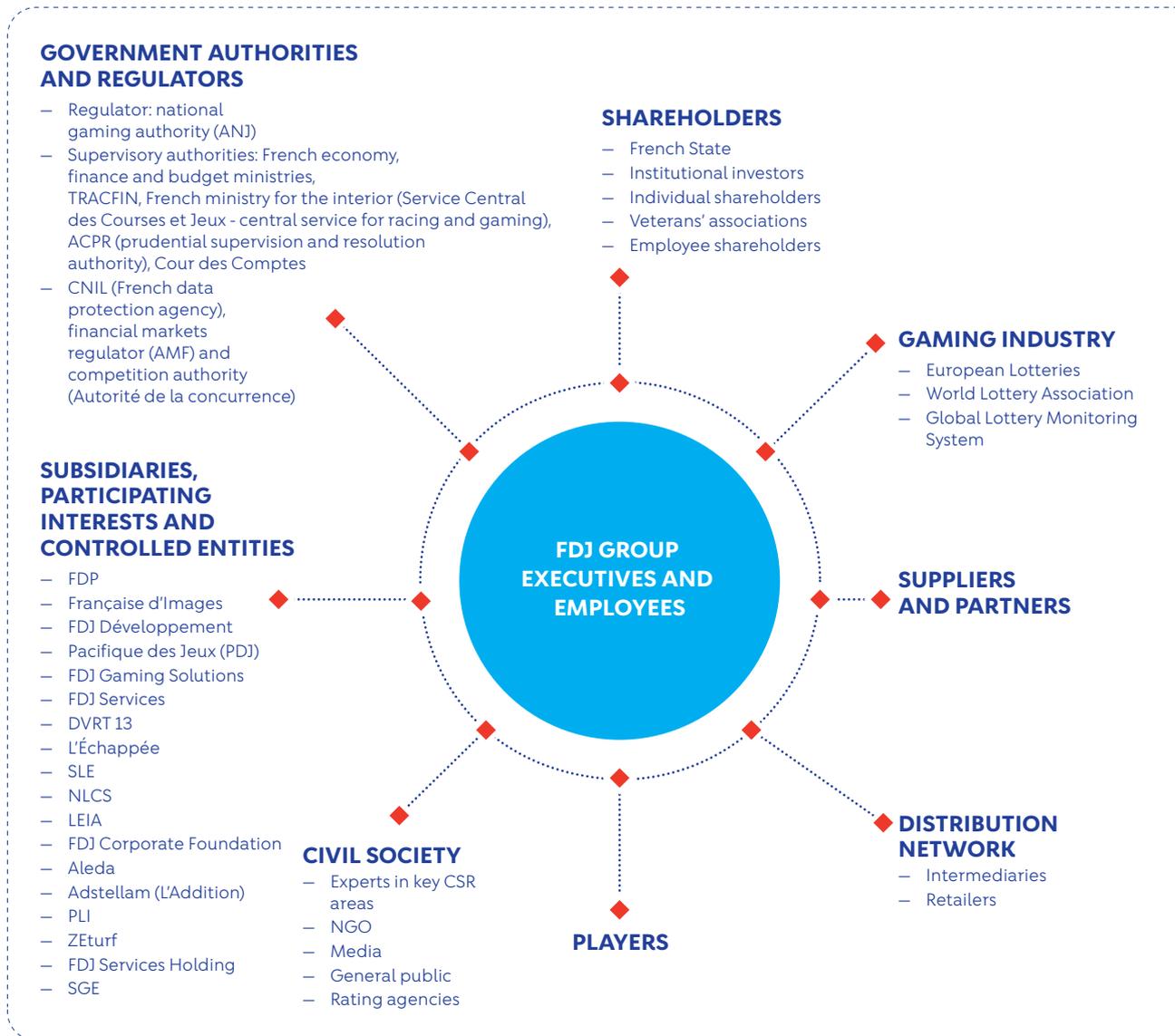


(1) Specialised committee of the Board of Directors.

CSR governance

4.2.2 A sustained dialogue with stakeholders

The FDJ Group's CSR policy is constructed and coordinated with all stakeholders from both within (employees) and outside (players, network of retailers, suppliers, civil society, government authorities, regulators, etc.) the Group. This in-depth and fruitful dialogue allows for the incorporation of a wide range of expertise and experience, and helps enrich the initiatives implemented.



4.2.3 Training in CSR issues for Group staff

The CSR training programme for all staff was overhauled in 2021. The content of the programme was updated and all members of staff completed a refresher course. The programme places a particular emphasis on the following themes: responsible gaming, tackling fraud and money laundering, ethics and efforts to combat corruption, diversity and inclusion, responsible purchasing, personal data management, support for territories, societal commitments and environmental issues. 248 employees completed this training in 2023.

Furthermore, a training plan centred on the ecological transition was developed in 2023. It includes an "Understanding the ecological crisis" MOOC developed by C3D (a panel of sustainable development officers) for all employees of FDJ SA, FDP, FGS France, Française d'Images, FDJ Services and Pacifique des Jeux, together with specific modules for finance and marketing staff. The completion of this MOOC has been added to the incentive bonus criteria for FDJ SA, FDP and FGS France staff. At the end of 2023, 91.7% of employees had completed the training, which was 11.7 points above the target.

4.3 Non-financial ratings and certifications

Each year, FDJ works to expand the CSR information provided to its stakeholders, non-financial rating agencies and investors.

RATING AGENCY	SCORE RECEIVED BY FDJ				
	2019	2020	2021	2022	2023
Main non-specialist ESG (environmental, social, governance) ratings					
 MOODY'S ESG Solutions Moody's - US	A1+ 66/100	A1+ 66/100	A1+ 70/100	A1+ 72/100	72/100 →
 MSCI - US	-	-	A	A	AA ↑
 S&P Global SAM (S&P)	-	53/100	57/100	59/100	55/100 ↓
 SUSTAINALYTICS (the lower the rating the better)	-	-	15.4 (Low ESG risk)	15.6 (Low ESG risk)	16.8 → (Low ESG risk)
Main specialist ratings					
 Humpact Humpact - France, specialised in listed companies' impact on employment in France	-	Overall score 5/5 Top 3 in the category "Gender balance"	Overall score 4.5/5 Top 3 in the category "Gender balance"	Overall score 4/5 Top 3 in the category "Gender balance"	Overall score 5/5 1 st prize in the category "Gender balance" ↑
 ecovadis Ecovadis - France, specialised in CSR and responsible purchasing performance	70/100	70/100	-	71/100	71/100 →
 CDP Alignment with the TCFD recommendations	-	-	B- (Management level)	D (Disclosure level)	B ↑ (Management level)

In addition to these non-financial ratings, FDJ has secured special and sector-specific certifications and labels, such as the responsible gaming certification issued by The European Lotteries, renewed in 2022 for three years with a maximum compliance level, and the "diversity" and "gender equality in the workplace" labels (grouped together under the "Alliance" label) issued by AFNOR (French national standardisation organisation), renewed in 2021 for four years.

The main CSR risks facing the Group

4.4 The main CSR risks facing the Group

The FDJ Group has analysed the main CSR risks liable to affect its activity by involving internal stakeholders who represent the Company's various businesses.

This analysis, originally performed on the FDJ SA scope (FDJ SA being the largest entity when the first analysis was carried out), is updated every year on a like-for-like basis. It hinges on a methodology that identifies and prioritises the risks using assessment scales which are tailored to CSR risk analysis and are consistent with the assessment scales used within the FDJ Group. These scales are based on three main criteria: impact (strategic, financial, reputational and legal), plausibility and estimated control.

As part of this analysis, the Company has also defined its CSR risks, based in particular on:

- CSR materiality analysis;

- the non-financial challenges specific to its business sector;
- the Group's annual risk-mapping exercise;
- the topics presented in Article 2 of the implementing decree ⁽¹⁾ (social, societal, environmental, anti-bribery and tax evasion, and human rights) and Article 1, Chapter III, of the ministerial order ⁽²⁾.

This CSR risk analysis is built on the six categories presented below and will include a double materiality assessment next year. This assessment is in the process of being developed and will factor in recently-acquired activities as required by the CSRD.

Theme	Main CSR risks	Main causes of risk emergence	Level of gross criticality*	Main stakeholders affected	Policies, due diligence and results
RESPONSIBLE GAMING 	Underage gambling	<ul style="list-style-type: none"> - Ineffective system for detecting and banning underage gambling; - Identified cases of underage gambling / development of underage gambling; - Failure to comply with regulatory requirements. 	High	<ul style="list-style-type: none"> - Players - Retailers - Partner associations - ANJ 	"Responsible gaming" approach - Responsible Gaming Action Plan - 100% compliance rate in the 3-year responsible gaming certification issued by The European Lotteries See section 4.6.1 "Preventing underage gambling"
	Excessive gambling	<ul style="list-style-type: none"> - Ineffective system for detecting and limiting excessive gambling; - Identified cases of excessive gambling / development of excessive gambling; - Failure to comply with regulatory requirements. 	High	<ul style="list-style-type: none"> - Players - Retailers - Partner associations - ANJ 	"Responsible gaming" approach - Responsible Gaming Action Plan - 100% compliance rate in the 3-year responsible gaming certification - Compliance with the provisions of the Gambling Act See section 4.6.2 "Preventing excessive gambling"
	Development of irresponsible games and services	<ul style="list-style-type: none"> - No positive impact tied to partnerships with start-ups; - No positive impact tied to the digital transformation of gaming (irresponsible play); - Unforeseen negative impacts of innovation; - Impacts from evolving trends in the <i>business</i> and external growth strategy. 	Moderate	<ul style="list-style-type: none"> - Players - Retailers - ANJ 	"Responsible gaming" approach - Responsible Gaming Action Plan - 100% compliance rate in the 3-year responsible gaming certification - "Sérénigame" matrices used to analyse the appeal of gaming products See section 4.6.3 "Detecting and supporting persons in vulnerable situations"

* The level of gross criticality factors in impact (in strategic, financial, reputational and legal terms) and plausibility (likelihood of risk occurrence and/or frequency of risk emergence). Risk control measures are not taken into consideration in the calculation of gross criticality.

(1) Decree No. 2017-1265 of 9 August 2017.

(2) Order No. 2017-1180 of 19 July 2017.

The main CSR risks facing the Group

Theme	Main CSR risks	Main causes of risk emergence	Level of gross criticality*	Main stakeholders affected	Policies, due diligence and results
	Money laundering	<ul style="list-style-type: none"> – Identified cases of money laundering / terrorism financing using FDJ games; – Non-existent or inefficient system for preventing, detecting and handling money laundering; – Failure to comply with regulatory requirements. 	 High	<ul style="list-style-type: none"> – Retailers – Shareholders – ANJ 	<ul style="list-style-type: none"> – “Integrity of operations” approach – Anti-money laundering and counter-terrorist financing (AML-CTF) measures. <p>See section 4.7.2 “Preventing money laundering”</p>
	Gambling fraud	<ul style="list-style-type: none"> – Identified cases of fraud using FDJ games; – Non-existent or inefficient system for preventing, detecting and handling fraud; – Failure to comply with regulatory requirements. 	 High	<ul style="list-style-type: none"> – Retailers – Shareholders – Players – ANJ 	<ul style="list-style-type: none"> – “Integrity of operations” approach – Anti-fraud action plan <p>See section 4.7.1 “Combating gambling fraud”</p>
	Security and data privacy breaches	<ul style="list-style-type: none"> – Occurrence of a personal data leak; – Monetisation of personal data by FDJ without prior consent; – No mature or suitable data management system. 	 Moderate	<ul style="list-style-type: none"> – Players – Retailers 	<ul style="list-style-type: none"> – “Integrity of operations” approach – ISO 27001 certification relating to the implementation of an information security management system – Group Information System Security Policy (GISSP) <p>See section 4.7.4 “Personal data protection”</p>
	Failure to comply with anti-corruption requirements	<ul style="list-style-type: none"> – Breaches of fairness (corruption, collusion, conflicts of interest, etc.); – Occurrence of one or more practices reflecting poor business ethics (failure to uphold free competition, non-transparent lobbying, failure to comply with regulations and internal rules, etc.); – Non-existent or inefficient system for preventing, detecting and handling such practices. 	 Moderate	<ul style="list-style-type: none"> – Retailers – Shareholders – Suppliers and partners 	<ul style="list-style-type: none"> – “Integrity of operations” approach – Programme to prevent and detect corruption and influence peddling – Ethics Charter supplemented by an Anti-Corruption Code of Conduct, related procedures and a whistle-blowing system <p>See section 4.7.5 “Promoting ethical business management and fighting corruption”</p>
	Outside manipulation of sports competitions	<ul style="list-style-type: none"> – The manipulation of sports competitions tied to sports betting. 	 Moderate	<ul style="list-style-type: none"> – Retailers – Players – Suppliers and partners 	<ul style="list-style-type: none"> – “Integrity of operations” approach – Member of the <i>Global Lottery Monitoring System’s</i> Executive Committee, making it possible to pool sports-betting monitoring data – Active participation in setting up a national standards framework on integrity in sport – Plan to promote the integrity of athletic competitions <p>See section 4.7.3 “Preventing the outside manipulation of sports competitions”</p>

* The level of gross criticality factors in impact (in strategic, financial, reputational and legal terms) and plausibility (likelihood of risk occurrence and/or frequency of risk emergence). Risk control measures are not taken into consideration in the calculation of gross criticality.

The main CSR risks facing the Group

Theme	Main CSR risks	Main causes of risk emergence	Level of gross criticality*	Main stakeholders affected	Policies, due diligence and results
INTEGRITY (CONT.)	Unethical practices in the value chain	<ul style="list-style-type: none"> - The occurrence of unethical practices (human rights violations, harmful impacts on the environment) among suppliers and partners; - Unethical practices on FDJ's part towards its suppliers and partners (overly-long payment times, excessive levels of dependency). 	 <p>Moderate</p>	- Suppliers and partners	<p>"Integrity of operations" approach</p> <ul style="list-style-type: none"> - Responsible purchasing policy - Supplier CSR risk mapping - "Responsible supplier relations and purchasing" label - Human rights policy <p>See sections 4.7.5.8 "Taking action to uphold human rights" / 4.7.6 "Promoting responsible purchasing"</p>
HUMAN RESOURCES 	Poor skills management	<ul style="list-style-type: none"> - Problems recruiting and retaining talent, particularly in tech-related areas (tied to brand image, compensation package); - Insufficient development of employee skills; - Insufficient use of in-house career mobility. 	 <p>Moderate</p>	- Employees	<p>"Human Resources" approach</p> <ul style="list-style-type: none"> - Employment and skills planning - Training policy - Individual career mobility plan <p>See section 4.8.1 "Ensuring sound management of employee skills"</p>
	Breakdown of social dialogue	<ul style="list-style-type: none"> - Breakdown of dialogue with employee representation bodies; - Major changes in work organisation to be led as part of the implementation of the strategy. 	 <p>Moderate</p>	- Employees	<p>"Human Resources" approach</p> <ul style="list-style-type: none"> - Presence of employee representation bodies Signature of collective agreements <p>See section 4.8.2 "Promoting a constructive social dialogue"</p>
	Discrimination and lack of diversity	<ul style="list-style-type: none"> - Identification of discriminatory practices; - Identification of pay gaps and unequal promotion prospects; - No system in place to detect and handle cases. 	 <p>Moderate</p>	- Employees - Players	<p>"Human Resources" approach</p> <ul style="list-style-type: none"> - "Diversity and Inclusion" policy - Agreement on "gender equality, quality of work life and diversity" - ALLIANCE label combining the Gender Equality and Diversity labels. <p>See section 4.8.3 "Strengthening diversity, inclusion and gender equality in the workplace"</p>
	Deteriorating quality of life at work	<ul style="list-style-type: none"> - Inadequate work spaces; - Stress situations not addressed; - Pandemic-related crisis (e.g. COVID). 	 <p>Moderate</p>	- Employees	<p>"Human Resources" approach</p> <ul style="list-style-type: none"> - Occupational health and safety policy - "FDJGroupForMe" external support service <p>See section 4.8.4 "Developing quality of work life"</p>
	Disengagement of employees	<ul style="list-style-type: none"> - Loss of employee confidence in internal governance; - Perception of governance as being unfair, unrepresentative and irrelevant. 	 <p>Moderate</p>	- Employees	<p>"Human Resources" approach</p> <ul style="list-style-type: none"> - Employee climate survey <p>See section 4.8.5 "Ensuring employee engagement"</p>

* The level of gross criticality factors in impact (in strategic, financial, reputational and legal terms) and plausibility (likelihood of risk occurrence and/or frequency of risk emergence). Risk control measures are not taken into consideration in the calculation of gross criticality.

The main CSR risks facing the Group

Theme	Main CSR risks	Main causes of risk emergence	Level of gross criticality*	Main stakeholders affected	Policies, due diligence and results
SOLIDARITY 	Deteriorating dialogue with stakeholders	<ul style="list-style-type: none"> – Breakdown of constructive dialogue with stakeholders (retailers, players, regulator, civil society, NGOs); – Criticism from stakeholders; – Unrepresentative stakeholders consulted. 	 Moderate	<ul style="list-style-type: none"> – Retailers – Shareholders – Players – Suppliers and partners – Civil society 	“Solidarity” approach <ul style="list-style-type: none"> – Social Laboratory bringing together a dozen organisations from civil society – Stakeholder Committee – Materiality matrix <i>See section 4.9.2 “Dialogue with stakeholders”</i>
	Deteriorating contribution to society	<ul style="list-style-type: none"> – FDJ’s disengagement from society in the areas of sport and socially-responsible investment; – A disengagement from social utility missions by staff and retailers (namely, fewer actions by the Foundation). 	 Moderate	<ul style="list-style-type: none"> – Retailers – Civil society 	“Solidarity” approach <ul style="list-style-type: none"> – FDJ Corporate Foundation – Call for solidarity projects from Group retailers – “Mission Patrimoine” operation <i>See section 4.9.1 “Societal engagement”</i>
TERRITORIES 	Weaker territorial foothold	<ul style="list-style-type: none"> – Overly-weak socioeconomic impact in territories; – A fall in business induced by FDJ’s presence in the territories. 	 Moderate	<ul style="list-style-type: none"> – Retailers – Civil society 	“Territories” approach <ul style="list-style-type: none"> – Programme to support retailers – Assessment of FDJ’s economic and social contribution in France <i>See sections 4.10.1 “Support for the point-of-sale network” / 4.10.2 “Diversification of services at points of sale” / 4.10.3 “Economic and social contribution”</i>
ENVIRONMENT 	Increase in GHG emissions	<ul style="list-style-type: none"> – Adverse impact of the Group’s operations on the environment; – Questioning of how waste from gaming materials is managed: paper or unsustainable components, transport / freight; – Accusations of greenwashing; – Failure to comply with new laws; – Lack of efficiency (waste and energy). 	 Moderate	<ul style="list-style-type: none"> – Retailers – Players – Suppliers and partners – Civil society 	“Environment” approach <ul style="list-style-type: none"> – Policy of reducing carbon emissions (carbon review) – Mapping of climate-related financial risks and opportunities (aligning with the TCFD recommendations) – Green IT approach <i>See section 4.11.1 “Combating climate change”</i>
	Loss of biodiversity	<ul style="list-style-type: none"> – Impact of the use of paper (deforestation); – Lack of natural resources for production purposes (paper, rare metals); – Questioning of how waste from gaming materials is managed: paper or unsustainable components, transport / freight; – Impossibility for us to replace our plastic-based gaming materials should the law require us to do so. 	 Low	<ul style="list-style-type: none"> – Retailers – Players – Suppliers and partners – Civil society 	“Environment” approach <ul style="list-style-type: none"> – Life cycle analysis of gaming materials – Measurement of the biodiversity footprint of gaming materials using the Global Biodiversity Score – Financing of certified forest restoration or conservation projects <i>See section 4.11.2 “Taking action to preserve biodiversity”</i>

* The level of gross criticality factors in impact (in strategic, financial, reputational and legal terms) and plausibility (likelihood of risk occurrence and/or frequency of risk emergence). Risk control measures are not taken into consideration in the calculation of gross criticality.

The main CSR risks facing the Group

Nothing significant occurred in 2023 to warrant this analysis being updated.

The objectives, policies, due diligence procedures and key performance indicators relating to each of the six categories are described in detail in the following sections.

Additionally, the most material CSR risks at Group level are described in Chapter 3 "Risk Factors and Business Control Framework" of this report.

The following topics have not been addressed in this chapter as they have not been deemed relevant to FDJ's activity: prevention of food waste, prevention of food insecurity, commitments to promote responsible, fair and sustainable food, and respect for animal welfare.

4.5 Overview of the Group's non-financial performance

Non-financial indicators	2021	2022	2023
– Moody's ESG Solutions	A1+; 70/100	A1+; 72/100	72/100
– S&P	57/100	59/100	55/100
– Sustainalytics	15.4/100	15.6/100	16.8
– MSCI	A	A	AA
– Share of gross gaming revenue coming from high-risk online lottery players	-	2.34%	1.76%
– Share of Playscan™ "red" online lottery and online sports betting players	1.95%	2.18%	2.43%
– Share of excessive gamblers based on the Canadian Problem Gambling Index	1.20%	1.20%	1.20%
– Share of total advertising spending devoted to responsible gaming messages	11.80%	13.00%	11.10%
– Rate of point-of-sale compliance with responsible gaming criteria	93.80%	94.80%	92.30%
– Average supplier payment times	37 d.	38 d.	37 d.
– Share of strategically important and major suppliers assessed based on CSR performance	68%	73%	40%
– Proportion of women in the total Group workforce	39.00%	38.90%	39.10%
– Share of women managers at the Group	34.39%	36.00%	37.80%
– Rate of employment of people with a disability within the Group	5.21%	5.61%	5.67%
– Purchases from vocat. rehabil./disability-inclus. comp.	€924k	€1,306k	€1,343k
– Employee engagement rate	91/100	89/100	92/100
– Contributions to public interest causes	€108m	€137m	€142m
– Financial support provided by the FDJ Foundation	€4,765k	€4,414k	€3,901k
– Number of jobs created and made permanent by FDJ's activities	54,450	55,300	56,000
– Number of jobs created at bars / tobacconists / newsagents	21,100	22,000	21,800
– FDJ's contribution to French GDP	€6.2bn	€6.5bn	€6.6bn
– Share of purchases (in value) from SMEs and ISEs	58%	85%	61%
– Share of purchases made in France	90%	90%	85%
– Reduction of Scopes 1 and 2 GHG emissions (relative to 2017)	59%	70%	Available in May 2024
– Reduction of greenhouse gas emissions across the entire value chain for every million euros of revenue (relative to 2021)	-	7%	Available in May 2024
– Number of hectares of forest protected through "FSC Biodiversity Ecosystem Services" projects	39.6 ha	105.2 ha	110 ha
– Share of gaming materials printed on paper sourced from FSC-certified forests	100%	100%	100%

* In accordance with the reporting protocol, the non-financial data contained in the entire non-financial information statement relates to the Group excluding PLI and ZEturf/ ZEBet.

4.6 Responsible gaming

FDJ operates in the gaming and gambling industry, which is regulated due to the specific risks it entails, particularly from a public health perspective.

Awarded to the Group for the first time in 2009 by The European Lotteries, the responsible gaming certification was last renewed in 2022 for three years with a maximum compliance level, based on the findings of an AFNOR (French national standardisation organisation) audit (see section 4.3 "Non-financial ratings and certifications"). This certification underpins the Group's long-standing commitment to upholding responsible gaming values, a mainstay of the FDJ gaming model and of its raison d'être since 2020. Through a system of equivalence, it has also enabled the FDJ Group to secure the highest certification level issued by the World Lottery Association (WLA).

This maximum level of certification underpins FDJ's status as the French leader, and one of the leaders in Europe, in responsible gaming when it comes to gambling.

In accordance with regulatory provisions applicable to lottery, sports betting and poker games, FDJ is required to

have its "action plan for the prevention of excessive or problem gambling and underage gambling"⁽¹⁾ approved by the French gaming regulator (Autorité nationale des jeux - ANJ) each year in respect of its operations that are both open to competition and for which FDJ holds exclusive rights.

In 2023, FDJ submitted its Responsible Gaming Action Plan to the ANJ for 2024. This plan is aligned with the Group's efforts to continuously improve and enhance the responsible gaming systems in place and incorporates the concerns expressed by stakeholders and, in particular, the ANJ's instructions.

FDJ's responsible gaming actions⁽²⁾ encompass its lottery, sports betting and online poker operations, and is built on the three mainstays of the Group's responsible gaming policy, i.e.:

- preventing underage gambling;
- preventing excessive gambling;
- detecting and supporting persons in vulnerable situations.

4.6.1 Preventing underage gambling

FDJ is required by law to prevent minors, even emancipated minors, from participating in the gaming and gambling activities it provides⁽³⁾. In recent years, regulations have tightened and stakeholders' expectations have been growing. The ministerial order of 2 October 2019, enacting the Pacte Law, introduced stronger penalties for the failure to comply with the rules governing the gaming and gambling sector.

Preventing underage gambling is one of the mainstays of FDJ's responsible gaming policy.

The Group has introduced three practical mechanisms to tackle underage gambling:

- preventive information campaigns for the general public;
- training for the sales force and retailers;
- audits of the point-of-sale network.

4.6.1.1 PREVENTIVE INFORMATION CAMPAIGNS FOR THE GENERAL PUBLIC

FDJ is continuing to conduct information campaigns to warn about the dangers of underage gambling. To raise public awareness, FDJ conducts televised campaigns and broadcasts messages at points of sale and on its corporate and commercial websites with content relating to the FDJ brand and sub-brands.

In 2023, FDJ continued to step up its awareness efforts to prevent underage gambling by:

- maintaining its commitment to broadcasting prevention messages by increasing to at least 10% the share of all advertising spending devoted to responsible gaming, across all media formats. A number of special television campaigns were aired under the FDJ brand (re-airing of the FDJ "Rules to live by" ("Les règles du joueur") campaign) and sub-brands (Parions Sport campaigns in conjunction with PSG and the French rugby federation);
- continuing actions to limit the exposure of minors to the Group's advertising campaigns, and monitoring a specific indicator to measure the impact of advertising on minors. This measurement tool has been useful to monitor and steer the steady decrease since 2016 in the exposure of minors to FDJ's televised media campaigns in particular, a rate that has been below 5% since 2020;

(1) The Responsible Gaming Action Plan ("RGAP") for activities exercised under exclusive operating rights was submitted to the ANJ on 30 September 2023. The RGAP for online sports betting and poker games was submitted to the ANJ on 30 November 2023.

(2) Responsible gaming actions relating to FDJ's operations in the United Kingdom are overseen by the UK Gambling Commission.

(3) Article 139 of the Pacte Law states that it is prohibited to sell, or to offer free of charge, games of chance to minors at points of sale authorised to sell lottery and sports betting games, and Article L. 320-7 of the French Internal Security Code (Code de la sécurité intérieure) stipulates that minors, even emancipated minors, are prohibited from participating in online and offline gambling activities.

- rolling out new displays that carry prevention messages in points of sale to raise more awareness about and draw more attention to underage gambling laws (new poster encouraging customers to show evidence of their age "You need to be over 18 to play and may be asked to provide ID", and new responsible gaming "Rules to live by" ads);
- supporting the OPERA youth awareness programme (educational tool to prevent gambling risks), developed and launched by ARPEJ (French excessive gaming research and prevention association): a programme put in place by prevention experts and geared specially towards 16 to 19 year olds in schools, training centres and youth facilities. In 2023, FDJ pledged to allocate €10 million to this programme over five years. It also continued to support prevention and risk mitigation projects in order to raise awareness of the dangers of gambling among young people and the people who care for them.

4.6.1.2 TRAINING THE SALES FORCE AND RETAILERS

Training and raising awareness in the sales network, which encompasses the sales force and retailers, is one of the main areas in which FDJ is taking action through its underage gambling prevention policy. These actions are part of a comprehensive training and support system for retailers that lasts throughout FDJ's partnership with them.

In 2023, FDJ continued its responsible gaming induction and ongoing training programmes, with more than 3,800 new retailers completing the induction course. It also continued to implement specific training measures as part of underage gambling testing campaigns, through round tables in various formats tailored to the different targets (attended by more than 4,220 retailers) and "2nd chance" or "last chance" programmes developed for retailers found wanting in their enforcement of the law during testing campaigns. Supplementing this approach, a new training programme has also been introduced for retailers who show failings for the very 1st time (see section 4.6.1.3 "Audits of the point-of-sale network").

4.6.1.3 AUDITS OF THE POINT-OF-SALE NETWORK

FDJ conducts two types of audits to ensure compliance with the law prohibiting sales to underage players:

Since 2014, points of sale undergo inspections throughout the year to verify that they meet six criteria, including three responsible gaming criteria, two of which relate to the prevention of underage gambling, i.e. the presence of posters displaying prevention messages and "- 18" stickers reminding customers that it is illegal to sell gambling products to minors. Furthermore, FDJ's retailers only receive a "responsible gaming bonus" if they are found to comply with these criteria on inspection.

PERFORMANCE INDICATOR: OVERALL COMPLIANCE WITH RESPONSIBLE GAMING AND SECURITY CRITERIA

	2021	2022	2023
FDJ Group excl. PDJ	93.8%	94.8%	92.3%

The overall compliance rate for points of sale is calculated based on six criteria, of which three relate to responsible gaming and another three to how gaming materials and installations are managed.

FDJ has also been developing underage gambling testing campaigns since 2015 to gauge how effective training initiatives are and to acquire more insight into the reality of underage gambling within the network. This involves inspections to ensure that gambling products are not being sold illegally. These campaigns, conducted in association with addiction experts, involve sending underage "mystery shoppers" to points of sale under the supervision of a network inspector. There are two series of underage testing each year.

In 2023, FDJ made the penalty system even tougher for failings (i.e. where a retailer has accepted to sell a gambling product to a minor), introducing a new first-time penalty for retailers who are found to have sold a game to a minor, while still seeking to educate retailers about the dangers of such practices and applying a gradual penalty system. The new 4-level penalty system factors in any repeated failings by retailers, who will be systematically required to undergo a new inspection if they are found to be contravening the law:

- Level 1 penalty: the first time a retailer is found to be selling gambling products to a minor via a "mystery shopper" campaign, they will be sent a warning and be required, under the new tougher penalty system, to complete a mandatory training course on the prevention of underage gambling. If they refuse to complete the course, their FDJ terminal will be shut down for three days;
- Level 2 penalty: where a retailer is found to be selling gambling products to minors for a second time, their licence will be suspended for two weeks. This suspension period may be reduced to one week if the retailer accepts to complete a "2nd chance" training programme;
- Level 3 penalty: the third time that a retailer is found to be contravening the law, their licence will be suspended for one month. This may be halved to two weeks if the retailer accepts to complete a "last chance" training programme;
- Level 4 penalty: any retailer found to be selling to underage customers for a fourth time risks losing their FDJ licence altogether.

In 2023, nearly 2,800 inspections were carried out and 104 retailers lost their licence for repeatedly failing to enforce underage gambling laws.

Responsible gaming

4.6.2 Preventing excessive gambling

Gambling is no ordinary game and carries risks of addiction that may have serious consequences for certain players. With this in mind, for more than twenty years now, the FDJ Group has been making significant efforts to prevent problem gambling habits.

These actions to prevent excessive gambling are the second mainstay of FDJ's efforts to promote responsible gaming. FDJ is continuing to strengthen its actions in this area based on five key areas:

- evaluating the appeal of the gaming range and advertising/promotional initiatives;
- providing preventive information on the risks associated with excessive gambling;
- training the sales force and retailers, as well as staff;
- assessing gaming habits;
- providing specific support for online players.

4.6.2.1 EVALUATING THE APPEAL OF THE GAMING RANGE AND ADVERTISING/PROMOTIONAL INITIATIVES

The gaming range and promotional/advertising initiatives are evaluated through a process of close interaction between FDJ's responsible gaming and marketing teams, as well as its stakeholders. Gaming ranges are also monitored by the regulator under the system that requires prior ANJ authorisation, which applies to all gaming and betting activities operated by FDJ under exclusive rights.

At the design stage for a new game or a new feature of an existing game, the responsible gaming teams will analyse all of the game's components (theme, design, mechanics, name of the game, etc.) from an underage and excessive gambling prevention angle, after which time they may request that adjustments be made to the project, ultimately leading them to issue an overall responsible gaming opinion on the game.

Alongside this, the prevention of excessive gambling is taken into consideration when measuring the gaming range's appeal using analysis matrices that FDJ has developed with experts. Three different matrices are used:

- a general matrix used to assess all gambling products released by FDJ ("Serenigame® universelle" developed in 2012), currently mainly used for draw games;
- a matrix used to assess scratch games ("Serenigame® grattage"), rolled out in 2018;
- a matrix used to assess sports betting products ("Serenisport"), designed in 2019.

Depending on the outcome of this assessment, changes may be made to a game's components.

RESULT: NUMBER OF NEW OR RE-ISSUED GAMES SUBJECT TO A SERENIGAME® MATRIX

	2021		2022		2023	
	Number	Share	Number	Share	Number	Share
FDJ	38	100%	36	100%	33	100%

In 2023, a Serenigame® matrix was applied to all new and re-issued games.

The most innovative or potentially sensitive games are submitted to the Committee of Responsible Gaming Experts. The members of this committee, which FDJ set up on its own initiative more than 10 years ago, specialise in different areas: addictive behaviour, psychiatry, psychology and human sciences. It is consulted regularly regarding the main new games earmarked for launch or changes to existing games, large-scale advertising campaigns, as well as new services developed to help players control and monitor their gaming habits throughout their gaming experience (game moderation tools, systems to detect risky gaming habits, etc.).

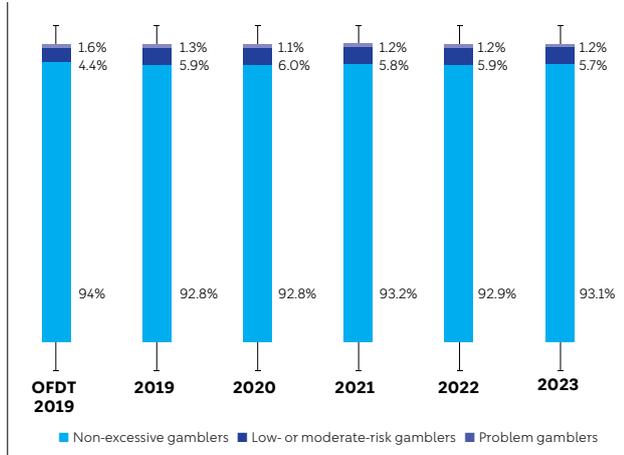
At the marketing stage, FDJ monitors how gaming habits are evolving in the player base for each game, enabling it to assess their risk level after launch. By analysing players' risk profile (based on their Playscan™ status, CPGI profile and even ad hoc studies), these assessments may lead to adjustments in certain game features.

4.6.2.2 ASSESSING GAMING HABITS

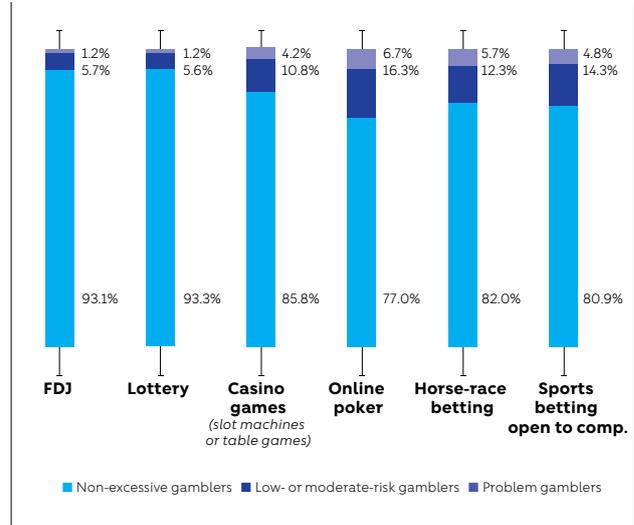
FDJ has been assessing the risk profile of its player base since 2019 using the Canadian Problem Gambling Index (CPGI). The CPGI is a questionnaire-based internationally-recognised index used to categorise players into four profiles: non-excessive gamblers, low-risk gamblers, moderate risk gamblers or problem gamblers. The aim is to monitor how the risk profile of the player base evolves over time and then to compare these findings with the results of prevalence studies conducted by the Observatoire des Jeux (ODJ - gaming observatory).

A comparison with the results of the most recent available ODJ prevalence study in 2019 found that the proportion of problem gamblers in the FDJ player base was lower than the proportion observed in the study across the entire population of gamblers in France (excessive gamblers representing 1.6%). These results also show that the proportion of problem gamblers is far lower among the FDJ player base than among players in other gambling categories in France, which is consistent with FDJ's extensive, balanced and responsible model. Lastly, the proportion of problem gamblers in the FDJ player base remained stable in 2023 and has changed very little since 2019.

PLAYER DISTRIBUTION BY CPGI PROFILE - FDG OVERALL



PLAYER DISTRIBUTION BY CPGI PROFILE - GAMBLING AND GAMING - 2023



4.6.2.3 PREVENTIVE INFORMATION ON THE DANGERS OF EXCESSIVE GAMBLING

Alongside its policy of conducting information campaigns to prevent underage gambling, FDJ is also leading a series of awareness actions to inform the general public about the dangers of excessive gambling. This is the second mainstay of its responsible gaming policy. FDJ uses various interlocking channels to get its prevention messages across (television campaigns, messages displayed at points of sale, on the corporate and commercial websites, via CRM tools, etc.) in order to reach the widest possible audience.

In 2023, FDJ continued to step up its awareness efforts to prevent excessive gambling by:

- maintaining its commitment to broadcasting prevention messages by allocating at least 10% of total advertising spending across all media formats to responsible gaming. A number of special television campaigns were aired under the FDJ brand (re-airing of the FDJ "Rules to live by" ("Les règles du joueur") campaign) and sub-brands (Parions Sport campaigns in conjunction with PSG and the French rugby federation);
- rolling out new prevention message displays in points of sale, with the airing of new responsible gaming "Rules to live by" ads on FDJ terminals and specific new messages on the screens of Amigo game terminals that encourage players to take a break;
- optimising the visibility of responsible gaming measures on FDJ's commercial websites, with clearly visible tips, tools and services to help promote healthy play.

PERFORMANCE INDICATOR: SHARE OF ADSPEND DEVOTED TO RESPONSIBLE GAMING MESSAGES ACROSS ALL MEDIA FORMATS

	2021	2022*	2023*
FDJ Group	11.8%	12.8%	11.1%

* Scope covering Metropolitan France only.

The 2021 figure represents solely the share of television advertising spending devoted to responsible gaming messages. Since 2022, the calculation encompasses all media formats.

4.6.2.4 TRAINING THE SALES FORCE AND RETAILERS

All participants in the sales network, be they members of the sales force or retailers, receive responsible gaming training, focused on the prevention of both underage and excessive gambling. A variety of programmes have been developed (induction and ongoing training, with a general or specific focus, face-to-face or remotely) and the content is determined with partner healthcare and social services (e.g. S.O.S. Joueurs, etc.).

FDJ is stepping up its training efforts with a view to promoting the development of skills and shared practices to detect and support people in vulnerable situations, in keeping with the regulatory requirement to detect problem gamblers as stipulated in the reference framework⁽¹⁾.

4.6.2.5 RAISING EMPLOYEE AWARENESS

All new FDJ Group employees are required to complete responsible gaming induction training.

FDJ holds more extensive training sessions for employees and helpline staff who are in direct contact with players, prize-winners and retailers who might be confronted with vulnerabilities or problem gambling.

To get staff to further embrace responsible gaming, the Group staged an in-house event for all employees in October 2023 in the form of an interactive conference aimed at refreshing and building on employee's knowledge of the issues surrounding responsible gaming and helping them to use this knowledge in their daily duties.

(1) Reference framework for the prevention of excessive or problem gambling and the protection of minors, published in France's official legal gazette ("Journal Officiel") on 15 April 2021.

Responsible gaming

4.6.2.6 PROVIDING SPECIFIC SUPPORT FOR ONLINE PLAYERS

FDJ provides online players with a number of ways to monitor and control their online gambling habits:

- Playscan™, developed by the Swedish lottery, assesses the risk associated with an online player's gaming habits using a colour-coded symbol (green, yellow or red) that is visible to the player on FDJ's commercial websites.

PERFORMANCE INDICATOR: DISTRIBUTION OF ONLINE LOTTERY, ONLINE SPORTS BETTING AND ONLINE POKER PLAYERS AS ASSESSED BY PLAYSCAN™⁽¹⁾

	2021	2022	2023
Green	92.67%	92.57%	92.55%
Yellow	5.38%	5.25%	5.02%
Red	1.95%	2.18%	2.43%

- Gaming moderation mechanisms allow players to set limits for themselves. In addition to the mandatory game moderation mechanisms required by law (namely a mandatory weekly stake-capping mechanism on online lottery stakes), FDJ has taken active steps to develop more restrictive and targeted moderation mechanisms:
 - a daily stake-capping moderation mechanism for online lottery players that was enhanced further in 2023: mandatory setting of a daily limit for all "red" Playscan™ players, with varying caps based on their weekly stake levels;
 - optional loss moderation mechanism for online sports bets, whereby online Parions Sport players who display high-risk gambling patterns can elect to set a weekly loss limit.

- In addition to these tools, players can also impose a temporary self-ban from FDJ's commercial websites or have their name placed on the ANJ's voluntary gambling exclusion list.

As an extension of the tools in place to analyse online gaming habits, FDJ is working with its stakeholders to experiment models for each of its activities that analyse the behaviour of online players. The aim is to define an in-depth segmentation of risky habits that will be used to roll out targeted and more personalised systems commensurate with the level of risk posed by players' gaming habits (prevention messages, recommendation of tools such as moderation mechanisms, etc.).

Since 2022, FDJ has been incorporating a responsible gaming indicator into the CSR criteria applied to variable remuneration calculations (STI or short time incentives), with a view to reflecting the degree to which managers are committed to implementing and pursuing the Group's responsible Gaming policy. International benchmarks and data analysis has been used to define this indicator and the related objectives. FDJ is the only operator in the world to have publicly set a target to reduce the share of GGR derived from players who display the riskiest gaming habits, and to have incorporated this target into its variable remuneration criteria. This indicator corresponds to the share of revenue generated by the riskiest players of online lottery games: it is the share of GGR generated by players with Playscan™ R6 status who exclusively play online lottery games, bearing in mind that R6 is the riskiest Playscan™ category (the risk of a Playscan™ R6 player developing excessive gambling habits is five times greater than for a recreational player). The indicator stood at 1.8% for 2023, far exceeding the target set for the year (< 2.4%) as well as the target that FDJ has set for 2025 (< 2%). This is a testimony to how effective FDJ's support measures are for online lottery players, particularly the enhanced daily stake-capping moderation mechanism.

4.6.3 Detecting and supporting persons in vulnerable situations

For several years, FDJ has been working on measures aimed at detecting and then guiding persons in vulnerable situations. These initiatives are based on a system for detecting and managing risky situations, in which employees and the participants in the sales network require training.

4.6.3.1 IN-HOUSE DETECTION PROCESSES

To detect and manage players in potentially vulnerable gaming-related situations, internal collaborative bodies comprising representatives of the various business lines involved (including the responsible gaming team) meet frequently to address reports relating to retailers and players. These types of initiatives are aimed at directing persons in vulnerable situations to gambling support structures (SOS Joueurs, etc.) or to local healthcare or social

workers such as the CSAPA (centre for the care, support and prevention of addiction).

With this in mind, FDJ provides players with the contact details of helplines and support structures for problem gambling on its corporate and commercial websites and at points of sale (in the form of responsible gaming pamphlets). These organisations have developed specialised information resources such as the *Addict'Aide* internet portal developed by Fonds Actions Addiction. Whenever FDJ is in direct contact with a player who is seeking help, it encourages them to contact these organisations and/or work with the organisations to ensure that the player receives appropriate care. Each of FDJ's partner helplines (SOS Joueurs, e-Enfance, Crésus and Institut du Jeu Excessif) provides specific expertise, enabling persons in vulnerable situations to find help and the tools they need.

(1) Players within the Playscan™ analysis scope (factors in players' habits for the past 5 weeks at a given moment in time, updated weekly).

The number of alerts flagged and the number of vulnerable gambling situations detected increased by comparison with 2022, with 467 vulnerable situations handled out of a total of 764 cases escalated in 2023 (compared with 222 handled in 2022 out of a total of 475 escalated), thanks to efforts throughout the year to optimise internal processes and the related management of cases.

4.6.3.2 OUTREACH APPROACH

In 2023, FDJ continued to develop its proactive system whereby members of the responsible gaming team telephone online players with the riskiest gaming habits. These calls are made to players who use FDJ's online lottery and online sports betting services, as well as to online poker players since 2023. During major sporting events such as the 2023 Rugby World Cup, calls are specifically focused on sports betting customers. All in all, 2,280 calls were made in 2023.

The outreach call approach has been developed in collaboration with the Committee of Responsible Gaming Experts and the FDJ Social Laboratory (see section 4.9.2 "Dialogue with stakeholders"), which recognise that FDJ can legitimately take a proactive approach with players within a specific ethical framework. The stakeholders have emphasised that the Company must stay within its scope of responsibility as a gaming operator and not seek to take the place of healthcare providers and support services.

4.6.3.3 RESPONSIBLE GAMING ACTION PLAN FOR THE 2023 RUGBY WORLD CUP

Specifically regarding sports betting, 2023 was the year of the Rugby World Cup, which was held in September and October. As is the case with all major sporting events, FDJ led a very specific Responsible Gaming Action Plan through its Parions Sport betting brand (Parions Sport Point de Vente and Parions Sport En Ligne). This plan had two key focuses:

- preventive information aimed at the general public regarding the risks involved in betting, namely through:
 - a television campaign in association with the French rugby federation (FFR) reminding viewers that underage sports betting is prohibited and promoting playing for fun,
 - video clips posted on social media in which players from the French international rugby team played out scenes to raise awareness about responsible gaming, with an emphasis on the rules that players should live by ("don't bet before the age of 18", "don't borrow to bet", "don't chase losses"),
 - a newsletter with content focusing on the prevention of underage gambling, distributed to nearly 400,000 players;

- the detection of players in vulnerable situations through a more intense outreach campaign aimed at online players displaying problematic gambling habits, with top priority given to sports betting players during the Rugby World Cup (252 calls made during the tournament, bringing to 1,000 the total number of calls made to sports betting customers in 2023).

4.6.3.4 RESPONSIBLE GAMING PARTNERSHIPS

The design and implementation of these various measures and systems is underpinned by a policy of forming partnerships in the field of research and prevention. This policy helps strengthen expertise and circulation of knowledge in the fields of gambling and addictive behaviour. It hinges on four main focuses:

- helplines for vulnerable players;
- research in addictive behaviour and in human and social sciences;
- initiatives and trials in harm and risk prevention and reduction;
- actions geared towards vulnerable player profiles.

Many papers have been written by healthcare specialists on the difficulties involved in detecting problematic gamblers and guiding them to support structures. With this in mind, FDJ has been working with researchers and addiction treatment specialists for many years to develop an experimental approach. The aim is to shore up and assess the measures in place to detect vulnerable players very early on.

4.6.3.5 SUPPORTING RESEARCH

FDJ has continued to support the research being conducted by Dr Amandine Luquiens (CHU Nîmes) into self-exclusion. The aim is to develop efforts to reduce the risks and harm to which self-excluded players are exposed, namely by attempting to raise awareness using a personal, preventive and proactive approach (emails, outreach telephone calls, etc.).

Over the past two years, FDJ has also been supporting research into the effects of advertising campaigns, as part of a thesis being prepared by Samantha Tessier (Université Paris Nanterre) on the impact of advertising and prevention campaigns according to the psychological characteristics of players. FDJ gathered 84,000 people to respond to Ms Tessier's questionnaire.

Between now and 2025, the FDJ Group will continue to develop the funding it provides to researchers and prevention structures without seeking in any way to influence them.

Responsible gaming

PERFORMANCE INDICATOR: AMOUNTS ALLOCATED THROUGH RESPONSIBLE GAMING PARTNERSHIPS

in thousands of euros	2021	2022	2023
FDJ Group	1,234	1,385	3,246

FDJ supports researchers and associations that independently conduct studies or preventive actions, as well as structures that can help struggling players or their friends and family. In 2023, amounts paid with respect to these partnerships increased to €3.25 million:

- 7% went to helplines;
- 67% went to risk and harm prevention and reduction initiatives;
- 20% was allocated to scientific research and circulation of knowledge, particularly in the field of problem gambling, as has been the case for over a decade;
- 6% went to actions to tackle vulnerability issues.

The amounts that FDJ allocates to research into addictive behaviour and risk reduction are in keeping with the application of the provisions of Article 3 of French Law No. 2021-476 of 12 May 2010 on the liberalisation of competition and regulation of online gambling. Under said provisions, operators that hold exclusive rights must use at least 0.002% of the stakes they collect to finance research into problem gambling. The ANJ and OFDT (Observatoire Français des Drogues et des Toxicomanies - French monitoring centre for drugs and drug addiction) have set the conditions under which this new requirement will be enforced, particularly regarding the methodology used for selected research projects.

4.6.3.6 OUTLOOK

Enhancing the responsible gaming policy is a priority for the FDJ Group using an approach that is differentiated by gaming range and tailored to each player's habits. This approach is consistent with FDJ's extensive and responsible gaming model. It is aimed at adapting prevention and support measures in line with the specifics of the various products marketed by the Company (lottery, sports betting and online poker) and the risk profiles of players, particularly online players, whose gaming habits are more readily available and analysable.

In 2024, FDJ will continue to consistently improve its actions in keeping with the three mainstays of its responsible gaming policy:

- preventing underage gambling:
 - continuing to raise public awareness of the risks, by devoting at least 10% of advertising spending to responsible gaming messages across all forms of media and by introducing new prevention material at points of sale, on the commercial websites and via the FDJ applications. Responsible gaming messages will be reinforced in 2024 to coincide with major sporting events (UEFA Euro 2024, Paris 2024 Olympic and Paralympic Games),

- continuing inspection campaigns to ensure that no gambling products are sold to minors at points of sale as part of the underage testing campaign, with the application of the new penalty system for retailers who are first-time offenders,
- rolling out an innovative solution to help retailers uphold the ban on underage gambling in points of sale, and continuing to explore other solutions that involve using innovation to tackle underage gambling, particularly online;
- preventing excessive gambling:
 - continuing to evaluate the appeal of the gaming range and promotional initiatives by using the tools that FDJ has developed and by analysing how the risk profile of the player base is evolving in order to continue to promote an extensive and responsible gaming model,
 - continuing to reduce the proportion of revenue generated with problematic gamblers, particularly for online lottery games,
 - optimising the presentation and visibility of tools available to online players such as moderation mechanisms to help them keep their gambling habits in check,
 - developing a personalised prevention approach that is more player-centric and focuses on preventing rather than moderating via informative messages and interaction throughout the gaming experience, in keeping with the player life cycle and the level of risk involved in their gaming habits,
 - developing and using models to analyse and predict risky online gaming habits in each FDJ activity, with a view to defining a more precise segmentation of players so that more targeted prevention and support actions can be taken, making it easier to prevent problem gambling and optimising the actions put in place for players;
- detecting and supporting persons in vulnerable situations:
 - continuing to ramp up the proactive outreach telephone campaign for players flagged as potentially at risk, with a target to increase the volume and improve the quality of calls,
 - continuing to support research and trials led by stakeholders to improve the early detection of potential problem gamblers very early on in points of sale.

To facilitate all these actions, FDJ will continue to work with and refer to its many healthcare and social partners, and particularly the Committee of Responsible Gaming Experts and the Social Laboratory.

Lastly, following a green light from the regulator of the Irish National Lottery, FDJ acquired on 3 November 2023 all the shares in Premier Lotteries Ireland (PLI), which holds exclusive rights to run the Irish National Lottery until 2034.

The synergies between FDJ and Premier Lotteries Ireland will lie in the respective expertise of the two lottery operators to bring a recreational and responsible gaming offer to Irish audiences.

Like FDJ, PLI has made responsible play a mainstay of its corporate social responsibility policy, and its initiatives reflect international best practice. Examples:

- introduction of a monitoring system to detect excessive gambling habits and hence raise awareness among retailers and players;
- launch of a website with special features to protect, help and support players;
- monthly communication to educate players about gaming risks;
- ramp-up of a proactive programme of welfare telephone calls to players who are deemed at risk of developing unhealthy play habits;
- development of a risk identification algorithm based on the findings of a player survey.

4.6.3.7 SUPPORT FOR BIG PRIZE-WINNERS

In 2023, FDJ paid out 427 prizes worth more than €500,000 to players (i.e. more than one winner every day).

FDJ invites the winners of more than €1 million in prize money to take part in a comprehensive support programme, which includes an individual personalised welcome at the time of payment. Players are also provided with group support (free of charge and à la carte) in the form of workshops over a five-year period. The aim is to take into account how winnings can impact the lives of new millionaires, particularly in terms of managing their finances and change in general. These sessions give them an opportunity to learn, express their feelings and share their experiences. The programme, put together with prize-winners themselves, has evolved over the years as social norms have changed.

FDJ is one of the few lotteries in the world to offer its major prize-winners such a comprehensive support system.

Furthermore, FDJ introduced in-person and digital workshops in 2023 for players who have won more than €1 million, covering a variety of themes (how to manage the financial and administrative implications, how to make the transition, how to have a positive social and environmental impact, etc.). 19 workshops were held during the year, 3 of them remotely. These sessions are an opportunity to pass on objective and practical information to winners so that they can make informed choices. They also help them to see further down the road and take a step back from such a life-changing and extraordinary event. FDJ has also continued to hold workshops connected to its engagement in various areas, namely on environmental issues (Climate Fresk, responsible investing, etc.).

During the year, FDJ developed a support programme for the winners of amounts starting at €500,000. 11 short videos were prepared to give them crucial tips on how to manage their finances, the administrative aspects of their prize money and the range of emotions they may go through after winning. The programme also gets winners to take a look at their gaming habits and think about how they might change them now that they have won.

FDJ is always looking at ways to improve the winner experience, particularly for those who have won any amount upwards of €30,000. With this in mind, the staff who pay out winnings at FDJ payment centres across Metropolitan France and the French overseas departments and territories have completed an innovative training course on how to best treat prize winners. This involved a combination of e-learning sessions (serious game) and practical applications.

Lastly, FDJ has also developed a specific approach to support winners of the new Eurodreams annuity prize draw. They are given access to a budget monitoring and management tool and will be invited to attend a workshop in 2024 that will specifically focus on how annuities work.

Integrity

4.7 Integrity

FDJ has been pursuing a determined and proactive policy for many years to prevent its games from being used with fraudulent or criminal intent, for money laundering or to finance terrorism. Fully aware of the wide range of risks to which it is exposed, FDJ is committed to introducing effective and innovative measures to prevent such risks from emerging and to reinforce trust in its gaming model in an

increasingly stringent regulatory environment. With this in mind, the FDJ Group maintains a continuous dialogue with the industry regulator (ANJ) and with TRACFIN, the French agency responsible for collecting financial intelligence, which has noted a steady improvement in the relevance and quality of the information that FDJ has reported to it in recent years.

4.7.1 Combating gambling fraud

As a gaming and gambling operator, FDJ is exposed to multifaceted risks of fraud liable to arise at different stages in the game marketing process. Tackling fraud is one of the fundamental objectives set for FDJ under the regulatory framework for gambling in France. It is the ANJ which determines the measures laid out in this framework to combat fraud, money laundering and terrorist financing through gambling activities.

In 2023, FDJ adapted its risk detection system to new offers and products, such as the online poker offer launched in 2022. It has also introduced a system of checks specifically adapted to the risks identified for this vertical.

The ANJ has endorsed FDJ's action plan to tackle fraud. The regulator has found that the actions taken by FDJ in all its activities, regardless of whether they are operated under exclusive rights (monopoly) or under licence (open to competition), are evidence of the Group's willingness to meet the objectives it has been given to combat fraud.

FDJ's anti-fraud policy revolves around two main focuses: anticipating risks and detecting fraud.

4.7.1.1 ANTICIPATE

All of the Company's plans in terms of products, infrastructure, systems, operating methods, regulations and publications are analysed by the Security Department in order to identify fraud risks as early as the design stage. For the purposes of marketing its games, FDJ's approach is based on a risk analysis which calls for:

- the incorporation of any vulnerabilities, including any risks inherent in each product range or process;
- knowledge and analysis of threats associated with contributing parties, marketing methods, distribution channels and conditions for intervention;
- the identification of potential gaming fraud scenarios in order to ensure native robustness.

By implementing this system, FDJ can make sure previously identified scenarios are kept in check, and new risk scenarios associated with the plan are analysed.

4.7.1.2 DETECT

FDJ has set up a system of indicators/sensors and alerts to keep track of gaming activities in real time. The real-time fraud detection system serves to raise the alert, identify circumstances and means of fraud, and trigger corrective actions.

Apart from real-time detection, ex-post checks are also carried out. This involves in-depth verifications using advanced data analysis techniques to highlight unusual situations in order to characterise the fraud. Acts of gaming fraud and attempted gaming fraud are addressed in three ways:

- precautionary measures. Protective measures are taken immediately upon detecting situations indicative of fraud risk or the perpetration of gaming fraud: game sales and prize payouts are suspended, player accounts are blocked, gaming products are withdrawn, etc.;
- cooperation with the authorities. A complaint is filed with the competent authorities where there is a clear case of fraud;
- responsibility of actors. The contract entered into between FDJ and its retailers requires that the latter comply with the relevant procedures and obligations to combat criminal activity and fraud. The wide range of material provided to retailers clearly explains the procedures they are required to implement. A penalty system shall apply where there is a failure to satisfy these obligations. The discovery of a case of fraud may lead to the termination of FDJ's contract with the retailer, depending on the severity of the facts of the case. Furthermore, a 0.2% bonus is granted to retailers that observe transparency measures and apply good commercial practices or display diligent behaviour that enhances the security of the relationship between FDJ, the retailer and the player.

4.7.1.3 OUTLOOK

In 2024, FDJ will continue to transform the organisation it has put in place to tackle fraud in order to support the Group's external growth and its diversification strategy.

FDJ will adapt its risk detection system to factor in fraud risks relating to its new subsidiaries and new activities such as online horse-race betting and payment services.

Training for employees, the sales force, service providers and retailers will also be continued.

4.7.2 Preventing money laundering

The gaming and gambling industry is exposed to money laundering risks. There can be a particular risk of money laundering when gaming and gambling activities are performed through a network of physical points of sale, where players are essentially anonymous and prefer to use cash. With this in mind, the sector is subject to the obligations laid down in European directives and transposed into national law. FDJ's compliance with these obligations and implementation of effective means to actively prevent its offers and products from being used for criminal undertakings, fraud or money laundering, contribute to a public interest objective and justify the award of exclusive rights to operate gaming and gambling activities.

Furthermore, the diversification of offers and forays into international markets, not to mention the transformation of the digital sphere, present challenges and opportunities that require the constant adaptation and review of measures to prevent the risk of money laundering.

Every year, FDJ submits its business reports to the relevant authorities on the anti-money laundering and counter terrorist financing (AML/CFT) actions it has taken.

With respect to FDJ's gaming activities, both those operated under exclusive rights and those open to competition, the French gaming regulator (ANJ) noted in its 23 March 2023 decision that FDJ had pursued in 2022 a comprehensive, coherent and proactive policy of preventing and tackling money laundering and terrorist financing, namely by intensifying staff training in areas where there is a risk of money laundering, fraud or manipulation of sporting events. The ANJ also endorsed FDJ's action plans for 2023. The regulator deemed that the actions provided for in the plans were evidence of FDJ's willingness to fulfil its objective of preventing fraudulent or criminal activity and money laundering and terrorist financing. On this point, the ANJ observed that FDJ was continuing to take suitable staff training actions and to step up inspections to ensure proper

PERFORMANCE INDICATOR: FRAUD RATE (NON-PAYMENTS) ON REMOTE DEBIT AND CREDIT CARD PAYMENTS

	2021	2022	2023
FDJ	0.009%	0.004%	0.003%

The rate of fraud was stable by comparison with 2022, remaining well below the national fraud rate of 0.165% for online payments ⁽¹⁾ in 2022 (figure taken from the latest annual report published by the OSMP – Observatory for the security of payment means), underpinning the high standard of checks carried out by FDJ before players can register and complete the authentication process for online gaming, as well as the quality of customer authentication for payments.

compliance with AML/CFT procedures throughout its network of retailers.

The Security Department is responsible for implementing FDJ's AML/CFT measures throughout the Group, with two main focuses: risk prevention and internal control.

4.7.2.1 RISK PREVENTION

Classifying the risks of money laundering and terrorist financing to which FDJ is exposed is part of a preventive approach in which the control strategy can be adapted to the risk. This risk identification and rating exercise factors in the specifics of FDJ's products, the customer base, the characteristics of transactions and the distribution channels used, as well as the geographical risks.

An assessment of money laundering and terrorist financing risks is also performed whenever a new game is designed and a new service taken to market, in a bid to foresee, reduce or eliminate previously identified risks.

The training system in place for employees, service providers and retailers is also one of the keys to risk prevention.

Explanatory content provided in e-learning modules helps familiarise all members of staff with the risks of money laundering. Additional training is provided for staff members with the greatest exposure to money laundering and terrorist financing risks because of the duties they perform, in order to give them a deeper understanding of these risks and make it easier for them to identify and prevent them. Training sessions were held during the year for customer relationship employees and for staff assigned to roll out the sports betting offer. Given that point-of-sale distribution carries greater risks, FDJ held refresher awareness courses for all branch directors and managers in the sales force. In all, nearly 230 FDJ employees completed AML/CFT training in 2023 as part of ongoing training initiatives.

(1) Source: <https://www.banque-france.fr/fr/publications-et-statistiques/publications/rapport-de-lobservatoire-de-la-securite-des-moyens-de-paiement-2022> (available in French only).

Integrity

In 2023, FDJ provided refresher courses for nearly 9,900 retailers as part of the specific three-year training plan that has been developed to familiarise them with money laundering risks and the importance of tackling them. In all, 94% of retailers received anti-money laundering training between 2021 and 2023.

On completion of the three-year training plan, and for the fifth consecutive year, FDJ asked a representative sample of 1,000 retailers to complete a survey to ascertain how familiar they were with money laundering risks and their associated obligations. In total, 88% of retailers said they were entirely familiar with the issues surrounding money laundering risks and obligations (marking a strong increase on 2022).

4.7.2.2 INTERNAL CONTROL

Professions which are governed by a regulatory framework that imposes anti-money laundering and counter-terrorist financing obligations are required to implement an internal control mechanism and procedures. Such professions must put in place systems relating to customer knowledge, continuous transaction monitoring and the detection of suspicious activity.

The FDJ control policy is based on the classification of risks beforehand and relies on a system that detects unusual transactions according to a multitude of risk criteria.

FDJ is continuously improving its resources for detecting and controlling suspicious activity. In sports betting, for example, it relies on a real-time bet monitoring system that can trigger extensive analyses aimed at clarifying the circumstances and qualifying the risks involved.

In relation to vigilance, enhanced investigations are conducted to either confirm or remove money laundering suspicions. Where FDJ suspects that the monies used in customer transactions have been acquired under circumstances in which a crime or an offence has been committed, it is required to file a suspicious activity report with the relevant French financial intelligence agency. In 2023, the Group filed 455 suspicious activity reports (up from 357 in 2022) with TRACFIN. In the past few years, the French financial intelligence agency has regularly expressed satisfaction at the high standard of the reports filed by FDJ.

RESULT: NUMBER OF SUSPICIOUS ACTIVITY REPORTS FILED WITH TRACFIN

	2021	2022	2023
FDJ Group	282	357	455

The sharp increase in the number of suspicious activity reports is connected to the lowering of the alert threshold which triggers a questionnaire requesting information on the origin of funds. This threshold has been reduced from €10k to €8.5k for digital transactions. The number of transactions for which FDJ received no (or little) explanation regarding the origin of the funds led to an increase in the number of suspicious activity reports.

The FDJ Group uses a three-level internal control approach to ensure at all times that the systems it has up and running are efficient and compliant. With this in mind, the point-of-sale inspection system verifies that retailers are fulfilling their AML/CFT obligations.

Checkpoints relating to security and responsible gaming obligations are also provided for as part of these PoS controls. The PoS compliance rate was 92.3% in 2023, down slightly on the 94.8% recorded for 2022 (see section 4.6 "Responsible gaming"). FDJ has set a goal to keep this rate above 90% by 2025.

PERFORMANCE INDICATOR: OVERALL COMPLIANCE WITH RESPONSIBLE GAMING AND SECURITY CRITERIA

	2021	2022	2023
FDJ Group excl. PDJ	93.8%	94.8%	92.3%

The overall compliance of points of sale is assessed with regard to behavioural, commercial, contractual and regulatory criteria. The increase in the rate of compliance stems from better application of the criterion that requires points of sale to hand losing tickets and slips back to players on request. This instruction has been given to points of sale for many years now in conjunction with the representatives of retailers and the sales force, and has all but done away with unsuitable practices at points of sale.

4.7.2.3 Outlook

In 2024, the FDJ Group will continue to adapt its anti-money laundering and counter-terrorist financing system to developments in its activities, particularly in response to the challenges and opportunities connected to its transformation, in order to factor in emerging risks. FDJ's international strategy will also require more intense coordination of the AML/CFT approach on a consolidated level. This coordinated approach will factor in the specifics of each Group entity, their activities and their geographies.

FDJ will continue to develop its monitoring and control system in 2024 and adapt it to the new horse-race betting offer.

4.7.3 Preventing the outside manipulation of sports competitions

The FDJ Group is committed to combating the outside manipulation of sports competitions.

As a sports betting operator and long-standing supporter of French sport, the Group is directly exposed to the risk of sports competitions being manipulated. Because such manipulation can undermine confidence in sports competitions and in the integrity of sports betting, this warrants a strong response from FDJ.

The FDJ Group has been working hard for many years to combat the manipulation of sporting events around the world, often linked to fraudulent betting. French Decree No. 2019-1060 of 17 October 2019 consolidated the tasks assigned to FDJ by the State, particularly regarding the installation of the tools required to detect sports betting anomalies, prevention programmes targeting sports industry professionals, and FDJ's participation as a member of the French national anti-manipulation platform.

The Group works alongside The European Lotteries and the World Lottery Association to establish national and international cooperation with the sports industry and government authorities aimed at improving the effectiveness of sports integrity policies.

Moreover, in 2021, FDJ became a member of the Esports Integrity Commission (ESIC) through its subsidiary DVRT 13. ESIC is a self-regulating international association that promotes and monitors competitive integrity in esports.

4.7.3.1 PREVENTION

The FDJ Group has been committed to preventing corruption in sports for many years. It actively participates in monitoring the integrity of sports competitions and cooperates with all public and private French and international stakeholders to better protect sport from the risk of manipulation. With this in mind, the Group carries out internal awareness-raising and training initiatives that involve regular communication with all employees and special training for staff who work directly or indirectly in sports betting activities.

In 2023, 952 sports professionals participated in a number of operations that sought to raise awareness about the mounting risk of manipulation in sports competitions and provide advice on how to respond:

- awareness initiatives were carried out with representatives of the French basketball and handball federations, representatives of the Olympique de Marseille and Paris Saint-Germain football clubs, as well as with young players at a number of training centres involved in the Open Football Club programme;
- in a reflection of its engagement and its support for initiatives to prevent corruption, the Groupama-FDJ cycling team raises awareness among its cyclists and their managers about the importance of ethics and integrity (zero tolerance for doping). One of the preventive

measures implemented has been the daily collection and analysis of cyclists' power output data. In addition to the controls imposed by the International Cycling Union (UCI), anti-doping checks are also performed by the medical unit for the Continental and World Tour teams. FDJ is also a founding member of MPCC (movement for trustworthy cycling)⁽¹⁾, through which it runs a sponsors programme, and is behind the Sponsors' Charter, under which sponsors agree not to exert pressure on sporting results.

4.7.3.2 MONITOR

Monitoring of sports betting in the offline distribution network led FDJ to submit 23 major anomaly alerts to the national platform in 2023 (up from 12 in 2022).

PERFORMANCE INDICATOR: NUMBER OF ALERTS TRANSMITTED TO THE NATIONAL PLATFORM

	2021	2022	2023
FDJ Group	24	12	23

Furthermore, FDJ is behind the creation of the "Signale!" secure website designed to make it easier to report suspicions of manipulation. "Signale!" has been up and running since July 2021 and can be used by anyone involved in the French sporting movement.

4.7.3.3 COOPERATION

FDJ was appointed to preside United Lotteries for Integrity in Sports' (ULIS)⁽²⁾ Executive Committee in June 2023. ULIS is an association of international lotteries that pools its sports betting monitoring data. In this capacity, FDJ is continuing its efforts to make international competition oversight more effective in the interest of sports integrity. FDJ participated alongside ULIS in the enhanced surveillance conducted during the Rugby World Cup held in France from 8 September to 28 October 2023. As a monitoring organisation and member of the FIFA Integrity Task Force, ULIS was also involved in the FIFA Women's World Cup held in Australia and New Zealand between 20 July and 20 August 2023.

Following on from the Council of Europe's KCOOS+ (Keep Crime Out of Sport+) programme, FDJ also continued to contribute by supporting the new ACT (Addressing Competition manipulation Together) programme. This three-year programme is designed to facilitate the implementation of the Convention on the Manipulation of Sports Competitions, also known as the Macolin Convention, the aim of which is to harmonise international regulations and practices to combat the manipulation of sports competitions.

(1) A movement designed to defend clean cycling, transparency and accountability, that strives to rally its members behind these causes.

(2) www.ulis.org.

Integrity

As a member of the French national platform, FDJ is a stakeholder in the Copenhagen Group, which is steered by the Council of Europe and comprises around 40 national platforms. The Copenhagen Group is aimed at facilitating operational cooperation between existing platforms and helping to create new national platforms. In this way, it is working on the practical implementation of the Macolin Convention.

FDJ is also a driving force in the lottery industry through its participation in The European Lotteries' Sport Working Group and its membership of the World Lotteries Association's Betting Integrity on Sports & Horse Racing Committee.

4.7.3.4 OUTLOOK

Having ratified the Macolin Convention in June 2023, France now has a powerful legal framework to enhance and

4.7.4 Personal data protection

As a digital operator, FDJ has made data privacy for customers and users a top priority in order to meet their expectations regarding the manner in which their personal data is controlled and managed.

The EU's General Data Protection Regulation (GDPR) laid down the main principles and requirements for personal data protection in Europe, such as transparency, integrity, confidentiality of data processing operations conducted by data controllers, and the new rights of data subjects over their personal data.

Developing knowledge of customers to better meet their needs is strategically-important for the FDJ Group, and necessitates more data gathering and more data mining. FDJ relies on industry best practices and draws on extensive resources to protect the security and confidentiality of all Group data, particularly personal data, from potential security breaches.

4.7.4.1 INFORMATION SYSTEM SECURITY

Data protection, particularly personal data protection, is one of the pillars of the security strategy for the FDJ Group's information systems (IS). This strategy aims in particular to protect the personal data of players, retailers, employees and applicants.

FDJ implemented its information security management system (ISMS) in 2008 and had it ISO 27001-certified. The FDJ ISMS covers all the activities of the FDJ parent company together with those of its technological development subsidiary FDJ Gaming Solutions France. As part of the ISMS, risk analyses are conducted, notably to verify that the data protection measures are commensurate with the security needs expressed by the business lines and with legal and regulatory requirements, based on the risk level assessed for the Group.

The Privacy policy published on the Group's corporate website provides a more detailed description of FDJ's data protection standards. In particular, this policy highlights FDJ's commitments regarding data privacy for customers, the types of data it gathers and the manner in which this data is used.

Multiple security measures have been implemented based on industry best practices, policies drafted by the Group or risk management plans addressing risks identified during

develop its actions to preserve the integrity of sports. FDJ will continue to promote the convention through its international cooperation, with a view to doubling the number of countries in which it is ratified. Furthermore, the decree relating to the French platform to combat the manipulation of sports competitions was published on 29 December 2023. This will reinforce the legally-permitted sharing of information among stakeholders (sporting movement, public authorities and operators) and make for more effective efforts to combat match manipulation.

Lastly, two major sporting events will be held in 2024: the UEFA Euro Football Championship and the Paris 2024 Olympic and Paralympic Games. As was the case with the Rugby World Cup, FDJ will participate in an international group tasked with monitoring these events.

the various risk analyses performed annually or for the purposes of completing specific projects. For example:

- FDJ introduced enhanced authentication measures on its websites fdj.fr and parionssportenligne.fdj.fr in 2021, together with partial personal data masking in players' online accounts;
- FDJ continued its efforts in 2022 by introducing two-factor authentication (2FA) systems for sensitive operations in player accounts (e.g. to change bank details) and by requiring more complex passwords;
- in 2023, FDJ introduced a feature enabling 2FA to be activated on a player's log-in page. This means that customers can now apply stronger log-in verification options to their entire online account and configure a trusted device to ensure that all subsequent log-ins from that device benefit from a high level of security.

FDJ regularly updates the set of standard security measures used to protect personal data. Furthermore, information security awareness is one of the cornerstones of FDJ's security programme and ensures that best practices are adopted by all employees.

4.7.4.2 EMPLOYEE AWARENESS AND TRAINING INITIATIVES

The employee CSR training programme contains a special module on the management of personal data. This is combined with mandatory training for all new hires (more than 200 employees trained in 2023) and more targeted approaches. As part of this, FDJ held an innovative campaign in 2022 in which 531 employees took part. They were asked to complete three separate dynamic questionnaires to help them understand the repercussions of failing to follow best practice when it comes to data security and data privacy.

In 2023, the annual information security awareness and training programme made it possible to:

- continue regular awareness actions: webinars reminding participants of best practice and our security policies, quarterly phishing tests (now applied to the entire Group); publication of a monthly "cyber" newsletter; and regular articles on the FDJ intranet site, etc.
- introduce new specific actions: organisation of an "FDJ cyberweek" (to coincide with European Cybersecurity Month) with on-site events and an online cyber-quiz tested by more than 350 participants; introduction of an

awareness MOOC for in-house and external staff; subscription to an online training platform for the staff at the Group Cybersecurity Department; and mandatory completion of an awareness course for the people who were found to be “serial-clickers” in the phishing tests, etc.

PERFORMANCE INDICATOR: NUMBER AND SHARE OF FDJ EMPLOYEES TARGETED BY GDPR AWARENESS INITIATIVES

	2021*		2022		2023	
	Number	Share	Number	Share	Number	Share
FDJ	2,061	76%	235	8%	336	11%

* In 2021, all employees were required to complete this training. It was incorporated into the training cycle for new hires in 2022, in addition to targeted training for certain members of staff.

4.7.4.3 THE “PRIVACY BY CUSTOMER” APPROACH

FDJ has established governance aimed at maintaining compliance and staying ahead of changes in laws and regulations governing personal data protection. The goal is to optimise the transparency of personal data processing operations.

In 2017, the Group launched a “Privacy by Customer” initiative, which relies on innovative tools and methods for collecting user feedback, in order to better understand their perceptions, needs and expectations in terms of personal data protection. As part of this, FDJ conducts qualitative in-person surveys of players, non-players, user experience specialists and legal advisors. This iterative approach will continue long into the future, and the findings will be shared with other companies belonging to industry associations, and with the CNIL (French data protection agency). FDJ understands that it is also imperative to protect the personal data of its staff and retailers.

FDJ is constantly improving the process for obtaining user consent to install cookies and other online tracking technologies. It has internal procedures in place to ensure that it complies at all times with the laws in force, and it performs regular audits of its websites and mobile applications.

FDJ also keeps a data processing log that records all personal data processing operations. This database documents cross-business, technical and organisational security measures implemented by the Company. The ultimate goal is to protect all personal data processed by FDJ and to guarantee the integrity, confidentiality and availability of personal data transiting through

FDJ’s information system. To ensure compliance at all times, FDJ also conducts checks on personal data processing and on the manner in which this processing is carried out.

Lastly, FDJ applies security best practices in terms of:

- information and awareness: persons who handle personal data are duly informed and made regularly aware of the associated risks. They also formally undertake to protect personal data when they sign their employment contract and the FDJ Charter governing the use of IT resources and digital tools, both of which contain sections relating to data privacy. A copy of this charter is systematically provided to all new employees as part of the general security awareness process;
- monitoring and tests: FDJ has its own (Security Operation Centre) or “SOC”, which implements monitoring and testing systems for the various components of FDJ’s information system;
- identification, authentication, authorisation and traceability of user activities;
- encryption and use of cryptography tools;
- incident traceability and management;
- vulnerability management;
- secure access to personal data.

4.7.4.4 AUDITS AND CHECKS

FDJ has introduced various forms of GDPR compliance audits and checks:

- internal audits: the staff assigned to FDJ’s Data Protection Officer (DPO) carry out personal data processing checks at regular intervals. Alongside this, the Group’s annual internal control self-assessment campaign incorporates checkpoints specifically relating to GDPR compliance. Lastly, the multi-year internal audit plan includes audit missions to verify compliance with laws and regulations, including the GDPR;
- external audits: FDJ regularly calls on external consultants to conduct audits into the compliance of its personal data processing and/or its GDPR compliance system;
- audits of subcontractors: FDJ has introduced systems of GDPR compliance checks and reporting for the subcontractors to which it entrusts personal data processing tasks, bearing in mind that all these measures are provided for in standard FDJ contracts.

4.7.4.5 OUTLOOK

In 2024, FDJ intends to take steps to encourage as many customers as possible to adopt two-factor authentication to log in to their player account. This 2FA functionality was introduced in early November 2023. Nearly 50% digital customers have activated it so far and use it on a daily basis.

Integrity

4.7.5 Promoting ethical business management and fighting corruption

The FDJ Group is subject to the French Sapin II law and, as such, is required to implement a programme to prevent and detect corruption and influence peddling⁽¹⁾.

Efforts to prevent and detect acts of corruption concern every member of the FDJ Group. These measures are coordinated by a special entity that belongs to the Audit, Risk, Control, Quality and Ethics Department, and implemented throughout the Group with the help of experts and compliance officers.

FDJ has also been working closely with its partners and stakeholders for many years to combat corruption in sports (see section 4.7.3 "Preventing the outside manipulation of sports competitions").

4.7.5.1 ANTI-CORRUPTION MEASURES AT THE FDJ GROUP

The Group's anti-corruption measures are based on a wide range of documents and procedures (an Ethics Charter, an Anti-Corruption Code of Conduct, specific procedures, an ethics-driven whistle-blowing system, etc.).

As stated in its Ethics Charter⁽²⁾, the FDJ Group observes the fundamental ethical principles of complying with laws and regulations, sharing a culture of integrity, respecting employees and stakeholders, and engaging in constructive dialogue with civil society. The Ethics Charter has been approved by the FDJ Group's Board of Directors and reflects the collective engagement of the Group's executives and employees to uphold its ethical principles in the performance of all their duties. Tackling corruption is a key element of these principles.

The Anti-Corruption Code of Conduct⁽³⁾ is an extension of the Ethics Charter, in accordance with French laws and standards and international commitments.

This Code of Conduct is available on the Group's corporate website and a copy is given to each FDJ Group employee (appended to the Rules of Procedure, a copy of which is provided to employees when they sign their employment contract). It provides guidance to FDJ Group employees and stakeholders on how to respond to and address corruption on a daily basis, by presenting situations that might equate to corruption, influence peddling and other breaches of fairness, and by describing what to do and what not to do in order to adopt the correct attitude when faced with a high-risk situation.

The anti-corruption measures applied at the FDJ Group ensure that the "zero tolerance" principle is upheld regarding any act of corruption, a principle that is conveyed

by the Group's governing body and formally stated in the message from the Chairwoman and Chief Executive Officer in the Anti-Corruption Code of Conduct. This Code is supplemented by in-house rules and procedures made available to staff. These relate to:

- handling gifts and invitations, and the associated register;
- preventing, reporting and managing conflicts of interest, and the associated register;
- third-party assessments for the entire Group, including the management of charitable sponsorship, sports sponsorship, institutional relations and the representation of interests (the Group has a strict principle of political neutrality in all its operations).

It is also supplemented by awareness initiatives (e-learning module open to all staff), specific training for populations with the greatest exposure to a risk of corruption and influence peddling, and communication actions (anti-corruption day, posting of articles on the intranet site, etc.).

The Group's anti-corruption measures are also supplemented by an accounting audit procedure and control plan to help us ensure that the measures are indeed effective.

Lastly, in order to maintain and nurture a trusting environment, the FDJ Group introduced a whistle-blowing system for employees and external stakeholders in 2018. This is a way to encourage employees and external stakeholders to escalate any suspicions they may have and report any ongoings that may be against the law, in breach of the Anti-Corruption Code of Conduct or, more generally, contrary to the Group's ethical principles. Rounding out the Group's conventional feedback and dialogue channels (Diversity & Inclusion team, employee representation bodies, *HR Business Partners*, managers, etc.), the ethics-driven whistle-blowing system relies on a secure online platform managed by an outside contractor (*WhistleB*), which guarantees the protection of data and has strict privacy procedures in place for all data gathered on reported cases (in relation to the identity of the whistle-blower, the persons targeted and any third party cited, and in relation to the ongoings reported). Staff at all Group subsidiaries can avail of this online platform, which can be accessed from the corporate website and through the intranet site.

The system of governance in place within the Group provides assurances that reported cases will be collected and handled in an independent and impartial manner. The Audit, Risk, Control, Quality and Ethics Department is responsible for ensuring that cases are handled correctly and smoothly.

(1) The FDJ Group's subsidiary in the United Kingdom must also comply with the UK Bribery Act, which contains measures to prevent and punish corruption. The Act makes it an offence to engage in active bribery and passive bribery, and to fail to prevent a bribe being paid on an organisation's behalf. The rules and procedures associated with anti-corruption measures can therefore be adapted to this legislation.

(2) The Ethics Charter and Anti-Corruption Code of Conduct can be found on the Group's website at: www.groupefdj.com.

(3) The Ethics Charter and the Anti-Corruption Code of Conduct are appended to the Rules of Procedure and are available for all Group employees to consult.

4.7.5.2 ANTI-CORRUPTION PROGRAMME AT THE FDJ GROUP

In accordance with the provisions of the Sapin II Law, the anti-corruption and influence peddling programme rests on three pillars:

- **a commitment from the governing body** to transparency and leading by example, founded on observance of the regulations and the most exacting standards of ethics, with "zero tolerance" for acts of corruption in any shape or form. The head of the Audit, Risk, Control, Quality and Ethics Department, who reports to the Group's Deputy Chief Executive Officer, also reports to the Audit and Risks Committee;
- **an analysis of the risks of corruption and influence peddling** to which the Group is exposed, by mapping corruption risks to identify what measures and procedures should be put in place to prevent, detect and address these risks;
- the implementation of **procedures to prevent, detect and address risks**:
 - prevention through an Anti-Corruption Code of Conduct and related procedures, a training programme on the risks of corruption and influence peddling and the implementation of a third-party assessment procedure,
 - detection through accounting audits, an ethics-driven whistle-blowing system and an internal control and assessment mechanism,
 - actions to address risks through a system of disciplinary procedures relating to corruption risks.

The Group continued or embarked on the following key actions in 2023:

1. consolidating the FDJ's Group's ethics-driven whistle-blowing culture by presenting the in-house whistle-blowing system to people at all managerial levels, sending out a Group-wide message to all staff, and organising an anti-corruption day devoted to the whistle-blowing system and the protection of whistle-blowers;
2. changing procedures to make it easier for people to embrace the anti-corruption programme, the procedure for registering gifts and invitations, the procedure for registering conflicts of interest and the third-party assessment procedure;
3. stepping up awareness and training initiatives, with:
 - the organisation of an anti-corruption day focused on preventing, detecting and combating corruption (with a word from the FDJ Group's management body, a chance to talk to in-house and outside specialists, an immersive game and special displays),
 - updates to the online training module for all FDJ Group staff,
 - the launch of specific training programmes for managers and people who are exposed to a risk of corruption, with quizzes to test their knowledge;
4. continuing to support the business lines and subsidiaries on a daily basis, namely through a network of compliance

officers. The Ethics & Anti-Corruption team has also begun to roll out the anti-corruption programme at all newly-acquired subsidiaries;

5. continuing to enhance the control mechanism: accounting audits and internal controls linked to the anti-corruption system to gain assurances that the procedures contained in the anti-corruption programme are effectively implemented, in a satisfactory and efficient manner;
6. addressing Environmental, Social and Governance (ESG) issues through the Ethics & Anti-Corruption team, namely with a view to securing the "sustainable procurement and supplier relations" label and the "diversity, equal opportunities and inclusion" label.

PERFORMANCE INDICATOR: NUMBER AND SHARE OF EMPLOYEES HAVING COMPLETED ETHICS AND ANTI-CORRUPTION TRAINING

	2020-2021		2021-2022		2022-2023	
	Number	Share	Number	Share	Number	Share
FDJ Group	2,094	77%	2,193	78%	1,428	45%

The FDJ Group considers a person to be trained in anti-corruption measures if they have completed specific training in this area in the course of the last two years (e-learning / special training). The 2022-2024 training plan is in the process of being rolled out, with specific programmes for people who are exposed to a risk of corruption and awareness sessions via an e-learning module. As the last e-learning module was dated 2020, a new mandatory one for all Group staff was launched in October 2023. Reminders will be sent out in early 2024 to ensure that at least 80% of the workforce completes this training.

4.7.5.3 OUTLOOK

Efforts in 2024 will predominantly focus on:

- promoting the FDJ'Alert ethics-driven whistle-blowing system: to encourage each member of staff to use this secure and confidential channel to report any concerns they may have;
- updating the corruption risk map by integrating the newly-acquired subsidiaries;
- providing ongoing training to populations identified as presenting the greatest exposure to risks of corruption and influence peddling (specific training, manager training, etc.);
- supporting all business lines with issues relating to breaches of probity;
- providing added support for newly-acquired subsidiaries and all other Group entities, particularly with the development of new activities and international expansion.

Integrity

4.7.5.4 RESPONSIBLE TAX POLICY

FDJ has made transparency and tax compliance the priorities of its tax policy. The Group takes care to comply with all the tax rules and laws that apply in all the countries in which it operates. In particular, all tax returns required by laws and regulations are duly filed, and all taxes and levies are paid accordingly.

With regard to cross-border transactions, FDJ complies with the OECD guidelines and ensures that the transfer pricing policies implemented within the Company comply with the arm's length principle.

To avoid artificial transfers of profits, the Group applies the arm's length principle, which aims to ensure that transactions within an international group are priced as if they had taken place between independent parties.

In 2023, the Group's tax expense amounted to €141 million⁽¹⁾, compared with €113.3 million in 2022. This corresponds to an effective tax rate of 25%, compared with 27% in 2022. FDJ SA's contribution to Group tax was €132 million, up from €103 million in 2022.

PERFORMANCE INDICATOR: EFFECTIVE TAX RATE

	2021	2022	2023
FDJ Group	30%	27%	25%

4.7.5.5 RESPONSIBLE GAMING PARTNERSHIPS

Partnerships formed for research and trials are an essential pillar of FDJ's responsible gaming policy (see section 4.6.2 "Preventing excessive gambling"). They contribute to research and the sharing of knowledge in the field of gambling and addictive behaviour, and form a foundation for the Company's work on responsible gaming mechanisms geared towards players. Each project undergoes a prior review process to gain assurances that the research and the structures being supported will be independent. This implies:

- the examination of projects in accordance with the Sapin II Law (identification of potential concerns such as conflicts of interest, etc.);
- systematic referral to an internal project selection committee comprised of the Audit, Risk, Control, Quality and Ethics Department, and the Legal, Finance and CSR Departments (see the ethics policy above);
- no participation by the FDJ Group in the governance of projects dedicated to research on addictions and prevention of underage gambling;
- respect for the independence of the scope of research and professional practices of each partner. A specific ethical framework has also been defined for risk and harm reduction initiatives targeting struggling players, and involving professionals from the medical and social services spheres and the Group's sales network (see section 4.6 "Responsible gaming").

Outlook

FDJ will continue to apply these ethical guidelines in 2024 to all new partnerships formed to conduct research and to support prevention initiatives as part of its responsible gaming policy.

4.7.5.6 PREVENTION OF ANTI-COMPETITIVE PRACTICES

FDJ operates under exclusive rights (online lotteries, offline lotteries, offline sports betting) as well as in open competition (online sports betting, online horse-race betting via the subsidiary ZEturf and online poker) in the gaming and gambling sector. In recent years, the Group has diversified its activities and launched initiatives in new competitive and/or developing markets, namely third-party payments and the provision of services to international lottery operators. This duality of operations exposes the Company to greater risks under competition law, particularly in terms of abuse of a dominant position.

FDJ has prepared an employee handbook to prevent risks of non-compliance with competition law. This handbook describes situations that could pose a risk for the Company, as well as the best practices employees can adopt to avoid any breaches of competition law.

The Group's Legal Department regularly organises awareness and training initiatives to familiarise staff in the various business lines with issues relating to competition law. In 2023, around 60 employees completed this training.

The 2022 acquisition of Aleda, provider of PoS systems and processing solutions, and the 2023 acquisition of ZEturf, operator of horse-race and sports betting services, were both notified to the French competition authority (Autorité de la concurrence). The authority approved the acquisitions on the condition that FDJ give certain undertakings, aimed at ensuring the strict separation of activities operated under exclusive rights and those performed in markets that are open to competition (maintaining the pari-mutuel agreements with horse-race betting operators, training staff tasked with promoting and coordinating offers provided under exclusive rights and in markets open to competition, doing away with single player accounts providing access to services operated under exclusive rights as well as to services open to competition, and requiring players to set up separate accounts instead, etc.).

An authorised agent conducts inspections to verify compliance with these undertakings and submits regular reports to the competition authority.

Outlook

In 2024, FDJ will continue with the vast training plan initiated in the third quarter of 2023 so that employees are aware of the undertakings that were given as part of the ZEturf acquisition. 2024 will also be devoted to preparing for and implementing separate player accounts for people who want to play lottery games and also place sports bets online.

(1) Scope of the consolidated financial statements

4.7.5.7 TAKING ACTION TO UPHOLD HUMAN RIGHTS

FDJ is committed to preventing human rights violations and to improving employment and working conditions in the places in which it operates. The FDJ Group's human rights policy stipulates the steps taken to prevent risks of

human rights violations. It describes the key issues that have been identified, as well as their implications for the Group's entities, and lays down a set of guiding principles which detail the specific approaches to be adopted with regard to 4 main stakeholders and 17 risks. It also provides a reference framework regarding the rules that must be observed in all of the Group's daily operations.

Main stakeholders	Identified risks
EMPLOYEES	<ul style="list-style-type: none"> • Psychological and sexual harassment of employees • Discrimination and occupational inequality from the moment employees are hired and throughout their career • Poor working conditions for employees • Failure to ensure employee safety • Failure to allow freedom of association combined with the deterioration of labour relations
SUPPLIERS/SUBCONTRACTORS	<ul style="list-style-type: none"> • Poor working conditions at suppliers and subcontractors • Use of forced labour and child labour by suppliers and subcontractors • Failure of suppliers and subcontractors to allow freedom of association combined with the deterioration of labour relations
CUSTOMERS	<ul style="list-style-type: none"> • Failure to protect vulnerable players • Failure to comply with the laws and regulations prohibiting underage gambling and sports betting • Poorly transparent gaming conditions • Excessive gaming incentives
ALL FDJ GROUP STAKEHOLDERS (EMPLOYEES, RETAILERS, SUPPLIERS/SUBCONTRACTORS AND CONSUMERS)	<ul style="list-style-type: none"> • Failure to uphold human rights in relation to sponsorship operations • Insufficient resources to tackle corruption in sport and match-fixing • Failure by FDJ retailers to uphold human rights • Failings in the ethics-driven whistle-blowing system • Failure to ensure data privacy

The FDJ Group upholds fundamental, internationally-recognised human rights and endeavours to take all necessary measures to identify and prevent any potential negative repercussions or to remedy any existing ones that may be connected to its own operations or to operations within its value chain. The FDJ Group is also seeking to make a positive contribution in the area of human rights by taking action as a civic-minded and responsible organisation. The human rights policy formalises this pledge and reasserts its fundamental importance in the Group's managerial and operational procedures and in its relations with stakeholders. In this way, the FDJ Group follows internationally-recognised standards in relation to human

rights. In particular, this policy draws on the Universal Declaration of Human Rights, the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work, the United Nations Guiding Principles on Business and Human Rights, the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, and the OECD Guidelines for Multinational Enterprises. This pledge is an integral part of the Group's 2025 strategic vision and its vigilance in this respect.

The FDJ Group has introduced a monitoring and reporting system to steer its performance in relation to this human rights policy, together with dedicated governance to oversee its proper application.

Integrity

4.7.6 Promoting responsible purchasing

In the course of its activities and business relations, FDJ promotes responsible sales and partnership practices and works to prevent unethical practices (human rights violations, adverse impacts on the environment, overly-long payment times, excessive levels of dependency, etc.) among its suppliers and partners.

The aim of responsible purchasing is to meet social and environmental demands and facilitate the construction of a responsible and resilient supply chain. FDJ's responsible purchasing policy is an integral part of the Group purchasing policy and has four key focuses: lasting and balanced relationships with suppliers, the shortening of payment times, local and inclusive procurement and, lastly, the improvement of suppliers' environmental and labour practices.

4.7.6.1 LASTING AND BALANCED SUPPLIER RELATIONSHIPS

The Group is committed to building balanced, lasting relationships with its suppliers to ensure the continuity and fairness of its value chain.

In 2014, FDJ signed the inter-company Mediation Responsible Supplier Relations Charter, the aim of which is to raise awareness among economic agents about key responsible sourcing issues and the importance of forging customer-supplier relationships of the highest standard. FDJ reasserted its commitment to this issue in 2021 by signing an updated version of the Sustainable Procurement and Supplier Relations Charter ⁽¹⁾.

In a reflection of its efforts to continuously improve its sustainable procurement practices, FDJ secured the "sustainable procurement and supplier relations" label in 2021. This label is awarded by the French ministry of the economy, finance and the recovery for a three-year period to reward best practices in procurement and supplier relations through the incorporation into purchases of each of the CSR-driven environmental, social and ethical dimensions. It is aligned with the guidelines set out in the international Sustainable Procurement standard (ISO 20400).

4.7.6.2 SHORTENING PAYMENT TIMES

In order to optimise its economic performance, FDJ is targeting a "zero payment default" rate by 2025 on supplier invoicing to protect the financial viability of its suppliers. With this in mind, the Group has taken action in a number of areas to improve payment times, through the:

- continued enrolment of suppliers in the Tradeshift invoice automation system;
- optimisation of expense approval thresholds.

FDJ has also introduced a discount platform to facilitate the early payment of supplier invoices, in conjunction with C2FO, world leader in working capital optimisation solutions. Through this platform, suppliers can now request the early settlement of one or more outstanding invoices in return for a discount. FDJ will settle the invoice(s) on the requested date, less this discount.

The average payment time for FDJ suppliers was 37 days at the end of 2023 (shorter than the required statutory 60-day period, barring exceptions), compared with 38 days in 2022.

4.7.6.3 LOCAL AND INCLUSIVE PROCUREMENT

In keeping with its commitments, FDJ's responsible purchasing strategy places a strong emphasis on sourcing through French channels.

In 2023, the FDJ Group's French subsidiaries ⁽²⁾ contributed to the economic, social and societal vitality of regions throughout the country, making more than 85% of their purchases (in value) in France and 61% with small and medium-sized enterprises (SMEs) and intermediate-sized enterprises. (ISEs) (see section 4.10 "Territories").

The FDJ Group is also committed to supporting inclusive procurement. By 2025, it is keen to increase purchases from sectors that employ disabled people and provide pathways into work. In 2023, more than €1.343 million worth of purchases were invoiced to FDJ by ESATs (vocational rehabilitation centres) and EAs (disability-inclusive companies), compared with €1.3 million in 2022, and around 7% of FDJ's suppliers were located in priority urban policy districts ("QPV").

4.7.6.4 MANAGING SUPPLIER CSR RISKS

FDJ assesses its suppliers' CSR risks every year. Based on a risk map and the identification of suppliers operating in sub-categories of purchases exposed to CSR risks, FDJ has assessed 326 suppliers with the help of international body Ecovadis or through its own in-house questionnaire, resulting in an average score of 63/100. This meant that, at the end of 2023, 40% of suppliers falling into the 'very high' and 'high' CSR risk categories were covered by a CSR performance assessment.

In 2023, as part of the continuous effort to improve its responsible purchasing approach, the FDJ Group put together a 4-step supplier CSR risk management policy:

- **Identifying the risks**
At the end of 2022, the FDJ Group acquired a supplier CSR risk mapping tool that enables it to identify a CSR risk level (from an environmental, social and ethical perspective) for all its sub-categories of purchases.
- **Prioritising the risks**
The FDJ Group has prepared a matrix that classifies all sub-categories of purchases based on the four risk levels in the risk map (very high, high, moderate, low), enabling it to see which actions need to be prioritised.
- **Mitigating the risks**
Following a call for tenders, the FDJ Group acquired a tool which its business line staff can use to integrate CSR criteria and a CSR weighting tied to the risk level of the type of purchases being made.
- **Always improving**
The FDJ Group works with suppliers who score below 45/100 to come up with plans designed to help them boost their CSR performance.

(1) <https://www.groupefdj.com/en/commitments/sustainable-purchasing.html>

(2) FDJ SA, FGS France, FDP, FDI, FDJ Services, L'Addition and ALEDA.

The FDJ Group also conducts assessments to share its CSR priorities with strategically-important and major suppliers. During the year, FDJ organised a specific CSR assessment with 21 strategically-important suppliers, providing an opportunity to discuss CSR best practice with them and to identify common synergies.

CSR training for the purchasing teams is also an essential avenue for improvement. In 2023, the purchasing teams completed training on the integration of CSR issues in financial management, together with two e-learning modules ("Understanding the cost of climate change and how the sustainable transition impacts my Finance Department" and "How to set up more sustainable purchasing").

4.7.6.5 DECARBONISING PURCHASING

In 2023, the FDJ Group launched the #BuyforGood purchasing decarbonisation programme. The aim is to get the reduction trajectory up and running for carbon emissions deriving from Group purchases (see section 4.11 "Environment"), by involving the supplier ecosystem through four initiatives:

Collecting emissions data from suppliers relating to the Group's purchases

The Group has acquired a data collection and carbon assessment tool with a view to improving the manner in which its emissions are measured. This means that, from 2024, carbon data relating to the goods and services purchased by the Group will be collected from its main suppliers.

Changing the Group's purchasing processes with carbon performance drivers

FDJ systematically incorporates a carbon emissions clause into large contracts (in excess of €100,000). By accepting this clause, suppliers agree to share with FDJ the annual emissions data relating to purchases made by the Group. Currently, 19% of the revenue generated with the Group's suppliers is covered by a decarbonisation clause.

Steering emissions reduction plans alongside the Group's suppliers

From 2024, the Group will be working with its suppliers to build emissions reduction plans for the most carbon-intensive purchasing items.

Communicating with internal and external stakeholders

As part of a plan to get its main suppliers on board with the BuyforGood programme, the FDJ Group brought together around 100 strategic suppliers on 5 December 2023 for the first ever "FDJ Suppliers Day". This was the first such responsible purchasing onboarding initiative to be staged for FDJ's strategic suppliers and business lines in order to focus on decarbonising the value chain. The Group used this opportunity to share with its partners the emissions reduction targets it has set, together with its #BuyforGood purchasing decarbonisation programme.

Various round tables were organised to highlight environmental best practice at partners and suppliers. This was also an opportunity for the FDJ Group to reassert its ambition to nurture partnership-driven relationships with its suppliers and to co-build environmentally-friendly solutions with them.

4.7.6.6 OUTLOOK

As part of its #BuyforGood purchasing decarbonisation programme, FDJ will be introducing emissions data collection campaigns with suppliers in 2024 via a dedicated digital platform. The aim is to further enhance monitoring of purchase-related carbon emissions.

Also in 2024, FDJ will be reasserting its responsible purchasing commitment and will be looking to sustain the continuous improvement momentum by signing an updated three-year Sustainable Procurement and Supplier Relations Charter with Médiation des Entreprises.

Furthermore, in an extension of the supplier CSR risk management approach, the Group will be raising awareness among business line staff in 2024 about the use of the tool developed in 2023 to integrate weighted CSR criteria into calls for tender, taking the risk level and the type of purchase into consideration.

Lastly, true to its pledges, the FDJ Group will continue in 2024 to work with organisations which are active in the social and solidarity economy, provide pathways into work and employ people with a disability.

Human resources

4.8 Human resources⁽¹⁾

The FDJ Group firmly believes that employee engagement is an essential factor in achieving sustainable performance. With this in mind, it is working to develop and implement an ambitious, innovative and inclusive Human Resources policy.

The Group wants to make its employees the beating heart of its actions, while still taking stakeholders' expectations into consideration, with, in particular, extensive integration of demands relating to diversity, equal opportunities and efforts to combat all forms of discrimination.

PROFILE OF HUMAN RESOURCES AT THE GROUP

RESULT: NUMBER OF PERMANENT AND FIXED-TERM EMPLOYEES AT 31 DECEMBER⁽²⁾

Entity	Country	2021			2022			2023		
		Perma- nent	Fixed- term	Total	Perma- nent	Fixed- term	Total	Perma- nent	Fixed- term	Total
FDJ	France	1,531	72	1,603	1,665	71	1,736	1,799	75	1,874
FDP	France	452	15	467	471	21	492	508	20	528
FDI	France	28	-	28	28	-	28	32	-	32
PDJ	French Polynesia	17	3	20	19	-	19	19	1	20
FGS France	France	102	3	105	112	5	117	114	4	118
FGS Canada	Canada	2	-	2	1	-	1	1	-	1
FDJD	France	16	1	17	15	3	18	14	3	17
FGS UK*	United Kingdom	36	-	36	-	-	-	-	-	-
Sporting Group	United Kingdom	246	3	249	272	2	274	221	4	225
FDJ Services	France	9	-	9	14	-	14	28	-	28
Aleda	France							82	8	90
L'Addition	France							63	-	63
FDJ GROUP		2,439	97	2,536	2,597	102	2,699	2,881	115	2,996

* The FGS UK workforce was transferred to Sporting Group in 2022.

As at 31 December 2023, the Group employed 2,996 people at the companies within its scope of consolidation. FDJ, with 1,874 employees, represented almost 62.6% of the Group headcount, while the commercial subsidiary FDP employed 528 people, representing 17.6% of the total Group headcount. The 11% increase in the Group workforce in 2023 stemmed from FDJ (with growth of 7.9%).

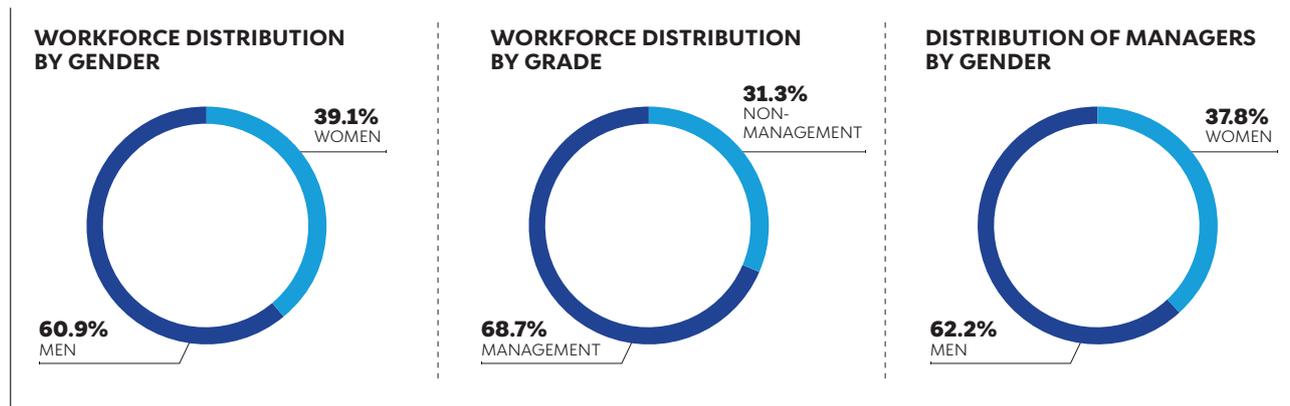
(1) In accordance with the reporting protocol, the non-financial data contained in the entire non-financial information statement relates to the Group excluding PLI and ZÉturf/ ZÉbet.

(2) The headcount presented in the table takes into account permanent and fixed-term employment agreements only, whilst the information provided in the financial statements includes all types of employment agreements, including interim and intermittent contracts.

RESULT: PROFILE OF THE WORKFORCE AT 31 DECEMBER

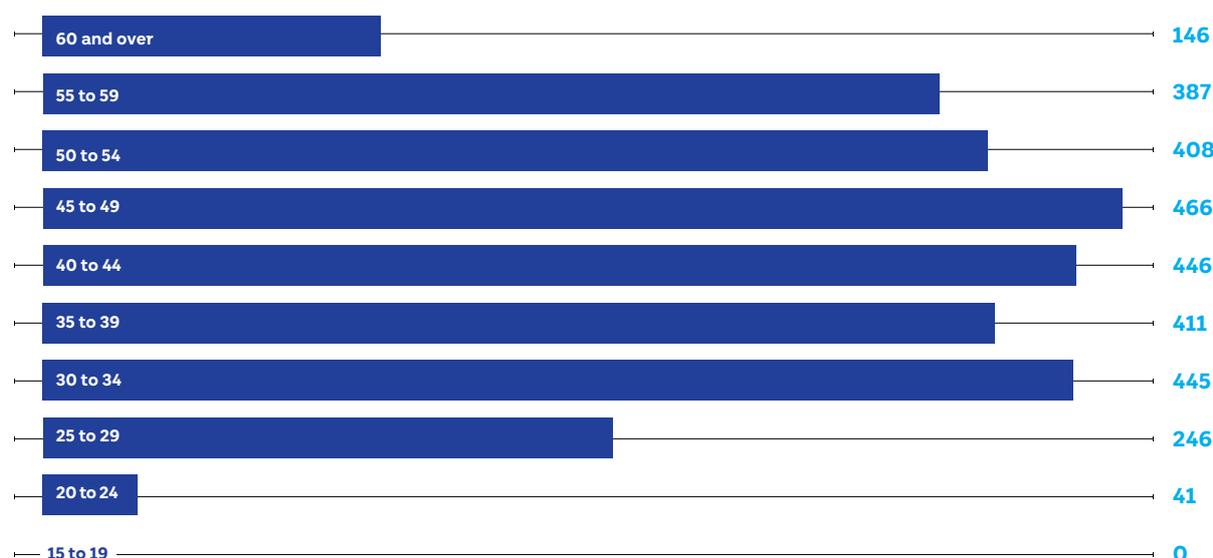
	2021		2022		2023	
	Management	Non-management	Management	Non-management	Management	Non-management
FDJ	1,391	212	1,527	209	1,676	198
FDJ Group	1,664	872	1,828	871	2,058	938

In 2023, management-level employees accounted for 68.7% of the Group's total workforce, compared to 67.7% in 2022.



AGE PYRAMID AT 31 DECEMBER

	60 and over	55 to 59	50 to 54	45 to 49	40 to 44	35 to 39	30 to 34	25 to 29	20 to 24	15 to 19	Average age
FDJ	98	206	247	283	296	283	297	154	10	-	42.4
FDJ Group	146	387	408	466	446	411	445	246	41	-	38.6



Human resources

RESULT: AVERAGE EMPLOYEE SENIORITY

	2021	2022	2023
FDJ	11.30 years	10.90 years	10.52 years
FDJ Group	11.10 years	10.85 years	10.52 years

RESULT: GENDER DISTRIBUTION IN THE WORKFORCE

	2021				2022				2023			
	Men	%	Women	%	Men	%	Women	%	Men	%	Women	%
FDJ	920	57.4%	683	42.6%	1,012	58.3%	724	41.7%	1,110	59.2%	764	40.8%
FDJ Group	1,548	61.0%	988	39.0%	1,649	61.1%	1,050	38.9%	1,824	60.9%	1,172	39.1%

4.8.1 Ensuring sound management of employee skills

In a competitive environment, characterised by profound changes, it is essential that the Group has committed teams and the best possible expertise in order to develop its operations. With this in mind, the employment and career path planning policy that FDJ has been developing for more than ten years is designed to prepare for the evolving tasks that will be entrusted to employees and the skills they will need to acquire, and to optimise the manner in which they are guided along their career paths and develop their talents.

Each year, the Group devotes a substantial part of its budget to training. More than €6.7 million was set aside during the year, representing 3.23% of payroll expense. The Group made a point of maintaining and developing the employability (hard skills and soft skills) of all employees in 2023, by hosting training sessions that suit the needs of each individual. This meant that more than 3,000 Group employees were able to complete at least one course. On average, each trained employee completed 18 hours of sessions in 2023.

Training requirements cover four main areas:

- hard skills directly relating to duties and the fast-paced changes within these professions, particularly in IT, cybersecurity, data, digital technologies, sales and marketing and the digital transition. Examples:
 - in 2023, there was a particular focus on negotiation techniques, geared towards the entire sales force, and on the implementation of the Kubernetes system designed to improve the way in which applications are organised and managed, geared specifically towards the IT teams,
 - a training course devoted to the ecological transition ("Understanding the ecological crisis") was introduced for all members of staff. The completion of this MOOC has been added to employees' incentive bonus criteria (80% targeted participation rate);
- key soft skills (e.g., knowing how to pitch an idea, to speak in public, etc.), which are just as important to individual and collective performance as hard skills;
- supporting managerial practices in keeping with the Group's managerial model, with three key angles: managers who are coaches, managers who are leaders and performance managers. With this in mind, a programme was rolled out in 2023 to help new FDJ Group managers take on their managerial role, together with a new support programme for managers' superiors;

- proficiency in foreign languages for business (especially English), in keeping with the Group's international expansion and the integration of subsidiaries in English-speaking markets, through courses tailored to everyone (online training platform, individual sessions or courses in groups on specific industry themes).

PERFORMANCE INDICATOR: NUMBER OF TRAINING HOURS

	2021	2022	2023
FDJ	26,792	30,821	36,261
FDJ Group	39,417	40,403	52,716

PERFORMANCE INDICATOR: PERCENTAGE OF PAYROLL EXPENDITURE DEVOTED TO TRAINING

	2021	2022	2023
FDJ	3.80%	4.12%	3.80%
FDJ Group	3.35%	3.77%	3.23%

RESULT: NUMBER OF EMPLOYEES WHO COMPLETED TRAINING DURING THE YEAR

	2021	2022	2023
FDJ	1,540	1,586	1,879
FDJ Group	2,472	2,591	3,008

This calculation includes employees who left the Company during the year, but had completed training beforehand. The data for 2023 incorporates L'Addition and ALEDA.

4.8.1.1 OUTLOOK

In 2024, the skills development plan will continue to tie in with the Group's strategy, with a particular emphasis on six areas:

- giving all employees a better grasp of CSR issues, particularly when it comes to the environment and responsible gaming. As part of this, the Group will be

holding training programmes specific to certain business lines (e.g., Marketing, Finance and Purchasing);

- rolling out a Data and AI skills development plan with specific modules to develop business line expertise, geared towards employees with data-related duties;
- developing key soft skills in all staff (being a leader, being responsible, being a team player, taking the initiative, being results-driven);
- supporting management (helping new managers take up the reins, supporting experienced managers and

directors) to enable them to adapt and guide their teams through changes at the Group;

- transforming the sales model, with the creation and implementation of a homogeneous sales method applying to the entire FDJ Group;
- stepping up the use of business English with the introduction of a new e-learning platform open to all Group staff.

Alongside this, FDJ will support the development of hard skills for all employees whenever this is needed.

4.8.2 Promoting a constructive social dialogue

FDJ has been working for many years to develop and maintain a high standard of social dialogue. This is a critical part of the Company's sustainable performance policy. FDJ adheres to and enforces the principles and fundamental rights of the International Labour Organization at all of its entities, particularly the freedom of association and the effective recognition of the right to collective bargaining.

Social dialogue is organised with employee representation bodies Group-wide and also at the level of the various legal and geographical entities.

Each Group entity has its own employee representation in keeping with the statutory requirements, i.e. based on the number of people it employs:

- where an entity employs at least 50 people, a "key responsibility" economic and labour relations council (or "CSE") is set up (as is the case at FDP, FGS France, L'Addition and Aleda) or, alternatively, an entity-level CSE or a Central CSE (FDJ SA);
- where an entity has a workforce of between 11 and 49 people, a "non-advisory" CSE is set up (as is the case at La Française d'Images, FDJ Développement and FDJ Services).

Accordingly, the main employee representation bodies within the Group's entities are as follows:

- a Group Committee that brings together employee representatives from FDJ, FDP and FGS France. This committee represents all of the Group's entities and meets at least three times a year;
- within FDJ SA:
 - at a central level: a Central Social and Economic Committee (CSEC) and an Occupational Health and Safety Commission (CSSCT), together with the statutory and conventional commissions (e.g. economic commission, gender equality commission, etc.),
 - at the level of each entity: an entity-level CSE and an Occupational Health and Safety Commission (CSSCT), together with other commissions;

- at FDP: a Social and Economic Committee (CSE) and an Occupational Health and Safety Commission (CSSCT), in addition to the statutory and conventional commissions;
- at FGS France, L'Addition, Aleda, FDJ Services, La Française d'Images and FDJ Développement: a CSE.

All projects with a bearing on the general organisation of the Company are regularly presented to and discussed by these bodies. For instance, in 2023, they served as a regular forum to discuss the plans to acquire Premier Lotteries Ireland (PLI) and ZEturf.

The high standard of social dialogue at the FDJ Group is such that employee representation bodies are systematically consulted when there are plans for our internal organisations to evolve, using the following methodology:

- a meeting is held to present/discuss the general principles of the reorganisation;
- a meeting is held to present/discuss the main tasks envisaged for the entities;
- a meeting is held to present a detailed description of the organisation along with the associated change management plan (communication plan, training plan, kick-off seminar, etc.).

Thanks to this methodology, which is shared with the labour relations partners, it is possible to gather all the advisory opinions of the Group's employee representation bodies on the projects submitted, and to ascertain the Group's strategic directions.

Management has been building a common employee framework for a number of years for all Group staff. This "Group employee framework" has the following focuses:

- employee savings;
- top-up health insurance and personal protection plans;
- the employment and career management policy;
- gender equality, gender diversity and social and cultural diversity.

The aim is to harmonise the various measures, practices and agreements in conjunction with the trade unions at the Group level.

Human resources

Accordingly, following on from the Group-level negotiations held with the employee representation bodies since 2021, which have led to a series of agreements (gender equality, quality of work life, diversity, profit-sharing and incentive plans, etc.), FDJ resumed talks in 2023, still at Group level, regarding the employment and career management policy.

In addition to the Group-level talks, negotiations are regularly organised at Group companies that have union representation (FDJ, FDP, FGS France, FDJ Développement, Aleda and La Française d'Images).

For instance, at FDJ, management meets with representative trade union organisations twice a month to negotiate agreements, which helps to guarantee a high standard of social dialogue.

These meetings led to the signature of four agreements or amendments at FDJ in 2023: a wage agreement in which the wage policy was set for 2023, an incentive agreement for 2023, an amendment to the agreement relating to FDJ's central economic and labour relations council and the entity-level economic and labour relations councils, and a pre-election memorandum of understanding.

PERFORMANCE INDICATOR: PERCENTAGE OF EMPLOYEES COVERED BY A COLLECTIVE AGREEMENT

	2021	2022	2023
FDJ	100%	100%	100%
FDJ Group	89%	90%	92%

PERFORMANCE INDICATOR: PERCENTAGE OF EMPLOYEES COVERED BY AN EMPLOYEE REPRESENTATION BODY

	2021	2022	2023
FDJ	100%	100%	100%
FDJ Group	88%	89%	92%

2023 was a busy year for labour elections, with the seats on most of the Group's employee representation bodies coming up for renewal.

OVERVIEW OF THE AGREEMENTS SIGNED DURING THE YEAR

Scope	Theme	Brief description	Signature
Group	Personal protection plans	Amendment to the Group collective agreement on the mandatory group benefit plan, incorporating L'Addition	22 December 2023
FDJ	Wage agreement	2023 wage policy agreement	23 February 2023
FDJ	Incentive plan	2023 agreement setting the incentive plan criteria	30 March 2023
FDJ	Employee representation	Amendment to the agreement relating to the FDJ central economic and labour relations council and the entity-level economic and labour relations councils	21 August 2023
FDJ	Election of employee representatives	Pre-election memorandum of understanding	20 October 2023

Outlook

Negotiations with the employee representation bodies will continue in 2024 with a focus on several themes, namely wages and the setting of criteria to calculate profit-sharing and incentive bonuses, and the employment and career management policy.

4.8.3 Strengthening diversity, inclusion and gender equality in the workplace

The Group has been working for many years to combat discrimination and to promote inclusion and equal opportunities. This commitment reflects the Group's firm belief that diversity and social cohesion are invaluable attributes that build employee engagement and drive sustainable performance. In a constant effort to improve, FDJ has been pursuing a "Diversity and Inclusion" policy since 2010. This four-pronged policy relates to gender equality in the workplace, the inclusion of persons with disabilities, intergenerational work, and the inclusion of people from diverse social backgrounds. Two new focuses were introduced in 2021: affectional orientation and gender identity.

A labour agreement on these issues was signed in 2021 thanks to the close collaboration of management and the Group employee representation bodies. The purpose of this agreement is ultimately to introduce a common social framework for all Group employees (see section 4.8.2 "Promoting a constructive social dialogue").

As part of a continual effort to improve, FDJ retained in 2021 the ALLIANCE label awarded to it in 2013, which combines the Gender Equality and Diversity labels. In 2023, the audit conducted to monitor ALLIANCE certification confirmed that FDJ's diversity and inclusion policy was indeed operational.

The 2023 "Champions de la Diversité" awards ⁽¹⁾ recognised FDJ's efforts in the "hotels, tourism and leisure" category, awarding it fourth place with a score of 8.23/10. These awards are given to organisations who have introduced effective policies to combat inequalities and promote the inclusion of people from all walks of life, based on the results of a survey of 25,000 people working in France at organisations who employ more than 250 people.

Training and awareness initiatives focused on diversity and inclusion

Employee training and awareness are essential components of FDJ's inclusion policy and harness a number of avenues:

- for the management team:
 - organisation of an awareness session for the members of the Group Management Committee in June 2023, on the theme of affectional orientation and gender identity, by FDJ's partner TETU.CONNECT and the spokesperson for an association called L'Autre Cercle;
- for the managers:
 - roll-out of systematic training on the theme of "Labour laws and managing". This is an integral part of mandatory training for managers, defines what discrimination is and explains how to follow best recruitment practices with no unfair biases,
 - a guide on "Fair hiring practices" for human resources staff and managers with recruitment powers to help them conduct unbiased interviews;
- for all staff:
 - CSR training with a comprehensive section on discrimination,
 - construction of a training plan centred on diversity, combating discrimination and harassment with people who can make a very real difference in this area (recruiters, managers, buyers, employee representatives, etc.), which enabled 155 people to receive training in 2023. Each session is held in person, in partnership with Mozaïk RH. Participants complete a specific e-learning module beforehand, which familiarises them with the key concepts and prepares the ground for discussions and practical case studies during the sessions,
 - distribution to staff of a copy of a Diversity and Inclusion comic book since 2023, which is now included in the onboarding kit given to every new hire within the Group,
 - roll-out of an e-learning module to prevent and combat acts of sexism in the workplace, as part of FDJ's involvement in the "StOpE au Sexisme" inter-company initiative,
 - provision of a lot of information (including contact details for various helplines) in the diversity section of

the FDJ intranet site, which was viewed nearly 1,200 times in 2023. This includes the engagement charters and initiatives that FDJ has put its name to, together with a wide range of material, including a humorous and instructive web series (in 12 episodes that communicate the key messages), and replays of conferences/webinars, etc.

4.8.3.2 GENDER EQUALITY IN THE WORKPLACE

The FDJ Group is deeply committed to gender equality, an issue that is supported at the highest level of the Company, through a large number of training and awareness initiatives.

In-house awareness initiatives

Each year, on 8 March, the Group gets behind its in-house gender diversity promotion network – All'In – to stage an event that coincides with International Women's Day. Conferences hosted by inspirational women are held at a number of Group sites – Boulogne, Vitrolles and London – and, since 2015, booklets are handed out to all Group staff to raise awareness about the importance of gender equality. In April 2023, All'In also organised a conference about sexism in the workplace, where the participants were able to hear from journalist and television presenter Marie Portolano and Benoît Dardenne, professor of social psychology at Université de Liège.

Measures for parents

FDJ has had specific measures in place for many years for staff who have young children. Recognising that being a parent is a crucial event in a person's life, the Group has introduced a number of measures:

- employees who avail of the statutory 28-day paternity leave are entitled to receive their full pay⁽²⁾;
- FDJ Group employees can take a leave of absence of up to six months, during which they will be entitled to receive between 50% and 75% of their gross monthly salary, depending on what system they choose, a measure that is also available for parents who have used a surrogate to have a child. There are also support services (training, coaching, etc.) in place to help all employees returning to work after maternity/parental leave;
- the FDJ Group is particularly attentive to how women's pay evolves when they return from maternity leave;
- parents are entitled to four days off to care for a sick child and can avail of a system to apply for a place in a nursery.

The Group distributes a guide, which is also available on the intranet site, and which explains the legal provisions and the measures it has introduced for every parent, be they a (future) mother, a (future) father or a second parent, as stipulated in the related agreement.

(1) Developed by Capital magazine and the Statista R research institute.

(2) Pursuant to the French paternity law, which came into effect on 1 July 2021.

Human resources

Female representation on governing bodies and equal pay

In 2023, FDJ SA retained its 100/100 score on the gender equality index. FDJ secured 8th place among the SBF 120-listed companies in terms of female representation on its governance bodies⁽¹⁾, registering the highest score based on the workplace gender equality index.

The FDJ Group received 1st prize in the "Gender Equality" category of the Humpact Emploi France 2023 awards held to reward listed companies that are leading the most socially responsible employment policies. This recognises FDJ's long commitment to gender equality in the workplace and its proactive gender diversity policy.

Moreover, further to the decisions taken by the Board of Directors at its 16 December 2020 meeting, and in accordance with the provisions of Article 7.1 of the Afep-Medef Code, the Company pledged to ensure that the proportion of women in the Group of Executive Managers (GEM), which brings together the main managers across the Group, is equivalent to the proportion of women in the total Group workforce by 2023.

PERFORMANCE INDICATORS: PROPORTION OF WOMEN IN THE TOTAL GROUP WORKFORCE AND IN THE GROUP OF EXECUTIVE MANAGERS

	2021	2022	2023
Proportion of women in the total Group workforce	39.0%	38.9%	39.1%
Proportion of women in the GEM	33.8%	35.1%	38.8%

The percentage of women in the GEM has risen by 3.7 points from 35.1% on 31 December 2022 to 38.8% on 31 December 2023.

PERFORMANCE INDICATORS: PROPORTION OF WOMEN IN THE TOTAL GROUP WORKFORCE AND PROPORTION OF WOMEN MANAGERS

	2021		2022		2023	
	Proportion of women	Proportion of women managers	Proportion of women	Proportion of women managers	Proportion of women	Proportion of women managers
FDJ	42.6%	41.8%	41.7%	40.9%	40.8%	40.5%
FDJ Group	39.0%	34.3%	38.9%	36.0%	39.1%	37.8%

RESULT: WORKPLACE GENDER EQUALITY INDEX ("PÉNICAUD" INDEX)

	2021	2022	2023
FDJ	100/100	100/100	100/100
FDP	92/100	98/100	93/100
FGS France	84/100	84/100	88/100
L'Addition			91/100

RATE OF PROMOTION AMONG EMPLOYEES WITH PERMANENT CONTRACTS (CHANGE OF GRADE)

	2021			2022			2023		
	Women	Men	Combined	Women	Men	Combined	Women	Men	Combined
FDJ	13.2%	10.6%	11.7%	10.9%	8.7%	9.6%	12.5%	10.2%	11.1%

FDJ is pursuing specific actions to equally distribute promotions among men and women.

(1) Assessment of female representation on a company's governance bodies and in all echelons of the organisation (based on the Workplace Gender Equality index). The press release is available (in French) at: <https://www.egalite-femmes-hommes.gouv.fr/resultats-de-la-10e-edition-du-palmares-de-la-feminisation-des-instances-dirigeantes-des>

Tackling stereotypes

The FDJ Group put its name to the "StOpE au Sexisme" Charter in 2020, which is aimed at combating everyday acts of sexism, in addition to the SISTA Charter, which promotes gender diversity in digital industries and enables more women entrepreneurs to secure financing from investment funds for their start-ups. In 2022, every member of the Group Management Committee put their names to a Company charter drawn up in conjunction with the "Jamais sans Elles" association. By signing this charter, they have personally committed to never again attend a public event or a media event, in person or remotely, where there is no gender diversity (at least one of the participants must be a woman).

Mindful of how important it is to have female representation in digital, innovation and technology professions, the Group participated in the 2023 GenderScan survey, which helps to highlight the role and the future of women in these areas, from training through to their employment.

The in-house *All'in* network created in 2016 brings together more than 150 men and women led by a strong belief that equality cannot become a reality without tangible efforts from both women and men alike. The *All'in* network draws its inspiration from and shares best practices with gender diversity networks set up at other large groups, as part of an organisation called: "Mixité en Seine".

Lastly, a gender equality commission⁽¹⁾ has been set up with representatives of the *All'in* network and a representative of the Diversity team, to monitor progress with the commitments given as part of the Group agreement on diversity, gender equality and QWL. The aim of this commission is to present the progress made during the year in figures and to discuss areas for improvement and the action plan to be set in motion for the coming year.

4.8.3.3 INTEGRATING PERSONS WITH DISABILITIES

With its very origins lying in the "Gueules Cassées" movement set up to help soldiers who suffered facial injuries in World War I, FDJ has been working for many years to ensure that persons with a disability are included, and has been leading many recruitment, support and awareness actions over the years that have seen the employment rate steadily rise among people with a disability.

Recruitment and support

In a reflection of FDJ's continued commitment to recruit people with disabilities, FDJ set a target to maintain the

proportion of disabled employees in the criteria set for the Company's incentive plan, as part of a conscious effort to get all employees behind this issue.

FDJ has introduced the following measures relating to the recruitment of people with a disability:

- getting involved in specialised job fairs/forums⁽²⁾;
- identifying, with the help of selected partners, a pool of talents who meet diversity criteria, including those relating to a disability, in order to work towards attaining the Group's goal of having people with a disability make up more than 6% of the workforce;
- allocating a special budget to hire young work-study applicants with RQTH status;
- working with new specialised recruitment agencies to identify applicants for high-level positions, and further developing partnerships with EAs (disability-inclusive companies) and ESATs (vocational rehabilitation centres)⁽³⁾.

When it comes to support, the Group has been working year after year to improve the measures in place to support employees with a disability. The in-depth interviews introduced through the disability programme in 2022 with all employees with "RQTH"⁽⁴⁾ status, were repeated in 2023 at a frequency adapted to each employee, and follow-up was intensified where needed. Disability measures and procedures to secure RQTH status were formalised by the creation of a web page specifically devoted to the disability programme in the diversity and inclusion section of the intranet site. Similarly, individual coaching sessions and a string of training / awareness sessions were held in conjunction with our partner UNIRH for the employees tasked with integrating people with a disability.

In-house awareness initiatives

Alongside this recruitment plan, awareness initiatives were set in motion with Group employees, for example through Duoday⁽⁵⁾, and a focus was placed on invisible disabilities, particularly on "dys" disabilities (e.g., dyslexia, dysgraphia, dyspraxia and dyscalculia) to coincide with national "Dys" day.

Tackling stereotypes

As part of an effort to improve and draw on best practices already tried and tested at other organisations, and to interact with various diversity stakeholders, the Group participates in the actions led by the association Hangagés, which FDJ founded in 2009, as well as through the "Inclusion Manifesto" supported by business leaders in France to promote the employment of people with a disability.

(1) This agreement is available on the corporate website at: www.groupefdj.com.

(2) Paris Pour l'Emploi, Talent Handicap and Hello Handicap.

(3) See section 4.7.6 "Promoting responsible purchasing".

(4) "Reconnaissance de la qualité de travailleur handicapé" (recognition of disabled worker status).

(5) An event staged to change people's perceptions of disabilities (and providing a good talent pool).

Human resources

Digital accessibility

In 2023, the Group launched its digital accessibility project by organising the very first audits and defining its accessibility strategy. The aim is to make all types of digital information accessible to people with a disability and to seniors, in keeping with the design rules, according to accessibility levels (A, AA or AAA) laid out in the RGAA (French general framework for improving accessibility) introduced by France's Digital Interministerial Department.

PERFORMANCE INDICATOR: RATE OF DIRECT EMPLOYMENT OF PERSONS WITH DISABILITIES

	2021	2022	2023
FDJ	5.22%	5.36%	5.48%
FDJ Group	5.21%	5.61%	5.67%

The data provided for the FDJ Group does not include FDJ Gaming Solutions UK, Sporting Group, both incorporated in the United Kingdom, or Pacifique des Jeux. The increase in the Group rate was driven by a rise in the rates reported for the main contributing entities (with a sharp increase for the commercial subsidiary FDP to 8.02%). The increase in the rate shown for FDJ was tied to a sharp rise in the number of employees with RQTH status and came despite the increase in the overall workforce (linked to new hires). This rate includes Aleda and L'Addition for the first time this year.

PERFORMANCE INDICATOR: NUMBER AND PERCENTAGE OF WORK-STUDY PARTICIPANTS

	2021		2022		2023	
	Number of work-study participants	Percentage of work-study participants	Number of work-study participants	Percentage of work-study participants	Number of work-study participants	Percentage of work-study participants
FDJ	130	7.5%	104	6%	116	5.8%
FDJ Group	169	6.2%	130	4.8%	164	5.2%

"Jeniors" and seniors

FDJ pays particular attention to "junior" employees (aged 45 and up) and senior employees (those in the process of actively preparing for retirement), who have a valuable contribution to make in passing on their knowledge and experience.

"Junior" and senior profiles made up 47% of the FDJ Group workforce in 2023. They make a significant contribution to the collective Group dynamic.

4.8.3.4 INTERGENERATIONAL INITIATIVES

FDJ has supported the employment and training of young people for many years and has been developing actions for senior profiles.

Employment of young people

The FDJ Group has been pursuing a dynamic recruitment policy since 2018, hiring almost 1,000 people, with nearly a quarter of them aged under 26. It has been stepping up its recruitment and training drive since 2021 for interns and work-study participants from all types of backgrounds. There were 164 young people on work-study contracts in 2023.

FDJ attaches great importance to providing trainees with an experience of the highest standard, namely through:

- one-on-one supervision by a mentor who has been specifically trained for this purpose;
- the chance for trainees to follow the same integration path as any Group employee;
- the opportunity to meet with their Human Resources liaison officer.

FDJ has been awarded the *Happy Trainees* label for the fifth year in a row by *Choose My Company*⁽¹⁾ based on reviews submitted by the Group's work-study participants and interns. The score of 4.1/5 confirmed the high standard of FDJ's day-to-day efforts to integrate and support work-study applicants and interns as well as their tutors.

FDJ has developed specific programmes to help employees prepare for retirement:

- the "Point 50" programme enables employees in their fifties to take stock of their career, expectations and needs, and takes a look at intergenerational work opportunities;
- the "Cap 60" programme covers practical issues for employees who are preparing for retirement.

The engagement rate among seniors⁽²⁾ stands at 92%, which is identical to the rate for the overall workforce, evidence that they are an integral part of the Group's development dynamic (see section 4.8.5 "Ensuring employee engagement").

(1) Choose My Company, founded in 2011 by human resources, IT and digital specialists, helps develop organisations' performance and appeal by surveying employees, interns, applicants and customers.
 (2) The measurement of the engagement rate among seniors is based on the findings of a survey conducted among employees aged between 51 and 60.

4.8.3.5 DIVERSITY OF ORIGINS AND SOCIAL DIVERSITY

Diversity is a key issue for FDJ, which is a consumer business and whose employees must represent social diversity. With this in mind, FDJ signed up to the PAQTE (neighbourhood pact for all businesses) initiative in 2018. PAQTE is built on four pillars:

- awareness-building via a policy of developing internships within the Company, especially for students in their last year of lower secondary school, under the government-sponsored system for schools located in REP+ areas⁽¹⁾;
- training, with the development of access to apprenticeships for students from priority urban policy districts, in terms of career orientation, access to combined work-study programmes and support for apprentices;
- recruitment to support employment in priority urban policy districts and guarantee discrimination-free hiring methods;
- purchasing, with a view to developing responsible and inclusive procurement from businesses operating in socially disadvantaged areas. In 2023, 7% of FDJ's suppliers were located in priority urban policy districts.

4.8.3.6 GENDER IDENTITY AND ORIENTATION

FDJ wants each and every employee to feel accepted within the Group, regardless of their affectional orientation or gender identity, and to feel free to talk about their orientation and their family life.

With this in mind, the FDJ Group teamed up with the people at TETU.CONNECT in 2022 to draw on their experience and gain insight from people throughout the world of work. At a first awareness conference held to discuss how to combat discrimination against LGBTQIA+ people, attended by Quissem Belgacem (a former professional international footballer who came out) and an expert from TETU.CONNECT, FDJ announced that work was getting underway to meet the requirements of the LGBT+ Charter drawn up by the L'Autre Cercle association, with a view to signing the charter in 2023.

The implementation of this charter involves creating an inclusive environment for all LGBTQI+ employees, ensuring they are given equal rights and treatment, regardless of their affectional orientation and gender identity, supporting them if they are the target of discriminating comments or acts, and gauging progress and sharing best practice to bring about change in the general working environment.

An in-house awareness campaign was launched as part of this process in the first half of 2023, with dedicated sessions for the Group Management Committee, the representatives of employee representation bodies and the HR teams. TETU.CONNECT also staged a "being yourself at work" workshop in June 2023 at the Group's subsidiary Sporting UK. This campaign also involved the publication of an article on the FDJ intranet site, accompanied by key figures and an instructional video to tie in with the International Day Against Homophobia, Transphobia and Biphobia.

In an extension of the work already set in motion, a second awareness conference was held in June 2023, with a word from TV/radio journalist and television presenter Christophe Beaugrand, as well as from a TETU.CONNECT expert. The Group seized this opportunity to sign L'Autre Cercle's LGBT+ Charter, marking the implementation of a tangible action plan to include all LGBTQI+ people.

Following on from this, a group of employees formed an LGBTQI+ network under the name of *All'Proud*, sponsored by two members of the Group Management Committee. Housed within the *All'in* Diversity network, *All'Proud* wants to foster a work environment that is inclusive and treats all employees equally, regardless of their affectional orientation or their gender identity, and thereby combat all forms of discrimination.

Outlook

FDJ wants to maintain a very mature response to issues such as gender equality, disabilities and the inclusion of people from all generations. The Group will also be pursuing its more recent commitment towards LGBTQI+ employees through the actions of the new in-house employee network, and will be developing diversity actions that value people from all social, ethnic and academic backgrounds.

(1) "Réseau d'Education Prioritaire" (priority education network).

Human resources

4.8.4 Developing quality of work life

The FDJ Group has always been proactive in its approach to promoting quality of work life and well-being in the workplace. As part of this, the Group conducts an annual in-house survey (see section 4.8.5 "Ensuring employee engagement") to regularly monitor and ensure employee well-being and to identify employees' needs.

RESULT: AVERAGE WELL-BEING AT WORK SCORE GIVEN BY EMPLOYEES

	2021	2022	2023
FDJ Group	85/100	79/100	80/100

The average well-being at work score is still high, rising slightly on the previous year.

Keen to keep this score high, FDJ takes action throughout the year to ensure quality of work life (QWL) and occupational health and safety (OHS), two essential components of a fulfilling and engaging work life for each individual, and key to collective performance.

With this in mind, suitable work conditions, ways of doing things that are adapted to business lines and specific profiles, and feedback mechanisms with the provision of various channels to escalate information all play a part in employee well-being.

Actions geared towards employees

The FDJ Group has been taking action to help improve QWL throughout its workforce for many years:

- at the beginning of 2023, seated massage sessions were offered to staff at the Boulogne site for four weeks. These sessions were provided by a practitioner with a visual impairment as part of their training programme at a vocational rehabilitation centre, enabling the Group to combine QWL and disability awareness for employees;
- after being introduced in 2022, when two groups of employees completed a three-month programme, the personalised holistic "Begood" support programme was extended to all staff in 2023 throughout the year. This programme enables participants to assess their "get up and go" (recognising signs of fatigue, weak signals of stress, etc.), recover a physical, emotional and mental balance and better manage their time and priorities in order to strike a healthier work/life balance. They are given access to a digital platform where they can follow live meditation, relaxation, pilates, stretching, core strength and posturology sessions, and attend two instructional conferences per month (e.g., sleep, nutrition, stress, etc.);
- The sessions with an osteopath introduced specifically in 2022 for employees at the logistics warehouse were renewed as a permanent monthly fixture in 2023.

Alert systems for employees

Alongside the measures taken by HR and management, who play a crucial role in the quality of work life, other specific measures were introduced to reassure and support employees.

The FDJ Group invites its employees to escalate any cases that may point to unease, a need for assistance with personal or work-related issues, or any suspicions of harassment or discrimination. As part of the measures taken to improve access to support services, the Group has:

- adapted the manner in which its in-house support units operate, by pooling the tools at hand (pooled whistle-blowing system, facilitating the escalation of situations that are contrary to our ethical principles (corruption, fraud, discrimination, harassment, etc.);
- reinforced the *FDJGroupForMe* external support service for employees at Group entities in France and in English-speaking markets. This 24/7 service has been up and running since 2019 and provides welfare, administrative and legal assistance, as well as psychological support⁽¹⁾.

Alongside this, employees also have access since 2023 to the "Angel" healthcare service provided by AXA, which includes a medical-social chat service, telehealth consultations, help for carers and a medical second opinion service.

In 2023, the Group also launched the "UMAY" mobile app for employees, which contains information on "safe places" and helps to make their commute or their journey safer, with a feature that enables them to report insecurity in public areas.

Occupational health and safety

The FDJ occupational health and safety (OHS) policy relies on a specific management system to implement employees' work environments and ensure that they are operational; to promote operational performance and quality of work life; and to protect the health and guarantee the safety of all employees.

The FDJ Group is as committed as ever to occupational health and safety. This is reflected in:

- organisation of onboarding sessions for all new hires and risk prevention awareness training for all employees throughout their career. A total of 795 employees were able to complete training under the annual training plan in 2023;
- regular checks on the occupational health and safety (OHS) management system, organisation of internal and external audits and regular assessment of work-related risks;

(1) Telehealth consultations, health advice, medical concierge services, assistance in areas relating to family, work, housing, budget, etc.; together with personal assistance and support for people affected by a traumatic event.

- regulatory compliance analyses addressing themes relating to the environment (air quality, noise pollution, waste, water, risks, facilities requiring an environmental impact assessment, urban planning and nature); energy (energy performance of equipment, energy production and distribution, audits and analyses); transport; health and safety (lay-out of work areas, workplace accidents and occupational diseases, occupational health and safety commission, specific working conditions, in-house company document, work equipment, electrical installations, prevention, hazardous products, lifting equipment, occupational health unit);
- assessment of risks relating to interventions at our sites by our service providers and suppliers;
- implementation of OHS action plans at each site. For example, a specialised service provider performs

regular compliance checks on equipment and facilities that are critically important to employee safety;

- systematic analysis of all workplace accidents;
- performance monitoring in relation to the manner in which the OHS management system functions.

The FDJ Group has introduced a series of measures to facilitate and promote physical activity for its employees: two large Group sites in metropolitan France feature gyms, with membership fees subsidised by the Economic and Labour Relations Council ("CSE"); sports clubs have been set up at each site; the FDJ Group subsidises and supports employees who wish to take part in non-Group sports events (running events, Paris 2024 events, etc.); sporting weekends are organised for staff, together with internal events that promote cycling; and bike parks and changing rooms are also available at FDJ sites.

FREQUENCY AND SEVERITY RATES

	2021						2022						2023					
	Number of			Frequency			Number of			Frequency			Number of			Frequency		
	Hours worked	Workplace accidents with lost time	Commuting accidents with lost time	Days lost	Frequency rate	Severity rate	Hours worked	Workplace accidents with lost time	Commuting accidents with lost time	Days lost	Frequency rate	Severity rate	Hours worked	Workplace accidents with lost time	Commuting accidents with lost time	Days lost	Frequency rate	Severity rate
FDJ	2,265,112	2	4	100	0.88	0.01	2,434,742	9	4	275	3.70	0.11	2,384,332	3	9	45	1.26	0.02
FDJ Group	3,831,562	5	7	159	1.30	0.01	4,005,390	10	5	278	2.50	0.07	3,594,706	6	10	276	1.67	0.08

Frequency rate: number of lost-time incidents per million hours worked. Severity rate: number of days lost per 1,000 hours worked.

PERFORMANCE INDICATOR: ABSENTEEISM RATE

	2021	2022	2023
FDJ	2.43%	3.34%	3.00%
FDJ Group	2.50%	3.40%	3.21%

The absenteeism rate reflects days of absence resulting from illness, workplace accidents and commuting accidents, divided by the number of theoretical days worked for the relevant year.

Outlook

The FDJ Group will continue to rely on its OHS management system to implement its workplace health and safety strategy, in particular by supporting subsidiaries (analyses, definition and implementation of specific action plans, spearheading and sharing of best practice, etc.).

4.8.5 Ensuring employee engagement

Employee engagement is a key contributor to Group performance. FDJ measures employee engagement by surveying all Group employees each year in the form of:

- an in-depth FDJScope organisational climate survey. The aim of this exercise is to monitor the level of employee engagement and other key indicators (quality of work life, management, daily work, FDJ's image as an institution and as an employer, etc.);
- a simplified FDJTeam organisational climate survey, which also measures engagement but contains fewer questions.

These surveys, which are conducted in alternate years, assess employee engagement in five categories: job satisfaction, sense of belonging, motivation to do more, recommendation of the Group as an employer and pride in working for the Group.

An FDJScope survey was conducted in 2023. The results of the survey revealed some very positive views in most of the areas assessed, with a particularly high participation rate (74% response rate).

These results reflect a workforce that is engaged (92/100) and happy to work at the Group (91%). They also show that the participants have a positive opinion of their manager (92% satisfaction rate) and have confidence in the Company's future (95%).

PERFORMANCE INDICATOR: EMPLOYEE ENGAGEMENT RATE

	FDJScope 2021 *	FDJTeam 2022 *	FDJScope 2023 **
FDJ Group	91/100	89/100	92/100

* The data factors in the results for the subsidiary Sporting Group, whose employees were surveyed in these two rounds.

** Excluding Sporting Group, whose employees were not surveyed for FDJScope 2023.

The engagement rate for the FDJ Group employees has stabilised at a high level in these three rounds of surveys.

Outlook

Looking ahead to 2025, the Group wants to keep the employee engagement rate at a high level of more than 85/100.

4.8.6 Military reserve forces: an FDJ partnership to actively support employee engagement in the reserves

FDJ's origins lie in the National Lottery created in 1933 by the "Gueules Cassées" to help soldiers who suffered facial injuries in World War I. On 25 November 2021, FDJ strengthened its ties with its past by signing an agreement with the French ministry of the armed forces and of the interior to support the members of the operational reserve forces.

The French National Guard was formed on 13 October 2016 following the terrorist attacks on France to provide citizens with an opportunity to volunteer as a member of the

operational reserve forces while continuing to live their lives as civilians. These reserve forces are under the responsibility of the National Guard, which is itself under the authority of the ministers for the armed forces and the interior.

By entering into this agreement, FDJ wanted to put additional measures in place, beyond those already provided for by law, for employees who sign up to the reserve forces. For instance, FDJ entitles them to devote 10 days a year with full pay to their duties as a member of the reserves.

4.9 Solidarity

4.9.1 Societal engagement

FDJ has been committed to the greater good since it was first established as a successor to the French National Lottery, itself created to help wounded First World War soldiers. This contribution to society is at the very heart of the Group's raison d'être and is divided into three main categories: engaging with society through its Corporate Foundation, supporting French sports and contributing to the preservation and renovation of French heritage sites.

PERFORMANCE INDICATOR: CONTRIBUTIONS TO PUBLIC INTEREST CAUSES

	2021	2022	2023
FDJ Group	€108m	€137m	€142m

FDJ donated €142 million to public interest causes in 2023, including funding for the Agence Nationale du Sport, donations to the Fondation du Patrimoine and the endowment made to the FDJ Corporate Foundation, together with the payment of dividends to veterans' associations. This information was taken from the BDO-Bipe study into FDJ's economic and social impact.

4.9.1.1 THE FDJ CORPORATE FOUNDATION

The FDJ Corporate Foundation, founded in 1993, works to promote equal opportunities. It supports public interest causes for people in difficulty (those in situations of economic or social insecurity, with poor access to culture, with disabilities, etc.) and funds innovative projects which it co-builds with associations.

The Foundation gets involved in two particular areas:

- education: to help struggling young people reveal their potential, using innovative, educational and inclusive methods. The associations supported by the Foundation work so that education is accessible to all;
- social inclusion and pathway-to-work programmes: to remotivate people who are struggling or facing economic exclusion, help them to find their place in society and reveal their talent.

The Foundation has chosen to focus its funding on a limited number of large-scale projects so as to maximise its impact and help bring about a change of scale for partner associations. It introduced a call for large projects in 2017, in which selected associations can receive between €200,000 and €1.3 million over three years. This scheme is renewed every year.

Well before applicants even submit their project, the team who runs the Foundation engages with them over many months to help them prepare their application under the best possible conditions. It talks to them about the selection criteria in particular: how their project might contribute to restoring equal opportunities; whether it can bring something new or specific in the association's field of interest; ensuring that the desired impacts are clearly identified; whether the project can be copied across the entire country or part of the country; and whether it lends itself to a co-building approach.

In the past five years, this strategy has enabled 300,000 people to benefit from the FDJ Foundation's support through the actions of more than 500 associations.

To pursue this momentum, the FDJ Foundation has been allocated a further €25 million for 2023-2027 (marking an increase of nearly 30% on the budget assigned for 2018-2022).

Impact of the FDJ Corporate Foundation

The Group teamed up with a specialised firm in 2021 to conduct a social impact study, the results of which were published in 2022. A total of 22 interviews were conducted with the associations supported by the FDJ Corporate Foundation, representing more than 80% of the Foundation's endowments. 97% of the associations surveyed said they were very satisfied with the support received, mainly because it has enabled them to increase in scale, develop their skills and become more visible.

Three key figures reflect the impact on the ultimate recipients of the Foundation's support:

- 84% say they feel more motivated;
- 80% say they feel more able to put their poor self-image aside and take the driving seat in their personal journey;
- 78% say they feel more confident.

Lastly, the monetary value of the FDJ Corporate Foundation's impact has been calculated: for every euro invested by the Foundation, €3.4 worth of value is created for society.

Associations supported by the FDJ Foundation

The Foundation selected seven new associations in 2023:

- "France Parrainages" is developing local child sponsorship programmes (where a lasting connection is created between a vulnerable, isolated child and a caring adult sponsor) and actions to support parenting. With the help of the FDJ Foundation, it supports 300 children through its local sponsorship programmes;
- "Rêv'elles" seeks to provide solutions to young women (aged 14 to 25) from working-class areas who are faced with a lack of career prospects. Its aim is to raise awareness and help 3,000 young women find their place in society and secure employment;
- "1 001 mots" takes action before children reach school-going age to prevent them from dropping out later on. This is done by helping vulnerable parents awaken their children's interest in the written and spoken word from birth to age of three. The association wants to increase the number of disadvantaged children it helps from 4,000 in 2022 to 45,000 in 2025, by expanding their vocabulary by more than 20% up to the age of three;
- "Territoires Zéro Chômeur Longue Durée (TZCLD)" provides people who have been out of work for a long time with a chance to secure a permanent job in which they can choose their own hours, by developing useful activities to meet local needs. With the help of the FDJ Foundation, the association will be able to transition TZCLD to an experiment scale and provide social inclusion and pathway-to-work opportunities for 4,000 vulnerable people by the end of 2025;

Solidarity

- “FFSA (Fédération Française de Sport Adapté)” wants to help any person with a mental disability, a mental illness or who may be on the autism spectrum to practice any sport of their choosing, regardless of their capabilities, in an environment in which they can enjoy themselves, do well, feel safe and simply be like any other citizen. The aim is to help 500 people become independent, make their own choices and find their place in society;
- “Ares” is a group of organisations and non-profit “springboard” associations whose main goal is to help people on the edge of society return to work (people who are homeless, young people with no qualifications, disabled people) by offering them adapted employment and social support. The Log’ins project involves supports and trains 300 people who have a disability or have been excluded from society or the job market and helps them to re-enter the workforce on a long-term basis and find their place in society;
- “Duo for a job” is an intergenerational mentoring programme in which a young refugee or migrant can receive help from a mentor aged over 50 to find work. The goal is to help 2,400 refugees via a programme that enables them to find their way in society and secure a job.

The large projects championed by the associations who are backed by the FDJ Corporate Foundation are funded over a number of years. In 2023, many projects selected in the previous two or three years continued to receive funding. Examples:

- “Entourage” works to address the isolation of homeless people by giving them access to the support networks they need;
- “Comme les Autres” provides social support services through sports and thrilling experiences for people who have suffered a physical disability following an accident. Its career guidance programme works to facilitate the integration of disabled people into the workforce;
- “Café Joyeux” is France’s first network of cafés-restaurants to train and employ people with a mental and cognitive disability (as “crew members”). The aim is to train personnel so that they can secure a State-recognised diploma;
- “Fête le Mur” is a social and sporting association that has developed education and integration programmes, through tennis in particular, for young people (aged 5 to 18) living in priority urban policy districts, that enable them to acquire the social skills, knowledge and abilities, from an early age, which will serve them throughout their journey and later on in adulthood;
- “L’Académie Diomède” goes right to the centre of the French education system, relying on a three-part methodology: school-related, social and sports-related. It uses football as an educational tool to train future adults.

The FDJ Foundation has been developing and running an equal opportunities programme since 2021 called “Lycées ProSolidaires”. Students from vocational high schools located in working-class areas of Marseille are given a chance to work on a local solidarity project close to their hearts with their class, as part of the “project-based” part of the high-school diploma exams. They can then travel abroad to expand their horizons, present their project and discover other solidarity initiatives. The students are also supported over a two-year period through workshops hosted by experts to work on their communication skills, such as a public speaking workshop with television and radio journalist

Lionel Rosso, or others focused on developing their networking and social skills. Staff at the FDJ site in Vitrolles are involved in this project.

Dedication to serving territories and promoting equal opportunities

The network of nearly 30,000 points of sale nationwide gives the Foundation special access to agents who are working to develop local communities and are committed to promoting equal opportunities.

Each year, it organises the “Tremplin Détaillants Solidaires” call for projects, which gives the Group’s retailers a chance to submit a project developed by a local association that is close to their heart. The associations behind these initiatives must be specifically focused on the Foundation’s sphere of action, i.e. education and the integration of vulnerable populations. In 2023, 209 associations received funding of up to €3,000.

Local associations interested in submitting a solidarity-oriented project to the Foundation must be sponsored by a retailer. This forges connections between the actors in local communities while also expanding the FDJ Group’s regional roots through its Foundation. This year, as part of an effort to increase the number of projects supported, the FDJ Foundation and the French disabled sports federation (FFH) have launched a joint call for projects from associations that are affiliated with the FFH network and partners (1,600 local clubs and more than 13,500 partner centres throughout France), to finance local disability, sport and equal opportunity initiatives. This is also a way to support the momentum in the spirit of solidarity that is being propelled by the Paris 2024 Olympic and Paralympic Games throughout France.

Employees committed to solidarity

In 2023, 318 employees got involved in the 53 solidarity initiatives proposed by the FDJ Foundation, and another 345 signed up to the “Arrondi sur Salaire” programme, whereby their pay is rounded down to the nearest euro and the remaining cents donated to associations partnered by the FDJ Corporate Foundation.

2022 also saw:

- the continued roll-out of long-term skills sponsorship programmes, giving employees an opportunity to lend their support to associations partnered by the Foundation for periods ranging from anywhere between six months and two years: in 2023, six employees were seconded to associations, equating to nearly 5,000 hours of work;
- the development of ad hoc and short-term actions: in 2023, 41 ad hoc and short-term missions were offered to employees;
- an extension of the mentoring programme: two new partners (Duo for a Job and Afev) joined the programme in 2023 alongside NQT, Article 1, Télémaque and Unis-Cité. All in all, at the end of 2023, 116 employees had signed up to become mentors and 81 were already assigned to a programme.

Lastly, each year since 2017, the “Tremplin Collaborateurs Solidaires” programme enables FDJ Group employees to submit applications to fund projects that are close to their hearts and are led by local associations. In 2023, nine chosen associations received donations ranging between €3,000 and €15,000.

PERFORMANCE INDICATOR: AMOUNT OF FINANCIAL AID GRANTED BY THE FDJ CORPORATE FOUNDATION

	2021	2022	2023
FDJ Group	€4,765k	€4,414k	€3,901k

Outlook

Many projects will also be supported in 2024:

- ahead of the Paris 2024 Olympic and Paralympic Games, of which FDJ is an official partner, the Foundation has decided to organise a new call for large projects to help ensure that this major event leaves a meaningful legacy. The members of the Foundation's jury will meet in February to select projects designed to further the inclusion and education of young people, people in need and people with a disability, with a view to having a very real local impact that goes far beyond 2024;
- in the same vein, the FDJ Foundation wanted to support FIRAH (an officially-recognised non-profit foundation which conducts calls for projects both in the areas of disability and applied research). It got involved in FIRAH's "access to physical and sports activities for people with a disability" call for projects, ultimately leading to the selection of two projects: "PARI: Parasport Ruralité Inclusion", which analyses factors relating to disabled access to activities, and "the analysis of obstacles to and drivers of involvement in activities for disabled people living at home". The aim is to circulate the results of this study, after first adapting them, to the people who are actually affected, as well as to the sporting world and political institutions, so as to provide a foundation for initiatives relating to physical and sports activities;
- as part of its partnership with the French disabled sports federation, the FDJ Foundation will also be supporting 100 local projects across France sponsored by retailers belonging to the FDJ network. This programme is now in its second year, and will help forge ties between these retailers and local disabled sports organisations, while also further rooting the FDJ Group in local communities;
- lastly, the Olympics will be a wonderful opportunity to invite more than 200 young people from disadvantaged areas who are supported by associations backed by the FDJ Foundation to attend the Games and experience this truly amazing moment in history.

4.9.1.2 SPORT

FDJ has been committed for more than 30 years to developing French sport and promoting its values, particularly in terms of ethics and inclusiveness (support for women's sports and disabled sports).

Women's sports

The "Sport pour Elles" programme launched by FDJ in 2016 hinges on four pillars: access to athletic activities for all women and girls, particularly those who have few opportunities to play sport because of social, economic or geographical impediments; more women in sports governance; performance support; and greater media coverage of women's sport. This programme includes initiatives launched by the FDJ Group, such as "Buts pour

Elles", as well as the "Performance pour Elles" call for projects, and partnerships with major cycling competitions Paris-Roubaix Femmes and Tour de France Femmes, which returned in 2022, together with sponsorship for a women's FDJ SUEZ cycling team.

FDJ has been stepping up its commitment to supporting women's sport at the highest level since 2018 through the "Performance pour Elles" call for projects. Five federations were selected in 2023, which marked the programme's sixth year, and were awarded an overall budget of €100,000 to be shared between them for high-performance women's sports projects:

- the French cycling federation will launch a "Matériels Optimisés pour Elles" project that will involve developing customised equipment and bike positioning systems for five members of the track women's madison team;
- the French rugby federation will introduce a system for all women international players who belong to an Elite 1 club, which will monitor and keep track of their injuries. This will be coupled with a scientific research programme that will rely on the use of smart mouthguards for example;
- the French handball federation is developing a project to optimise the attentional span and visual capacity of players on the women's team, as well as their recuperation capacity;
- the French disabled sports federation will work with the "Amazones" club to form a women's wheelchair basketball team in a bid to counter the fall in the number of people who practice it;
- the French wrestling federation is embarking on a programme to optimise women athletes' preparation, which will involve monitoring variables such as their sleep, their weight, their hydration and their menstrual cycle.

Alongside its partnership with Paris 2024, FDJ has also joined the Paris 2024 "Impact 2024" Legacy programme to support 400,000 women in their sporting endeavours. A special category has been created in the "Impact 2024" call for bids aimed at promoting women's involvement in sport. The goal is to back transformative projects that factor in the ambitions and needs of women today (well-being, health, physical condition), together with their personal circumstances and their desire to get involved more freely in sport. Through its engagement with "Impact 2024", FDJ was able to support 10 varied projects in 2023, such as:

- "Comète club", which helps women make their mark in society through sport and by playing basketball in community stadiums, with the creation of dedicated tournaments;
- "Les Échappées", an initiative developed for women by the "Team Elles" association, aimed at making cycling a tool to take action and have a social impact, as part of a programme to help women recover their place in society, return to work and improve their self-confidence;
- "I run, therefore I am!", developed by the Bouches-du-Rhône Union of Social Centres, which provides physical and psychological assistance to 200 women living in the region to help them grow and push themselves through sport, and ultimately boost their self-confidence and their self-esteem.

Solidarity

Furthermore, FDJ launched a new "Sport for 1,000 Women" programme in 2023 that covers a portion of the costs involved in practising a sport for 1,000 women. The aim is to address the key issue of cost, given that the price of practising a sport is seen as a major obstacle for 35% of women ⁽¹⁾. In concrete terms, the 1,000 women who benefit from this scheme can register with the French federations which are partnering FDJ, avail of a subscription to a network of gyms or take part in the "Les Puncheuses" personal development programme through boxing.

Support for elite athletes

Building on its work to support young champions for more than 30 years, the Group launched the FDJ Sport Factory in 2019 to help high-level French athletes accomplish their goals. Since then, FDJ Sport Factory has been working with 32 athletes and been serving as an incubator for 20 young talented athletes hoping to win an Olympic or Paralympic medal at the Paris 2024 Games. In 2023, FDJ Sport Factory athletes won 21 gold medals at the World Championships and 40 medals in World and European competitions.

Beyond the financial support that is provided, *FDJ Sport Factory* athletes are able to attend a programme of courses at prestigious schools such as Sciences Po Paris and EM Lyon, and receive English lessons through the 7speaking linguistic training platform. They also have full access to the "Sport Compétences" programme, which has been designed to harness the skills athletes acquire in their sporting careers so that they can use them later on after they retire from the competitive circuit and begin another career. The CDES (Centre for the law and economics of sport) has prepared fact sheets to help former athletes set up their own business.

The various tools available to athletes to help them prepare for their lives after competitive sports are presented at the annual *FDJ Sport Factory* seminar each year.

Outlook

In 2024, the FDJ Group will remain as committed as ever to supporting French sports, particularly through its partnership with the Paris 2024 Olympic and Paralympic Games. The 52 athletes enrolled in the FDJ Sport Factory will be in the last year of their contract. Those who opt to end

their athletic career will receive special support that may involve a career guidance or skills assessment, an immersion programme in a company, or setting up a business, so that they have the tools they need to make the transition.

FDJ will also be repeating its annual "Performance pour Elles" call for projects to help Olympic and Paralympic sports federations support high-performance female athletes. The FDJ Group will again partner the Impact 2024 call for projects to continue to encourage and develop involvement in sports for all women.

Lastly, FDJ will be repeating its survey to gauge the level of sports involvement among women in France after the Paris 2024 Games, as well as any obstacles that might continue to be a barrier.

4.9.1.3 HERITAGE

In 2023, FDJ launched the sixth annual "Mission Patrimoine" operation. The Group sold specific games (one scratch game) and six Loto[®] draws, as well as a Super Loto[®] draw, donating a portion of the stakes collected to the French national heritage foundation in favour of local projects to restore dilapidated heritage buildings.

In the space of six years, more than €150 million has been raised for dilapidated heritage sites through the Mission Patrimoine games, an amount which otherwise would have gone to the State. The Mission Patrimoine games sold in 2023 again helped finance work at 18 iconic sites and a hundred other selected sites.

In 2021, the FDJ Group extended its cooperation with the heritage foundation until 2024, with a plan to allocate €2 million to the programme. Each year, it will also support a specific restoration project put forward by the heritage foundation. The YMCA-UCJG premises located at 14 rue de Trévis in the 9th arrondissement of Paris is the first project to be supported by the Group as a sponsor of the heritage foundation. The exceptional support put in place over a two-year period will see FDJ finance up to €1 million of the work on the site, with a further €400,000 allocated by the FDJ Corporate Foundation for 2021-2022. The restoration work has begun with an initial pollution remediation phase.

(1) Kantar FDJ/Paris 2024 "Sport au féminin" barometer, March 2022.

4.9.2 Dialogue with stakeholders

Dialogue with stakeholders has been a mainstay of FDJ's CSR policy for more than 20 years. The in-depth and fruitful dialogue it has forged with its stakeholders enables the Group to harness a wide range of expertise and experience, and helps enrich the initiatives taken to address the inherent impacts of the gaming industry. To give structure to its relations with stakeholders, FDJ has opted to forge a dialogue gradually and more extensively over time. This commitment has led to the establishment of various ad hoc bodies:

- as early as 2010: a Committee of Responsible Gaming Experts was set up, and has since been referred to when new games and responsible gaming innovations are being developed. The input provided and points requiring attention raised by the experts can lead to adjustments in certain game parameters and/or additional studies. The committee is made up of specialists in the fields of addiction and human sciences;
- 2014: the Social Laboratory was launched as a forum to discuss the Company's key CSR issues. Comprising organisations from civil society, it is jointly involved in shaping and suggesting actions to further enhance FDJ's CSR policy;
- 2020: the Stakeholder Committee was created to monitor the efforts made to honour the commitments arising from FDJ's raison d'être and to foster high-level dialogue between FDJ's Executive Management and key stakeholders (see section 4.11.2 "A Stakeholder Committee to monitor the efforts made to honour the commitments relating to FDJ's raison d'être").

Actions of the Social Laboratory

The Social Laboratory was set up to co-build CSR initiatives with civil society. Based on the Chatham House rule⁽¹⁾, 12 civil society organisations (CSOs) come together regularly with FDJ Group employees to examine sensitive topics relating to the Company's CSR and responsible gaming policy. After exploring courses of actions in 2023, the Group decided to review the Social Laboratory's governance methods and procedures with a view to further improving its organisation.

The Social Laboratory meetings also provided a forum to discuss a number of issues such as the social cost of gaming and gambling, the post-test results of the PSG responsible gaming campaign and the "place of gambling in society", with insight provided by Elisabeth Belmas, Professor Emeritus of History at the Sorbonne.

PERFORMANCE INDICATOR: NUMBER OF CIVIL SOCIETY ORGANISATIONS (CSOS) BELONGING TO THE SOCIAL LABORATORY

2021-2022 cycle	2022-2023 cycle	2023
12 CSOs	13 CSOs	12 CSOs

PERFORMANCE INDICATOR: ATTENDANCE OF THE MEMBERS OF THE 12 CSOS AT SOCIAL LABORATORY SESSIONS

2021	2022	2023
66%	69%	97%

The increase in the attendance rate in 2023 was due to the fact that the members were heavily involved in work relating to the co-construction of the Social Laboratory for 2030.

Furthermore, in 2023, a quarterly newsletter continued to be sent out to inform the various dialogue bodies of the Company's main news: the Committee of Responsible Gaming Experts, the Social Laboratory and the Stakeholder Committee.

PERFORMANCE INDICATOR: NUMBER OF MEMBERS ON THE STAKEHOLDER COMMITTEE

2021	2022	2023
13 members	13 members	14 members

PERFORMANCE INDICATOR: MEMBER ATTENDANCE AT STAKEHOLDER COMMITTEE MEETINGS

2021	2022	2023
88%	82%	86%

Outlook

The FDJ Group will continue to develop its approach to dialogue with all stakeholders in 2024 in order to further enhance its responsible and open business model, geared towards giving back to society.

(1) Confidentiality rule serving to protect the anonymity of speakers. Participants are free to use the information gathered at meetings, but may not disclose the identity or affiliation of the persons providing the information, nor may they disclose the identity of any other participants.

Territories

4.10 Territories

FDJ relies on a network of more than 29,000 points of sale across France to distribute its products. The sale of FDJ games accounts for a substantial portion of the business generated by the bars, tobacconists and newsagents that make up the bulk of the distribution network. With a presence in more than 11,000 towns and cities across metropolitan France and the French overseas departments and territories, the FDJ network is the largest local network in country.

Through its activity, FDJ contributes to the economic development of local communities, and notably supports local points of sale in rural and/or disadvantaged areas. The Group has been working for many years to upgrade these points of sale by introducing a digital user experience and the digital collection of stakes. Each year, more than €15 million is invested in the renewal of equipment.

In 2023, FDJ paid total net point-of-sale commissions on gaming activities of €967 million ⁽¹⁾ to retailers (compared with €965 million in 2022).

4.10.1 Support for the point-of-sale network

The FDJ Group is as determined as ever to support local business and maintain its nationwide coverage, particularly in rural areas. This is reflected in its decision to place a moratorium on the halt to FDJ product sales at points of sale that generate low levels of business and to continue four economic, legal and social support measures.

4.10.1.1 SUPPORTING RETAILERS

This initial support mechanism was introduced in conjunction with Impact Partners in 2020. It was extended to cover 2021 and 2022, and repeated again in 2023. These far-reaching measures have been developed to offer support and advice in three areas to retailers in struggling neighbourhoods:

- administrative support (dealings with banks, payment of taxes, sale of business assets, etc.);
- real estate issues (dealings with landlords, insurers, legal procedures);
- commercial approach (diversifying, reorganising points of sale, growth avenues, etc.).

Once all these aspects are looked at, retailers continue to receive support to ensure that the measures pay off. More than 590 points of sale have received assistance so far.

4.10.1.2 SUPPORT FUND FOR SMALL RETAILERS IN VULNERABLE AREAS

This second support mechanism was launched by Impact Partners with the support of BPI France in 2021. FDJ has contributed €15 million to this €35 million investment fund named "Rebond", the aim of which is to help hundreds of retailers remain in business and grow.

Deployed over several years, Rebond will facilitate the financial restructuring, transfer and reorganisation of small retail outlets in vulnerable areas (priority urban districts, rural regeneration zones and towns covered by the town-centre action ("Actions Cœur de Ville") programme). This involves a system of participating loans or unsecured

bonds, with a unit value of anywhere between €20,000 and €250,000. In all, 77 applications have received financing through the Rebond fund, of which 25 submitted by FDJ retailers.

4.10.1.3 SUPPORT FOR RETAILERS WHO ARE STRUGGLING FINANCIALLY

FDJ has introduced a third mechanism by teaming up with an association called Crésus, which specialises in finding arrangements with creditors, to help retailers who are in great financial difficulty. Crésus provides regular support, for as long as needed, to struggling retailers that have been identified by the sales force. It reviews all the problems facing retailers and helps them analyse the situation, come up with solutions and put them into action. The aim is to provide support as soon as a retailer shows any sign of difficulty and help them best manage their cash flow. A total of 309 retailers have received support since this scheme was launched in 2020.

4.10.1.4 SUPPORT FOR THE VICTIMS OF TRAUMATIC EVENTS

In January 2023, FDJ introduced an additional support service for retailers and their staff who may have experienced traumatic events at work (assault, burglary, armed attack, fire (criminal or otherwise), etc.).

Together with France Victime (a recognised public utility association), FDJ has introduced various support services, which retailers can access by calling a special phone number. These services include:

- a kind ear and emergency support in the immediate aftermath of a traumatic event (post-traumatic shock, psychological support and guidance, etc.);
- comprehensive support (legal, social and psychological assistance) over the longer term;
- access to a network of 130 local associations, representing 1,500 specialists on the ground.

(1) Scope of the consolidated financial statements excluding Aleda, and PLI.

At the end of December 2023, twenty people had availed of this service.

FDJ also supports points of sale that were affected by the riots in France at the beginning of July 2023. More than 450 points of sale were vandalised. FDJ took a series of measures to support affected retailers and help them reopen for business as swiftly as possible:

- personalised support to cover the cost of non-payments tied to the riots, and repairs to damaged points of sale at

no cost to the retailers, making it unnecessary for them to claim the cost of the work on their insurance;

- repairs to points of sale within the shortest possible timeframe;
- active support from the FDJ teams.

4.10.2 Diversification of services at points of sale

FDJ has been developing services since 2019 to enable members of the public to make day-to-day payments at points of sale in the FDJ network. This diversification is part of an effort to support the FDJ network and is aimed at satisfying demand for payment services among parts of the population and opening up new growth avenues for retailers.

FDJ has already teamed up with the Confédération des Buralistes (tobacconists confederation) to provide a “pay point” service for the French Treasury (DGFIP), enabling users to pay tax bills of under €300, as well as public service bills and fines, in cash or via debit/credit card. This service, launched in July 2020 and now available at nearly 15,000 points of sale, is ideally suited to users who prefer a more personal touch and/or need assistance to make a payment. It also gives added impetus to the development of adjacent activities at participating bars, tobacconists and newsagents. In 2023, FDJ retailers collected more than 2.5 million payments on behalf of the French Treasury.

FDJ is very keen to build on this success. In December 2021, it formed a subsidiary under the name of FDJ Services, which brings together FDJ’s Payment & Services activities and is licensed to operate as a payment institution by the ACPR (Autorité de contrôle prudentiel et de résolution - French prudential Supervision and Resolution Authority)⁽¹⁾. Under this licence, FDJ is authorised to offer collection services on behalf of private sector organisations. Launched in January 2023 under the Nirio brand name, and modelled on the “pay point” service, this solution means that users can visit any of the 10,000 FDJ points of sale that have been registered as an FDJ Services Agent with the ACPR to pay their rent, their water bills or their electricity bills for example.

Outlook

FDJ wants to extend the range of services provided by its PoS network with two focuses. Firstly, it wants to continue to look into and contact other economic agents (social landlords, water and electricity utility companies, broadband operators, etc.) that might be willing to add the PoS “pay point” option to the range of payment methods offered to their tenants or customers. Secondly, it wants to diversify the ways in which the service can be used, for deposits and withdrawals for instance, but also for the payment of free flow tolls, with a view to expanding the potential addressable market. The aim is to position the points of sale in the FDJ network as veritable “local service hubs”. Lastly, FDJ wants to provide added value to the users of its services by helping them with day-to-day tasks such as managing their spending. With this in mind, FDJ is working to develop budget management tools that are linked to a payment card and are expected to be available sometime in 2024.

As a parallel to this, FDJ Services is developing a range of services, particularly for retailers who belong to the network. This saw it acquire Aleda and L’Addition in 2022 (15,000 customers in the bar-tobacconist-newsagent and café-hotel-restaurant networks). These two software publishers specialise in next-generation payment collection solutions. Together, they will be a much-needed asset to build a comprehensive and integrated service offering through which retailers will be able to boost their revenue, enhance the experience for their customers and better manage their point of sale.

(1) Oversight body for the banking and insurance sectors.

Territories

4.10.3 Economic and social contribution

To further assess its economic and social contribution in France, FDJ renewed the annual survey that has been conducted by BDO-Bipe (Bureau for economic information and forecasting) since 2018. In 2023, FDJ's contribution to France's gross domestic product (GDP) was evaluated at €6.6 billion, with 56,000 jobs created or made permanent throughout the country (of which 21,800 with bars, tobacconists and newsagents). FDJ plans to keep the number of jobs created or made permanent through its business above the 50,000 mark.

PERFORMANCE INDICATOR: FDJ'S CONTRIBUTION TO FRENCH GDP

In billions of euros	2021	2022	2023
FDJ Group	6.2	6.5	6.6

PERFORMANCE INDICATOR: NUMBER OF JOBS CREATED OR MADE PERMANENT

	2021	2022	2023
FDJ Group	54,450*	55,300	56,000

* On an adjusted scope basis factoring in the National Sports Agency for jobs supported in 2021 (impact of - 350 jobs for FDJ in 2021), with no impact on the other metrics.

PERFORMANCE INDICATOR: FDJ'S CONTRIBUTION TO JOBS IN THE BAR-TOBACCONIST-NEWSAGENT SECTOR

	2021	2022	2023
FDJ Group	21,100	22,000	21,800

FDJ's operations involved the employment of the equivalent of 7,900 people through the business generated by

retailers (mainly bars, tobacconists and newsagents) in the point-of-sale network in 2023.

FDJ also contributes to the creation of local jobs through purchases sourced mainly in France from suppliers with which it works directly and indirectly. The FDJ Group's French entities made 85% of their purchases (in value) in France, i.e. close to €648 million.

PERFORMANCE INDICATOR: PERCENTAGE OF PURCHASES (IN VALUE TERMS) MADE FROM SUPPLIERS LOCATED IN FRANCE

	2021	2022	2023
FDJ	90%	88%	85%
Group, France	90%	90%	85%

For 2023, the data relating to purchases is aligned with the data contained in the financial statements. 85% of the purchases made by the Group's French entities were sourced in France. These purchases were made from suppliers located across almost the entire country (see map below). The Ile-de-France and Provence-Alpes-Côte d'Azur regions benefit from their proximity to FDJ Group sites.

PERFORMANCE INDICATOR: PERCENTAGE OF PURCHASES (IN VALUE TERMS) MADE FROM SMES AND ISES (OF THE PURCHASES MADE IN FRANCE)

	2021	2022	2023
FDJ	58%	87%	57%
Group, France	58%	85%	61%

For 2023, the data relating to purchases is aligned with the data contained in the financial statements. 61% of the purchases made by the Group's French entities were sourced from SMEs and ISEs.

KEY FIGURES (1) SHOWING PURCHASES MADE BY THE GROUP'S FRENCH ENTITIES IN 2023

ANNUAL PURCHASES

€764m

ANNUAL GROUP PURCHASES MADE IN FRANCE

€648m

SHARE OF PURCHASES MADE IN FRANCE VS. INTERNATIONAL (based on invoices)

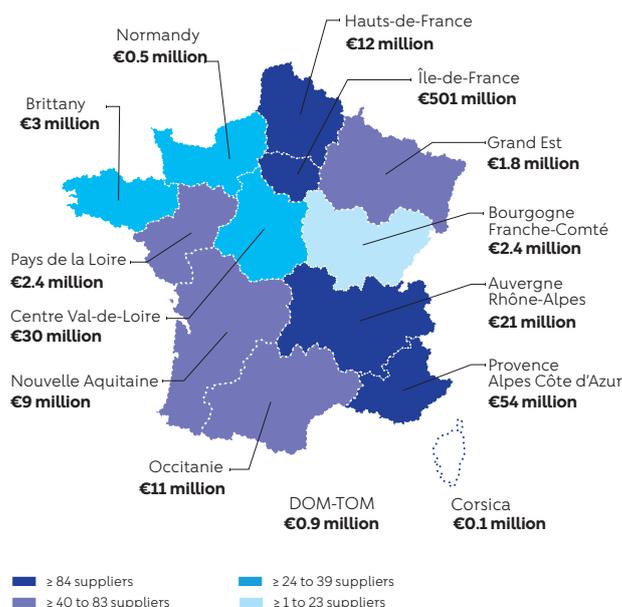


= 15% of international purchases

3,068

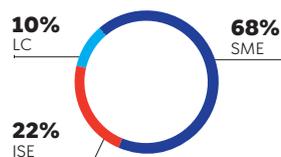
ACTIVE SUPPLIERS*

TERRITORIALITY OF FDJ PURCHASES (in value and volume - based on invoices)

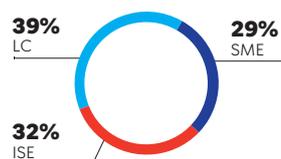


BREAKDOWN BY BUSINESS TYPE** (Source: INSEE)

Number of suppliers



Invoiced purchases



* "Active suppliers": all suppliers with whom an order was placed and/or in respect of which an invoice and/or a credit note was issued in 2023.

** Excluding subsidiaries, foreign suppliers, administrations and associations.

(1) French entities: FDJ SA, FGS France, FDP, Française d'Images, FDJ Services, L'Addition and Aleda.

4.11 Environment

FDJ has been working on environmental issues for many years. In 2023, FDJ reworked its environmental strategy to make it even more ambitious, built on two complementary and interlocking pillars:

- shrinking its carbon footprint across the entire value chain to help combat climate change;
- making a positive contribution to preserving the planet's biodiversity.

4.11.1 Combating climate change

The FDJ Group has been taking steps for more than ten years now to cut the carbon emissions caused directly and indirectly by its operations. An initial emissions reduction trajectory for 2025 was approved by the Science Based Targets (SBT) initiative in 2019, with most of the targets being hit well before 2025. Alongside this, in order to hasten awareness among staff of the importance of climate action and to get them to step up their efforts even further to achieve environmental targets, FDJ has organised training and awareness actions for all members of staff, including the members of the Management Committee.

In 2023, the FDJ Group wanted to take this strategy even further in order to make it more ambitious faced with ever tougher environmental challenges:

- by defining two complementary and interlocking focuses to play a part in tackling climate change and protecting biodiversity:
 - through a new economic intensity reduction target of 50% (per million euros of revenue) across the entire value chain by 2030 (compared with 2021),
 - through a 4-pronged roadmap in which the Group will contribute to preserving biodiversity through its operations (see section 4.11.2 "Taking action to preserve biodiversity");
- by raising awareness of environmental issues throughout the workforce:
 - in May 2023, the CSR team launched "Planète Trèfle", an in-house communication and awareness programme on environmental matters,
 - a series of Climate Fresk (an instructional tool to help people understand the causes and consequences of climate change) sessions were held throughout 2023, beginning with the members of the Management Committee. In all, around 100 people took part in these sessions,
 - in November, FDJ launched "Climate Coach", developed in association with the Paris 2024 Olympic Organising Committee, which employees can use to calculate their work-related and personal carbon footprint;

The environmental strategy being pursued by the Group is an integral part of its corporate governance and is regularly discussed at meetings of the CSR and Responsible Gaming Committee and at Board of Directors meetings. It is also monitored as part of a carbon performance review and incorporated into the criteria applied to calculate variable pay.

- by rolling out an upskilling training programme on environmental issues for the Group's business lines:
 - through an "Understanding the ecological crisis" MOOC developed by C3D⁽¹⁾ for all employees of FDJ SA, FDP, FGS France, Française d'Images, FDJ Services and Pacifique des Jeux. The completion of this MOOC has been added to the incentive bonus criteria for FDJ SA, FDP and FGS France staff. At the end of 2023, 91.7% of employees had completed the training, i.e. 2,404 people,
 - through specific training for finance and marketing staff;
- by establishing governance processes devoted to carbon issues:
 - involving the carbon performance review, designed to regularly monitor progress made with the plan to decarbonise the Company's activities. A carbon performance review is scheduled every quarter, attended by the Chairwoman and Chief Executive Officer, the Deputy Chief Executive Officer and the Executive Vice-President - Finance. These reviews provide a status update on the decarbonisation strategy and related action plans. The first carbon performance review took place in November 2023,
 - furthermore, the FDJ Group has also introduced a purchasing decarbonisation programme under the name of #BuyforGood. The aim is to define and to get the reduction trajectory up and running for carbon emissions falling under the Purchasing scope, by involving the supplier ecosystem through four initiatives (see section 4.7.6.5 "Decarbonising purchasing").

4.11.1.1 MEASURING THE GROUP'S CARBON EMISSIONS

FDJ has been conducting carbon assessments since 2008 in order to monitor greenhouse gas emissions caused by its operations and move ahead with its carbon reduction policy. In order to closely monitor progress in reaching its reduction targets, the Group decided to make carbon assessments an annual exercise from 2017, which was set as the reference year.

(1) A panel of sustainable development officers.

The carbon assessment takes all emissions in Scopes 1, 2 and 3 into consideration:

- Scope 1: carbon emissions produced by the Group's gas and fuel oil consumption, use of air conditioning and fleet of company vehicles;
- Scope 2: carbon emissions linked to purchased electricity, heating or cooling;
- Scope 3: carbon emissions tied to the purchase of goods and services, freight, fixed assets (buildings, equipment and furniture, company vehicles and IT equipment), employee travel (business travel and commuting), waste, the use of digital technologies and minority shareholdings.

The Group's activities are measured in terms of carbon emissions based on the GHG Protocol methodology used by the SBT initiative to define the reduction targets described in the following paragraph.

In 2023, work was carried out to optimise the calculation of carbon emissions in order to factor more elements into the carbon assessment (e.g., new categories of purchases and companies in which the Group holds a minority interest), with a view to complying with the future Corporate Sustainability Reporting Directive (CSRD).

PERFORMANCE INDICATOR: TREND IN CARBON EMISSIONS ACCORDING TO THE GHG PROTOCOL METHODOLOGY

	2021	2022
Scope 1 (tCO ₂ e)	2,191	1,567
Scope 2 (tCO ₂ e)	5	5
Scope 3 (tCO ₂ e)	105,416	108,073

PERFORMANCE INDICATOR: 2022 CARBON ASSESSMENT ACCORDING TO THE GHG PROTOCOL METHODOLOGY

		2022 emissions (tCO ₂ e)
Scope 1		1,567
Scope 2		5
Upstream Scope 3	Purchased goods and services	90,917
	Capital goods	3,362
	Fuel and energy-related activities (not included in Scope 1 & 2 emissions)	2,343
	Upstream transportation and distribution	2,001
	Waste generated in operations	278
	Business travel	145
	Employee commuting	3,482
Downstream Scope 3	Downstream transportation and distribution	1,365
	Processing of sold products	787
	Investments	3,394
TOTAL		109,645

In 2022, the Group emitted 109,645 tCO₂e across its entire reporting scope. 98.6% of the emissions were Scope 3 emissions.

The overall increase in 2022 carbon emissions mainly stemmed from an increase in two emissions categories:

- a 10% increase in emissions related to purchased goods and services due to a rise in spending in 2022, partly tied to inflation;
- an 84% increase in emissions related to employee commuting, linked to an increase in the workforce, namely due to acquisitions, as well as to a greater on-site staff presence with the end of Covid-related restrictions.

In 2023, the Group acquired a digital platform to calculate its carbon assessment and coordinate its emissions reduction action plans. The platform will be brought into service in 2024 for the next carbon assessment.

"Carbon-adjusted EBITDA", certified by Axylia

Axylia, a consulting firm specialising in sustainable finance, measures the carbon footprint of CAC 40 companies in order to calculate their carbon-adjusted EBITDA.

This "carbon score" from A to F measures a company's ability to pay its carbon bill and indicates whether it would still be profitable after factoring in the cost of its CO₂ emissions.

In 2023, FDJ secured a carbon score of A, indicating that it is in a position to pay its potential carbon bill.



The calculation of the score includes Scopes 1, 2 and 3 emissions. The carbon bill is calculated based on a carbon price aligned with IPCC recommendations, i.e. €120 per tonne of CO₂ for Scope 3 emissions and €127 for Scopes 1 and 2.

Environment

4.11.1.2 LOWERING CARBON EMISSIONS**2025 reduction targets already reached**

In 2019, FDJ set out an initial emissions reduction trajectory for 2025, with two reduction targets:

1. Reduce Scope 1 and 2 emissions

The initial target (20% reduction in 2025 compared with 2021) was quickly surpassed, prompting FDJ to revise it upwards in 2022 (65% reduction in 2025 compared with 2017).

Scopes 1 and 2 emissions were reduced by 70% between 2017 and 2022 (i.e. -3,746 tonnes of CO₂e). The initial emissions reduction target has thus been largely exceeded.

This reduction has been propelled by:

- a reduction in electricity consumption and the purchase of guarantee of origin (GoO) certificates;
- a reduction in fuel oil and gas consumption;
- the switch to electric vehicles in the Group fleet.

In 2022, 99% of the Group's electricity came from renewable sources thanks to the purchase of guarantee of origin certificates.

2. Lower carbon emissions by 15% (Scope 3, excluding purchases, business travel and commuting (excluding freight and company vehicles) and the use of energy (upstream) by 2025

Since 2017, the FDJ Group has cut by 33% (i.e. -2,110 tonnes of CO₂) its Scope 3 emissions relating to business travel (excluding travel using company cars), employee commuting and upstream energy. This reduction is mainly due to a decrease in business travel-related emissions.

A new target for 2030

In 2022, the Group worked on a new emissions reduction trajectory for 2030 with a view to reducing its carbon footprint across the entire value chain.

This led to the definition of a new overall economic intensity reduction target: **a 50% reduction in carbon emissions for every million euros of revenue across the entire value chain.**

This target covers a broader operational and financial scope than the 2025 targets, as it also applies to the subsidiaries formed or acquired after 2019.

In 2022, the Group's economic intensity carbon footprint had reduced by 7% to 45 tCO₂e/€m of revenue, which, compared with 2021 (48 tCO₂e/€m of revenue), equates to a 3 tCO₂ reduction for every million euros of revenue.

Two other reduction targets (one Scope 1 and 2 target and another Scope 3 target) aligned with a 1.5°C global warming trajectory are in the process of being validated by the international Science Based Targets (SBT) initiative, which was introduced to help organisations set out emissions reduction trajectories that are commensurate with the objectives of the Paris Agreement.

The three targets are monitored every year as part of the carbon assessment.

4.11.1.3 STEPPING UP OUR ACTION PLAN THROUGH ENERGY SAVINGS

In 2022, FDJ decided to further enhance its environmental policy by implementing an energy sobriety plan. This plan involves taking concrete and practical action to save energy at the Group's French sites. It also fits in with the French government's national plan to reduce energy consumption.

The FDJ plan revolves around three key areas:

- **Reducing the energy consumption of buildings, by adjusting the indoor temperature and optimising lighting.**

Various measures relating to lighting systems and heating, ventilation and air conditioning (HVAC) systems brought office energy consumption down by 26% compared with 2019. The energy sobriety plan reinforced the reduction initiated in 2020 through energy efficiency measures.

At the same time, the data centres have become more efficient, as evidenced by the decrease in PUE ⁽¹⁾ at the Group's two data centres since 2020.

- **Reducing energy consumption relating to digital technologies, by adjusting cooling temperatures in IT rooms and rolling out a green digital policy.**

In 2023, FDJ organised an internal digital Clean Up Day involving two 45-minute collaborative workshops open to all employees. The workshops were designed to teach employees how to clean up their digital footprint. Employees were also given an FDJ guide to eco-actions that contained a section on digital data.

- **Reducing energy consumption linked to travel, by scaling back work-related travel, adapting modes of travel and speeding up the switch to an all-electric fleet of company vehicles.**

At the end of 2023, electrical vehicles made up 32% of the Group's fleet. The Group wants the entire fleet to be electric by 2030. With this in mind, it has installed recharging terminals at its sales agencies. In 2023, 21 agencies were equipped with terminals. In addition, sales reps are encouraged not to exceed 110 km/h when driving on the motorway in order to consume less fuel.

Furthermore, FDJ is a signatory to the Ecowatt Charter drawn up by RTE (France's power grid operator). This means that it will further its efforts to reduce its electricity consumption, in keeping with the existing energy savings plan. This illustrates FDJ's determination to continue to play an active part in the national energy sobriety effort and, more generally, the national environmental strategy.

(1) Power Usage Effectiveness: a universal indicator to measure the energy efficiency of data centres. Ratio of the total energy consumed by a data centre to the energy needed for the IT servers to run (in 2020: 2.14 and 1.96 for the two data centres, respectively, and in 2022: 1.92 and 1.75).

Alongside this, the number of domestic flights taken by FDJ staff was more than halved between 2022 and 2023.

To promote more sustainable forms of transport, the FDJ Group invited employees at the Vitrolles site to take part in "bike it to work" day in January to encourage them to cycle to work. The various workshops held during the day drew a lot of interest from staff:

- free bike servicing during the course of the day by professional mechanics;
- donation of seven bikes by employees. These bikes were taken to solidarity workshops before being donated to French cycling federation clubs that stage initiatives to help members of the general public learn to ride a bike;
- "Back in the saddle" training course provided by the French cycling federation to help people feel comfortable commuting to work by bike.

4.11.1.4 TAKING A GREEN IT APPROACH

As a digital operator, FDJ is always seeking to improve its digital environmental and social footprint.

A Green IT approach was initiated in 2019, following the measurement for the first time of the impact of digital uses. There was a particular focus on employee devices in the actions that were taken.

In 2023, FDJ took part in the work of the French Tech Corporate Community on responsible digital uses.

The FDJ Group has also embarked on work to define a new green IT strategy in the course of 2024. The goal will be to formally define the Group's ambition in this area and identify key focuses.

4.11.1.5 ALIGNING WITH TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURE (TCFD) RECOMMENDATIONS

The FDJ Group has launched an initiative to identify and analyse climate-related financial risks and opportunities. In 2020, a review was conducted of the Group's existing practices in relation to the TCFD recommendations. The Group then mapped its climate-related financial risks and opportunities and prepared the associated roadmaps.

This section is organised according to the four TCFD pillars (governance, strategy, risk management, metrics and targets) and refers to other sections of the report for further details.

Governance

The FDJ Group's governance bodies address the Company's corporate social responsibility objectives.

Duties of Board members (see section 4.2 "CSR governance")

The CSR and Responsible Gaming Committee, which is made up of members of the Board of Directors, examines FDJ's CSR policy as a whole, including its environmental policy and the initiatives taken to address climate-related risks and opportunities. It reports regularly on its work to the Board of Directors.

Duties entrusted to departments

Several Group departments are actively involved in identifying and managing climate-related risks and opportunities. They include the Commitment and Responsible Gaming Department, the Audit, Risk, Control, Quality and Ethics Department, the Technical Department, the Commercial Operations department, the Purchasing Department, the Operational Real Estate and Working Environment Department and the Strategy and Innovation Department.

Furthermore, the FDJ Group's CSR policy is taken into consideration at the highest level of the organisation, as the head of Commitment and Responsible Gaming sits on the Group Management Committee.

Strategy

In the course of its business, FDJ is exposed to a number of risks and opportunities related to climate change, be they transition risks or physical risks.

In 2021, the climate-related financial risks and opportunities were mapped out extensively in order to follow the TCFD recommendations. This mapping exercise involved three stages: identifying the major climate-related risks and opportunities in conjunction with in-house experts; prioritising the identified climate-related risks and opportunities; and preparing action plans commensurate with the prioritised risks and opportunities.

To mitigate the potential impact of the main climate change-related risks, or avoid them altogether, FDJ took risk management initiatives, which are described in this section and summarised in the table below. The table also lists the main climate-related opportunities identified by the Group.

Environment

Types of risks and opportunities	Risk/opportunity	Some FDJ Group achievements
Transition risks	Loss of brand appeal due to mounting consumer expectations regarding responsible engagement	<p>Surveys to gain more insight into customer expectations regarding CSR issues.</p> <p>Communication campaign showcasing FDJ's environmental engagement aired on a number of France TV channels, and consumer surveys to gauge how effective the television campaign is.</p> <p>Establishment of a partnership in October 2022 with "Gestes Propres", an association that is spearheading the fight against littering. FDJ has decided to echo the message sent out in the association's new "litter" campaign encouraging the general public and customers to throw small items of litter into the bin, particularly used scratch cards. The video clip was shown at the 23,000 FDJ points of sale equipped with digital monitors and posted to social media channels between 3 October and 23 October 2022.</p> <p>In 2023, all points of sale had paper sorting bins for customers. FDJ has been recycling all unused gaming materials since 2012.</p>
	Taxation of greenhouse gas emissions	FDJ has set an ambitious GHG emissions reduction target for 2030 (see section 4.11.1.2 "Lowering carbon emissions").
	Investor expectations	<p>FDJ regularly embarks on new plans focusing on actions identified in environment-related non-financial ratings (Moody's ESG, S&P Global – SAM, CDP, etc.). FDJ has incorporated CSR objectives into the annual compensation packages for executive corporate directors. One specific environmental objective was set:</p> <ul style="list-style-type: none"> - a 65% reduction in direct carbon emissions (Scopes 1 and 2) in 2025 relative to 2017 (see section 4.1.4 "CSR targets for 2025").
Physical risks	Disruption of the distribution network due to an extreme event	Introduction of a business continuity plan to address issues such as the impact of extreme weather events (e.g. provisions for buffer stock serving the network to overcome any disruptions).
	Interruption of IT services due to an extreme weather event	<ul style="list-style-type: none"> - The ability to withstand extreme weather events is taken into account in the design stage for FDJ's data centres. - Prevention plan and IT continuity plan to address issues such as the risk of an extreme weather event.
	Supply chain breakdown due to an extreme weather event	<ul style="list-style-type: none"> - Dialogue regarding operational risk matters (including physical risks) with the suppliers of gaming materials, and audit of their business continuity plans and CSR policies. - Dialogue with strategic suppliers regarding a reduction in their carbon footprint: Ecovadis assessment of their environmental performance.
Climate-related opportunities	Decrease in operating expenses thanks to the implementation of a responsible digital policy	<ul style="list-style-type: none"> - FDJ assesses the environmental impact of its IT equipment through a <i>WeGreen/IT</i> survey carried out in conjunction with WWF France. This survey found that a number of actions had already been taken and pinpointed others worth implementing. - 2023: implementation of the new green IT roadmap.
	Decrease in costs through energy optimisation	<ul style="list-style-type: none"> - Purchase of electricity with a guarantee of origin certificate for all FDJ sites and for all FDP sales agencies. - FDJ has entered into an energy performance agreement ("contrat de performance énergétique" - CPE) for the Group's headquarters. - FDJ is working on its alignment with the service sector decree ("Décret Tertiaire") (definition of the scope and benchmark years to be taken into consideration). - In 2022, FDJ embarked on an energy sobriety plan to reduce the energy consumption relating to buildings, travel and digital uses.
	Digital transformation of gaming	FDJ is working on the digital transformation of its lottery operations and on the development of its online sports betting services.

Risk management

The Group risk management function (Enterprise Risk Management or ERM), which is part of the Audit, Risk, Control, Quality and Ethics Department, covers all types of risk to which the Group may be exposed (strategic, operational, compliance and external risks). In accordance with the Risk Management system, the FDJ Group has adopted a consistent and structured approach for the different stages involved in identifying, assessing and addressing its risks, and assists the business lines in analysing their own risks. This facilitates a comprehensive approach, as part of the Risk Management system, to the various risk factors (namely climate-related factors) identified throughout the FDJ Group.

Metrics and targets

FDJ monitors and publishes an annual report on environmental indicators related to energy consumption,

water consumption and waste production associated with its activities. The changes in these indicators, and their scope, are disclosed in the notes to this non-financial information statement. Greenhouse gas emissions in Scopes 1, 2 and 3 are assessed once a year using the ADEME Bilan Carbone™ assessment methodology and the GHG Protocol methodology (see section 4.11.1.2 "Lowering carbon emissions").

Outlook

In 2024, FDJ intends to optimise the Group climate risk map by extending its scope to include the entire value chain. The plan is to integrate physical and transition risk modelling into this work based on different climate scenarios, as well as the financial costs of these risks. A mitigation and adaptation plan will be put together alongside this work.

4.11.2 Taking action to preserve biodiversity

FDJ endeavours to limit the impact of its gaming materials on forest biodiversity. This is the second pillar of the Group's environmental strategy.

Paper, sourced from wood, is a key resource used in the production of FDJ's gaming materials. The need to take care of the world's forests has been uppermost in FDJ's mind for more than ten years now, prompting the Group to play an active part in the protection of forests in France and across the globe.

The Group's biodiversity strategy has four focuses:

- reducing the impact of gaming on biodiversity, by implementing action plans to cut down on waste at points of sale and to tackle littering;
- protecting more hectares of forest than those used for FDJ's operations by making a positive contribution to the protection of forests;
- pursuing key actions to raise awareness about biodiversity issues among customers and the general public;
- continuing to use paper produced solely from FSC®-certified wood, and set an example for the rest of the European and global industry via The European Lotteries and the World Lottery Association.

4.11.2.1 REDUCING THE IMPACT ON BIODIVERSITY

Since 2012, 100% of FDJ's scratch cards have been printed on paper from FSC®(1) certified sources. The FSC (Forest Stewardship Council®) works to preserve the world's forests.

The FSC label promotes the diversity of species, the preservation of soil, fauna and flora and helps combat the destruction of habitats and wetlands.

In 2020, FDJ conducted a second Life Cycle Assessment (LCA)(2) of its gaming materials to quantify their impact on the environment and biodiversity, and to define a sustainable production roadmap with practical solutions for future implementation. This assessment confirmed that the major impact on the environment lies in the manufacture of paper and printing of scratch cards. As for biodiversity, 98% of the impact stems from logging operations. The biodiversity footprint of gaming materials was measured using the Global Biodiversity Score (GBS) (3), developed by CDC Biodiversité (Caisse des Dépôts et Consignations).

In 2022, FDJ also embarked on a project, in collaboration with FSC France, WWF France and CDC Biodiversité, to incorporate the requirements of the FSC label in the GBS in order to emphasise the positive impacts of the FSC forest management standard in terms of biodiversity. This made it possible to assess the impacts of FSC-certified logging on forest biodiversity, which is used in the manufacture of paper used to print scratch cards. The findings of the study showed that FSC-certified logging had a more positive impact on biodiversity by surface unit than non-certified logging. One of the main reasons is that FSC-certified forest concessions include "no-logging zones", which house very high levels of biodiversity.

(1) Licence number: FSC®-N002595.

(2) The first LCA on gaming materials was conducted in 2009 and examined FDJ's impact on the environment only, not on biodiversity.

(3) The Global Biodiversity Score (GBS) was created by CDC Biodiversité in May 2020 as a tool for companies and financial institutions to measure their biodiversity footprint.

Environment

Following on from this analysis, FDJ explored ways to reduce scratch card grammage in order to shrink the biodiversity-related footprint. In 2023, this led the Group to test the use of thinner paper that was lighter in weight, with the launch of a Christmas Bingo game printed on paper that was 15% thinner than the standard paper used for scratch cards.

FDJ is also partnering “Gestes Propres”, an association that is spearheading the fight against littering. In 2023, the Company wanted to echo this association’s anti-littering message by broadcasting, on two occasions:

- the association’s “litter” campaign from 3 to 23 July 2023 at the 22,700 FDJ points of sale equipped with screens, encouraging the general public and customers to throw small items of litter into the bin, particularly used scratch cards;
- a specific campaign from 23 October to 12 November to coincide with the launch of the Mission Nature game, with a visual of the Mission Nature ticket.

Another way to limit the impact of littering on the environment and on biodiversity.

4.11.2.2 SUPPORTING INITIATIVES TO PROTECT BIODIVERSITY

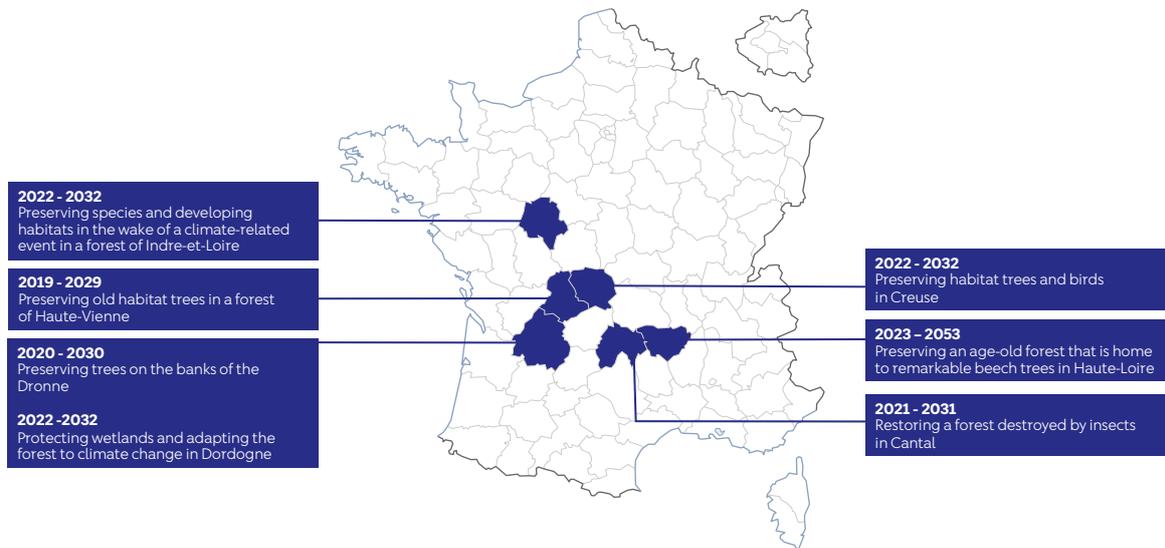
FSC Biodiversity Ecosystem Services projects

FDJ has been providing annual funding since 2019 to a 10-year “FSC Biodiversity Ecosystem Services” project. These globally-pioneering projects to protect the biodiversity of French forests are supported by FDJ and being developed in conjunction with FSC France and Sylvamo Forêts Services. Payments for ecosystem services (PES) enable FDJ to provide financial support to forest owners and managers who volunteer to take part in forest preservation and restoration projects. Such programmes help protect forests and ecosystem services while holding an economic interest for forest owners through associated preservation initiatives.

In 2023, FDJ financed the restoration of several hectares of age-old forest in Auvergne that are home to remarkable beech trees, as well as the conservation of the surrounding natural habitats (wetlands, rocky areas, etc.).

By participating in these projects, FDJ has provided financing to help preserve and/or restore more than 110 ha of forest in France.

Year	Region	Project
2019	Haute-Vienne (87)	Conservation of several hectares of the forest of Saint Sylvestre, with a view to protecting old trees that provide shelter for many species of wildlife included on the International Union for Conservation of Nature’s (IUCN) Red List of Threatened Species.
2020	Dordogne (24)	Preservation of a forest in Saint-Pardoux-la-Rivière where trees line the banks of the Dronne, and of the diversity of the organisms that live there and need the river to survive.
2021	Cantal (15)	Restoration project in the forest of Gravière in Cantal. Varieties of trees that are best suited to the changing climate were planted across several hectares of forest that had been destroyed by insects.
2022	Creuse (23)	Safeguarding of trees that form ideal habitats for various species of birds and development of new habitats in a forest used as a nesting ground by many protected species.
2022	Indre-et-Loire (37)	Preservation of existing habitats and development of new ones for rare and endangered species in a forest hit by a 2021 tornado that destroyed more than 60% of its resources.
2022	Dordogne (24)	Introduction of a series of measures to protect wetlands (quality, flood prevention) in a forest that houses very diverse habitats (ponds, watercourses, young and older hardwoods and softwoods, rocky masses, etc.). The wetlands are an ideal habitat for various protected and/or endangered species such as the white-clawed crayfish (present in this forest).
2023	Haute-Loire (43)	Restoration of the natural characteristics of several hectares of age-old forest in Auvergne that are home to remarkable beech trees, and conservation of the surrounding natural habitats (wetlands, rocky areas, etc.).



Launch of the "Mission Nature" game

In keeping with the third focus of the Group's biodiversity strategy "Pursuing key actions to raise awareness about biodiversity issues among customers and the general public", FDJ launched the "Mission Nature" scratch card game in October 2023. In a similar way to the "Mission Patrimoine" games, the levy on "Mission Nature" stakes collected that would ordinarily be retained by the French State will be allotted to the French biodiversity agency (OFB) to finance biodiversity restoration projects. €0.43 from each purchased scratch card will be passed on by the State to the OFB to fund the selected projects. After an extensive review, 20 projects submitted in response to a call for projects launched in March 2023 were selected to receive funding by a committee chaired by Sarah El Haïry, Secretary of State for the Ecological Transition and Territorial Cohesion in charge of Biodiversity.

Six of them are iconic projects that will have a positive impact nationwide, while 14 are projects with a more regional impact⁽¹⁾.

Sponsorship partnerships to preserve biodiversity

To coincide with the launch of the "Mission Nature" game, the FDJ Group has teamed up with OFB as a major sponsor. As part of this arrangement, FDJ is supporting:

- a forest biodiversity preservation project that involves restoring a mosaic of habitats in the Alsatian forest of Petite-Pierre to encourage certain protected species to return;

- a marine ecosystem restoration project that will provide support for a research and public awareness programme relating to the angelshark, a species of shark that is facing extinction which lives near the sea floor in Corsican waters.

Furthermore, in order to build on its actions to protect forest ecosystems, FDJ became a sponsor of WWF France's Nature Impact fund in 2023. This is the first such forestry fund based on the system of payments for ecosystem services (PES) provided in the public interest, which combines protection of biodiversity and additional CO₂ sequestration. To begin with, the initiative will finance projects to preserve, restore and sustainably manage high conservation value forests in metropolitan France, creating a new way of getting forestry operators and the economic world to work hand in hand. Ultimately, the conservation and restoration of biodiversity is the main goal of the initiative, with an initial ambitious objective to preserve around 15,000 ha of endangered forest with very high levels of biodiversity. The protection of these forests will have a positive impact on the planet by mitigating the effects of climate change and durably sequestering an additional 400,000 tonnes of CO₂ over 30 years.

In September 2023, FDJ sponsored an exhibition by photographer Nils-Udo that captured biodiversity. This free exhibition was held at Eglise Saint-Eustache as part of the Paris environmental photography exhibition held every two years.

(1) Mission Nature website: <https://missionnature.fr/mission-nature>

Environment

These sponsorship actions follow on from the initiatives taken in 2022. Given the extent of the fires that swept through French forests in the summer of 2023, the FDJ Group donated €200,000 to the "ONF - Agir pour la Forêt" fund managed by the French national forestry office (ONF) to help in the national effort to save and restore these forests.

Of this, 80% was pledged to the restoration of public woodlands in Gironde (Lauridas and La Teste-de-Buch). The remaining 20% helped restore public woodlands in Brittany (state-owned forests in Rennes and Villecartier), Pays de Loire (Baugé) and Poitou-Charentes (Grolle).

To coincide with the Tour de France, FDJ teamed up with other organisations to fund "Tour de France de la Biodiversité" videos produced in conjunction with the national museum of natural history. A one-minute video was filmed for each stage of the Tour to highlight the exceptional natural heritage along the route and raise awareness of its diversity.

PERFORMANCE INDICATOR: PERCENTAGE OF GAMING MATERIALS PRINTED ON PAPER FROM FSC®-CERTIFIED RESPONSIBLE SOURCES

	2021	2022	2023
FDJ Group	100%	100%	100%

4.11.2.3 RAISING EMPLOYEE AWARENESS ABOUT THE PROTECTION OF BIODIVERSITY

To coincide with European Sustainable Development Week in 2023, various sessions were held to inform employees of the importance of protecting biodiversity and help them understand the actions led by the Company:

- two collection days were organised to mark World Clean Up Day, which resulted in 881kg of waste being gathered (in association with FDJ's Paris 2024 partners);
- 240 employees attended three themed conferences:
 - with the French biodiversity agency (OFB) to learn more about protected species, what the OFB does to protect and restore biodiversity in metropolitan France and in French overseas departments and territories, and the projects supported by FDJ,
 - with the national museum of natural history to find out more about the preservation and the issues surrounding biodiversity,
 - with the Bouches du Rhône branch of the French national forestry office (ONF), where the focus was on the history of forests in Provence and the future of these forests against the backdrop of climate change.

4.12 Application of the Green taxonomy: methodological approach and KPIs

The European Green Deal aims, among other things, to redirect capital in order to fund sustainable and inclusive growth, to reduce greenhouse gas emissions by at least 55% over the period spanning 1990-2030 and to make Europe a net-zero emitter of greenhouse gases by 2050.

Pursuant to Regulation (EU) 2020/852 of 18 June 2020 on the establishment of a framework to facilitate sustainable investment in the European Union (EU), the FDJ Group is required, in respect of the financial year ended 31 December 2023, to disclose the proportion of the revenue, capital expenditure (CapEx) and operating expenditure (OpEx) that is associated with economic activities that are considered eligible and aligned in terms of environmental sustainability, in accordance with the EU Taxonomy classification and criteria.

This classification system, which is a cornerstone of the European Green Deal, and is also referred to as the EU taxonomy for sustainable activities or the "green taxonomy", lists economic activities that qualify as sustainable, based on scientific, ambitious and transparent criteria, in line with the EU's environmental objectives, including the carbon neutrality objective and the Paris Agreement.

An activity qualifies as sustainable if it pursues one of the following six environmental objectives: climate change mitigation, climate change adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems. The activity must meet the following three criteria:

- it must be set out in the delegated acts and meet technical screening criteria;

- it must not cause significant harm to any of the other five objectives;
- it must be carried out in compliance with minimum safeguards.

The Group referred to the delegated acts to ascertain which of its activities were covered by the EU Taxonomy nomenclature ⁽¹⁾. To date, these regulations have defined which activities qualify as eligible based on the six environmental objectives and by sector, and which ones qualify as aligned based on the two climate objectives (climate change mitigation and climate change adaptation); they have also established the technical screening criteria for determining the conditions under which an activity qualifies as contributing substantially to one or other of these two objectives and; whether that activity causes no significant harm to any of the five other environmental objectives.

The CSR Department and the Finance Department performed this assessment to ascertain whether FDJ's activities qualified as eligible and aligned. To do this, they relied on a methodological approach that involved analysing the Group's revenue, capital expenditure and operating expenditure.

The FDJ Group is in compliance with the minimum safeguards provided for in the green taxonomy. It is fully committed to upholding Human Rights and Fundamental Principles and Rights at Work as laid out in the guiding principles of the OECD, the UN and the ILO.

(1) Delegated Regulation (EU) 2021/2139 of 4 June 2021 (Climate Delegated Act) and its Annexes I and II, Art. 8 of Delegated Regulation (EU) 2021/2178 of 6 July 2021 (Disclosures Delegated Act), and the Taxonomy Environmental Delegated Act of 27 June 2023 and its Annexes I, II, III, IV and V.

Application of the Green taxonomy: methodological approach and KPIs

4.12.1.1 PROPORTION OF TAXONOMY-ALIGNED REVENUE

Activities that qualify as aligned based on the climate change mitigation and climate change adaptation objectives are defined in the delegated acts and their annexes⁽¹⁾ and are identified as contributing substantially to climate change mitigation where they help to stabilise greenhouse gas concentration values in the atmosphere, avoid producing greenhouse gas emissions, reduce such emissions or improve their removal.

An activity is said to be "Taxonomy-eligible" where it meets the description of one of the activities referred to in the annexes of the delegated acts.

The FDJ Group's activities fall into three sectors of activity:

- Lottery;
- Sports betting and online gaming open to competition;
- Adjacent activities (international services, payment & services and entertainment).

FDJ's lottery and sports betting activities are not "Taxonomy-eligible" as they are not included in the creative, arts and entertainment activities listed in section 13.1 of Annex II. The adjacent activities could be potentially eligible, as they are included in the computer programming, consultancy and related activities referred to in section 8.2 of Annex II. However, since the activities referred to in that section do not qualify as "enabling activities"⁽²⁾ based on the technical screening criteria provided for in the Taxonomy, the adjacent activities are not "Taxonomy-eligible" either.

Since the FDJ Group's activities are not Taxonomy-eligible, the proportion of "eligible" revenue is nil. The notion of revenue corresponds to the definition applied in the Group's consolidated financial statements under IFRS.

FY 2023	2023		Substantial contribution criteria						DNSH (Does Not Significantly Harm) criteria						Minimum safeguards (17)	Proportion of revenue that is Taxonomy-aligned (A.1) or eligible (A.2), 2022 (18)	Enabling activity category (19)	Transitional activity category (20)
	Revenue	Proportion of 2023 revenue	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)				
Economic activities (1)	€m	%	Y/N/ N-EL	Y/N/ N-EL	Y/N/ N-EL	Y/N/ N-EL	Y/N/ N-EL	Y/N/ N-EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																		
A.1 Environmentally sustainable activities (Taxonomy-aligned)																		
Revenue from environmentally sustainable activities (Taxonomy-aligned) (A.1)	0.0	0.0%	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	0.0%		
o/w enabling	0.0	0.0%	%	%	%	%	%	%	NO	NO	NO	NO	NO	NO	NO	0.0%		
o/w transitional	0.0	0.0%							NO	NO	NO	NO	NO	NO	NO	0.0%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)																		
Revenue from Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)	0.0	0.0%	NO	NO	NO	NO	NO	NO								0.0%		
A. Revenue from Taxonomy-eligible activities (A1+A2)	0.0	0.0%	NO	NO	NO	NO	NO	NO								0.0%		
B. ACTIVITIES THAT ARE NOT TAXONOMY-ELIGIBLE																		
Revenue from activities that are not Taxonomy-eligible (B)	2,621.4	100.0%																
TOTAL (A + B)	2,621.4	100.0%																

	Proportion of revenue/Total revenue	
	Taxonomy-aligned by objective	Taxonomy-eligible by objective
CCM	0.0%	0.0%
CCA	0.0%	0.0%
WTR	0.0%	0.0%
CE	0.0%	0.0%
PPC	0.0%	0.0%
BIO	0.0%	0.0%

(1) EU Taxonomy Climate Delegated Act (EU) 2021/2139 of 4 June 2021.
 (2) Enabling activity: an economic activity that directly enables other activities to make a substantial contribution to one or more of the objectives by providing products or solutions that can prevent and/or limit the negative effects of climate change on the current or future climate.

4.12.1.2 PROPORTION OF TAXONOMY-ELIGIBLE CAPITAL EXPENDITURE (CAPEX)

According to the Taxonomy, CapEx ⁽¹⁾ corresponds to the increase in the gross value of property, plant and equipment and intangible assets during the financial year as presented in the consolidated financial statements. In 2023, the Group's main CapEx items related to developments to production and back-office information systems, point-of-sale terminals and items of point-of-sale furniture.

"Eligible" CapEx covers capital expenditure:

- relating to assets or processes associated with Taxonomy-eligible economic activities for which eligible revenue has been identified;
- that is part of a plan to expand Taxonomy-eligible activities or to enable eligible activities to become sustainable;
- relating to "individual measures" corresponding to activities listed in the delegated acts but which do not produce revenue.

"Aligned" CapEx covers eligible CapEx that satisfies the following criteria:

- it must meet the technical screening criteria set out in the delegated acts;
- it must not cause significant harm to any of the other five objectives;
- it must be carried out in compliance with minimum safeguards.

Group CapEx for Taxonomy purposes for the year ended 31 December 2023 amounted to €127 million, of which €69 million in expenditure on intangible assets, primarily the development of production and back-office IT systems, and €47 million in expenditure on property, plant and equipment, chiefly gaming terminals and items of point-of-sale furniture. It also included property leases for €11 million.

Given the nature of the Group's capital expenditure, only a small portion is Taxonomy-eligible, i.e. 9% of Group CapEx made up of capital expenditure relating to individual measures. This is almost exclusively connected to property leases, of which €9 million relates to PLI, acquired and consolidated in 2023. No CapEx was aligned in 2023. Given the complexity of the information needed to show compliance with the criteria under which an activity qualifies as contributing substantially to the environmental objectives, and to determine that an activity causes no significant harm to the objectives, the Group is not in a position to classify all eligible buildings as being Taxonomy-aligned and will continue to implement information escalation procedures in order to verify the compliance of new assets.

FY 2023	2023		Substantial contribution criteria							DNSH (Does Not Significantly Harm) criteria						Minimum safeguards (17)	Proportion of CapEx that is Taxonomy-aligned (A.1), or eligible (A.2), 2022 (18)	Enabling activity category (19)	Transitional activity category (20)						
	Codes (*) (2)	CapEx	Proportion of 2023 CapEx (4)	Climate change mitigation (5)		Climate change adaptation (6)		Water (7)	Pollution (8)	Circular economy (9)		Biodiversity (10)	Climate change mitigation (11)		Climate change adaptation (12)					Water (13)	Pollution (14)	Circular economy (15)		Biodiversity (16)	
Economic activities (1)	€m	%	Y/N/ N-EL	Y/N/ N-EL	Y/N/ N-EL	Y/N/ N-EL	Y/N/ N-EL	Y/N/ N-EL	Y/N/ N-EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T	
A. TAXONOMY-ELIGIBLE ACTIVITIES																									
A.1 Environmentally sustainable activities (Taxonomy-aligned)																									
Installation of EV charging stations	CCM 7.4	0.0	0.0%	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	0.2%		
Installation, maintenance and repair of technologies relating to renewable forms of energy	CCM 7.6	0.0	0.0%	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	0.1%		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.0	0.0%	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	0.3%		
o/w enabling		0.0	0.0%	%	%	%	%	%	%	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	0.0%			
o/w transitional		0.0	0.0%							NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	0.0%			
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)																									
				Y/N/ N-EL	Y/N/ N-EL	Y/N/ N-EL	Y/N/ N-EL	Y/N/ N-EL	Y/N/ N-EL																
Acquisition and ownership of buildings	CCA 7.7	10.7	8.5%	NO	NO	NO	NO	NO	NO													8.0%			
Renovation of buildings	CCM 7.2	0.3	0.2%	NO	NO	NO	NO	NO	NO													0.0%			
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)		10.9	8.8%	NO	NO	NO	NO	NO	NO													8.0%			
A. CapEx of Taxonomy-eligible activities (A1+A2)		10.9	8.8%	NO	NO	NO	NO	NO	NO													8.3%			
B. ACTIVITIES THAT ARE NOT TAXONOMY-ELIGIBLE																									
		113.8	91.2%																						
CapEx of activities that are not Taxonomy-eligible (B)		113.8	91.2%																						
TOTAL (A + B)		124.7	100.0%																						

(1) CapEx covers property, plant and equipment (IAS 16), intangible assets (IAS 38) and leases (IFRS 16).

Application of the Green taxonomy: methodological approach and KPIs

	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned by objective	Taxonomy-eligible by objective
CCM	0.0%	8.8%
CCA	0.0%	13.5%
WTR	0.0%	0.0%
CE	0.0%	0.2%
PPC	0.0%	0.0%
BIO	0.0%	0.0%

4.12.1.3 PROPORTION OF TAXONOMY-ELIGIBLE AND TAXONOMY-ALIGNED OPERATING EXPENDITURE (OPEX)

According to the Taxonomy, operating expenditure (OpEx) corresponds to non-capitalised direct costs relating to research and development, the renovation of buildings, short-term leases, maintenance and repair costs and direct expenses relating to the routine maintenance of property, plant and equipment by the Company or by a third party to whom these tasks have been outsourced. This expenditure,

as defined by the Taxonomy Regulation, amounted to €132 million in 2023, i.e. 6% of consolidated operating expenditure, which amounted to €2,090 million. Accordingly, the Group does not consider the OpEx eligibility and alignment ratios relating to the Taxonomy to be material.

FY 2023	2023		Substantial contribution criteria						DNSH (Does Not Significantly Harm) criteria						Proportion of OpEx that is Taxonomy-aligned (A.1) or eligible (A.2), 2022 (18)	Enabling activity category (19)	Transitional activity category (20)	
	OpEx	Proportion of 2023 OpEx (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Minimum safeguards (17)				Garanties minimales (17)
	€m	%	Y/N/ N-EL	Y/N/ N-EL	Y/N/ N-EL	Y/N/ N-EL	Y/N/ N-EL	Y/N/ N-EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
Economic activities (1)																		
A. TAXONOMY-ELIGIBLE ACTIVITIES																		
A.1 Environmentally sustainable activities (Taxonomy-aligned)																		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)	0.0	0.0%	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	NO	0.0%		
o/w enabling	0.0	0.0%	%	%	%	%	%	%	NO	NO	NO	NO	NO	NO	NO	0.0%		
o/w transitional	0.0	0.0%							NO	NO	NO	NO	NO	NO	NO	0.0%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)																		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)	0.0	0.0%	NO	NO	NO	NO	NO	NO								0.0%		
A. OpEx of Taxonomy-eligible activities (A1+A2)	0.0	0.0%	NO	NO	NO	NO	NO	NO								0.0%		
B. ACTIVITIES THAT ARE NOT TAXONOMY-ELIGIBLE																		
OpEx of activities that are not Taxonomy-eligible (B)	131.7	100.0%																
TOTAL (A + B)	131.7	100.0%																

	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned by objective	Taxonomy-eligible by objective
CCM	0.0%	0.0%
CCA	0.0%	0.0%
WTR	0.0%	0.0%
CE	0.0%	0.0%
PPC	0.0%	0.0%
BIO	0.0%	0.0%

4.13 Notes: additional monitoring indicators

Indicators	Scope	2021	2022	2023
Fuel oil consumption during the year	Boulogne-Billancourt (Delta, Aguesseau), Saint-Mard, Saint-Witz, Villepinte and Vitrolles sites	0 litre	0 litre	0 litre
Fuel oil is used by power generators.				
Gas consumption during the year	FDP agencies and Saint-Mard site	2,155,085 kWh	1,216,157 kWh	1,117,574 kWh
Electricity consumption during the year	FDP agencies, Boulogne-Billancourt (Delta, Aguesseau), Saint-Mard, Saint-Witz, Villepinte and Vitrolles sites	18,904,467 kWh	19,324,046 kWh	18,524,536 kWh
Water consumption during the year	Vitrolles, Villepinte, Saint-Witz, Saint-Mard, Boulogne-Billancourt (Delta and Aguesseau) sites	14,965 m ³	14,627 m ³	13,673 m ³
Share of renewable energy	FDP agencies, Vitrolles, Villepinte, Saint-Witz, Saint-Mard, Boulogne-Billancourt (Delta and Aguesseau) sites	100%	100%	100%
Share of waste recycled	Vitrolles, Villepinte, Saint-Witz, Saint-Mard, Boulogne-Billancourt (Delta and Aguesseau) sites	74%	83%	86%
The rate of recycled waste breaks down as follows: reuse: 8%, recycling: 76%, composting: 2%.				
Proportion of Taxonomy-eligible (2021) and Taxonomy-aligned (2022 and 2023) revenue	FDJ Group	0% (eligible)	0% (aligned)	0% (aligned)
Proportion of Taxonomy-eligible (2021) and Taxonomy-aligned (2022 and 2023) CapEx	FDJ Group	≈ 10% (eligible)	0.3% (aligned)	0% (aligned)
Proportion of Taxonomy-eligible (2021) and Taxonomy-aligned (2022 and 2023) OpEx	FDJ Group	1.3 (eligible)	n/a	0% (aligned)
Number of deadly accidents	FDJ	0	0	0
Percentage of revenue from orders for promotional items manufactured by factories located in high-risk countries and certified SA 8000 or subject to a social audit	FDJ	86%	100%	98%
Percentage of UCITS investments in SRI funds	FDJ	23.4%	36.7%	73.6%
The sharp increase in the ratio was due to the reallocation of the portfolio towards money market funds falling into the "SRI" category.				

Notes: additional monitoring indicators

Indicators	Scope	2021	2022	2023
Percentage of women on the Board of Directors at 31 December	FDJ Group	50%	50%	50%
At 31 December 2023, half of the seats on FDJ's Board of Directors were held by women (excluding directors representing employees and employee shareholders), i.e. 6 women out of a total of 12 directors.				
Female representation on the Group Management Committee at 31 December	FDJ Group	38%	39%	35%
8 of the 23 members of the Group Management Committee were women at 31 December 2023.				
Percentage of independent directors at 31 December	FDJ Group	50%	50%	50%
The independent directors are: Fabienne Dulac, Xavier Girre, Philippe Lazare, Corinne Lejbowicz, Predica (represented by Florence Barjou) and Françoise Gri. This percentage does not include the directors representing the employees and employee shareholders.				
Attendance rate at Board of Directors meetings	FDJ Group	92%	92%	93%
The attendance rate was calculated by averaging the attendance rate of each member of the Board of Directors over the year.				
Employee shareholders	FDJ Group	3.8%	3.8%	3.8%
Percentage of employees covered by a collective bargaining agreement	FDJ	100%	100%	100%
Organisation of working hours	FDJ Group			

In 2023, most FDJ Group employees worked full days. Most of the Group's subsidiaries are covered in France by a collective bargaining agreement on working hours, and often also a company agreement on the same subject matter (FDJ, FDP, FDJ Gaming Solutions France and FDI).

Working time conventions stipulate either that working time be calculated over 35 hours, or that annualised conventions be introduced. Employees also have a certain number of reduction of working time ("RTT") days, over and above the legal and contractual days of paid holiday and any other days of leave relating to long service.

Added to this, there has been an increase in remote working arrangements. At virtually all Group companies, agreements or charters provide for various remote working arrangements, with caps of between 100 and 120 days a year and/or two to three days a week. These agreements or charters are part of the Group human resources policy to develop employee engagement and empowerment and are an additional driver to further enhance the FDJ Group's appeal.

Remuneration policy

FDJ Group

The remuneration policy is part of the overall policy of the FDJ employee Experience and Transformation Department, which is intended to serve the Company's strategy. It is designed to encourage employees to meet the Company's performance targets:

- by valuing contribution;
- by acknowledging performance;
- by encouraging progress; and
- by implementing retention systems to hold onto talent.

The remuneration and employee benefit policies reflect benchmark practices in the markets in which the Group operates, with a constant pursuit of internal fairness and external competitiveness. These policies are based on a mapping of the functions, to define the remuneration principles for each sector business line, level of responsibility and importance of the role. It also enables internal analyses

and makes it possible to compare the Group's practices each year with those of the industry via updated remuneration surveys.

The starting salaries of new employees are compared against an industry benchmark and the internal remuneration benchmark. Salaries are then reviewed yearly when the wage policy is being set and during employee reviews.

The rules and principles of the remuneration policy are circulated at least once a year when the wage policy is set, with a specific communication for managers, a communication to all employees and regular updates in the Human Resources section of the internal social network accessible to all. Alongside these communication actions, meetings are held on site or remotely for managers and employees.

Gross payroll expense

in thousands of euros	2021			2022			2023		
	Fixed	Variable	Total	Fixed	Variable	Total	Fixed	Variable	Total
FDJ	145,391	32,849	178,240	158,820	36,947	195,766	173,095	42,853	215,948
FDJ Group ⁽¹⁾	219,090	45,714	264,804	233,593	49,220	282,813	258,899	57,848	316,748

(1) Data presented for the Group, excluding the new entities acquired in 2023 (PLI and ZEBet / ZETurf). Payroll expense includes employee profit-sharing and excludes long-term benefits and other personnel expenses contained in the notes to the consolidated financial statements.

A reminder of the overall performance evaluation of each employee is included in each manager's wage policy decision tables, to ensure that these decisions are consistent

with the performance evaluation. The positioning of the employee's remuneration in relation to the Company's benchmarks is also taken into account.

Changes in the average monthly remuneration and median base

in thousands of euros	2021		2022		2023	
	Average	Median	Average	Median	Average	Median
FDJ	4.46	4.06	4.53	4.11	4.75	4.31
FDJ Group	4.29	3.78	3.43	3.89	4.49	4.00

Furthermore, for the last six years, a variable component system linked to performance has been gradually introduced and revised at FDJ for all management-level staff on permanent contracts, i.e. 80% of employees. Given the activity of FDP and FDJ Gaming Solutions France, all employees already have a variable wage component.

An LTI (long-term incentive) plan has been incorporated into the remuneration system since 2021. LTI plans are in place at nearly 90% of SBF 120 companies in order to:

- encourage multi-year performance, the creation of value and the application of the strategy by setting unchallengeable, clearly-defined performance targets;

- retain employees who help achieve these objectives through their role, their professional and personal qualities and their commitment to the Group and its raison d'être;
- attract the talent that the Group needs to fulfil its ambitions.

Under the long-term incentive plan, employees are allocated performance shares, which will only vest if ambitious and balanced three-year performance targets are met based on financial, operational and CSR criteria.

Notes: additional monitoring indicators

The beneficiaries of the LTI plan were identified based on a dedicated staff review, integrated into the Group's talent management system. This new system is an integral part of the performance policy introduced by FDJ.

A total of 133 employees, i.e. around 5% of the Group's workforce (median of around 1.8% at other SBF 80 companies) benefited from the plan in 2023.

The remuneration also includes employee profit-sharing and incentives, which are designed to share the results of

performance and sustain employee engagement. New Group-level profit-sharing and incentive agreements were signed in 2021 (see section 7.1.7.1 "Employee incentive and profit-sharing agreements"). The Company may make an additional contribution to incentive amounts, pursuant to the various agreements signed by the Group entities (section 7.1.7.2 "Employee savings schemes and employee shareholding policy").

Number of new hires on permanent and fixed-term contracts

	2021	2022				2023			
	Perman ent	Permanent		Fixed-term		Permanent		Fixed-term	
		M	F	M	F	M	F	M	F
FDJ	157	144	72	42	42	143	78	30	36
FDJ Group	301	274	122	62	70	255	147	48	66
		396		132		402		114	

Number of departures during the year

		Resig- nation	Dismissal on economic grounds	Dismissal for other reasons	Departure during trial period	Mandatory retirement/ Retirement	Death	Contractual termination	Subsi- diaries transfer	Suspended contracts	Expiration of contract (incl. temp. summer)	Total excl. expiration of contracts
2021	FDJ	14	-	25	9	12	1	7	6	4	47	78
	FDJ Group	101	9	52	16	12	1	11	13	6	59	221
2022	FDJ	25	0	27	4	11	1	7	0	7	43	82
	FDJ Group	103	0	50	11	12	2	11	77	7	66	339
2023	FDJ	25	0	18	8	15	1	7	4	9	47	87
	FDJ Group	100	33	54	23	18	1	24	13	9	77	275

Trade union representation

FDJ	FO	44.57%
	CFE-CGC	55.43%
FDJ Group	FO	39.34%
	CFE-CGC	49.10%
	CFDT	11.56%

4.14 Independent third party's report on the consolidated non-financial information statement

Year ended 31 December 2023

To the General Assembly,

In our quality as an independent third party, accredited by the Cofrac under the number 3-1862 (scope of accreditation available on the website www.cofrac.fr), and as a member of the network of one of the Statutory Auditors of La Française des Jeux (hereinafter the "Entity"), we have undertaken a limited assurance engagement on the historical information (whether observed or extrapolated) in the non-financial information statement, prepared in accordance with the Entity's procedures (hereinafter the "Guidelines"), for the year ended 31 December 2023 (hereinafter the "Information" and the "Statement", respectively), presented in the management report pursuant to the legal and regulatory provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*Code de commerce*).

CONCLUSION

Based on the procedures we have performed as described under the "Nature and scope of procedures" and the evidence we have obtained, nothing has come to our attention that cause us to believe that the consolidated non-financial statement is not prepared in accordance with the applicable regulatory provisions and that the Information, taken as a whole, is not presented fairly in accordance with the Guidelines.

PREPARATION OF THE NON-FINANCIAL PERFORMANCE STATEMENT

The absence of a generally accepted and commonly used framework or established practices on which to base the assessment and measurement of the Information allows for the use of different, but acceptable, measurement techniques that may affect comparability between entities and over time.

Consequently, the Information needs to be read and understood together with the Guidelines, summarised on the website.

INHERENT LIMITATIONS IN PREPARING THE INFORMATION

The Information may be subject to uncertainty inherent to the state of scientific and economic knowledge and the quality of external data used. Some information is sensitive to the choice of methodology and the assumptions or estimates used for its preparation and presented in the Statement.

RESPONSIBILITY OF THE ENTITY

It is the responsibility of management to:

- select or establish appropriate criteria for the preparation of the Information;
- prepare a Statement in accordance with legal and regulatory requirements, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with regard to these risks as well as the results of these policies, including key

performance indicators and, in addition, the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);

- prepare the Statement in application of the Entity's Guidelines referred to above, and implement the internal control procedures it deems necessary to ensure that the Information is free from material misstatement, whether due to fraud or error.

The Statement has been prepared by the Board of Directors.

RESPONSIBILITY OF THE STATUTORY AUDITOR APPOINTED AS INDEPENDENT THIRD PARTY

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code;
- the fairness of the historical information (whether observed or extrapolated) provided pursuant to I, 3° and II of Article R. 225-105 of the French Commercial Code, i.e. the outcomes of policies, including key performance indicators, and measures implemented considering the principal risks.

As it is our responsibility to form an independent conclusion on the Information prepared by management, we are not permitted to be involved in the preparation of the Information as doing so may compromise our independence.

It is not our responsibility to comment on:

- the Entity's compliance with other applicable legal and regulatory provisions (in particular the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy), the French duty of care law and anti-corruption and tax avoidance legislation);
- the fairness of the information required by Article 8 of Regulation (EU) 2020/852 (green taxonomy);
- the compliance of products and services with the applicable regulations.

Regulatory provisions and applicable professional standards

We performed the work described below in accordance with Articles A. 2251 et seq. of the French Commercial Code, the professional standards issued by the French Institute of Statutory Auditors (CNCC) which apply to this engagement, in particular the technical notice issued by the CNCC – Intervention du commissaire aux comptes – *Intervention de l'OTI – Déclaration de performance extra-financière*, serving as the verification programme, and the international standard ISAE 3000 (revised) – *Assurance engagements other than audits or reviews of historical financial information*.

Independence and quality control

Our independence is defined by the requirements of Article L.822 -11 of the French Commercial Code and the French

Independent third party's report on the consolidated non-financial information statement

Code of Ethics (*Code de déontologie*) for Statutory Auditors. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, ethical requirements and professional standards issued by the CNCC relating to this engagement.

Means and resources

Our work engaged the skills of five people between October 2023 and February 2024 and took a total of five weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted 25 interviews with people responsible for preparing the Statement, representing in particular the departments of CSR, Administration and Finance, Risk Management, Compliance, Human Resources, Health and Safety, the Environment and Purchasing.

Nature and scope of procedures

We planned and performed our work taking into account the risk of material misstatement of the Information.

In our opinion, the procedures we have performed in the exercise of our professional judgment enable us to provide a limited level of assurance:

- we obtained an understanding of all the consolidated entities' activities and the description of the principal risks associated;
- we assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- we verified that the Statement includes each category of social and environmental information, as well as information regarding compliance with human rights and anticorruption and tax avoidance legislation and includes, where applicable, an explanation for the absence of the information required under the 2nd paragraph of Article L. 225-102-1 III of the French Commercial Code;
- we verified that the Statement provides the information required under Article R. 105-105 II of the French Commercial Code, where relevant with respect to the principal risks;
- we verified that the Statement presents the business model and a description of principal risks associated with

all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated with the principal risks. We referred to documentary sources and conducted interviews to:

- assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and
- corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in the appendix. Our work was carried out on the consolidating entity FDJ SA.
- we verified that the Statement covers the scope of consolidation, i.e. all the consolidated entities in accordance with Article L. 233-16 of the French Commercial Code, within the limitations set out in the Statement, where applicable;
- we obtained an understanding of internal control and risk management procedures the Entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information;
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in the appendix, we implemented:
 - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in that data;
 - tests of details, using sampling techniques or other selection methods in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities, i.e. FDJ SA and FGS France, and covers between 40% and 100% of the consolidated data relating to the key performance indicators and outcomes selected for these tests.
- we assessed the overall consistency of the Statement based on our knowledge of all the consolidated entities;

We believe that the work carried out, based on our professional judgement, is sufficient to provide a basis for our limited assurance conclusion; a higher level of assurance would have required us to carry out more extensive procedures.

Neuilly-sur-Seine, 22 February 2024

Independent third party,

PricewaterhouseCoopers Audit

Jean-Paul Collignon

Partner

Aurélie Castellino-Cornetto

Partner - Sustainable Development

APPENDIX: LIST OF INFORMATION WE CONSIDERED MOST IMPORTANT**Key performance indicators and other quantitative results:**

- Overall compliance with responsible gaming and security criteria;
- Number of audits to ensure compliance with the law prohibiting sales to underage players;
- Number of retailers whose licence has been suspended for failing to enforce underage gambling laws;
- Number and share of new or re-issued games subject to a Serenigame® matrix;
- Share of adspend devoted to responsible gaming messages across all media formats;
- Distribution of online lottery, online sports betting and online poker players as assessed by Playscan;
- Amounts allocated through responsible gaming partnerships;
- Number of reports processed related to vulnerable gambling situations;
- Number of vulnerabilities managed;
- Fraud rate (non-payments) on remote debit and credit card payments;
- Number of suspicious activity reports to TRACFIN;
- Number and share of FDJ employees targeted by GDPR awareness initiatives;
- Number of alerts transmitted to the national platform;
- Number of sports players made aware of the increasing risks of manipulation of sports competitions and the good reflexes to have;
- Number and share of employees having completed ethics and anti-corruption training;
- Effective tax rate;
- Amount of tax expense;
- Average payment time (in number of days);
- Amount of purchases from ESATs and EAs by the Group's French entities;
- Share of suppliers falling into the 'very high' and 'high' CSR risk categories covered by a CSR performance assessment;
- Total number of training hours at FDJ SA and the FDJ Group;
- Percentage of payroll expenditure devoted to training at FDJ SA, FGS France and the FDJ Group;
- Number of employees trained during the year at FDJ SA and the FDJ Group;
- Percentage of employees covered by a collective agreement at FDJ SA and the FDJ Group;
- Percentage of employees covered by an employee representation body at FDJ SA and the FDJ Group;
- Number of labour agreements signed during the year;
- Proportion of women in the total Group workforce and in the Group of Executive Managers;
- Proportion of women managers at FDJ SA, FGS France and the FDJ Group;
- Rate of promotion among employees with permanent contracts;
- Direct employment rate of people with disabilities at FDJ SA and the FDJ Group;
- Number and percentage of work-study trainees within FDJ SA and the FDJ Group;
- Average well-being at work score given by employees;
- Absenteeism rate at FDJ SA, FGS France and the FDJ Group;
- Workplace accident frequency rate at FDJ SA, FGS France and the FDJ Group;
- Workplace accident severity rate at FDJ SA, FGS France and the FDJ Group;
- Engagement rate of employees at the FDJ Group;
- Employee response rate in the FDJScope survey;
- Amount of contributions by the FDJ Group to public interest causes;
- Number of recipients of support from the FDJ Foundation in the last five years;
- Number of associations supported by the FDJ Foundation in the last five years;
- Amount of financial aid granted by the FDJ Corporate Foundation;
- Number of civil society organisations (CSOs) belonging to the Social Laboratory;
- Attendance rate of CSO members during Social Laboratory sessions;
- Number of members of the Stakeholder Committee;
- Member attendance at Stakeholder Committee meetings;
- FDJ's contribution to French GDP;
- Number of jobs created or made permanent through FDJ's activity;
- FDJ's contribution to jobs in the bar-tobacconist-newsagent sector;
- Percentage of purchases (in value terms) made from suppliers located in France by FDJ SA and the FDJ Group's French entities;
- Percentage of purchases (in value terms) made from SMEs and ISEs (of the purchases made in France) by FDJ SA and the FDJ Group's French entities;
- 2022 carbon emissions according to the GHG Protocol methodology: Scopes 1, 2 and 3 and total;
- Change in Scope 1 and 2 emissions between 2017 and 2022;
- Percentage of gaming materials printed on paper from FSC®-certified responsible sources

Independent third party's report on the consolidated non-financial information statement

Qualitative information (measures and outcomes):

- Roll-out of new prevention message displays in points of sale;
- Reinforcement of commitment to broadcasting prevention messages in the form of a series of television campaigns focusing on responsible play;
- Distribution to players of a new responsible gaming pamphlet in points of sale;
- Optimisation of the visibility of responsible gaming measures on the "fdj.fr" website by highlighting tips and services for players;
- Roll out of a Responsible Gaming Action Plan for the 2023 Rugby World Cup;
- Adaptation of the fraud risk detection system to new offers and products;
- Roll-out of the three-year training plan to familiarise retailers with money laundering risks and the importance of tackling them;
- Number of retailers trained in 2023 and proportion of retailers trained between 2021 and 2023;
- Activation of two-factor authentication on players' log-in pages;
- Provision of financial and human resources following on from the Council of Europe's KCOOS+ (Keep Crime Out of Sport+) project as part of the new ACT (Addressing Competition manipulation Together) programme;
- Implementation of a #BuyForGood purchasing decarbonisation programme;
- Choose My Company Happy Trainees score;
- Renewal of seats on employee representation bodies;
- Roll-out of an in-house inclusion and diversity awareness campaign with dedicated sessions for the Group Management Committee, the representatives of employee representation bodies and the HR team;
- Seated massage sessions offered to staff at the Boulogne site for four weeks, provided by a practitioner with a visual impairment as part of their training programme at a vocational rehabilitation centre, combining QWL and disability awareness;
- Number of women benefiting from the programme to cover a portion of the costs involved in practising a sport;
- Organisation in June 2023 of a "Labo Info" meeting during which the findings of a research study into the social cost of gambling were presented;
- Acquisition in 2023 of a digital platform to calculate the Group's carbon assessment and coordinate emissions reduction plans;
- Participation in two WorldCleanUpDay sessions and volume of waste collected by all participants;
- Organisation of Climate Fresk sessions for employees;
- Ongoing validity with the FSC of FDJ SA's promotional licence;
- Installation of EV charging terminals at FDJ sites and sales agencies;
- To coincide with the Tour de France, partial financing of "Tour de France de la Biodiversité" videos produced in conjunction with the national museum of natural history.



05 Analysis of financial position

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Highlights 2023

Various factors affect the Group's business and results:

- large jackpots in the Loto® and Euromillions draw games, which lead to rises in stakes, notably from new players attracted by the big prizes;
- the calendar of sports events;
- the product mix: as payout ratios and public levies rates vary between ranges, changes in the product mix affect both revenue and results;
- the distribution channel mix: for the lottery, for example, online business has a structurally higher contribution margin than PoS business.

The Group's balance sheet structure at 31 December and its annual cash generation are also affected by:

- the schedule of collections from and disbursements to the point-of-sale network: retailers are invoiced and debited on fixed days of the week, which can lead to material variations in working capital;
- winnings payable to players: large prizes may be won at the year-end and remain uncashed at 31 December;
- large jackpots at the year-end, leading to increases in player funds (see 5.2.1.2 "Specific funds provided for by game rules").

5.1 Highlights 2023

5.1.1 Highlights of the financial year

LOTTERY, SPORTS BETTING AND ONLINE GAMING OPEN TO COMPETITION

Strong lottery fundamentals: revenue of €1.938m, up 1.1% and up 4.9% excluding Euromillions and Amigo

Successful animation of the instant games portfolio, such as the launches and relaunches of Carré Or in January, Club Color in March, As de Cœur in October and Mission Nature in November.

Successful launch of Eurodreams in partnership with eight other European lotteries

This game, whose first draw took place on 6 November, gives players the chance to win up to €20,000 a month for 30 years at tier 1 and €2,000 a month for five years at tier 2.

EuroDreams is a success, especially online, as this game has the highest digitisation rate of draw games.

Low number of high jackpot Euromillions draws (> €75 million)

After a 2022 financial year that had recorded a record number of high jackpot Euromillions draws (43), 2023 was marked by the low number of these draws (23), particularly in the second semester (8 vs. 27 in 2022), which affected overall stakes given the strong attraction of such jackpots. Nevertheless, stakes on high jackpots offered in 2023 have reached historically very high levels.

As Euromillions is a game with a high stakes-into-revenue conversion rate, it was therefore particularly affected by the low number of high jackpot draws. The same applies to the performance of the online lottery, as this game has a significant digitisation rate.

Net gaming revenue from online lottery games increased by more than 10%, and by more than 17% excluding Euromillions. This performance was mainly due to a further increase in the number of players. More than 5 million players played at least once a year in an FDJ online lottery game.

In terms of responsible gaming, the target of generating less than 2% of the gross gaming revenue of online lottery games with high-risk players was achieved in 2023.

New Amigo formula

Amigo, a point-of-sale game with a draw every 5 minutes, was relaunched in early June 2023 with a revised formula in accordance with the decision of the French regulator (Autorité nationale des jeux). This revision notably concerns the reduction in the number of draws (with a suspension of 15 minutes per hour between 6:00 and 14:00) and the maximum amount per bet (€8 vs €20). Since its relaunch, Amigo's business has stabilised at a level down by around -25% compared to the same period in 2022.

Good momentum in sports betting and online gaming open to competition, bolstered by a presence in all gaming segments

FDJ has historically been present in point-of-sale and online sports betting, online poker since the end of 2022 and online horse-race betting since the acquisition of ZEturf at the end of 2023.

Sports betting and online gaming open to competition continued to show good momentum, with a revenue up 10.9% to €518 million and up 8.4% excluding ZEturf.

This performance is based on a still buoyant sports betting market, which benefited in particular from the momentum generated by the FIFA World Cup at the end of 2022. For the third consecutive year, ParionsSport En Ligne has gained market shares. Revenue growth is also explained by the first consolidation of ZEturf in the fourth quarter and sporting results favourable to the operator, in particular during the Champions League and Ligue 1. In addition, the poker offer works very well, with nearly 20% of online sports betting players also playing it.

Strong growth in online games: net gaming revenue (NGR) up 18.8% to nearly 13% of the total, compared to more than 11% in 2022

The strong momentum of the Group's online activities, lottery on the one hand and sports betting and online gaming open to competition on the other, enabled FDJ to record an increase of 18.8% in its net gaming revenue from online games, which represents nearly 13% of total NGR compared with 11% in 2022. Excluding the integration of PLI and ZEturf in the fourth quarter, the annual increase in NGR for online gaming activities would have been 13.9%.

CONFIRMATION OF THE EXCLUSIVE RIGHTS OF LA FRANÇAISE DES JEUX BY THE COUNCIL OF STATE

Following a referral in December 2019 by an association and several gambling companies, the French Council of State ruled, on 14 April 2023, that La Française des Jeux's exclusive rights comply with European Union law. It also ruled that the twenty-five-year term of its exclusive rights, defined in the framework of the Pacte Law, is not excessive.

Concerning the equalisation payment of €380 million paid to the State in respect of its exclusive rights, the Council of State will decide after the European Commission's decision on the appropriateness of this sum, following its State aid investigation launched in July 2021.

EXTERNAL GROWTH TRANSACTIONS

Premier Lotteries Ireland (PLI)

On 3 November 2023, FDJ finalised the acquisition of 100% of the share capital of Premier Lotteries Ireland, which holds exclusive rights to operate the Irish National Lottery until 2034, after the authorisation from the Irish National Lottery regulator. This transaction is part of FDJ's strategic ambition to become an international B2C operator and FDJ thus operates a foreign lottery for the first time.

PLI's strategic plan aims to accelerate its growth and increase its profitability by sharing the best practices of the two operators so as to capitalise on FDJ's experience to run PLI's instant games portfolio, boost the draw game player base, and continue to improve the digital experience of Irish players.

ZEturf

The acquisition of the ZEturf group, an online horse-race betting and online sports betting operator under the ZEBet brand, was finalised on 29 September 2023 following the authorisation from the French Competition Authority.

ZEturf rounds out FDJ's online betting offering, which has become the fourth largest operator in the French sports betting and online gaming open to competition market, with a market share of more than 10%.

In order to take full advantage of the merger with ZEturf and the synergies within its competitive online activity, the FDJ Group will adopt a new organisation for this activity, in line with the commitments made to the Competition Authority.

SOCIETAL COMMITMENTS

Increased support for the prevention of underage gambling

To further bolster its actions to support responsible gaming, FDJ has made a €10 million commitment over the period 2023-2028 to support the programme run by the ARPEJ association to prevent underage gambling.⁽¹⁾

Excellent non-financial scores maintained

- For the fifth year in a row, Moody's ESG Solutions awarded FDJ the highest sustainability rating in the Hotels, Leisure and Services sector (72/100). The next-highest operator in the sector scored 53/100. The Group thus ranks 20th out of nearly 5,000 global businesses tracked by Moody's ESG Solutions.
- FDJ kept its place in the Top 3 for its sector with S&P Global ESG Scores in spite of stricter requirements.
- MSCI raised FDJ's sustainability score of A (in 2021 and 2022) to AA in 2023, with a maximum score in the environmental section (10/10).

PERFORMANCE BENEFITING ALL STAKEHOLDERS

For the eighth successive year, advisory firm Bureau d'information et de prévision économique BDO-Bipe assessed the FDJ Group's contribution to the economy and society in France.

- in 2023, FDJ's contribution to national wealth amounted to €6.6 billion, or 0.25% of France's gross domestic product (GDP);
- in terms of employment, the FDJ Group's business created or sustained 56,000 jobs in France, including 21,800 in its network of bars, tobacconists and newsagents.

FDJ's growth benefits the national collectivity, in particular the **public finances**, with an overall contribution of over €4.3 billion, including €4.1 billion in gaming levies, benefiting:

- France's vulnerable heritage: France's vulnerable heritage: thanks to the 2023 edition of the Mission Patrimoine lottery games, over €28 million was paid out to the Fondation du Patrimoine (French Heritage Foundation); and
- French sport at both the amateur and professional level, via the action of the Agence nationale du sport (ANS).

The value created by the FDJ Group is shared between **employees** and **shareholders**, through:

- personnel expenses of €369 million, including payments under profit-sharing and incentive schemes equal to 24% of payroll⁽²⁾; and
- €262 million in dividends in respect of the 2022 financial year, which benefit veterans' associations, who are long-standing shareholders, to finance their social initiatives, and nearly 400,000 individual shareholders.

The Group has an economic impact nationwide, benefiting:

- **Local retail trade**, with fees of €983 million paid to its 29,000 retailers; and
- **French suppliers**, through purchases of €648 million, overwhelmingly from SMEs and intermediate-sized enterprises, representing over 85% of procurement.

(1) The commitment is provided to the RPEJ endowment fund.

(2) Before social security (URSSAF) contributions.

Analysis of Group consolidated results

5.1.2 Significant post-closing events

On 22 January 2024, FDJ announced that it was launching a tender offer for Kindred, one of Europe's leading online betting and gaming companies, to implement its ambition to become an international gaming operator, and thus create a European champion.

This offer:

- is made at a price of SEK 130 per share listed on Nasdaq Stockholm, and corresponds to an enterprise value of Kindred of €2.6 billion; and

- will create value for FDJ's shareholders. In particular, it should enable FDJ to increase the dividend per share by 10%, starting from the dividend payable for the 2025 financial year.

The transaction takes the form of a public tender offer, which will open on 20 February 2024 for a period of nine months. The completion of the takeover bid will remain subject in particular to obtaining regulatory authorisations and the acquisition by FDJ of at least 90% of Kindred's share capital.

5.2 Analysis of Group consolidated results

5.2.1 Specific features of the Group

5.2.1.1 DESCRIPTION OF THE REGULATORY FRAMEWORK

The FDJ Group operates in the gaming sector; a highly regulated industry under strict State control. Gaming in France is generally prohibited, subject to restricted exemptions (see Chapter 1, Note 1.5 "Regulatory Environment").

The online sports betting and gaming businesses, which are open to competition are governed notably by Law no. 2010-476 of 12 May 2010 and conducted within the framework of a five-year licence. FDJ's licence for sports betting was last renewed by the ANJ in 2020, while its licence for online poker was granted by the ANJ in October 2022. ZEturf, which FDJ acquired in 2023, also holds licences for online horse-race betting and sports betting.

The Pacte Law of 23 May 2019 confirmed FDJ's exclusive rights to operate online and point-of-sale lottery games (draw games and instant games) and point-of-sale sports betting activities for a period of 25 years. It also defines the basis, rates and territorial scope⁽¹⁾ of the public levies on all lottery games and sports betting, regulates the payout ratios for lottery games and sets upper limits on payouts for online and point-of-sale sports betting.

These texts and the regulatory measures taken in order to apply them impose strict State control on the operation of the exclusive rights, which is exercised in practice through specific prerogatives, such as ministerial approval of the corporate directors before their appointment, ministerial

approval of any draft amendments to the Company's articles of association, and the presence of a Government commissioner with the right to veto decisions taken by the Board of Directors.

Premier Lotteries Ireland, which FDJ acquired in 2023, has exclusive rights to operate the games of the Irish National Lottery. It holds these rights for a twenty-year period from 2014 until 2034 under the terms of an exclusive licence awarded by the Regulator of the National Lottery on the basis of the National Lottery Act 2013.

PUBLIC LEVIES EXCLUDING INCOME TAX - FRANCE

As % of GGR	Loto® / EuroMillions	Other lottery games
National Sports Agency (Agence Nationale du Sport – ANS)	5.10%	5.10%
Contribution Sociale Généralisée (CSG)	6.20%	6.20%
Contribution au Remboursement de la Dette Sociale (CRDS)	2.20%	2.20%
General State Budget	54.50%	42.00%
TOTAL	68.00%	55.50%

(1) The tax and social charges applicable to lottery games and sports betting are levied on the basis of gross gaming revenue, except in the following locations where they continue to be levied on stakes: French Polynesia, Principality of Monaco, Saint-Barthélemy, Saint-Martin, and Saint-Pierre-et-Miquelon.

As % of GGR	PoS sports betting	Online sports betting
Tax levies on sports betting	27.90%	33.70%
ANS	6.60%	10.60%
Social security levies on sports betting	6.60%	10.60%
TOTAL	41.10%	54.90%

As % of GGR	Online horse- race betting
Tax levies on online horse-race betting	20.2%
Horse racing organisations	23.8%
Social security levies on online horse-race betting	6.9%
TOTAL	50.9%

Online poker is taxed on the basis of stakes. The overall charge comprises a tax levy of 1.8% (capped at €0.90 per deal for cash games)⁽¹⁾ and a social security levy of 0.2% of stakes (capped at €0.10 per deal for cash games).

5.2.1.2 GAME LIFE CYCLE EFFECT

While the Group does not experience any marked seasonality between the two halves of the financial year, the level of stakes placed on draw games is liable to vary in line with the life cycle of the Loto® and Euromillions games. Draws with a large jackpot⁽²⁾ are highly attractive to players.

5.2.1.3 SPECIFIC FUNDS PROVIDED FOR BY GAME RULES

The rules of pooled games in France provide for various funds to be set up to ensure the proper operation of the game:

- Rollover funds⁽³⁾ are fed by top-tier prizes (jackpots) when no there is no jackpot winner. They fund the jackpot rollovers for the Loto® and Euromillions games. The rollover funds are used when a draw produces at least one top-tier prize winner;
- Super Jackpot funds⁽⁴⁾ are directly fed by a portion of stakes. They are used to fund guaranteed minimum jackpots (e.g. €2 million for Loto®, €17 million for Euromillions) and for planned events in connection with pooled games (e.g. Super Loto® and Grand Loto® for Loto® and Mega Jackpots for Euromillions).

Game rules in Ireland also provide for funds to be set up to ensure the proper operation of the main draw games.

(1) A cash game is a hand of poker played with real money, as opposed to a tournament game, where players join by paying an entry fee and play with chips that have no monetary value.

(2) More than €75 million for Euromillions and €8 million for Loto

(3) Rollover funds are fed by the portion of the payout ratio allocated in a given draw to the top-tier prizes, when there is no prize winner and when the corresponding money is not redistributed among lower-tier prizes. The Euromillions rollover fund is shared between the participating lotteries.

(4) The Loto® and Bingo Live super jackpot funds are funded from the share of the payout ratio allocated to top-tier prizes, and drawn down when the amount in the game's rollover fund is insufficient to pay the guaranteed jackpot. The Euromillions super jackpot is funded depending on the draw cycle. In the first six cycles without a top prize winner, 4.80% of the portion of stakes allocated to prizes is allocated to the super jackpot fund. This rises to 21% as from the seventh cycle. This fund is drawn down using the same principle as the other games.

Analysis of Group consolidated results

5.2.2 Consolidated income statement

The table below presents the Group's consolidated income statement (in millions of euros) for the year ended 31 December 2023.

In millions of euros	31.12.2023	31.12.2022	Change	
Gross gaming revenue (GGR)	6,710.4	6,525.6	184.8	2.8%
Public levies	-4,237.1	-4,147.4	-89.7	2.2%
Other revenue from sports betting	8.2	10.2	-2.0	-20.1%
Net gaming revenue (NGR)	2,481.4	2,388.4	93.1	3.9%
Revenue from other activities	140.0	72.7	67.2	92.5%
Revenue	2,621.4	2,461.1	160.3	6.5%
Cost of sales	-1,392.5	-1,329.6	-63.0	4.7%
Marketing and communication expenses	-455.6	-460.9	5.3	-1.2%
General and administrative expenses	-229.9	-200.0	-29.9	14.9%
Other operating income and expenses	-11.6	-11.4	-0.2	1.5%
Recurring operating profit	531.8	459.2	72.6	15.8%
Recurring EBITDA	656.8	590.1	66.8	11.3%
Operating profit	521.1	448.8	72.3	16.1%
Net financial income	42.7	-28.7	71.4	-248.9%
Share of net income from joint ventures	2.1	1.1	1.1	96.3%
Income tax expense	-141.0	-113.3	-27.6	24.4%
NET PROFIT	425.1	307.9	117.2	38.1%
BASIC EARNINGS PER SHARE (IN EUROS)	2.23	1.61	0.61	38.1%

Gross gaming revenue (GGR) is the benchmark for the level of business in the gaming sector. To ensure improved comparability, the presentation of the FDJ Group's income

statement is now aligned with this aggregate, which corresponds to stakes less winnings plus the GGR of other activities.

5.2.2.1 REVENUE

In millions of euros	2023	2022	Change	%	Change of scope	Organic change
Lottery	1,937.8	1,916.2	+21.5	+1.1%	-	+1.1%
Sports betting and online gaming open to competition	518.1	467.0	+51.1	+10.9%	+2.5%	+8.4%
Adjacent activities	165.5	77.8	+87.6	+112.6%	+104.7%	+7.9%
GROUP TOTAL	2,621.4	2,461.1	+160.3	+6.5%	+3.7%	+2.8%

Gross gaming revenue (GGR, i.e. stakes less winnings) was €6,710.4 million (+2.8%). Net gaming revenue (NGR, i.e. GGR less public levies on games) represents FDJ Group's remuneration on its gaming activities. After deducting public levies of €4,237.1 million (+2.2%), NGR came to €2,481.4 million (+3.9%).

After taking account of €140.0 million in revenue from other activities, Group **revenue** came to €2,621.4 million, an increase of 6.5% relative to 2022, or 2.8% on a like-for-like basis.⁽¹⁾

(1) Including a full-year contribution from Aleda and L'Addition for 2022, and excluding the contribution of ZEturf and PLI in 2023.

5.2.2.2 RECURRING OPERATING PROFIT/RECURRING EBITDA

Cost of sales was €1,392.5 million (+4.7%). This includes €983 million (+1.9%) of remuneration paid to retailers, which correlates with the increase in PoS stakes. The €44.6 million rise in other items is mainly due to acquisitions, notably the Aleda acquisition.

Marketing and communication expenses include advertising and offer design costs, as well as the IT costs related to the development and operation of games and services. The total for the year was €455.6 million. The decrease of 1.2% was mainly attributable to the Group's advertising spend, notably on corporate communications; the total thus came out at less than 1% of GGR.

General and administrative expenses mainly include personnel expenses and operating costs for central corporate functions, as well as building and IT infrastructure costs. The 14.2% increase to €241.5 million was mainly due to changes in consolidation scope, as well as an exceptional

allowance of €10 million to support actions carried out by the non-profit sector to prevent underage gambling over the 2023-2027 period.

The Group's **recurring operating profit** accordingly amounted to €531.8 million, an increase of 15.8%.

Net depreciation and amortisation fell to €125.1 million from €130.9 million in 2022.

Recurring EBITDA was €656.8 million, up by 11.3%. The recurring EBITDA margin was 25.1%, higher than the figure of 24.0% for 2022.

The level of recurring EBITDA reflects in particular the sustained momentum of online gaming. It also reflects the unusual level of sports results favouring the bookmaker towards the end of the year, as well as a reversal of provisions in relation to the disputes with former agent-brokers. If these items were excluded, the margin would be 24.3%.

5.2.2.3 INFORMATION - OPERATING SEGMENTS

	31.12.2023						
	Lottery BU	Sports betting and online gaming open to competition BU	Adjacent activities	Holding	Total before dep./amort.	Dep./amort.	Group total
In millions of euros							
<i>Gross gaming revenue (GGR)</i>	5,564	1,076	70	0	6,710		6,710
<i>Net gaming revenue (NGR)</i>	1,933	516	33	0	2,481		2,481
Revenue	1,938	518	165	0	2,621		2,621
Cost of sales	-1,046	-239	-73	0	-1,357	-35	-1,393
Marketing and communication expenses	-170	-126	-77	-30	-402	-53	-456
Contribution margin	723	153	15	-30	862	-88	773
General and administrative expenses & Other operating income and expenses				-205	-205	-37	-241
Recurring EBITDA					657		
Depreciation and amortisation						-125	
Recurring operating profit							532

5.2.2.5 NET FINANCIAL INCOME

Net financial income for the years ended 31 December 2023 and 2022 breaks down as follows:

In millions of euros	2023	2022
Cost of debt	-13.8	-6.6
Financial income	67.7	15.8
Other financial expenses	-11.1	-38.0
NET FINANCIAL INCOME	42.7	-28.7

The cost of financial debt mainly comprises the interest expense on the loans taken out to secure the exclusive operating rights and to acquire the registered office and Sporting Group.

Financial income and other financial expenses mainly comprise changes in the fair value of financial assets.

The increase in **net financial income** essentially resulted from the movements in the financial markets, which rose in 2023 after having fallen in 2022. The figure for 2023 includes the rise of €7 million in the value of the dedicated bond funds maturing in 2024. The Group intends to hold these assets to maturity. They will be repaid at their nominal value, and will thus revert to their initial valuation.

Amid a very difficult global environment for tech in 2023, with declining investments in start-ups and falling valuations, the fair value of the investments via FDJ Ventures shrank by €5 million.

5.2.2.6 INCOME TAX EXPENSE

The income tax expense was €141.0 million, implying an effective tax rate of 25.0%.

5.2.2.7 NET PROFIT

Consolidated net profit thus came to €425.1 million (2022: €307.9 million).

5.2.3 Financial structure of the Group

5.2.3.1 CONSOLIDATED STATEMENT OF FINANCIAL POSITION (SIMPLIFIED)

In millions of euros	31.12.2023	31.12.2022	Change
Non-current assets	2,063.5	1,802.6	260.9
<i>of which goodwill</i>	190.8	56.6	134.1
<i>of which exclusive operating rights</i>	581.6	325.1	256.5
<i>of which other intangible assets</i>	346.0	182.6	163.4
<i>of which property, plant and equipment</i>	366.2	353.1	13.0
<i>of which non-current financial assets</i>	559.9	866.9	-307.0
Current assets	1,672.6	1,489.0	183.6
<i>of which trade and distribution network receivables</i>	559.5	465.8	93.7
<i>of which other current assets</i>	272.3	256.6	15.7
<i>of which current financial assets</i>	265.4	207.7	57.7
<i>of which cash and cash equivalents</i>	538.6	513.4	25.2
Assets held for sale	24.6	24.2	0.5
TOTAL ASSETS	3,760.8	3,315.7	445.0

Analysis of Group consolidated results

In millions of euros	31.12.2023	31.12.2022	Change
Equity	1,071.1	925.4	145.7
Non-current liabilities	540.8	521.2	19.6
<i>of which non-current financial liabilities</i>	397.5	431.1	-33.6
Current liabilities	2,139.3	1,858.3	280.9
<i>of which trade and distribution network payables</i>	478.5	465.7	12.8
<i>of which current player funds</i>	339.9	304.6	35.3
<i>of which public levies liabilities</i>	606.5	459.0	147.5
<i>of which winnings payable - player balances</i>	343.1	319.8	23.2
<i>of which other current liabilities</i>	258.0	222.1	35.9
<i>of which current financial liabilities</i>	90.8	74.4	16.4
Liabilities held for sale	9.6	10.7	-1.1
TOTAL EQUITY AND LIABILITIES	3,760.8	3,315.7	445.0

The finalisation of the ZEturf and PLI acquisitions in 2023 led to the recognition of two new provisional goodwill items totalling €134 million (€72 million for ZEturf and €63 million for PLI).

The **exclusive operating rights** represent:

- the securing, via the Pacte Law, of exclusive rights to operate lottery activities both online and in physical points of sale, and to operate sports betting activities in physical points of sale, for a period of 25 years in France. This asset, with an initial amount of €380 million, is being amortised over this term from 23 May 2019, the date of enactment of the Pacte Law (Law no. 2019-486);
- the value attributed by the Group to the exclusive licence to operate the lottery games marketed by PLI in Ireland. This asset, with a value of €276 million, is being amortised over the remaining lifetime of PLI's licence (11 years).

The decrease of €249 million in **current and non-current financial assets** mainly results from the term deposits that were used to fund the investments made during the year (ZEturf and PLI acquisitions).

The growth in **trade and distribution network receivables** is attributable to a calendar effect and a high level of stakes during the final few days of the year, as well as the first-time consolidation of PLI.

Cash and cash equivalents increased by €25 million. Cash flow generated from operating activities (+€629 million) and the change in current and non-current financial assets (+€303 million) were offset by the payments made, net of cash acquired, in respect of the ZEturf and PLI acquisitions (-€212 million), capital expenditure (-€125 million), the payment of the dividend for the 2022 financial year (-€253 million) and the repayment of borrowings, including the acquisition debt in relation to PLI and ZEturf (-€298 million).

Non-current financial liabilities mainly comprise:

- the portion due in more than one year (€290 million) of the loan taken out on 1 April 2020 to pay the financial consideration for the securing of the exclusive operating rights (original nominal value €380 million; repayable in instalments over 20 years; floating interest rate; interest rate hedge in place in relation to €215 million);
- the portion due in more than one year (€56 million) of the loan linked to the acquisition of the Group's headquarters (original nominal value €120 million; fixed interest rate; repayable in instalments; matures 24 November 2031);
- lease liabilities of €34 million recognised pursuant to IFRS 16.

The change in **trade and distribution network payables** is due to a calendar effect and to the higher level of stakes placed in the final few days of the year.

Public levies liabilities (2023: €607 million; 2022: €459 million) were made up of:

- public levies on activities of €405 million at 31 December 2023 (2022: €342 million), mainly comprising:
 - amounts payable to the French General State Budget of €267 million at 31 December 2023 (2022: €235 million); an advance of €194 million on these payables was paid at the end of December 2023 and is disclosed in current assets (2022: €202 million),
 - social security tax payables (CSG, CRDS), public levies on sports betting, and payables to other local authorities of €138 million at 31 December 2023 (2022: €107 million), including public levies payable by ZEturf and PLI;
- unclaimed lottery and sports betting prizes of €202 million recognised in 2023 (2022: €117 million), which will be paid to the French State in the first half of 2024.

Winnings payable and player balances totalled €343 million at 31 December 2023 (2022: €320 million). They mainly comprise:

- winnings payable, i.e. unexpired, unpaid winnings owed to players (2023: €226 million; 2022: €237 million);
- available funds in player accounts (2023: €72 million; 2022: €54 million);
- winnings due to online players in the course of payment (2023: €14 million; 2022: €12 million).

Assets and liabilities held for disposal at the end of 2023 concern the B2B assets of Sporting Group, which the Group intends to sell. The assets and liabilities held for disposal in the Group's financial statements at 31 December 2022 were the Sporting Group B2C assets, which were sold in November 2023.

5.2.3.2 BORROWINGS

	Interest rate	Hedging	Purpose	Schedule	Specific terms and conditions	Principal remaining due
Bred Banque Populaire (nominal amount of €120 million)	Fixed	-	Financing of the head office	Start: November 2016 Term: 15 years Half-yearly repayments	Early repayment in full in the event of a change of control or if the French State ceases to hold, directly or indirectly, 33.34% of the share capital and voting rights of FDJ. First-rank mortgage without recourse on the building housing the registered office, in the event of a change of control or if the financial debt ratio (net debt ⁽¹⁾ /recurring EBITDA) exceeds 3.	€64 million at 31.12.2023 €72 million at 31.12.2022
Syndicated loan with nominal amount of €100 million ⁽²⁾	Variable	-	Financing for the acquisition of Sporting Group	Start: May 2019 Repayments in 2020 (£40 million), 2021 (£5 million), 2022 (£31 million), 2023 (£15 million), 2024 (£3 million), and 2026 (£5 million)	Early repayment in full if the Group loses its exclusive rights to operate online and point-of-sale lottery games and point-of-sale sports betting, or in the event of a change of control, defined as (i) the French State ceasing to hold a percentage of FDJ's share capital, unless it continues to exercise close control, or (ii) a third party holding at least 50% of FDJ's share capital or voting rights.	€10 million at 31.12.2023 €27 million at 31.12.2022
Syndicated loan with nominal amount of €380 million ⁽³⁾	Variable	Interest rate hedged 66%	Financing of exclusive operating rights	Start: April 2020 Term: 20 years Quarterly repayments	Early repayment in full if the Group loses its exclusive rights to operate online and point-of-sale lottery games and point-of-sale sports betting, or in the event of a change of control, defined as (i) the French State ceasing to hold at least 10% FDJ's share capital, or (ii) a third party holding at least 33.34% of FDJ's share capital or voting rights, or (iii) the French State ceasing to exercise close control over FDJ.	€309 million at 31.12.2023 €328 million at 31.12.2022

(1) Net debt corresponds to the total amount of capital and interest accrued on short, medium and long-term loans and debt (of any kind, including shareholder current accounts and any factoring or assignment of receivables unless non-recourse), less current and non-current assets at amortised cost and cash and cash equivalents.

(2) With Barclays Bank PLC, Crédit Agricole Corporate & Investment Bank and Société Générale.

(3) With a syndicate of banks (Bred Banque Populaire, Caisse d'Epargne Île-de-France, Caisse d'Epargne Hauts-de-France, Caisse Régionale de Crédit Agricole de Paris et d'Île-de-France and Crédit Lyonnais).

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5.2.3.3 NET CASH SURPLUS

The "net cash surplus" is the indicator that represents the Group's net cash position. The net cash surplus is made up of Non-current financial assets, Current financial assets and Cash & cash equivalents, net of Non-current financial liabilities and Current financial liabilities, less:

- (i) security deposits paid (current and non-current);
- (ii) cash subject to restrictions;
- (iii) amounts set aside exclusively for Euromillions and Eurodreams winners.

In millions of euros	31.12.2023	31.12.2022 (published)	31.12.2022 (restated) ⁽¹⁾
Non-current financial assets at amortised cost	200.0	395.0	395.0
Non-current financial assets at fair value through profit or loss	328.2	443.0	443.0
Non-current derivatives	11.2	19.0	19.0
Other	20.4	9.8	9.8
Total non-current financial assets	559.9	866.9	866.9
Current financial assets at amortised cost	186.6	192.2	192.2
Current financial assets at fair value through profit or loss	24.4	14.1	14.1
Current derivatives	0.0	0.7	0.7
Security deposits	54.3	0.7	0.7
Total current financial assets	265.4	207.7	207.7
Total financial assets	825.3	1,074.6	1,074.6
Investments, cash equivalents	406.4	353.0	353.0
Bank accounts and other	132.2	160.4	160.4
Total cash and cash equivalents	538.6	513.4	513.4
Non-current financial debt	-358.0	-401.3	-401.3
Non-current lease liabilities	-33.7	-28.4	-28.4
Other financial liabilities	-5.0	-1.4	-1.4
Non-current derivatives (liabilities)	-0.8	0.0	0.0
Total non-current financial liabilities	-397.5	-431.0	-431.0
Current financial debt	-73.9	-62.2	-62.2
Current lease liabilities	-11.0	-9.3	-9.3
Current derivatives	0.0	-0.3	-0.3
Bank overdrafts	0.0	-2.5	-2.5
Other financial liabilities	-6.0	-0.1	-0.1
Total current financial liabilities	-90.8	-74.4	-74.4
Total financial liabilities	-488.3	-505.4	-505.4
Security deposits received/paid (current and non-current)	-63.3	-9.1	-9.1
Cash subject to restrictions	0.0	-	0.0
Amounts set aside exclusively for Euromillions and Eurodreams winners	-70.0	-105.1	-105.1
Non-consolidated securities	-71.7	-	-68.7
NET CASH SURPLUS	670.6	968.3	899.6

(1) Non-consolidated securities, which are disclosed under non-current financial assets, have been excluded from the definition of the Net Cash Surplus since 1 January 2023. The comparative figures have been restated accordingly.

5.2.3.4 CASH FLOWS

1/ Net cash flow from operating activities

In millions of euros	31.12.2023	31.12.2022
OPERATING ACTIVITIES		
Recurring EBITDA	656.8	590.1
Change in provisions (recurring operating profit)	8.6	16.1
Other non-recurring operating income/expenses (cash)	-7.8	-10.2
Other non-cash items included in the income statement	1.0	3.5
Interest received	56.8	2.2
Utilisation of provisions – payments	-10.8	-8.4
Income taxes paid	-134.8	-123.3
Change in operating working capital	58.9	-63.9
NET CASH FLOW FROM OPERATING ACTIVITIES	628.9	406.1

In 2023, the €59 million increase in operating working capital was mainly driven by an increase in public levies in connection to the good business momentum in December, and by the increase in unclaimed prizes at the year-end.

In 2022, the €63 million decrease in operating working capital was mainly due to the increase in net receivables from the distribution network, following a negative calendar effect and a higher level of stakes at the period end, and the fact that some large prizes won by players at the end of 2021 were paid out in 2022.

2/ Net cash flow used in investing activities

In millions of euros	31.12.2023	31.12.2022
INVESTING ACTIVITIES		
Acquisitions of property, plant and equipment and intangible assets	-124.7	-104.1
Acquisitions of shares	-211.9	-42.9
Disposals of property, plant and equipment and intangible assets	0.1	-
Disposals of shares	9.8	-
Change in current and non-current financial assets	303.5	-104.8
Change in loans and advances granted	-3.9	60.2
Dividends received from joint ventures	1.2	3.0
Other	4.2	9.8
NET CASH FLOW USED IN INVESTING ACTIVITIES	-21.7	-178.7

Acquisitions of property, plant and equipment and intangible assets, net of corresponding payables and advances, amounted to €125 million⁽²⁾ in 2023 (2022: €104 million⁽³⁾). They mainly concerned IT and back office developments and PoS gaming terminals.

Acquisitions of €212 million in investments in 2023 represent the price paid for ZEturf and PLI (including cash).

Acquisitions of €43 million in investments in 2022 represent the price paid for L'Addition and Aleda (including cash).

Disposals of shares of €10 million in 2023 reflect the cash proceeds from the disposal of the Sporting Group B2C activities, which was completed in November 2023.

(2) €97 million before liabilities relating to non-current assets and payments in advance

(3) €102 million before liabilities relating to non-current assets and payments in advance

Analysis of Group consolidated results

The change in current and non-current financial assets (2023: €304 million inflow) is due to the significant rise in interest rates in 2023, which led the Group to focus its investments on term deposits in order to optimise returns and improve liquidity.

The €60 million deposit paid under the secured trust agreement, which was intended to protect the credit

balances of online players, was repaid in 2022 and replaced by a guarantee arrangement.

A payment of €10 million was received following the final liquidation in 2022 of Sporting Group companies that had ceased operations. It is disclosed in cash flows from investing.

3/ Net cash flow used in financing activities

In millions of euros	31.12.2023	31.12.2022
FINANCING ACTIVITIES		
Repayment of the current portion of long-term debt	-297.8	-71.8
Payment of lease liabilities	-8.2	-7.6
Dividends paid to ordinary shareholders of the parent company	-253.4	-229.5
Interest paid	-14.7	-5.3
Other	-6.3	-6.2
NET CASH FLOW USED IN FINANCING ACTIVITIES	-580.5	-320.5

The repayment of €298 million of financial debt in 2023 mainly concerns the repayment of the borrowings acquired in connection with the PLI and ZEturf acquisition, together with the current portion of existing borrowings. During 2023, the Group also made a voluntary early repayment of £15 million (€17 million) of the borrowings taken out in connection with the Sporting Group acquisition.

The repayment of €72 million of financial debt in 2022 mainly concerns the current portion of borrowings (€27 million) and the voluntary early repayment of £31 million (€37 million) of the borrowings taken out in connection with the Sporting Group acquisition.

Other cash flows from financing activities mainly relate to treasury shares held in connection with a liquidity agreement and the performance share scheme.

5.2.3.5 RESTRICTIONS ON USE OF CAPITAL

The participating Euromillions and Eurodreams⁽¹⁾ lotteries have established a trust governed by English law to cover counterparty and default risks. It is managed by a trustee, The Law Debenture Trust Corporation.

The Group deposits collateral in a fund, which is managed by the trustee (which has sole authority to execute payments). These amounts include:

- sums set aside exclusively for Euromillions and Eurodreams winners (2023: €70 million; 2022: €105 million), included in cash and cash equivalents;

- sums set aside by PLI in a specially established trust for Euromillions and Eurodreams winners (2023: €11 million), presented under current financial assets;
- the guarantee deposits for FDJ SA (2023: €8 million; 2022: €7 million), presented under non-current financial assets;

In the course of its business, PLI sets aside the funds needed to pay future winnings to players in a trust, in accordance with the rules laid down by the Irish regulator in connection with PLI's lottery licence. The value of the trust at 31 December 2023 was €41 million, which is presented under current financial assets.

The deposit paid under the secured trust agreement in order to protect the credit balances of ZEturf and ZEBet players was €8 million at 31 December 2023.

The €60 million deposit paid under the secured trust agreement, which was intended to protect the credit balances of FDJ's online players, was repaid in 2022 and replaced in by a guarantee provided by three leading European insurance companies.

5.2.3.6 NECESSARY FUTURE SOURCES OF FUNDING

Unused confirmed lines of credit totalling €150 million have been in place since February 2021.

(1) PLI (Ireland), Camelot (United Kingdom), FDJ, Loterías y Apuestas del Estado (Spain), Belgian National Lottery, Luxembourg National Lottery, Österreichische Lotterien (Austria), Santa Casa (Portugal), Swisslos (Switzerland), Loterie Romande (Switzerland).

5.2.4 Alternative performance indicators

In its financial statements, the Group presents performance indicators other than those provided for by IFRS. These indicators, which are defined in section 2.2 and are presented on the face of the income statement above revenue, are as follows:

- gross gaming revenue, which is the benchmark for the level of business in the gaming sector;
- public levies excluding income tax;
- net gaming revenue;
- revenue from other activities.

The Group also presents several additional performance indicators, including (i) the ratio of online stakes and (ii) contribution margin of operating segments, (iii) recurring

EBITDA (iv) CAPEX, (v) recurring EBITDA-to-cash conversion ratio, (vi) net cash surplus and (vii) available cash.

These performance measures are not defined by IFRS and do not have standard definitions. Consequently, the definitions used by the Group may not correspond to the definitions for these same terms used by other companies. These performance measures should not be used in isolation or instead of IFRS indicators. In particular, net cash surplus and available cash may not be considered as a substitute for the analysis of cash and cash equivalents as presented in accordance with IFRS. The tables below present these indicators for the indicated periods, together with their calculation method.

ONLINE STAKES RATIO

Online stakes are stakes placed online by players. Driven by growth in online lottery gaming and sports betting, as well as by the first-time consolidation of ZEturf and PLI, the Group's online stakes recorded an annual increase of 18%, rising to nearly €3 billion. Online stakes now account for 14% of total stakes.

In millions of euros	2023	2022
Total stakes	21,178.2	20,618.0
Online stakes	2,966.3	2,519.9
Online stakes ratio (%)	14.0%	12.2%

CONTRIBUTION MARGIN OF OPERATING SEGMENTS

The contribution margin is the difference between the revenue of the operating segments and their cost of sales and marketing and communication expenses (excluding depreciation/amortisation) (see 5.3.5 "Segment reporting").

In millions of euros	2023	2022
Lottery BU	723	709
Sports betting and online gaming open to competition BU	153	117
Adjacent activities	15	-20

RECURRING EBITDA

Recurring EBITDA (see 5.2.2.5) is recurring operating profit excluding depreciation and amortisation expenses.

In millions of euros	2023	2022
Recurring operating profit	532	459
Net depreciation and amortisation	-125	-131
Recurring EBITDA	657	590

Analysis of Group consolidated results

CAPEX

CAPEX (capital expenditure) is the expenditure incurred to acquire (or improve) property, plant and equipment and intangible assets, as well as financial assets intended to increase the Group's scope of activity.

In millions of euros	2023	2022
Acquisitions of property, plant and equipment and intangible assets	-125	-104
Acquisition of investments	-212	-43
TOTAL CAPEX	-337	-147

RECURRING-EBITDA-TO-CASH CONVERSION RATIO

The recurring-EBITDA-to-cash conversion ratio represents EBITDA net of capital expenditure (CAPEX) and changes in working capital as a percentage of total recurring EBITDA.

To enable meaningful comparisons between periods, certain free cash flow items may sometimes be adjusted when

calculating this indicator. This mainly concerns CAPEX that will not recur in the Group's operating cycle (payments made in 2020 in connection with the securing of the Group's exclusive operating rights, which are recognised as an intangible asset) and calendar effects that impact the changes in the Group's working capital.

In millions of euros	2023	2022
Recurring EBITDA	657	590
CAPEX (adjusted) ⁽¹⁾	-125	-104
Change in working capital (adjusted) ^{(2) (3)}	54	59
Free cash flow		
Recurring EBITDA - CAPEX (adjusted) +/- Change in working capital (adjusted)	586	545
Recurring-EBITDA-to-cash conversion (%)	89%	92%

(1) CAPEX excluding the ZEturf and PLI acquisitions in 2023 (+€212 million) and the L'Addition and Aleda acquisitions in 2022 (+€43 million).

(2) Change in working capital for 2023 restated to exclude changes in unclaimed prizes (-€85 million), winnings payable (+€39 million) and distribution network receivables and payables (+€6 million), and to include the change in the Euromillions/Eurodreams liquidity fund (+€34 million).

(3) Change in working capital for 2022 restated to exclude changes in unclaimed prizes (+€33 million), winnings payable (+€71 million) and distribution network receivables and payables (+€21 million), and to include the change in the Euromillions liquidity fund (-€2 million). The effect of the change in the mechanism covering player credit balances from the secured trust deposit to a guarantee arrangement has also been eliminated (-€60 million) for 2022.

Net cash surplus

The "net cash surplus" is the indicator that represents the net cash position generated by the Group. It amounted to €671 million in 2023 (2022: €900 million, after eliminating non-consolidated securities). Cash flow generated from operating activities (+€629 million) and the change in current and non-current financial assets were offset by investments, including the net debt acquired in the ZEturf and PLI acquisitions (-€483 million), capital expenditure (-€125 million), and the payment of the dividend for the 2022 financial year (-€253 million).

Available cash

Available cash comprises investments and cash that the Group can mobilise in the short term (90 days). It includes non-current and current financial assets measured at amortised cost plus cash and cash equivalents, excluding cash equivalents that are set aside exclusively for players. Available cash totalled €855 million at 31 December 2023 (2022: €995 million).

Other post-closing events

RECONCILIATION BETWEEN THE VARIOUS CASH INDICATORS

In millions of euros	31.12.2023	31.12.2022 (published)	31.12.2022 (restated) ⁽¹⁾
CASH AND CASH EQUIVALENTS	538.6	513.4	513.4
Amounts set aside exclusively for Euromillions winners	-70.0	-105.1	-105.1
Non-current financial assets at amortised cost	200.0	395.0	395.0
Current financial assets at amortised cost	186.6	192.2	192.2
Financial assets at amortised cost	386.6	587.2	587.2
AVAILABLE CASH	855.3	995.4	995.4
Non-consolidated securities	71.7	68.7	68.7
Other non-current investments at fair value through profit or loss	256.5	374.3	374.3
Non-current financial assets at fair value through profit or loss	328.2	443.0	443.0
Current financial assets at fair value through profit or loss	24.4	14.1	14.1
Financial assets at fair value through profit or loss	352.7	457.2	457.2
Financial debt and other financial liabilities⁽²⁾	-431.4	-463.5	-463.5
Non-current derivatives (assets)	11.2	19.0	19.0
Current derivatives (assets)	0.0	0.7	0.7
Non-current derivatives (liabilities)	-0.8	0.0	0.0
Current derivatives (liabilities)	0.0	-0.3	-0.3
Derivatives	10.5	19.5	19.5
Lease liabilities	-44.7	-37.8	-37.8
Bank overdrafts	0.0	-2.5	-2.5
Non-consolidated securities	-71.7		-68.7
NET CASH SURPLUS	670.6	968.3	899.6

5.3 Other post-closing events

On 1 February 2024, the French competition authority indicated that an appeal had been lodged with the Council of State against the decision of 15 September 2023 authorising the ZEturf/FDJ transaction. The appellant has three months from 11 December 2023 to submit evidence and claims in support of the appeal. As at the Date of the Universal Registration Document, FDJ had not received the appellant's statement of case.

(1) Non-consolidated securities, which are disclosed under non-current financial assets, have been excluded from the definition of the Net Cash Surplus since 1 January 2023. The comparative figures have been restated accordingly.

(2) excluding deposits and sureties received

Outlook

5.4 Outlook

TARGETS FOR 2024

In line with the Group medium-term objectives, FDJ's targets for 2024 are as follows:

- revenue growth of around 5% in lottery, sports betting and online games open to competition in France. With the contribution of the other activities (International, Payment & Services), growth in the Group's revenue would be close to 8%; and
- a recurring EBITDA margin of around 24.5%.

At present, these projections take no account of the takeover bid for Kindred.

In 2024, lottery business will benefit from a full-year contribution from Eurodreams, but figures up to the start of June will continue to be negatively impacted, relative to 2023, by the new Amigo game format. A normal level of

large-jackpot Loto and Euromillions draws has been assumed.

In sports betting and online gaming open to competition, 2024 will see a number of major sports events including the Africa Cup of Nations, UEFA Euro 2024, and the Paris 2024 Olympics and Paralympics, and FDJ will continue to capitalise on the enrichment of its offer. It does not seem likely that the high margin recorded on sports betting in 2023 will be repeated in 2024. Lastly, implementation will continue of a new organisational structure, in order to benefit fully from the potential of combining with ZEturf and comply with the undertakings given to the competition authority.

At the same time, the Group will continue to expand its social commitments, especially as regards the prevention of underage and excessive gambling.

5.5 Investments

5.5.1 Material investments during 2023 and 2022

ACQUISITIONS OF INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

CAPEX is self-funded. 92% of CAPEX was carried out in France in 2023 (2022: 88%).

Group CAPEX was €125 million in the year ended 31 December 2023 (2022: €104 million). These amounts comprise purchases of property, plant and equipment and intangible assets.

The figures for acquisitions of property, plant and equipment and intangible assets represent investments net of payables and advances. These mainly comprise:

- costs related to point-of-sale equipment;
- project costs associated with the development of the Group's various BUs and ABUs, the compliance with current regulations, and the improvement of information systems capacity and efficiency;

- costs related to customer identification and knowledge, which allow better support to be provided to players in a responsible gaming environment.

They break down as follows:

- investments in intangible assets of €78 million in 2023 and €68 million in 2022. These mainly relate to development work on production and back office IT systems and on point-of-sale terminals;
- investments in property, plant and equipment of €47 million in 2023 and €35 million in 2022. These mainly represent the acquisition costs of point-of-sale equipment and the cost of IT equipment (hosting and servers).

ACQUISITION OF INVESTMENTS

In 2023, the Group completed the acquisition of the ZEturf and PLI groups. The price paid was €212 million (including cash).

5.5.2 Material investments in progress or planned by the Group

In late January 2024, FDJ announced the launch of a public takeover bid for Kindred group. Kindred is the operator of the Unibet brand notably and a European leader in online betting and gaming. The offer reflects an enterprise value of

€2.6 billion. Completion of the takeover depends on FDJ acquiring at least 90% of Kindred's share capital and is subject to obtaining the necessary regulatory permissions.

5.6 Analysis of parent company results

5.6.1 Comments on the income statement

In millions of euros	31.12.2023	31.12.2022	Change	
Gross gaming revenue	6,614.3	6,525.5	88.7	1.4%
Public levies	-4,179.9	-4,147.1	-32.8	0.8%
Net gaming revenue	2,434.4	2,378.4	56.0	2.4%
Revenue from other activities	32.5	27.9	4.6	16.4%
Revenue	2,466.9	2,406.3	60.6	2.5%
Capitalised development expenses	62.9	56.1	6.9	12.2%
Reversals of provisions and transfers of expenses	20.3	14.1	6.2	44.3%
Other operating income	1.0	1.0	-0.0	-0.8%
Total operating income	2,551.2	2,477.6	73.7	3.0%
Inventory purchases used	-42.3	-36.6	-5.7	15.7%
Purchases and external expenses	-1,599.2	-1,592.1	-7.1	0.4%
Taxes	-18.8	-20.7	1.9	-9.0%
Personnel expenses	-221.1	-192.4	-28.7	14.9%
Depreciation and amortisation	-89.9	-94.9	5.0	-5.3%
Provisions	-49.8	-33.9	-15.8	46.7%
Other operating expenses	-23.7	-19.5	-4.1	21.1%
Total operating expenses	-2,044.6	-1,990.1	-54.6	2.7%
Operating profit	506.6	487.5	19.1	3.9%
Total financial income	102.4	28.8	73.6	255.6%
Total financial expenses	-28.3	-56.3	28.1	-49.8%
Net financial income	74.1	-27.5	101.7	-369.2%
Recurring profit	580.7	460.0	120.7	26.2%
Total non-recurring income	96.4	46.5	49.9	107.5%
Total non-recurring expenses	-124.8	-74.4	-50.4	67.8%
Net non-recurring loss	-28.4	-27.9	-0.5	1.7%
Employee profit-sharing and incentives	-32.5	-28.6	-4.0	13.8%
Income tax expense	-122.7	-99.4	-23.3	23.4%
NET PROFIT	397.0	304.0	93.0	30.6%

Gross gaming revenue (GGR) is the benchmark for the level of business in the gambling sector. To ensure improved comparability, the presentation of FDJ's income statement is now aligned with this aggregate, which corresponds to stakes less winnings plus the GGR of other activities.

Net gaming revenue rose by €56 million over 2023, due to growth in business. Operating expenses increased by €54.6 million, mainly due to personnel expenses and additions to provisions.

Net **financial income** increased by €101.7 million. This improvement is the result of substantially better market conditions in 2023 relative to 2022, as well as an optimised investment policy.

The **net non-recurring loss** is mainly made up of costs in relation to acquisitions and the VAT reimbursement in relation to lottery and sports betting operations in the French overseas departments in 2021 and 2022.

Analysis of parent company results

5.6.2 Comments on the balance sheet

ASSETS

In millions of euros	31.12.2023			31.12.2022		
	Gross	Depreciation, amortisation and impairments	Net	Net	Change	
Exclusive operating rights	380.0	70.1	309.9	325.1	-15.2	-4.7%
Other intangible assets	461.2	287.3	173.9	149.6	24.3	16.2%
Property, plant and equipment	709.6	395.0	314.6	310.4	4.2	1.3%
Non-current financial assets	813.7	98.3	715.4	199.3	516.1	259.0%
Fixed assets	2,364.5	850.7	1,513.7	984.4	529.3	53.8%
Inventories	19.2	0.0	19.2	14.5	4.7	32.2%
Advances and payments on account	7.9	0.0	7.9	4.9	3.0	60.9%
Trade and distribution network receivables	488.1	17.1	471.0	475.3	-4.3	-0.9%
Other receivables	341.4	34.2	307.2	255.3	51.9	20.3%
Transferable securities	654.3	5.6	648.7	696.4	-47.7	-6.9%
Cash and cash equivalents	476.5	0.0	476.5	720.9	-244.4	-33.9%
Prepaid expenses	23.0	0.0	23.0	20.6	2.4	11.6%
Current assets	2,010.3	56.9	1,953.4	2,187.9	-234.5	-10.7%
Expenses deferred over multiple periods	3.6	0.0	3.6	4.1	-0.5	-11.4%
Unrealised exchange gains	0.2	0.0	0.2	0.2	-0.0	-13.3%
TOTAL ASSETS	4,378.6	907.6	3,471.0	3,176.6	294.4	9.3%

In the year ended 31 December 2023, the main changes in assets concerned:

- financial assets, which increased by €516.1 million, principally due to the acquisition of the ZEturf group and Premier Lotteries Ireland (PLI);

- the overall cash position, comprising cash and cash equivalents and transferable securities, which was €292.1 million lower than at 31 December 2022.

SHAREHOLDERS' EQUITY AND LIABILITIES

In millions of euros	31.12.2023	31.12.2022	Change	
Share capital	76.4	76.4	0.0	0.0%
Legal reserve	7.6	7.6	0.0	0.0%
Optional reserve	453.6	411.0	42.6	10.4%
Retained earnings	0.4	0.2	0.2	77.0%
Net profit for the period	397.0	304.0	93.0	30.6%
Regulated provisions	169.5	139.9	29.6	21.2%
Equity	1,104.6	939.2	165.4	17.6%
Provisions for risks	3.3	2.6	0.6	22.7%
Provisions for liabilities	72.4	66.3	6.1	9.2%
Provisions for risks and liabilities	75.6	68.9	6.7	9.7%
Borrowings	384.0	427.1	-43.1	-10.1%
Trade and distribution network payables	488.8	462.6	26.2	5.7%
Public levies and winnings payable and distributable	1,172.2	1,064.9	107.3	10.1%
Other payables	205.6	181.1	24.6	13.6%
Prepaid income (stakes)	40.0	32.6	7.3	22.5%
Payables	2,290.6	2,168.3	122.3	5.6%
Unrealised exchange losses	0.1	0.2	-0.0	-14.1%
TOTAL LIABILITIES	3,471.0	3,176.6	294.4	9.3%

The main changes in liabilities comprise:

- the repayment of loans from credit institutions;
- a rise in public levies and winnings payable, mainly due to the increase in unclaimed prizes.

Analysis of parent company results

5.6.3 Results for the past five financial years

In accordance with the provisions of Articles R. 225-81-3 and R. 225-83-6 of the French Commercial Code, the table below shows the Company's results for each of the past five financial years:

In thousands of euros	2023	2022	2021	2020	2019
Share capital at year-end					
Share capital	76,400	76,400	76,400	76,400	76,400
Number of shares outstanding	191,000,000	191,000,000	191,000,000	191,000,000	191,000,000
Number of bonds convertible into shares					
Transactions and results					
Gaming commissions					
Stakes ⁽¹⁾	20,871,601	20,592,085	18,942,063	15,918,806	17,222,191
Revenue	2,466,896	2,406,327	2,215,642	1,885,152	1,930,433
Profit before tax and employee profit sharing, depreciation and provisions	675,353	595,454	515,856	381,237	326,428
Income taxes	122,712	99,433	115,765	85,352	73,277
Employee profit-sharing	20,448	19,990	16,929	16,851	11,580
Net profit	397,050	304,033	285,617	215,448	138,105
Dividends paid ⁽²⁾	339,980	261,670	236,840	171,900	85,950
Earnings per share (in euros)					
Profit after tax and employee profit-sharing and before depreciation and provisions	2.79	2.49	2.01	1.46	1.26
Net profit	2.08	1.59	1.50	1.13	0.72
Dividends awarded ⁽²⁾	1.78	1.37	1.24	0.90	0.45
Personnel					
Weighted average headcount	1,948	1,767	1,630	1,569	1,517
Payroll	132,097	118,282	107,054	101,642	95,138
Amounts paid for employee benefits	73,354	64,432	58,747	55,005	51,260
Amounts paid for employee benefits, including taxes on wages	83,231	73,545	66,492	61,462	57,664

(1) Stakes correspond to the sums staked by players, irrespective of the distribution channel.

(2) Proposal for the distribution of dividends for the 2023 financial year to be submitted to the General Shareholders' Meeting of 25 April 2024, which will approve the financial statements for the year ended 31 December 2023.

5.7 R&D activities

The Company incurred research and development costs of €89.3 million in 2023 (of which €62.9 million was capitalised as an intangible asset), compared with €86.3 million in 2022 (of which €56.1 million was capitalised).

5.8 Legal, financial and tax information on the Company

5.8.1 Shareholding/treasury shares

At 31 December 2023, FDJ had share capital of €76,400,000, consisting of 191,000,000 fully subscribed and paid-up shares with a par value of €0.40 each.

As at 31 December 2023, its share ownership structure can be broken down as follows: the French State (20%), veterans' associations ⁽³⁾ (15%), employee share investment funds (4%), Predica (5%) and other holdings of less than 5%, including French and international institutional investors and private shareholders.

A share purchase and sale programme authorised by the Board of Directors at its meeting of 19 December 2019 has been implemented, pursuant to the authorisation granted

by the General Meeting of Shareholders of 4 November 2019, for the purpose of concluding a liquidity agreement in accordance with the rules laid down by the Autorité des marchés financiers (AMF). The maximum amount of €6 million has been allocated to the liquidity agreement, which runs until 19 December 2024.

At 31 December 2023, there were 384,810 treasury shares, representing a deduction of €13.7 million from consolidated equity (2022: 185,319 shares representing a deduction of €6.7 million).

5.8.2 Purchase and sale of own shares for employee share awards (performance shares)

In 2023, 139,000 shares were purchased for €5.1 million in connection with the performance share plan granted to the corporate directors and certain employees of the Group.

5.8.3 Summary of transactions carried out on FDJ shares in 2023 by corporate directors and persons closely related to them

Corporate Director/Director concerned	Nature of the transactions	Number of shares	Unit price (in euros)
Pascal Chaffard	Sale	10,635	30.04
Xavier Etienne	Sale	27,069	36.47
FNAM	Acquisition	12,000	34.04

5.8.4 Disallowed general expenses and total amount of lavish expenses

GENERAL EXPENSES DISALLOWED AS A DEDUCTION FROM TAXABLE PROFIT

n/a.

AMOUNT OF LAVISH EXPENSES INCURRED DURING THE YEAR

Lavish expenses incurred in 2023 amounted to €644,000 and related solely to lease charges for passenger vehicles.

(3) Union des blessés de la face et de la tête (UBFT) and Fédération nationale André Maginot (FNAM).

Legal, financial and tax information on the Company

5.8.5 Payment terms and breakdown by due date of trade payables and receivables

PAYABLES DUE AND NOT YET PAID AT YEAR-END

	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day or more)
(A) Tranches of late payment						
Number of invoices	1,707	-	-	-	-	2,132
Total amount of invoices (including tax) (in millions of euros)	50.2	3.7	0.1	0.0	0.3	4.1
% of purchases (including tax)	2.7%	0.2%	0.0%	0.0%	0.0%	0.2%
(B) Invoices excluded from (A) relating to disputed or unrecognised payables						
Number of invoices excluded				45		
Net amount of invoices excluded (including tax) (in millions of euros)				0.0		

INVOICES ISSUED AND NOT YET PAID AT YEAR-END

	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days or more	Total (1 day or more)
(A) Tranches of late payment						
Number of invoices	219					1,529
Total amount of invoices (including tax) (in millions of euros)	2.9	4.7	2.1	0.7	5.7	13.2
% of total revenue (including tax)	0.1%	0.2%	0.1%	0.0%	0.2%	0.4%
(B) Invoices excluded from (A) relating to disputed or unrecognised receivables						
Number of invoices excluded	3	20	26	27	3,351	3,424
Net amount of invoices excluded (including tax) (in millions of euros)	0.0	0.0	0.0	0.1	17.4	17.5

The majority of invoices issued that are more than 90 days overdue relate to intra-group transactions.

5.8.6 Statement of sureties, endorsements and guarantees given and statement of the guarantees granted by FDJ

- €1.6 million guarantee given to the International Cycling Union (UCI), in accordance with its regulations.
- €0.2 million guarantee given to the French National Cycling League (LNC), in accordance with its regulations.
- Guarantee given under the French Treasury (DGFIP) contract to secure the sums collected on its behalf, for €5 million.
- Guarantee given in connection with the FDJ Services business to secure sums collected in connection with activity subject to ACPR supervision, for €10 million.
- Mortgage allocation commitment of €68.2 million: taken out by the Group in 2016 (including the principal, interest and related amounts), it relates to the purchase of its headquarters.
- Surety/guarantee of €6.9 million in favour of FDI for lease payments.
- Guarantee of Can\$15,000,000 in favour of OLG covering the liabilities of FGS France.

5.9 Regulated agreements and transactions with related parties

5.9.1 New regulated agreements authorised in 2023

BOARD OF DIRECTORS MEETING OF 19 APRIL 2023

This agreement is made between FDJ, the National Sports Agency (ANS), the Paris 2024 Endowment Fund (FDD Paris 2024), the French National Olympic Committee (CNOSF) and the French Paralympic Committee (CPSF). Its purpose is to define the organisational terms for the Impact 2024 call for projects and the financial assistance to be provided to the winners.

In 2022, FDJ expressed a desire to be associated with the "Impact 2024" call for projects by creating a specific category for increasing female participation in sport. The goal is to back transformative projects that factor in the ambitions and needs of women today (well-being, health, physical condition), together with their personal circumstances and their desire to get involved more freely in sport.

The first two rounds of the Impact 2024 call for projects were held in 2020 and 2021. Impact 2024 is run by the ANS and was initially funded by the Paris 2024 Olympic and Paralympic Organizing Committee (Paris 2024), the CNOSF and the CPSF. FDJ joined the call for projects in the third round held in 2022, thereby becoming the first private funding partner for Impact 2024. In this third round, FDD Paris 2024 also took the place of Paris 2024. The ANS is the main operator of the call for projects.

Following on from the agreement concluded for the 2022 call for projects (€100,000 funding provided by FDJ), FDJ wished to continue the partnership under a new agreement in 2023.

This new agreement commits FDJ to providing funding of a further €100,000, the same amount as in the previous year. The total budget for the 2023 round is €5.8 million.

BOARD OF DIRECTORS MEETING OF 14 FEBRUARY 2023

This agreement is made between FDJ and the ANS in order to provide the ANS with funds to give financial support to local authorities wishing to increase free public access to sport by installing open-access sports facilities.

In 2021, FDJ, the ANS and Terre de Jeux 2024 jointly engaged in the "Gagner du Terrain" (Gaining Ground) project, thereby strengthening the support provided to increasing sports participation in France. This scheme is wholly funded by FDJ, under an agreement signed with the ANS on 20 September 2021 which defines the terms of action and commits FDJ to provide a budget of €130,000. The agreement had been authorised in advance by the Board of Directors meeting of 29 July 2021 in connection with the procedure applicable to regulated agreements.

This one-year agreement was expected to be renewed and indeed extended, so that FDJ, as a partner of Paris 2024, can leave a positive and tangible heritage that promotes sport for all throughout France.

The scheme was renewed for a first time for the year 2022, following approval by the Board of Directors meeting of 21 April 2022, with funding of €350,000 by FDJ.

A second renewal was decided on for 2023, as part of a new agreement put in place with the ANS.

As previously, the workings of the project will be run by the ANS. It will operate in all municipalities that are members of the Terre de Jeux 2024 network and have an FDJ point of sale.

This new one-year contract is expected to be renewed again in the run-up to the Paris 2024 Olympics and Paralympics.

The scheme is funded entirely by FDJ, with funding of €375,000 provided for 2023: €350,000 allotted for the installation of sports facilities and €25,000 allotted to the ANS for operating costs in order to strengthen its involvement and reach the target of funding 20 facilities in 2023.

This is supplemented by €199,000 left over from the 2021 and 2022 budgets, giving a total budget for 2023 of €574,000. This will enable a larger number of local authorities to benefit from the scheme, increasing its impact and forming part of the build-up to the Paris 2024 Olympics and Paralympics, with a target of funding 50 facilities by 2024.

5.9.2 Regulated agreements approved during previous financial years that were continued in 2023

BOARD OF DIRECTORS MEETING OF 15 APRIL 2021

On 23 July 2019, under the procedure applicable to regulated agreements, FDJ's Board of Directors authorised the signing of a three-party agreement between FDJ, MDB Services and the French Treasury (DGFIP) in connection with a call for tenders issued by the DGFIP. This five-year agreement is intended to outsource the collection of fines, local authority bills and taxes.

On 15 April 2021 the Board authorised the assignment of the third-party collection agreement to its subsidiary, FDJ Services, by way of a contractual amendment.

In connection with this assignment, FDJ will be jointly and severally liable with FDJ Services in relation to the subsidiary's rights and obligations under the assigned agreement, in the event of default by FDJ Services.

The Board meeting of 23 July 2019 also authorised FDJ to put a surety in place so that a bank guarantee for €19 million could be issued in favour of the DGFIP. This surety was granted for the term of the contract and until at least July 2024.

In connection with the assignment of the contract, the bank issuing the guarantee requested an amendment to FDJ's counter-guarantee. The purpose of the change is to cover the subsidiary's commitments prior to the issue of a new bank guarantee in favour of the DGFIP. On 16 December 2021, the Board of Directors of FDJ authorised the amendment of the bank counter-guarantee (surety) granted by FDJ to the DGFIP, as requested by the bank, in order to cover FDJ Services' commitments before the issue of a new bank guarantee to the DGFIP. The first bank guarantee and the associated surety, which were valid until 31 December 2021, were renewed as of 28 December 2021 for the period until 31 December 2023.

BOARD OF DIRECTORS MEETING OF 16 OCTOBER 2019

This meeting authorised the signing of a Convention with the French State to anticipate the consequences of the occurrence of events likely to deteriorate the economic conditions for operation of FDJ's exclusive rights (changes in laws or regulations) and to anticipate the end of the exclusive rights period. The Convention expires on 22 May 2044. On this date, the exclusive rights granted to FDJ pursuant to the Pacte Law shall terminate.

The Convention provides that in the event of a significant change in legislation or regulations either directly related to taxation of lottery games or sports betting operated through a physical distribution network, or likely to affect such operation or, finally, reducing the scope or duration of the exclusive rights held by FDJ, the Group shall approach the French State in order to examine whether this change is likely to substantially deteriorate the economic conditions under which the FDJ operates its business, assessed on a consolidated basis. If so, FDJ may propose to the French State measures it deems necessary to enable it to continue its activities under economic conditions that are not substantially deteriorated.

With respect to the provisions governing the consequences of termination of exclusive rights, the Convention provides that the assets strictly necessary for the operation of the exclusive rights are to be taken over by the French State in return for compensation amounting to the market value of the buildings and the net book value of other fixed assets. The list of such assets will be determined by the French State and FDJ, in an adversarial manner, within one year from the date of entry into force of the Convention.

Upon normal or early termination of the exclusive rights, FDJ guarantees to the French State or to any holder of the exclusive rights, the transfer or use, on a free-of-charge basis, of all copyrights, trademarks and trademark filing applications, rights on designs, logos, domain names, effective in France and relating to activities operated under exclusive rights. Similarly, for software and patents, upon normal or early termination of the exclusive rights, FDJ grants to the French State or the possible new holder of the exclusive rights a free licence to use the software and patents strictly necessary for the operation of such rights in France and owned by FDJ, for a limited period of 18 months from the expiry date of FDJ's exclusive rights.

This Convention also specifies that, upon normal or early termination of the exclusive rights, the French State and FDJ will meet to examine the situation of the employees assigned to the operation of the exclusive rights, and in particular the conditions for their reclassification and their transfer, where applicable, to the possible holder of the exclusive rights. To the extent feasible, FDJ will reclassify the employees in question. This new Convention terminates the previous convention binding FDJ and the French State, dated 29 December 1978.

BOARD OF DIRECTORS MEETING OF 23 JULY 2019

In case the DGFIP contract for the outsourcing of cash collection was awarded, the meeting authorised FDJ to stand surety for the bank issuing the bank guarantee provided for under the contract, in order to counter-guarantee the bank guarantee granted by the bank to the DGFIP, in an amount of €19 million. This surety was granted for the term of the contract. It had been approved up to and including 31 December 2021. During 2020, a surety of €4 million was granted in this regard by FDJ and disclosed within off-balance sheet commitments given. It had been approved up to and including 31 December 2021. It was renewed:

- for the period from 28 December 2021 to 31 December 2023, this time for €5 million (disclosed within off-balance sheet commitments given in the course of 2021);
- for the period from 29 December 2023 to 31 December 2025, again for €5 million (disclosed within off-balance sheet commitments given in the course of 2023).

On 16 December 2021, the Board of Directors of FDJ authorised the amendment of the bank counter-guarantee

(surety) granted by FDJ to the DGFIP, as requested by the bank, in order to cover FDJ Services' commitments before the issue of a new bank guarantee to the DGFIP.

BOARD OF DIRECTORS MEETING OF 1 JULY 2015

At this meeting, the Board authorised FDJ to sign an agreement with the French Minister of Finance and Public Accounts and the French online gambling regulator (ARJEL) providing for the free-of-charge exchange of information on preventing the betting-related manipulation of sporting competitions. For its own part, FDJ has an obligation under the regulatory provisions applicable to its exclusive rights to ensure the integrity of gaming operations and combat fraud, money laundering and associated criminal activities. This agreement was signed on 1 July 2015 for an indefinite period.

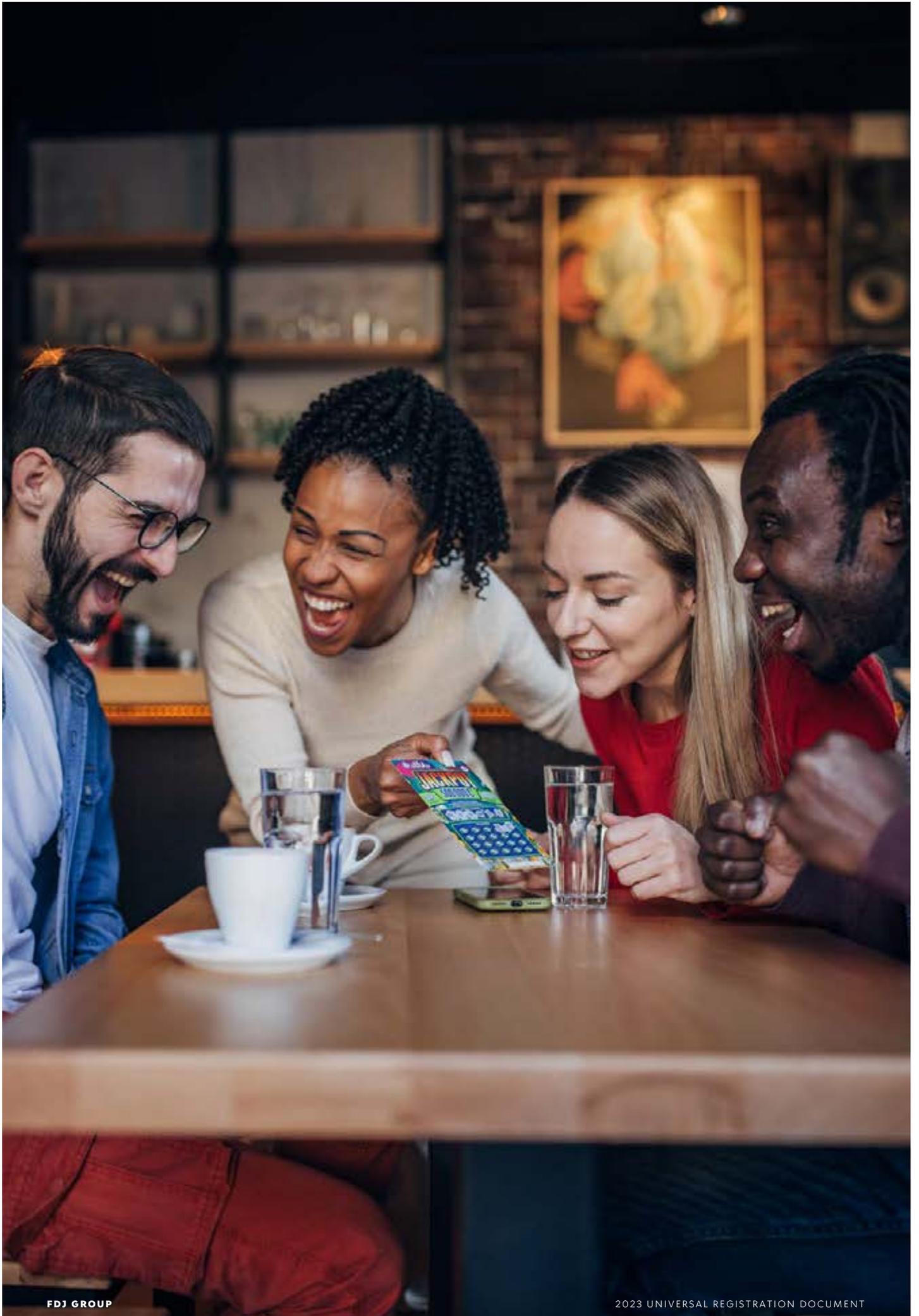
With effect from 23 June 2020, the ANJ replaced the ARJEL as co-signatory to this agreement in accordance with the terms of Article 49 of Ordinance no. 2019-1015, according to which: *"As of the first meeting of its Board, the French National Gaming Authority shall succeed to the rights and obligations of the French online gambling regulator."*

5.10 Dividend distribution policy

FDJ aims to distribute between 80% and 90% of its consolidated net profit in ordinary circumstances.

5.11 Credit, liquidity, cash flow and hedging policy risks

See section 6, 6.1 "Consolidated financial statements", Note 9.5 "Financial risk management policy".



06 Financial information on assets and liabilities, the financial position and results /AFR/

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Consolidated financial statements for the year ended 31 December 2023

6.1 Consolidated financial statements for the year ended 31 December 2023

6.1.1 Consolidated income statement

The financial statements are presented in millions of euros, rounded to the nearest hundred thousand. The various financial statements may therefore contain rounding differences.

In millions of euros	Note	31.12.2023	31.12.2022
Gross gaming revenue	4.1	6,710.4	6,525.6
Public levies	4.1	-4,237.1	-4,147.4
Other revenue from sports betting	4.1	8.2	10.2
Net gaming revenue	4.1	2,481.4	2,388.4
Revenue from other activities	4.1	140.0	72.7
Revenue	4.1	2,621.4	2,461.1
Cost of sales	4.2	-1,392.5	-1,329.6
Marketing and communication expenses	4.2	-455.6	-460.9
General and administrative expenses	4.2	-229.9	-200.0
Other operating income	4.2	8.1	4.0
Other operating expenses	4.2	-19.7	-15.4
Recurring operating profit	4.2	531.8	459.2
Other non-recurring operating income	4.2	13.4	0.2
Other non-recurring operating expenses	4.2	-24.0	-10.6
Operating profit		521.1	448.8
Cost of financial debt		-13.8	-6.6
Other financial income		67.7	15.8
Other financial expenses		-11.1	-38.0
Net financial income/(expense)	9.4	42.7	-28.7
Share of net income from joint ventures	10	2.1	1.1
Profit before tax		566.0	421.2
Income tax expense	12	-141.0	-113.3
NET PROFIT FOR THE PERIOD		425.1	307.9
- attributable to owners of the parent		425.1	307.9
- attributable to non-controlling interests		0.0	0.0
Basic earnings per share (in euros)	13	2.23	1.61
Diluted earnings per share (in euros)	13	2.23	1.61

* Gross gaming revenue (GGR) is the benchmark for the level of business in the gaming sector. To ensure improved comparability, the presentation of the FDJ Group's income statement has been adapted so that it is now aligned with this aggregate, which is made up of stakes, less winnings plus the GGR of other activities.

6.1.2 Consolidated statement of comprehensive income

In millions of euros	31.12.2023	31.12.2022
Net profit for the period	425.1	307.9
Cash flow hedging (before tax)	-8.7	18.2
Net investment hedging on foreign activities (before tax)	0.7	1.3
Net change in currency translation differences (before tax)	-2.8	-0.4
Tax on items subsequently transferable to profit or loss	2.1	-5.0
Items subsequently transferred or transferable to profit or loss	-8.8	14.1
Actuarial gains and losses	-9.6	14.5
Tax on items that may not subsequently be transferable to profit or loss	2.5	-3.7
Items that may not subsequently be transferable to profit or loss	-7.1	10.7
Other comprehensive income	-15.8	24.8
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	409.2	332.7
- attributable to owners of the parent	409.2	332.7
- attributable to non-controlling interests	0.0	0.0

Consolidated financial statements for the year ended 31 December 2023

6.1.3 Consolidated statement of financial position

In millions of euros	Note	31.12.2023	31.12.2022
ASSETS			
Goodwill		190.8	56.6
Exclusive operating rights	6.1	581.6	325.1
Other intangible assets	6.1	346.0	182.6
Property, plant and equipment	6.2	366.2	353.1
Non-current financial assets	9.1	559.9	866.9
Investments in joint ventures	10	19.1	18.3
Non-current assets		2,063.5	1,802.6
Inventories		22.7	18.5
Trade and distribution network receivables	4.5	559.5	465.8
Other current assets	4.5	272.3	256.6
Current tax assets	12.2	14.1	27.0
Current financial assets	9.1	265.4	207.7
Cash and cash equivalents	9.2	538.6	513.4
Current assets		1,672.6	1,489.0
Assets held for sale	11	24.6	24.2
TOTAL ASSETS		3,760.8	3,315.7
LIABILITIES			
Share capital		76.4	76.4
Retained earnings (including profit for the period)		978.8	817.3
Reserves of other comprehensive income		15.9	31.7
Equity attributable to owners of the parent	14	1,071.1	925.4
Non-controlling interests		0.0	0.0
Shareholders' Equity		1,071.1	925.4
Provisions for retirement benefits and similar commitments	4.7.3	58.0	44.1
Non-current provisions	7	1.4	11.1
Deferred tax liabilities	12.3	84.2	34.9
Non-current financial liabilities	9.1	397.5	431.1
Non-current liabilities		541.0	521.2
Current provisions	7	14.9	11.4
Trade and distribution network payables	4.6.1	478.5	465.7
Current tax liabilities	12.2	7.4	1.3
Current player funds	4.6	339.9	304.6
Public levies liabilities	4.6.3	606.5	459.0
Winnings payable/Player balances	4.6.4	343.1	319.8
Other current liabilities	4.6.5	258.0	222.1
Current financial liabilities	9.1	90.8	74.4
Current liabilities		2,139.0	1,858.3
Liabilities held for sale	11	9.6	10.7
TOTAL LIABILITIES		3,760.8	3,315.7

Consolidated financial statements for the year ended 31 December 2023

6.1.4 Consolidated statement of cash flows

In millions of euros	Note	31.12.2023	31.12.2022
OPERATING ACTIVITIES			
Consolidated net profit for the period		425.1	307.9
Change in asset depreciation, amortisation and impairment of non-current assets		125.6	130.8
Change in provisions		6.2	16.3
Capital gains or losses on disposal		4.8	0.1
Income tax expense		141.0	113.3
Other non-cash items included in the consolidated income statement		1.0	3.5
Net financial income/(expense)		-42.7	28.7
Share of net income from joint ventures		-2.1	-1.1
Non-cash items		233.6	291.7
Utilisation of provisions – payments		-10.8	-8.4
Interest received		56.8	2.2
Income taxes paid		-134.8	-123.3
Change in trade receivables and other current assets		-68.1	-101.3
Change in inventories		-3.3	-2.3
Change in trade payables and other current liabilities		129.6	46.0
Change in other components of working capital		0.7	-6.3
Change in operating working capital		58.9	-63.9
Net cash flow from operating activities	9.3	628.9	406.1
INVESTING ACTIVITIES			
Acquisitions of property, plant and equipment and intangible assets		-124.7	-104.1
Acquisitions of shares		-211.9	-42.9
Disposals of property, plant and equipment and intangible assets		0.1	0.0
Disposals of shares		9.8	0.0
Change in current and non-current financial assets	9.1	303.5	-104.8
Change in loans and advances granted		-3.9	60.2
Dividends received from joint ventures and shareholdings		1.2	3.0
Other		4.2	9.8
Net cash flow used in investing activities	9.3	-21.7	-178.7
FINANCING ACTIVITIES			
Repayment of the current portion of long-term debt		-297.8	-71.8
Payment of lease liabilities		-8.2	-7.6
Dividends paid to ordinary shareholders of the parent company		-253.4	-229.5
Interest paid		-14.7	-5.3
Other		-6.3	-6.2
Net cash flow used in financing activities	9.3	-580.5	-320.5
Impact of changes in foreign exchange rates		1.0	2.3
Net increase/decrease in net cash		27.7	-90.7
Current bank overdrafts at 1 January		-2.5	0.0
Current bank overdrafts at 31 December		0.0	-2.5
Cash and cash equivalents at 1 January		513.4	601.7
Cash and cash equivalents at 31 December		538.6	513.4

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6.1.5 Consolidated statement of changes in equity

In millions of euros	Share capital	Statutory reserves	Retained earnings (incl. profit for the period)	Cash flow hedges	Currency translation differences (incl. net investment hedging)	Actuarial gains and losses	Reserves of other comprehensive income	Equity attributable to owners of the parent	Non-controlling interests	Total equity
EQUITY AT 31.12.2021	76.4	91.7	654.1	0.4	6.2	0.4	6.9	829.1	0.0	829.1
Net profit 31 December 2022			307.9					307.9	0.0	307.9
Other comprehensive income				13.5	0.6	10.7	24.8	24.8		24.8
Total comprehensive income for the period	0.0	0.0	307.9	13.5	0.6	10.7	24.8	332.7	0.0	332.7
Allocation of prior year net profit		5.2	-5.2					0.0		0.0
2021 dividends paid			-236.6					-236.6		-236.6
Other		-96.8	97.1					0.3		0.3
EQUITY AT 31.12.2022	76.4	0.0	817.3	13.9	6.7	11.1	31.7	925.4	0.0	925.4
Net profit 31 December 2023			425.1					425.1		425.1
Other comprehensive income				-6.5	-2.3	-7.1	-15.8	-15.8		-15.8
Total comprehensive income for the period	0.0	0.0	425.1	-6.5	-2.3	-7.1	-15.8	409.2	0.0	409.2
Allocation of prior year net profit										0.0
2022 dividends paid			-261.3					-261.3		-261.3
Other			-2.3					-2.3		-2.3
EQUITY AT 31.12.2023	76.4	0.0	978.8	7.4	4.5	4.0	15.9	1,071.1	0.0	1,071.1

Income and expenses recognised in other comprehensive income mainly consist of actuarial gains and losses on retirement benefit obligations. The other changes relate mainly to treasury shares held in relation to a liquidity agreement or the performance share scheme, which are treated as deductions from equity.

6.1.6 Notes to the consolidated financial statements

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Note 1 Overview of the Group

1.1 GENERAL INFORMATION

La Française des Jeux (FDJ) is a public limited company (société anonyme) governed by French law, subject to all regulations on commercial companies in France, and in particular the provisions of the French Commercial Code, in accordance with the provisions of the legal framework as described in Note 1.2. Its registered office is located at 3/7, Quai du Point du Jour 92100 Boulogne-Billancourt. It has been admitted to trading on the Euronext Paris market since 21 November 2019. As at 31 December 2023, its share ownership structure can be broken down as follows: the French State (20%), veterans' associations⁽¹⁾ (15%), employee share investment funds (4%), Predica (5%) and other holdings of less than 5%, including French and international institutional investors and private shareholders. The State exerts strict control over the Company. As a result, the appointment of the Chairman, Chief Executive Officer and Deputy Chief Executive Officers, as well as any threshold-crossing of 10% or a multiple of 10% of the share capital, are subject to approval by the Ministers for the Budget and the Economy.

As at 31 December 2023, the Group runs a gaming operation and distribution business, mainly in France (metropolitan and overseas departments), four French overseas territories and Monaco. It operates internationally, mainly through its equity investments in the following companies:

- Premier Lotteries Ireland, the operator holding the exclusive rights to run the Irish National Lottery at points of sale and online;
- ZEturf group, an online horse-race and sports betting operator with offices in Spain, Belgium, the Netherlands, Mauritius and Malta, operating mainly in France;
- Sporting Group, based in the UK, which provides betting and risk management services to sports betting operators;
- Beijing ZhongCai Printing (BZP), a Chinese company that prints lottery tickets;
- Services aux Loteries en Europe (SLE), a Belgian cooperative established to hold and administer draws for participating lotteries in connection with Euromillions;
- Lotteries Entertainment Innovation Alliance AS (LEIA), a Norwegian company that operates a digital gaming platform;
- FGS Canada, a Canadian company that develops sports betting technology.

The consolidated financial statements reflect the financial position and results of FDJ and its subsidiaries ("the Group") as well as the Group's investments in joint ventures. They are prepared in euros, the functional currency of the parent company.

1.2 REGULATORY ENVIRONMENT OF FDJ GROUP

The Group operates in the gaming sector, a highly regulated industry under strict State control. Gaming in France is generally prohibited, subject to restricted exemptions.

The online sports betting and online poker businesses, which are open to competition, are governed notably by Law no. 2010-476 of 12 May 2010 and conducted within the framework of a five-year licence. FDJ's licence for sports betting was last renewed by the ANJ in 2020, while its licence for online poker was granted by the ANJ in October 2022. ZEturf, which FDJ acquired in 2023, also holds licences for online horse-race and sports betting.

The Pacte Law of 23 May 2019 confirmed FDJ's exclusive rights to operate online and point-of-sale lottery games (draw games and instant games) and point-of-sale sports betting activities for a period of 25 years. It also defines the basis, rates and territorial scope of the public levies on all lottery games and sports betting, regulates the payout ratios for lottery games and sets upper limits on payouts for online and point-of-sale sports betting.

These texts and the regulatory measures taken in order to apply them impose strict State control on the operation of the exclusive rights, which is exercised in practice through specific prerogatives, such as ministerial approval of the corporate directors before their appointment, ministerial approval of any draft amendments to the company's articles of association, and the presence of a Government commissioner with the right to veto decisions taken by the Board of Directors.

Premier Lotteries Ireland, which FDJ acquired in 2023, has exclusive rights to operate the games of the Irish National Lottery. It holds these rights for a twenty-year period from 2014 until 2034 under the terms of an exclusive licence awarded by the Regulator of the National Lottery on the basis of the National Lottery Act 2013.

1.3 HIGHLIGHTS

1.3.1 Highlights of the financial year

Lottery, sports betting and online gaming open to competition

- **Strong lottery fundamentals: revenue of €1.938m, up 1.1% and up 4.9% excluding Euromillions and Amigo**

Successful animation of the instant games portfolio, such as the launches and relaunches of Carré Or in January, Club Color in March, As de Cœur in October and Mission Nature in November.

(1) Union des blessés de la face et de la tête (UBFT) and Fédération nationale André Maginot (FNAM)

Successful launch of Eurodreams, in partnership with eight other European lotteries

This game, whose first draw took place on 6 November, gives players the chance to win up to €20,000 a month for 30 years at tier 1 and €2,000 a month for five years at tier 2.

EuroDreams is a success, especially online, as this game has the highest digitisation rate of draw games.

Low number of high jackpot Euromillions draws (> 75 million euros)

After a 2022 financial year that had recorded a record number of high jackpot Euromillions draws (43), 2023 was marked by the low number of these draws (23), particularly in the 2nd semester (8 vs. 27 in 2022), which affected overall stakes given the strong attraction of such jackpots. Nevertheless, stakes on high jackpots offered in 2023 have reached historically very high levels.

As Euromillions is a game with a high stakes-into-revenue conversion rate, the later was therefore particularly affected by the low number of high jackpot draws. The same applies to the performance of the online lottery, as this game has a significant digitisation rate.

Net gaming revenue from online lottery games increased by more than 10%, and by more than 17% excluding Euromillions. This performance was mainly due to a further increase in the number of players. More than 5 million players played at least once a year in an FDJ online lottery game.

In terms of responsible gaming, the target of generating less than 2% of the gross gaming revenue of online lottery games with high-risk players was achieved in 2023.

New Amigo formula

Amigo, a point-of-sale game with a draw every 5 minutes, was relaunched in early June 2023 with a revised formula in accordance with the decision of the French regulator (*Autorité nationale des jeux*). This revision notably concerns the reduction in the number of draws (with a suspension of 15 minutes per hour between 6:00 and 14:00) and the maximum amount per bet (8 euros vs. 20 euros). Since its relaunch, Amigo's business has stabilised at a level down by around -25% compared to the same period in 2022.

- **Good momentum in sports betting and online gaming open to competition, bolstered by a presence in all gaming segments**

FDJ has historically been present in point-of-sale and online sports betting, online poker since the end of 2022 and online horse-race betting since the acquisition of ZEturf at the end of 2023.

Sports betting and online gaming open to competition continued to show good momentum, with a revenue up 10.9% to 518 million euros and up 8.4% excluding ZEturf.

This performance is based on a still buoyant sports betting market, which benefited in particular from the momentum generated by the FIFA World Cup at the end of 2022. For the 3rd consecutive year, ParionsSport En Ligne has gained market shares. Revenue growth is also explained by the first consolidation of ZEturf in the 4th quarter and sporting results

favourable to the operator, in particular during the Champions League and Ligue 1. In addition, the poker offer works very well, with more than 20% of online sports betting players also playing it.

- **Strong growth in online games: net gaming revenue (NGR) up 18.8% to nearly 13% of the total, compared to more than 11% in 2022**

The strong momentum of the Group's online activities, lottery on the one hand and sports betting and online gaming open to competition on the other, enabled FDJ to record an increase of 18.8% in its net gaming revenue from online games, which represents nearly 13% of total NGR compared with 11% in 2022. Excluding the integration of PLI and ZEturf in the 4th quarter, the annual increase in NGR for online gaming activities would have been 13.9%.

Confirmation of the exclusive rights of La Française des Jeux by the Council of State

Following a referral in December 2019 by an association and several gambling companies, the French Council of State ruled, on 14 April 2023, that La Française des Jeux's exclusive rights comply with European Union law. It also ruled that the twenty-five-year term of its exclusive rights, defined in the framework of the Pacte Act, is not excessive.

Concerning the equalisation payment of 380 million euros paid to the State in respect of its exclusive rights, the Council of State will decide after the European Commission's decision on the appropriateness of this sum, following its State aid investigation launched in July 2021.

External growth transactions

Premier Lotteries Ireland (PLI)

On 3 November 2023, FDJ finalised the acquisition of 100% of the share capital of Premier Lotteries Ireland, which holds exclusive rights to operate the Irish National Lottery until 2034, after the authorisation from the Irish National Lottery regulator. This transaction is part of FDJ's strategic ambition to become an international B2C operator and FDJ thus operates a foreign lottery for the first time.

PLI's strategic plan aims to accelerate its growth and increase its profitability by sharing the best practices of the two operators so as to capitalise on FDJ's experience to run PLI's instant games portfolio, boost the draw game player base, and continue to improve the digital experience of Irish players.

ZEturf

The acquisition of the ZEturf group, an online horse-race betting and online sports betting operator under the ZEBet brand, was finalised on 29 September 2023 following the authorisation from the French Competition Authority.

ZEturf rounds out FDJ's online betting offering, which has become the 4th largest operator in the French sports betting and online gaming open to competition market, with a market share of more than 10%.

In order to take full advantage of the merger with ZEturf and the synergies within its competitive online activity, the FDJ Group will adopt a new organisation for this activity, in line with the commitments made to the Competition Authority.

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1.3.2 Significant post-closing events

On 22 January 2024, FDJ announced that it was launching a tender offer for Kindred, one of Europe's leading online betting and gaming companies, to implement its ambition to become an international gaming operator, and thus create a European champion.

This offer:

- is made at a price of SEK 130 per share listed on Nasdaq Stockholm, and corresponds to an enterprise value of Kindred of 2.6 billion euros.

The transaction takes the form of a public tender offer, which will open on 20 February 2024 for a period of nine months. The completion of the takeover bid will remain subject in particular to obtaining regulatory authorisations and the acquisition by FDJ of at least 90% of Kindred's share capital.

FDJ will finance the acquisition by drawing on a large portion of its own cash reserves, together with a bridging loan from leading French banks. It intends to refinance the bridging loan at attractive market rates and will target an investment-grade rating.

Note 2 Accounting standards and policies

2.1 BASIS FOR PREPARATION OF THE FINANCIAL STATEMENTS

The consolidated financial statements of FDJ and its subsidiaries ("the Group"), published for the 2023 financial year, were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted in the European Union at 31 December 2023.

The Board of Directors approved the consolidated financial statements for the year ended 31 December 2023 on 14 February 2024.

The notes to the consolidated financial statements describe the accounting policies in the same sections as the comments on the figures themselves, to make them easier to understand for the reader.

The consolidated financial statements for the financial year ended 31 December 2023 are available on the website groupefdj.com (under Finance/Financial Publications).

2.1.1 New standards, interpretations and amendments applicable in 2023

The amendments and interpretations approved by the European Union whose application was mandatory as of 1 January 2023 (amendments to IAS 1: description of accounting policies; amendments to IAS 8: definition of an accounting estimate; amendments to IAS 12: deferred tax related to assets and liabilities arising from a single transaction; IFRS 17 and associated amendments: insurance contracts) had no impact on the Group's financial statements.

2.1.2 Standards, interpretations and amendments not yet adopted by the European Union

Amendments to IAS 7 and IFRS 7 – Supplier finance arrangements

Amendment to IAS 21 – Lack of exchangeability

These standards, interpretations and amendments are currently under review. At this stage, the Group does not anticipate a material impact.

2.1.3 Standards, interpretations and amendments adopted by the European Union and applicable from 1 January 2024

Amendments to IAS 1 – Classification of liabilities as current or non-current liabilities, liabilities with covenants.

2.1.4 Standards, interpretations and amendments adopted by the European Union and not early-applied by the Group

The Group has not applied any standards or interpretations early as at 31 December 2023. The Group does not anticipate any material future impact.

2.2 ACCOUNTING POLICIES

The main accounting policies applied in preparing the consolidated financial statements are set out below. Unless otherwise noted, these policies have been applied consistently to all periods presented.

The consolidated financial statements have been prepared on a going concern basis in accordance with the independence of financial periods. They have been prepared on a historical cost basis, except that certain financial assets and liabilities, including derivatives, equity securities assets held for sale, are measured at the lower of the carrying amount and fair value less costs to sell (see Notes 4.5, 4.6, 9.1 and 9.2 below).

Assets and liabilities are presented in the statement of financial position, broken down between current and non-current items.

In accordance with IAS 1, an asset is classified as current if it meets one of the following criteria:

- the entity expects to realise the asset in its normal operating cycle (inventories, trade receivables) or in the 12 months following the reporting date;
- the entity holds the asset primarily for the purpose of trading (financial assets at fair value through profit or loss); or
- the asset is cash or a cash equivalent.

All other assets are classified as non-current.

A liability is classified as current if it meets one of the following criteria:

- the entity expects to settle the liability within the current operating cycle (trade payables) or in the 12 months following the reporting date;
- the entity holds the liability primarily for the purpose of trading (financial liabilities at fair value through profit or loss).

All other liabilities are classified as non-current.

2.2.1 Consolidation

The consolidated financial statements for the year ended 31 December 2023 include the financial statements of the parent company, FDJ SA, controlled subsidiaries (see note 19) and joint ventures (see Note 10).

Control is determined by the practical ability to exercise a right to direct key activities (activities that significantly affect returns), exposure to variable returns (dividends, changes in fair value, tax savings), and the ability to affect those returns.

Subsidiaries, which are entities in which the Group holds an equity interest representing more than half of the voting rights or over which it directly or indirectly exercises control, are fully consolidated.

Joint ventures, where the Group exercises joint control and has direct or indirect rights to the net assets of the arrangement, are accounted for using the equity method.

All companies prepare their accounts as at 31 December.

Transactions between consolidated companies and intra-group profits are eliminated.

2.2.2 Foreign currency translation

The consolidated financial statements are presented in millions of euros, unless otherwise stated.

Transactions denominated in foreign currency are translated at the exchange rate applicable at the time of the transaction. Cash, receivables and payables denominated in foreign currency are translated at the exchange rate applicable at the reporting date. Translation differences are taken to the income statement.

The financial statements of foreign entities with a different functional currency to FDJ are translated into euros at the exchange rates applicable at the reporting date for assets and liabilities, and at the average exchange rate over the period for income and expense items.

Currency translation differences are recognised directly in other comprehensive income under "currency translation differences" and are recognised in the income statement at the date on which the business is sold.

The acquisition of Sporting Group in the UK was carried out in pounds sterling. An external debt denominated in the same currency was contracted to hedge the net equity of Sporting Group against foreign exchange risk. In accordance with IAS 39.102 and IAS 21.8, foreign exchange differences on the part of the external debt considered to be the effective portion of the hedge are recognised in other comprehensive income until the date of deconsolidation, offsetting the currency translation differences recognised on the consolidation of entities using the pound sterling as their functional currency. The ineffective portion of the hedge is recognised immediately as financial income or financial expense.

2.2.3 Use of judgements and estimates

The preparation of financial statements requires the use of estimates and assumptions to determine the value of assets and liabilities, assess positive and negative risks, and measure income and expenses at the reporting date.

In response to changes in the economic and financial environment, the Group has enhanced its risk management procedures. The Group has incorporated these factors into its estimates, such as business plans and discount rates used for impairment testing and provision calculations.

Due to the uncertainties inherent in any valuation process, the Group reviews its estimates at each period-end based on regularly updated information. The future results of the transactions concerned may differ from these estimates.

Material estimates and the main assumptions and key data mainly cover the following items:

- employee benefits: discount rate (Note 4.7.3);
- useful lives and recoverable amounts for the purpose of measuring the recoverable amount of intangible assets and property, plant & equipment. Both the amortisation period and method of amortisation for the customer base recognised as an asset upon the acquisitions were revised to take account of churn rates (Note 6);
- goodwill: discount rate and business plan assumptions for the purpose of measuring the recoverable amount of goodwill (Note 5);
- fair value of financial assets not listed on active markets (Note 9);
- performance shares: measurement assumptions used to value performance shares (recurring EBITDA, profit per share, probability of achieving targets, risk-free rate, share price) (Note 4.7.4).

In addition to estimates, the Group makes judgements to determine the most appropriate accounting treatment for certain activities and transactions, particularly when current IFRS standards and interpretations do not specifically address the accounting issues encountered:

- assessment and quantification of legal risks to determine provisions for risks and litigations (Note 7);
- assessment of the risk associated with non-recovery of past-due payments for the purpose of measuring the recoverable value of receivables from the distribution network (Note 4.5);
- identification (or not) of leases in certain agreements (Note 2.2.4).

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Note 3 Main changes in consolidation scope

3.1 MAIN CHANGES IN THE CONSOLIDATION SCOPE IN 2023

On 29 September 2023, following the conditional approval of the transaction by the French competition authority, FDJ completed the acquisition of ZEturf group, which has been controlled and fully consolidated by FDJ since that date. ZEturf is France's second-biggest operator of online horse-race betting, with a market share of around 20%. The acquisition makes the FDJ group the fourth-biggest operator in the French market for games of chance open to competition (i.e. sports betting, horse-race betting and poker) with a market share of over 10%.

The provisional acquisition price of €143 million (including acquired net debt) is subject to a price uplift mechanism based on 2023 recurring EBITDA, which is expected to give rise to an uplift of €7 million. Mutual buy and sell undertakings were signed with the vendor in respect of a past award of free shares which remain in the lock-up period. Of the purchase price, €138 million was allocated to intangible assets (€89 million for ZEturf and ZEBet brands, €14 million for technology and €35 million for the customer base) and the associated deferred tax liabilities (€20 million), giving rise to provisional goodwill of €72 million.

The ZEturf group earned revenue of €46 million in 2023.

On 3 November 2023, FDJ announced that it had completed the acquisition of a 100% stake in Premier Lotteries Ireland (PLI), the operator holding the exclusive rights to the Irish National Lottery until 2034. The deal marks the first time that the FDJ group has become the operator of a foreign lottery, and forms part of FDJ's strategic aim of becoming an international B2C operator in lottery as well as in sports betting and online games.

The PLI acquisition was financed from the Group's own funds. The purchase price was €333 million, including acquired net debt. Of the total, €302 million was allocated to intangible assets (€276 million for the exclusive licence to operate the lottery and €26 million for technology) and the associated

deferred tax liabilities (€35 million), giving rise to provisional goodwill of €63 million.

PLI earned revenue of €123 million in 2023.

ZEturf and PLI contributed €36 million to Group revenue in 2023. If ZEturf and PLI had been consolidated for the whole of 2023, FDJ Group would have recorded revenue of €2,754 million.

3.2 MAIN CHANGES IN THE CONSOLIDATION SCOPE IN 2022

In 2022, the Group finalised the acquisition of 95% of Adstellam (L'Addition), a specialist in payment equipment and services for cafés, bars, hotels and restaurants. L'Addition is controlled and is fully consolidated. Of the purchase price, €11 million was allocated to intangible assets (mainly €6 million for the customer base and €4 million for technology) and the associated deferred tax liabilities (€2 million). Goodwill, as determined in accordance with the full goodwill method, was €30 million. FDJ and the vendor have signed mutual undertakings to buy and sell the remaining 5% of L'Addition shares still held by the vendor.

The 100% acquisition of Aleda was finalised on 17 November 2022, after conditional approval for the transaction was granted by the French competition authority. Aleda specialises in point-of-sale payment solutions aimed at neighbourhood retailers. Aleda is controlled and has been fully consolidated since that date. Of the purchase price, €8 million was allocated to intangible assets (mainly €4 million for the customer base and €2 million for agents' contracts) and the associated deferred tax liabilities (€2 million). Goodwill was €27 million. The price uplift, based on recurring EBITDA, was revised to zero at the end of December 2023.

If L'Addition and Aleda had been consolidated for the whole of 2022, FDJ Group would have recorded revenue of €2,514 million. The two companies contributed €9 million to Group revenue in 2022.

Note 4 Operating data

4.1 NET GAMING REVENUE (NGR) AND REVENUE

Revenue is made up of net gaming revenue (NGR, as set out below) and revenue from other activities.

Gross gaming revenue (GGR)

GGR is the difference between stakes and player payout. For poker, the GGR takes the form of a commission levied on stakes.

Public levies (see Note 4.6.3 for the corresponding liability)

In France under the Pacte Law, the tax and social charges applicable to lottery games and sports betting are levied on the basis of the GGR, except in locations where local tax regulations apply (French overseas territories and the Principality of Monaco).

Public levies on gaming (excluding corporation tax) are charged at the following rates:

As % of GGR	Loto®/Euromillions	Other lottery games
ANS	5.1%	5.1%
CSG	6.2%	6.2%
CRDS	2.2%	2.2%
General State Budget	54.5%	42.0%
TOTAL	68.0%	55.5%

As % of GGR	PoS sports betting	Online sports betting
Tax levies on sports betting	27.9%	33.7%
ANS	6.6%	10.6%
Social security levies on sports betting	6.6%	10.6%
TOTAL	41.1%	54.9%

As % of GGR	Online horse-race betting
Tax levies on online horse-race betting	20.2%
Horse racing organisations	23.8%
Social security levies on online horse-race betting	6.9%
TOTAL	50.9%

Online poker is taxed on the basis of stakes. The overall charge comprises a tax levy of 1.8% (capped at €0.90 per deal for cash games)⁽¹⁾ and a social security levy of 0.2% of stakes (capped at €0.10 per deal for cash games).

General State Budget

Public levies intended for the General State Budget are governed by Article 138 of Law no. 2019-486 of 22 May 2019 on business growth and transformation (Pacte Law).

(1) A cash game is a hand of poker played with real money, as opposed to a tournament game, where players join by paying an entry fee and play with chips that have no monetary value.

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Social security levies on lottery games (CRDS and CSG)

The social security levies are the CRDS (Contribution au remboursement de la dette sociale – social security debt repayment contribution) and the CSG (Contribution sociale généralisée – general social contribution).

CRDS: imposed by Article 18 of Order no. 96-50 of 24 January 1996, as amended by Article 138 of **Law no. 2019-486 of 22 May 2019 on business growth and transformation**.

CSG: imposed by Articles L.136-7-1 and L.136-8 of the French Social Security Code, as amended by Article 138 of **Law no. 2019-486 of 22 May 2019 on business growth and transformation**.

Tax and social security levies specific to sports betting

Tax levy: imposed by Articles 302 bis ZH, ZK and ZL of the French Tax Code, as amended by Article 138 of **Law no. 2019-486 of 22 May 2019 on business growth and transformation**.

Social security levy: imposed by Article L.137-21 of the French Social Security Code, as amended by Article 138 of **Law No. 2019-486 of 22 May 2019 on business growth and transformation**.

Agence nationale du sport (ANS): levies imposed by Articles 1609 (29) and 1609 (30) of the French General Tax Code, as amended by Article 138 of **Law no. 2019-486 of 22 May 2019 on business growth and transformation** and by Article 46 of Law no. 2011-1977 of 28 December 2011 (2012 Budget Law), each subject to an upper limit of €35 million (for the entire sports betting market) above which the payments are allocated to the General State Budget.

VAT

VAT, as governed by Chapter 1 of Title II of Book 1 of the General Tax Code, is charged on net gaming revenue at the rate applicable in metropolitan France and the French overseas departments.

Net gaming revenue (NGR)

The Group is a service provider that develops and operates lottery games and sports betting in a highly regulated environment. The revenue earned by FDJ for the organisation and placement of games is called net gaming revenue or NGR.

NGR is gross gaming revenue, less public levies. Like GGR, it can vary according to the payout ratio⁽¹⁾ for each game (margin effect) and according to the volume of stakes wagered in each game category (volume and mix effects).

NGR is recognised once the Group has met all its obligations. Performance obligations vary by type of game:

- for **draw games**, FDJ's service is completed when it has recorded the placing of the bets, held the draw that determines the winning numbers, calculated the winnings and published the results and prizes;
- for **instant games** sold at points of sale, FDJ recognises stakes as income when a given number of tickets has been sold, i.e. when said tickets are placed in the gaming terminals. Accordingly, the sale is recognised before the booklet (batch of tickets), which has a value of between €150 and €300, is completely used up. Given how fast the booklets are sold, revenue recognised on a per-unit basis would be very close to the amount of revenue recorded in the financial statements. Online sales are recognised as soon as the player's stake is recorded;
- for **sports betting**, the principles are similar to draw games. FDJ has met its obligations when, once the sporting event has taken place, the winnings have been calculated and the results and prizes have been published;
- for **poker**, FDJ has met its obligations when the tournament or the hand ends;
- for **horse-race betting**, the principles are similar to draw games. FDJ has met its obligations when, once the event has taken place, the winnings have been calculated and the results and prizes have been published.

NGR is thus gaming revenue net of the winnings paid or payable to players and net of the levies collected on behalf of the French State.

The processing of gaming operations, their accounting and the determination of NGR are very highly automated. They rely on an IT system, which handles all game operations from the validation of stakes at points of sale and online to the recognition of NGR.

(1) The payout ratio is the percentage of stakes paid out to winners.

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In millions of euros	31.12.2023	31.12.2022
Draw games	790.1	823.6
Instant games	1,142.5	1,088.0
Lottery	1,932.6	1,911.6
Sports betting and online gaming open to competition	515.6	466.8
Other*	33.2	10.0
Total net gaming revenue (NGR)	2,481.4	2,388.4
Revenue from other activities	140.0	72.7
Revenue	2,621.4	2,461.1

* Traditional fixed odds sports betting provided by Sporting Group (until November 2023).

Net gaming revenue represents FDJ Group's remuneration on its gaming activities. It is monitored by product range. NGR for 2023 was €2,481.4 million, a rise of €93.0 million relative to 2022 (+3.9%). Revenue from other activities, predominantly consisting of international services and the

Payment & Services business, was €140.0 million in 2023, a rise of €67.3 million relative to 2022 (+92.5%).

Total Group revenue was thus €2,621.4 million in 2023, a rise of €160.3 million relative to 2022 (+6.5%).

4.2 OPERATING PROFIT

4.2.1 Recurring operating profit

Cost of sales amounted to €1,392.5 million (+4.7%). This includes €983 million (+1.9%) in remuneration paid to retailers, which are correlated to stakes recorded in the network. The increase in other sales costs, €44.6 million, is mainly due to acquisitions, particularly that of Aleda.

Marketing and communication costs include the costs of advertising and designing offers, as well as the costs of IT development and operation of games and services. They amounted to €455.6 million. The decline of 1.2% was mainly due to advertising spending, particularly corporate communications, which came out at 1% of GGR.

General and administrative expenses mainly comprise the personnel and operating costs of the central functions, as well as the costs of buildings and IT infrastructure. They amounted to €229.9 million (+14.9%), an increase in particular linked to a scope effect as well as the exceptional

allocation of €10 million to support actions to prevent underage gambling carried out by the non-profit sector over the 2023-2027 period.

Other operating income includes the reversal of a €7.5 million provision for legal cases with former agent-brokers.

Other operating expenses mainly include the amortisation of the exclusive operating rights for the Group's games in France and Ireland.

The Group's **recurring operating profit** was thus 531.8 million euros, up 15.8%.

Recurring EBITDA, recurring operating profit restated for depreciation and amortisation, was €656.8 million, up 11.3%, i.e. a recurring EBITDA margin of 25.1%, up from 24.0% recorded in 2022.

4.2.2 Income statement items by nature of costs

In millions of euros	2023	2022
Personnel expenses	369.3	326.9
Net depreciation and amortisation	125.1	130.9
IT outsourcing expenses	79.3	75.0

See Note 4.7.2 for comments on the change in personnel expenses.

Net depreciation and amortisation are linked to the non-current assets, which are presented in 6.1 and 6.2.

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4.2.3 Other non-recurring operating income and expenses

Material non-recurring items are recognised in operating profit under "Other non-recurring operating income" and "Other non-recurring operating expenses", in accordance with ANC Recommendation 2013-03 of 7 November 2013. These items mainly include restructuring costs, proceeds from disposals of fixed assets, impairment of fixed assets and other non-recurring costs.

In 2023, non-recurring income and expenses produced a net expense of €10.6 million, the main components of which were:

- M&A costs;
- VAT income of €14.1 million in relation to NGR earned in the French overseas departments, following the updating and revised interpretation of the VAT rules applicable to the games we sold in 2021 and 2022 (see Note 16 Ongoing legal proceedings and other disputes);
- loss on disposal of the Sporting Group B2C business;

In 2022, non-recurring income and expenses produced a net expense of €10.4 million, the majority of which comprised M&A costs.

4.3 INFORMATION - OPERATING SEGMENTS

Segment reporting is presented in accordance with IFRS 8 "Operating Segments". The operating segments used by the Group are those regularly reviewed by the corporate directors and primary operational decision-makers.

The operating segments used are based on internal reporting, as follows:

- Lottery, which includes activities related to instant games and draw games;
- Sports betting and online gaming open to competition,⁽¹⁾ comprising online and PoS sports betting activities and online poker;
- Adjacent activities (International including PLI, Payments & Services, and Entertainment).

The "Holding" column, which combines central and brand-related costs (corporate campaigns), reconciles the data with the consolidated income statement.

The contribution margin measures the profitability (excluding central costs) generated by a given segment, regardless of the capital investment cycle, financing conditions and taxation.

Recurring EBITDA (earnings before interest, tax, depreciation and amortisation) is equal to recurring operating profit before depreciation and amortisation. It reflects the Group's profit, excluding the capital investment cycle, financing costs and taxation. Recurring EBITDA is not monitored by operating segment.

The data below are presented in accordance with the same accounting policies as those used to prepare the Group's consolidated financial statements.

	2023						
	Lottery BU	Sports betting and online gaming open to competition BU	Adjacent activities	Holding	Total before dep./ amort.	Dep./ amort.	Group total
In millions of euros							
Gross gaming revenue (GGR)	5,564	1,076	70	0	6,710		6,710
Net gaming revenue (NGR)	1,933	516	33	0	2,481		2,481
Revenue	1,938	518	165	0	2,621		2,621
Cost of sales	-1,046	-239	-73	0	-1,357	-35	-1,393
Marketing and communication expenses	-170	-126	-77	-30	-402	-53	-456
Contribution margin	723	153	15	-30	862	-88	773
General and administrative expenses & Other operating income and expenses				-205	-205	-37	-241
Recurring EBITDA					657		
Depreciation and amortisation						-125	
RECURRING OPERATING PROFIT							532

(1) Online gaming, excluding lottery. In France, an online market open to competition is permitted for sports betting, horse-race betting and poker.

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2022							
In millions of euros	Lottery BU	Sports betting and online gaming open to competition BU	Adjacent activities	Holding	Total before dep./ amort.	Dep./ amort.	Group total
Gross gaming revenue (GGR)	5,551	975	0		6,526		6,526
Net gaming revenue (NGR)	1,912	467	10		2,388		2,388
Revenue	1,916	467	78		2,461		2,461
Cost of sales	-1,033	-235	-21		-1,289	-41	-1,330
Marketing and communication expenses	-174	-115	-77	-37	-403	-58	-461
Contribution margin	709	117	-20	-37	770	-99	671
General and administrative expenses & Other operating income and expenses				-180	-180	-32	-211
Recurring EBITDA					590		
Depreciation and amortisation						-131	
RECURRING OPERATING PROFIT							459

The proportion of Group revenue generated outside the Group's home country (France) was marginal (2023: 3.1%; 2022: 1.5%). The proportion of property, plant and equipment and intangible assets outside France is 23.7%, almost all of which concerns the exclusive operating rights held by PLI. 92% of capital expenditure is carried out in France.

Given the nature of its business, the Group does not have key accounts.

Recurring EBITDA is an alternative performance indicator used by the Group. It is equal to recurring operating profit excluding depreciation and amortisation.

In millions of euros	31.12.2023	31.12.2022
Recurring operating profit	532	459
Net depreciation and amortisation	-125	-131
Recurring EBITDA	657	590

4.4 OPERATING RISK HEDGING

4.4.1 Management of counterparty risk on games

Counterparty risk on games is:

- for lottery games: the difference between the theoretical proportion of stakes paid out to winners and the total amount of the prizes actually awarded; and
- for sports betting: repeated winnings over extensive periods on competitions won by the favourite athletes.

The counterparty risk on lottery games is covered by an insurance policy. The policy was taken out by FDJ within the framework of an annual policy with several insurance

companies to cover the aggregate counterparty risks for lottery games based on a counterparty mechanism. In 2023, the policy covered the cumulative net impact on NGR of potential counterparty losses over the financial year in excess of €8 million (deductible), subject to an aggregate cap of €130 million, up to the maximum winnings payable for any one prize draw, the amount of which is set by the rules of each game or, failing that, by Article D.322-14 of the French Interior Security Code. The insurance premium, together with any claims payments, is disclosed in cost of sales. No claims were paid under this policy in relation to 2023.

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4.4.2 Management of receivables risk

The Group's receivables relate mainly to its network of retailers. They reflect the stakes accepted by retailers, which are collected weekly by FDJ by direct debit. Retailers require a permit from FDJ to sell its games, granting of which is systematically subject to the provision of a deposit or a guarantee by the retailer.

The risk associated with retailer receivables is analysed by an oversight committee, whose meetings are regularly attended by the heads of the Sales, Financial, Legal, Security and Responsible Gaming Departments. The committee is in charge of ruling on special cases

involving material past-due payments and deciding whether or not to litigate over certain receivables. The rules for the impairment of receivables are based on their amount and ageing, and are in line with the expected credit loss model, given the extremely short settlement times and the credit risk management systems in place. The Group considers the risk of retailer default with a material impact on its financial position and results to be limited.

Other receivables are impaired on a case-by-case basis.

The schedules of receivables not yet paid and not impaired, excluding receivables from entities accounted for using the equity method and prepaid expenses (see Note 4.5.2), are as follows:

In millions of euros	31.12.2023									
	Gross amount			Provisions for overdue amount	Net amount	Net amount overdue	Net amount overdue by			
	Non-overdue	Overdue					0-3 months	3-6 months	6-12 months	> 1 year
Trade and distribution network receivables	533.5	45.3	-19.3	559.5	26.0	18.9	2.5	4.4	0.3	
Other current receivables	246.3	1.7	0.0	248.0	1.7	0.3	0.1	0.8	0.5	
CURRENT RECEIVABLES	779.8	47.1	-19.3	807.5	27.8	19.2	2.6	5.2	0.8	

In millions of euros	31.12.2022									
	Gross amount			Provisions for overdue amount	Net amount	Net amount overdue	Net amount overdue by			
	Non-overdue	Overdue					0-3 months	3-6 months	6-12 months	> 1 year
Trade and distribution network receivables	443.6	40.1	-17.9	465.8	22.2	15.0	4.2	2.1	0.9	
Other current receivables	226.5	6.1	-	232.6	6.1	5.9	-	-	0.1	
CURRENT RECEIVABLES	670.1	46.1	-17.9	698.4	28.2	20.9	4.2	2.1	1.0	

4.4.3 Management of foreign exchange risk

In the normal course of its business, the Group is exposed to foreign exchange risk resulting from invoices from foreign suppliers denominated in foreign currencies. This risk is measured in aggregate for each currency. The general Group policy is to hedge this risk over each financial year.

The Group has a material exposure to the US dollar, for a maximum equivalent amount of US\$36.8 million in 2023 (US\$28.6 million in 2022).

The fair value of USD hedging derivatives was -€0.2 million at the end of December 2023 (2022: +€0.6 million). This exposure mainly arose from foreign-currency purchases of gaming materials. Given the annual volume of purchases in

foreign currencies, the Group is exposed to limited foreign exchange risk on operational activities.

In 2023, an increase of \$0.10 per €1 in the EUR/USD exchange rate on derivatives held and classified as hedging derivatives would have reduced the valuation of the instruments by €2.6 million. A decrease of \$0.10 would have increased their valuation by €3.7 million.

In 2022, an increase of \$0.10 per €1 in the EUR/USD exchange rate on derivatives held and classified as hedging derivatives would have reduced the valuation of the instruments by €3.2 million. A decrease of \$0.10 would have increased their valuation by €4.3 million.

The acquisition of Sporting Group in the UK was carried out in pounds sterling. An external debt denominated in pounds sterling was contracted to hedge the net equity of Sporting Group against foreign exchange risk.

4.5 CURRENT RECEIVABLES

Upon initial recognition, current receivables are recorded at their fair value, taking payment due dates into account.

Receivables are subsequently recognised at amortised cost, which in practice is equal to their nominal value. They are tested with regard to credit risk and the probability of loss.

4.5.1 Trade and distribution network receivables

In millions of euros	31.12.2023	31.12.2022
Trade receivables (gross)	109.2	72.7
Distribution network receivables (gross)	469.6	411.0
Impairment	-19.3	-17.9
TOTAL TRADE AND DISTRIBUTION NETWORK RECEIVABLES	559.5	465.8

Trade receivables relate to the Group's business with foreign lotteries for the provision of IT services.

In France and Ireland, stakes collected from players, net of prizes paid out to players and commissions, are collected weekly from the distribution network by direct debit. Stakes are recorded as assets, while prizes and fees are taken to liabilities.

Distribution network receivables represent stakes accepted by retailers at the end of the year but not yet debited from the retailers by the Group. The year-end amount varies, depending on the day of the week on which 31 December falls. The growth in the amount in 2023 is due to a calendar effect⁽¹⁾ and to an increase in stakes wagered during the final few days of the year, as well as to the first-time consolidation of PLI.

4.5.2 Other current assets

In millions of euros	31.12.2023	31.12.2022
Prepaid expenses	24.3	24.0
Other current receivables	248.0	232.6
TOTAL OTHER CURRENT ASSETS	272.3	256.6

Other current receivables at 31 December 2023 include an advance payment on public levies of €194 million (2022: €202 million).

(1) Since payment is weekly, the calendar effect on distribution network receivables fluctuates between 3 and 9 days' point-of-sale stakes, depending on which weekday the reporting date falls.

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4.6 CURRENT PAYABLES

Upon initial recognition, current payables are recorded at their fair value; this is equal to their nominal value, as adjusted to take account of the payment due dates.

Current payables are subsequently recognised at amortised cost.

4.6.1 Trade and distribution network payables

In millions of euros	31.12.2023	31.12.2022
Trade payables	190.4	201.9
Distribution network payables	288.1	263.8
TOTAL TRADE AND DISTRIBUTION NETWORK PAYABLES	478.5	465.7

Distribution network payables consist of prizes paid to players by retailers and network commissions for the year-end period. These amounts are paid weekly. The year-end amount varies, depending on the day of the week on

which 31 December falls. This calendar effect,⁽¹⁾ together with an increase in stakes wagered during the final few days of the year, is the main reason for the change in 2023.

4.6.2 Player funds

Player funds include pooled top prizes and winnings on pooled sports betting and traditional pooled draw games, as well as top prizes and winnings from additional games.

Other game organisation funds (e.g. rollover funds or super jackpot funds) contain sums that are carried forward to subsequent draws if there is no prize winner for certain classes of prize, as provided for in the rules of the games concerned.

Player funds mainly comprise funds intended for the organisation of games. They amounted to €340 million at 31 December 2023 (2022: €305 million). Changes in player

funds are driven by the lifecycle of draw games, as well as by the first-time consolidation of PLI.

4.6.3 Public levies liabilities

In millions of euros	31.12.2023	31.12.2022
Liabilities – General State budget (France)	267.1	235.1
Liabilities – Sports betting levies (France)	75.8	62.0
Liabilities – Other public levies (France and Ireland)	61.8	44.7
Sub-total	404.7	341.8
Unclaimed prizes (France)	201.8	117.2
PUBLIC LEVIES LIABILITIES	606.5	459.0

In France, public levies are paid over on a monthly basis, except in the case of unclaimed prizes, which are paid during the first half of the next financial period. Unclaimed prizes

rose by €84.6 million between the two year-ends, mainly due to the issue schedule for scratch card games.

(1) Since payment is weekly, the calendar effect on distribution network receivables fluctuates between 3 and 9 days' point-of-sale stakes, depending on which weekday the reporting date falls.

4.6.4 Winnings payable/Player balances

Winnings payable and player balances totalled €343 million at 31 December 2023 (2022: €320 million). They mainly comprise:

- winnings payable, i.e. unexpired, unpaid winnings owed to players (2023: €226 million; 2022: €237 million);

- available funds in player accounts (2023: €72 million; 2022: €54 million);
- winnings due to online players in the course of payment (2023: €14 million; 2022: €12 million).

4.6.5 Other current liabilities

In millions of euros	31.12.2023	31.12.2022
Prepaid income	50.1	37.1
Other payables	207.9	185.0
OTHER CURRENT LIABILITIES	258.0	222.1

Prepaid income comprises stakes wagered in one year for draws or events taking place in the subsequent year. The amount at 31 December 2023 was €50 million (2022: €37 million). They are converted into stakes within a maximum of five weeks.

Other payables (2023: €208 million; 2022: €185 million) mainly comprise tax and social security payables.

4.7 PERSONNEL EXPENSES AND EMPLOYEE BENEFITS

4.7.1 Group headcount

Group weighted average headcount, covering all types of employment contracts including temporary staff, was as follows in 2023 and 2022:

	31.12.2023	31.12.2022
WEIGHTED AVERAGE HEADCOUNT	3,241	2,848

Year-end headcount was as follows:

	31.12.2023	31.12.2022
TOTAL YEAR-END HEADCOUNT	3,520	3,082

4.7.2 Personnel expenses

In addition to salaries and the corresponding social security charges, personnel expenses include the current service cost of retirement benefits and other long-term benefits, as well as temporary staff, training and other related employee-related expenses.

In millions of euros	31.12.2023	31.12.2022
Payroll and social security contributions	281.7	247.9
Employee profit-sharing and incentives	41.8	37.2
Long-term benefits	5.7	10.5
Other	40.1	31.3
TOTAL PERSONNEL EXPENSES	369.3	326.9

The rise in personnel expenses was largely due to the increase in the weighted average headcount and the general collective pay rises granted in response to inflation.

Personnel expenses include the valuation of a portion of the share purchase undertaking given in respect of L'Addition shares, based on continued service requirements, and expenses related to share-based payments (see 4.7.4).

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4.7.3 Employee benefits

The Group grants post-employment benefits to its employees (pension schemes, lump-sum retirement benefits, health coverage etc.) in accordance with the laws and regulations of the countries in which it operates, as well as other long-term benefits such as long-service awards.

Defined benefit obligations are subject to actuarial valuations using the projected unit credit method. This method consists of determining the vested entitlements of employees for all schemes at the period-end, taking account of projected salary growth and the economic circumstances in each country.

Post-retirement benefits include lump-sum retirement benefits (defined benefit plans) which are based on end-of-career salaries and years of seniority. Amounts paid in respect of defined contribution plans are recognised as social security charges for the year. A provision is recognised for retirement benefit obligations that are administered under a defined-benefit plan. Benefits also include healthcare coverage. FDJ employees continue to receive healthcare coverage when they retire (or in the event of disability/redundancy), in accordance with the requirements of the Evin Law of 31 December 1989 and the national inter-occupational collective bargaining agreement of 11 January 2008. The scheme for current and former employees is in deficit and represents a liability. Lastly, benefits also include early retirement leave, which enables staff members who wish to do so to retire up to three years early as from 1 September 2022.

Long-term benefits also include long-service awards, which consist of days of paid leave and are subject to social security charges. The annual expense is equal to the net change in the obligation.

To determine the present value of the defined benefit plan obligation, the Group uses the projected unit credit

method, a retrospective method involving projections of final salaries on retirement. The obligations are measured annually, taking account of seniority, life expectancy, employee turnover by category, benefits negotiated under collective bargaining agreements, and economic assumptions such as inflation and the discount rate. The discount rate used is determined based on the iBoxx € Corporate AA 10+ index.

The expense recognised in the income statement for the year incorporates:

- additional benefits earned by employees;
- the change in the discounted value of benefits existing at the start of the year, taking account of the passage of time;
- the impact of any plan amendments or new plans over the year.

In application of the amendment to IAS 19, actuarial gains and losses are recognised directly in other comprehensive income, and the impact of any plan amendments or new plans is included in the expense recognised in the income statement.

Expenses related to defined benefit plans are recorded in the income statement as follows:

- current service cost, which reflects the increase in obligations stemming from the acquisition of an additional year of seniority, is recognised in operating profit;
- the net financial expense for the period is recognised under "financial expenses". It is determined by applying the discount rate to the amount recognised in the statement of financial position at the beginning of the period, taking into account any variation during the period resulting from contributions paid and benefit payments.

In millions of euros	31.12.2023	31.12.2022
Retirement benefits	22.7	23.3
Long-service awards	7.9	7.0
Healthcare costs	4.8	3.6
Early retirement leave	22.5	10.1
PROVISIONS FOR RETIREMENT BENEFITS AND SIMILAR COMMITMENTS	58.0	44.1

The rise in the state retirement age had a non-material impact on the provisions for lump-sum retirement payments and early retirement leave as at 1 January 2023.

The increase in the provision for early retirement leave is notably due to an increase in the number of eligible employees as a result of pension reform, new agreements signed by employees, largely from among those who were

already eligible at 31 December 2022, and the service cost for the year. The provision has gone up by €12 million, of which €8 million is disclosed in other comprehensive income. It is assumed that 25% of those eligible for early retirement leave will take up the offer.

The inputs used to determine the provision for retirement benefit obligations are as follows:

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	31.12.2023	31.12.2022
Discount rate	3.20%	3.70%
Wage growth*	3.00%	3.00%
<i>long-term inflation included in the above</i>	2.10%	2.20%
Employee turnover rate* – management	0.95%	0.95%
– non-management	0.57%	0.57%
Mortality table	INSEE TH-TF 2000-2002	INSEE TH-TF 2000-2002

* Age-adjusted.

In millions of euros	31.12.2023	31.12.2022
Actuarial obligation* at the beginning of the period	44.1	47.7
Current service cost	5.6	10.5
Interest on the actuarial obligation	1.0	0.7
Actuarial gains (losses)	9.6	-14.5
Benefits paid	-3.4	-0.8
Change in scope and reclassification	1.0	0.5
ACTUARIAL OBLIGATION* AT THE END OF THE PERIOD	58.0	44.1

* Actuarial obligation relating to retirement benefits, long-service awards, healthcare costs and early retirement leave.

Under IAS 19 as revised, actuarial gains or losses that result from changes in actuarial assumptions and experience adjustments are recognised in full in other comprehensive income as they occur.

Sensitivity tests indicate that a 100 bp increase or decrease in the discount rate would lead respectively to a decrease of 9% or an increase of 11% in the current provision for retirement benefits.

The average duration was 10 years at 31 December 2023 (2022: 9 years).

In April 2022, the Group signed an early retirement leave agreement for a three-year period starting 1 September 2022,

under which staff members who wish to do so can take early retirement. This led to the recognition of a liability of €22.5 million at 31 December 2023. The agreement applies to employees aged 57 or older of FDJ and the French subsidiaries of the Group, provided that they have worked for the Group for at least five years and are entitled to claim their retirement benefit at the end of the plan. The plan enables them to receive between 60% and 90% of their salary for a period of up to three years.

It is assumed that 25% of those eligible will accept the offer. The discount rate is 3.20%. A change in the discount rate of 100 basis point would lead to an immaterial change in the liability.

4.7.4 Share-based payment

Awards of performance shares are recognised in accordance with IFRS 2 "Share-based Payment". An amount representative of the benefit granted to the beneficiaries is calculated as at the award date and recognised in personnel expenses over the term of the plan. The corresponding credit entry is recorded directly in equity. The fair value of the expense is calculated using Black & Scholes-type models, which take account of the features of

the plan (price and exercise period) and market information as at the date of the award (risk-free rate, share price, volatility, expected dividends). The expense is spread across the vesting period of the rights and may be corrected to reflect staff departures or dismissals or changes in the estimated probability that the performance criteria will be met. Subsequent changes in the share price do not affect the amount of the expense.

Three performance-based share schemes are in operation. Shares have been allocated to the Chairwoman and CEO, the Deputy CEO and certain Group employees. In accordance with the principles set out above, rights to performance

share awards are measured at fair value on the date of allocation, based on the assumption that the target level of performance will be fully achieved. The number of shares to be awarded is shown below.

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The entitlements have a vesting period of three years and are conditional on continued service.

The actual award of the shares is subject to the achievement of performance targets (recurring EBITDA, profit per share, total shareholder return for FDJ shareholders, identified stakes ratio and Moody's ESG Solutions rating). If these targets are not met, the number of shares delivered and the expense will be reduced. In the event of outperformance,

the number of shares delivered will be increased, up to a maximum of 145% of the entitlements awarded.

The performance targets are assessed over three financial years, starting in the year in which the shares are awarded. The shares are delivered in the year after the three-year period, i.e. shares awarded in 2021 will be delivered in 2024, shares awarded in 2022 will be delivered in 2025 and shares awarded in 2023 will be delivered in 2026.

Plan	2021-2024	2022-2025	2023-2026
Allocation date	30.06.2021	26.04.2022	27.04.2023
Number of shares	95,867	174,764	175,828
Share price	49.58	34.6	38.8
Fair value	44.20	28.65	31.00
Expected dividends during the vesting period	5.3%	10.0%	12.3%
Volatility of shares	23.0%	34.4%	23.3%
Weighting for non-market performance targets (base 100%)	85.0%	85.0%	85.0%
Weighting for TSR performance targets (base 100%)	15.0%	15.0%	15.0%
Valuation method	Monte Carlo	Monte Carlo	Monte Carlo

The estimated expense over the term of the plans is €19.1 million (including employer's social security contributions), of which €5.5 million was expensed in the

period. During the year, 139,000 shares were purchased for a total of €5.1 million for distribution to the beneficiaries when the plans mature.

4.8 INVENTORIES

Inventories are valued at the lower of cost (determined using the "first in, first out" method) and net realisable value (estimated selling price net of associated selling costs). They are impaired in line with their technical or commercial obsolescence.

Inventories predominantly comprise gaming materials, such as scratch cards for instant games. The total at 31 December 2023 was €23 million (2022: €18 million).

Note 5 Goodwill

Goodwill is the difference between the acquisition price and the fair value of the identifiable assets acquired and the liabilities assumed. It is assigned to the cash-generating unit (CGU) or group of CGUs liable to benefit from the synergies of the business combination, where that CGU or group of CGUs represents the lowest operating level at which the Group monitors the return on investment for this asset. A CGU is defined as the smallest identifiable group of assets generating cash inflows that are largely independent of the cash from other assets or groups of assets.

In accordance with IAS 36, goodwill is not amortised but is tested for impairment at each year-end, or more frequently if evidence of impairment is identified.

The purpose of impairment testing is to ensure that the net carrying amount does not exceed the recoverable amount.

The recoverable amount is the higher of fair value (less costs to sell) and value in use.

The value in use of a CGU is determined with reference to the value of the discounted future cash flows expected from these assets, within the framework of the economic assumptions and operating conditions expected by the Company's management. An impairment loss is recorded when the recoverable value is less than the carrying amount of the CGU. It is allocated in priority to goodwill. Any additional amounts are then allocated to property, plant and equipment and intangible assets.

In millions of euros	31.12.2022	Acquisitions Allowances	Disposals	31.12.2023
Goodwill (gross)	56.6	134.1		190.8
Impairments	-	-	-	-
GOODWILL (NET)	56.6	134.1	-	190.8

In millions of euros	31.12.2021	Acquisitions Allowances	Disposals	31.12.2022
Goodwill (gross)	71.1	56.6	-71.1	56.6
Impairments	-71.1	-	71.1	-
GOODWILL (NET)	-	56.6	-	56.6

On 29 September 2023, following the conditional approval of the transaction by the French competition authority, FDJ completed the acquisition of 100% of ZEturf group, which has been controlled and fully consolidated by FDJ since that date. Provisional goodwill of €72 million was recognised in the Group's financial statements at 31 December 2023.

On 3 November 2023, FDJ announced that it had completed the acquisition of a 100% stake in Premier Lotteries Ireland (PLI), the operator holding the exclusive rights to the Irish National Lottery until 2034. Provisional goodwill of €63 million was recognised in the Group's financial statements at 31 December 2023.

In 2022, the finalisation of the L'Addition and Aleda acquisitions led to the recognition of two new goodwill items totalling €57 million (€30 million for L'Addition and €27 million for Aleda). The goodwill mainly reflects the prospects for future business growth and the value of human capital.

The strategy behind the L'Addition and Aleda acquisitions was to pool expertise and create synergy with a view to establishing a overall Merchant Services business. The goodwill impairment test as at 31 December 2023 therefore examined both CGUs together, based on the cumulative total of their updated cash flow projections.

At 31 December 2023, a test was conducted on the Merchant Services CGU on the basis of the updated business plan. This test did not indicate any impairment of goodwill.

A sensitivity test was performed on the enterprise value:

- a half-point rise in the discount rate would reduce the enterprise value by €3 million, implying no impairment of goodwill;
- a 0.2% change in the growth rate would have an effect of around €0.5 million.

Note 6 Property, plant and equipment and intangible assets

6.1 EXCLUSIVE OPERATING RIGHTS AND OTHER INTANGIBLE ASSETS

Exclusive operating rights

These assets comprise:

- the exclusive rights secured by FDJ to operate lottery activities both online and in the offline distribution network, and to operate sports betting activities in the offline distribution network, for a period of 25 years. Amounting to €380 million, this asset is being amortised over this term from 23 May 2019, the date of enactment of the Pacte Law (Law no. 2019-486);
- PLI's exclusive licence to operate the Irish National Lottery until 2034.

Research and development costs and intangible assets in progress

Research expenses incurred by the Group for proprietary activities are recognised as expenses as and when incurred.

Development costs are capitalised, provided they relate to projects with serious prospects for technical success and economic viability. These include the value of internal man-days and subcontracting. They cover internally developed projects aimed mainly at digitising and expanding the product and service range, both online and in points of sale.

Software

Software is initially recognised at acquisition cost, comprising the purchase price and incidental costs.

Brands

These assets comprise the value assigned to brands in the purchase price allocation process for each of the Group's acquisitions.

Intangible assets in progress and other intangible assets

Intangible assets in progress represent the development costs (see above) of assets not yet commissioned. Apart from goodwill and assets acquired in a business combination, intangible assets are measured at their acquisition cost (purchase price and incidental costs).

Amortisation

Intangible assets are amortised on a straight-line basis over their estimated useful lives, unless those lives are indefinite. Development costs are amortised on a straight-line basis over the expected useful life of the asset, starting at the commissioning date. Development costs are amortised on a straight-line basis over a period of between three and 15 years, with an average of 5 years. Assets relating to online-only lottery games and to sports betting open to competition are amortised over three years. Software is amortised over a period of five years. Brand assets are amortised on a straight-line basis over a period of between two and 20 years, based on their estimated useful lives.

These periods are reviewed at the end of each financial year. Any change in the expected useful life or the expected rate of consumption of the future economic benefits represented by the asset is taken into account prospectively.

Impairment of intangible assets

In accordance with IAS 36, where events or changes in the market environment or internal sources of information provide evidence of impairment of intangible assets, these assets are tested for impairment.

The main indications of impairment used by the Group are achievement of five-year business plan targets, regulatory changes, market trends, game and equipment performance, tech developments liable to make certain equipment prematurely obsolete and changes in the product/service range.

An impairment loss is recognised if the net carrying amount of an asset is greater than its recoverable amount. The recoverable amount of an asset is the greater of value in use, based on the discounted future cash flows generated by the asset, and market value, determined by reference to recent transactions in similar assets or valuations performed by independent experts with a view to disposal, less costs to sell.

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In millions of euros	31.12.2023			31.12.2022		
	Gross	Amortisation Impairments	Net	Gross	Amortisation Impairments	Net
Exclusive operating rights	655.9	-74.2	581.6	380.0	-54.9	325.1
Development costs	299.6	-185.6	114.0	232.9	-170.2	62.6
Software	97.4	-70.4	27.0	87.8	-72.2	15.6
Brands	90.2	-1.6	88.6	1.2	0.0	1.2
Intangible assets in progress and other intangible assets	147.9	-31.4	116.5	126.6	-23.5	103.1
TOTAL INTANGIBLE ASSETS	1,291.0	-363.3	927.7	828.5	-320.9	507.6

In millions of euros	31.12.2022	Acquisitions Allowances	Disposals Reversals	Reclassi- fications ⁽¹⁾	Change in scope	Other movements ⁽²⁾	31.12.2023
Exclusive operating rights	380.0	-	-	-	275.9	-	655.9
Development costs	232.9	25.0	-0.0	15.4	25.8	0.6	299.6
Software	87.8	0.9	-	-5.4	14.0	0.1	97.4
Brands	1.2	-	-	-	89.0	-	90.2
Intangible assets in progress and other intangible assets	126.7	43.3	-0.8	-57.2	35.2	0.7	147.9
Gross amounts	828.5	69.2	-0.9	-47.2	439.9	1.4	1,291.0
Amort. / Impairment – Exclusive operating rights	-54.9	-19.3	-	-	-	0.0	-74.2
Amort. / Impairment – Development expenses	-170.2	-40.6	0.0	25.5	-	-0.4	-185.6
Amort. / Impairment – Software	-72.2	-3.2	-	5.1	-	-0.1	-70.4
Amort. / Impairment – Brands	-0.0	-1.6	-	-	-	-	-1.6
Amort. / Impairment – Other intangible assets	-23.5	-11.6	0.8	3.3	-	-0.3	-31.4
Amortisation and impairments	-320.9	-76.3	0.8	33.9	-	-0.8	-363.3
NET INTANGIBLE ASSETS	507.6		-0.1	-13.3	439.9	0.5	927.7

(1) Reclassifications from “assets in progress” to “available for use” and reclassification of assets held for sale (IFRS 5).

(2) Mainly currency translation differences.

The main acquisitions made in the period concerned the parent company and related to the development of production and back-office IT systems and point-of-sale terminals.

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In millions of euros	31.12.2021	Acquisitions Allowances	Disposals Reversals	Reclassifications ⁽¹⁾	Change in scope	Other movements ⁽²⁾	31.12.2022
Exclusive operating rights	380.0	-	-	-	-	-	380.0
Development costs	220.1	11.9	-5.9	5.1	3.2	-1.6	232.9
Software	78.4	1.9	-	-	7.8	-0.3	87.8
Brands	0.0	0.0	0.0	0.0	1.2	-	1.2
Intangible assets in progress and other intangible assets	111.8	47.7	-0.9	-42.3	12.3	-1.8	126.6
Gross amounts	790.3	61.4	-6.9	-37.2	24.5	-3.6	828.5
Amort. / Impairment – Exclusive operating rights	-39.7	-15.2	-	-	-	-	-54.9
Amort. / Impairment – Development expenses	-144.4	-39.2	5.9	8.7	-2.3	1.1	-170.2
Amort. / Impairment – Software	-69.4	-3.0	-	-	-	0.2	-72.2
Amort. / Impairment – Brands	0.0	0.0	0.0	0.0	0.0	-	-0.0
Amort. / Impairment – Other intangible assets	-14.4	-19.9	0.0	12.3	-2.2	0.7	-23.5
Amortisation and impairments	-267.9	-77.4	5.9	21.0	-4.4	2.0	-320.9
NET INTANGIBLE ASSETS	522.3		-0.9	-16.3	20.1	-1.7	507.6

(1) Reclassifications from "in progress" to "available for use".
 (2) Mainly currency translation differences.

6.2 PROPERTY, PLANT AND EQUIPMENT

Initial measurement

Property, plant and equipment are measured at acquisition cost (purchase price plus incidental costs). Where individual components of property, plant and equipment have different useful lives, they are recognised as separate assets.

Depreciation

Land is not depreciated. Other property, plant and equipment are depreciated on a straight-line basis as follows:

- buildings: between 20 and 60 years;
- fixtures and fittings: between 10 and 30 years;
- point-of-sale terminals: between 5 and 8 years;
- equipment and furniture: between 5 and 10 years.

The residual values and useful lives of the assets are reviewed, and modified if necessary, at the end of each financial year.

Borrowing costs

Borrowing costs incurred to finance major investments during the construction period are considered part of the acquisition cost. Assets are capitalised at the effective interest rate of the specific loan taken out to finance the asset.

Impairment of property, plant and equipment

See accounting policies for intangible assets, Note 6.1.

Leases

IFRS 16 "Leases" requires lessees to recognise:

- a right-of-use asset;
- a lease liability representing the present value of the future lease payments.

The Group has elected to apply the exemptions relating to short-term leases and leases of low-value items (items with an initial value of less than €5,000). The discount rate used is the incremental borrowing rate, i.e. that which the Group would be required to pay for borrowings over a similar term with similar collateral.

	31.12.2023			31.12.2022		
	Gross	Depreciation Impairments	Net	Gross	Depreciation Impairments	Net
In millions of euros						
Land	96.6	-	96.6	96.6	-	96.6
Building facilities and amenities	242.7	-97.0	145.7	242.0	-89.9	152.1
IFRS 16 right-of-use assets (property leases)	59.3	-27.0	32.3	50.8	-22.1	28.7
Furniture, technical installations & point-of-sale equipment	234.9	-200.6	34.3	229.0	-197.1	32.0
Hardware	103.4	-84.4	19.0	94.0	-77.4	16.6
Local services equipment	22.8	-16.1	6.7	18.2	-15.9	2.4
Other property, plant and equipment	38.8	-30.6	8.2	36.1	-28.2	7.9
Property, plant and equipment in progress	20.7	-	20.7	13.7	-	13.7
Advances and payments on account	2.6	-	2.6	3.1	-	3.1
TOTAL PROPERTY, PLANT AND EQUIPMENT	821.9	-455.8	366.2	783.6	-430.5	353.1

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In millions of euros	31.12.2022	Acquisitions Allowances	Disposals Reversals	Reclassifications ⁽¹⁾	Change in cons. scope	Other move-ments ⁽²⁾	31.12.2023
Land	96.6	-	-	-	-	-	96.6
Building facilities and amenities	242.0	9.0	-6.8	-1.6	0.1	0.1	242.7
Rights of use (IFRS 16)	50.8	-	-3.5	-	3.0	9.0	59.3
Furniture, technical installations & point-of-sale equipment	229.0	13.7	-12.3	0.9	3.6	-0.0	234.9
Hardware	94.0	9.2	-	0.2	-	0.0	103.4
Local services equipment	18.2	3.7	-0.0	-2.0	2.7	0.2	22.8
Other property, plant and equipment	36.1	2.6	-0.1	0.0	0.2	-0.0	38.8
Property, plant and equipment in progress	13.7	8.9	-	-2.9	1.1	0.0	20.7
Advances and payments on account	3.1	-	-	-	-	-0.5	2.6
Gross amounts	783.6	47.1	-22.8	-5.4	10.7	8.8	821.9
Dep. / Impairment – Building facilities and amenities	-89.9	-13.5	6.8	-1.0	-	0.5	-97.0
Dep. / Impairment – Rights of use (IFRS 16)	-22.1	-8.4	3.5	0.6	-	-0.7	-27.0
Dep. / Impairment – Furniture, technical installations & point-of-sale equipment	-197.1	-15.9	12.3	-	-	-0.0	-200.6
Dep. / Impairment – Hardware	-77.4	-7.4	-	0.4	-	-0.0	-84.4
Dep. / Impairment – Local services equipment	-15.9	-1.8	0.0	1.7	-	-0.1	-16.1
Dep. / Impairment – Other property, plant and equipment	-28.2	-2.5	0.1	-	-	-0.0	-30.6
Impairment – Property, plant and equipment in progress	-	-	-	-	-	-	-
Amortisation and impairments	-430.5	-49.5	22.8	1.7	-	-0.3	-455.8
NET PROPERTY, PLANT AND EQUIPMENT	353.1		-0.0	-3.7	10.7	8.5	366.2

(1) Reclassifications from “assets in progress” to “available for use” and reclassification of assets held for sale (IFRS 5).

(2) Currency translation effects and new leases (IFRS 16).

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In millions of euros	31.12.2021	Acquisitions Allowances	Disposals Reversals	Reclassifications ⁽¹⁾	Change in cons. scope	Other movements ⁽²⁾	31.12.2022
Land	96.6	-	-	-	-	0	96.6
Building facilities and amenities	240.0	5.7	-3.2	0.8	1.9	-3.2	242.0
Rights of use (IFRS 16)	46.4	-	-4.0	-2.9	0.4	11.0	50.8
Furniture, technical installations & PoS equipment	236.6	6.0	-16.5	2.8	0.2	-0.0	229.0
Hardware	81.8	7.6	-0.0	4.6	-	-0.0	94.0
Local services equipment	24.1	2.2	-0.1	-7.5	-	-0.5	18.2
Other property, plant and equipment	45.5	4.1	-13.4	-	-	0.0	36.1
Property, plant and equipment in progress	13.3	9.5	-	-9.1	-	0.0	13.7
Advances and payments on account	1.0	2.1	-	0.0	0.0	-	3.1
Gross amounts	785.2	37.2	-37.2	-11.3	2.5	7.2	783.6
Dep. / Impairment – Building facilities and amenities	-83.1	-12.2	2.5	0.8	-1.2	3.2	-89.9
Dep. / Impairment – Rights of use (IFRS 16)	-18.1	-8.0	4.0	2.9	-	-2.9	-22.1
Dep. / Impairment – Furniture, technical installations & PoS equipment	-191.8	-21.7	16.5	-	-0.0	0.0	-197.1
Dep. / Impairment – Hardware	-70.6	-6.8	0.0	-	-	0.0	-77.4
Dep. / Impairment – Local services equipment	-21.7	-1.8	0.1	7.1	-	0.5	-15.9
Dep. / Impairment – Other property, plant and equipment	-40.2	-2.1	14.1	-	-	-0.0	-28.2
Impairment – Property, plant and equipment in progress	-	-	-	-	-	-	-
Depreciation and impairments	-425.5	-52.6	37.2	10.8	-1.2	0.8	-430.5
NET PROPERTY, PLANT AND EQUIPMENT	359.6		-0.0	-0.4	1.3	8.0	353.1

(1) Reclassifications from "assets in progress" to "available for use".

(2) Currency translation effects and new leases (IFRS 16).

In 2023, as in 2022, investments in property, plant and equipment mainly concerned betting and lottery terminals and point of sale equipment, together with IT equipment.

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Note 7 Provisions

A provision is recognised if, at the close of the financial year, the Group has an obligation to a third party arising from a past event, the settlement of which is expected to result in an outflow of resources from the entity without receiving equivalent or greater resources in return, and the amount of which can be estimated reliably. This obligation may be legal, regulatory, contractual or implied. The estimated amount of provisions, determined individually, corresponds to the outflow of resources that the Group considers probable. These provisions are not

discounted, with the exception of provisions for employee benefits. The amount given is the best estimate of the risk.

Provisions estimated by the Group to be settled within 12 months after the reporting date, and provisions related to the normal operating cycle, are presented as current liabilities. Other provisions are presented as non-current liabilities.

Non-current and current provisions mainly cover litigation risks, operating risks and restructuring costs.

In millions of euros	31.12.2022	Increases	Reversals		Other movements	31.12.2023
			Utilised	Not utilised		
Total non-current provisions	11.1	0.0	-0.1	-9.8	0.2	1.4
Total current provisions	11.4	12.0	-7.2	-0.9	-0.5	14.9
TOTAL PROVISIONS	22.5	12.0	-7.3	-10.7	-0.3	16.3

Reversals of unused provisions in 2023 concern the disputes with former agent-brokers, in respect of which €7.5 million was recognised in recurring operating profit and €2.3 million in non-recurring operating income.

Current provisions mainly cover disputes related to operations.

Note 8 Climate change

The Group is engaged in measures to reduce its carbon emissions. It considers that climate change effects have no material impact on its performance, risks and obligations, or on its accounting estimates.

Efforts to map climate-related financial risks were begun in 2020 and are ongoing, as part of an exercise aimed at

alignment with the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD). FDJ Group has taken risk management actions to mitigate the potential impact or prevent the occurrence of the main climate change-related risks.

Risk type	Risk	Group actions
Physical risks	Disruption of the distribution network due to an extreme event	Introduction of a business continuity plan to address issues such as the impact of extreme weather events (e.g. provisions for buffer stock serving the network to overcome any disruptions)
	Interruption of IT services due to an extreme weather event	<ul style="list-style-type: none"> - The ability to withstand extreme weather events is taken into account in the design stage for FDJ's data centres - Prevention plan and IT continuity plan to address issues such as the risk of an extreme weather event
	Supply chain breakdown due to an extreme weather event	Dialogue regarding operational risk matters (including physical risks) with the suppliers of gaming materials, and audit of their business continuity plans
Transition risks	Taxation of greenhouse gas emissions	The Group has set targets to reduce greenhouse gas emissions by 2025 and contributes to carbon neutrality by offsetting its residual emissions
	Investor expectations	<p>The Group regularly implements new action plans pertaining to the environment identified in non-financial rating frameworks. In 2021, FDJ incorporated CSR objectives for the period to 2025 into the annual compensation packages of the corporate directors.</p> <p>One specific environmental objective was set for the period to 2025: a 50% reduction in scope 1 and scope 2 carbon emissions relative to 2017 (see section 4.1.4 "Ambitious CSR targets for 2025").</p>

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Note 9 Cash and financial instruments

9.1 FINANCIAL ASSETS AND LIABILITIES

Financial assets include long-term investments, term deposits, security deposits paid, and derivatives. In accordance with IFRS 9, they are classified and measured according to three main categories:

- amortised cost;
- fair value through profit or loss;
- fair value through other comprehensive income.

The classification of each financial asset is determined according to the management model defined by the Group and the characteristics of its cash flows.

Financial assets maturing in more than 12 months from the reporting date are classified as non-current. Those maturing in less than 12 months from the reporting date are classified as current.

An impairment model based on expected credit losses is applied to financial assets measured at amortised cost.

Financial liabilities include financial debt, security deposits received, and derivatives.

Investment securities

On initial recognition and on subsequent measurement, securities measured at fair value through profit or loss are marked to market using prices quoted on organised markets at the reporting date. For securities not traded on an active market, fair value is determined using measurement techniques (recent arm's length transactions, reference to the current market value of an equivalent instrument, discounted cash flow method or other valuation models).

Equity investments are measured on a line-by-line basis at fair value through profit or loss or, where they are not held for trading, at fair value through other comprehensive income that will not be reclassified to profit or loss. They are classified as non-current financial assets, current financial assets or cash equivalents (see Note 9.2) based on their liquidity, maturity and risk of changes in value.

Term deposits

Term deposits are measured at amortised cost and tested with regard to their expected credit losses. They are

classified as non-current financial assets, current financial assets or cash equivalents (see Note 9.2) based on their liquidity, maturity and risk of changes in value.

Security deposits

Deposit in relation to the Euromillions "My Million" games are recorded under non-current financial assets.

Current security deposits comprise cash in trust administered by PLI in connection with its activity on behalf of the Irish regulator. They are measured at amortised cost.

Financial debt

Financial debt is measured at amortised cost.

Derivative financial instruments

The FDJ Group still applies IAS 39 on hedging transactions.

It is the Group's policy to use the financial markets solely for the hedging of obligations associated with its business, never for speculative purposes. The Group therefore uses derivative financial instruments to hedge its exposure to foreign exchange and interest rate risks. Derivative financial instruments are designated by the Group as hedges if the following conditions are met:

- formal documentation from the inception of the hedging relationship;
- hedge effectiveness between 80% and 125% throughout the transaction, based on testing;
- where hedging a future event, occurrence of the event must be highly probable.

Derivative instruments are measured at fair value when initially recognised, and remeasured at each reporting date until settled. Changes in fair value are recognised in other comprehensive income.

Fair value is determined using measurement techniques involving mathematical methods based on recognised financial theories and parameters whose value is determined based on the prices of instruments traded on asset markets.

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In millions of euros	31.12.2023	31.12.2022
Non-current financial assets at amortised cost	200.0	395.0
Non-current financial assets at fair value through profit or loss	328.2	443.0
Non-current derivatives	11.2	19.0
Other non-current financial assets	20.4	9.8
Total non-current financial assets	559.9	866.9
Current financial assets at amortised cost	186.6	192.2
Current financial assets at fair value through profit or loss	24.4	14.1
Current derivatives	0.0	0.7
Security deposits	54.3	0.7
Total current financial assets	265.4	207.7
TOTAL FINANCIAL ASSETS	825.3	1,074.6
Non-current financial debt	352.3	400.3
Non-current lease liabilities	33.7	28.4
Other non-current financial liabilities	10.7	2.4
Non-current derivatives liabilities	0.8	0.0
Total non-current financial liabilities	397.5	431.1
Current financial debt	31.8	27.7
Current lease liabilities	11.0	9.3
Current derivatives	0.0	0.3
Bank overdrafts	0.0	2.5
Other current financial liabilities	48.0	34.6
Total current financial liabilities	90.8	74.4
TOTAL FINANCIAL LIABILITIES	488.3	505.5

The year 2023 was marked by continued growth in interest rates and an upturn in the markets. To benefit from this trend and improve its investment performance, while reducing risk on its investment portfolio and improving liquidity, the FDJ group sold certain funds (mainly equities), reinvested elsewhere and renewed or opened term deposits.

Financial assets at fair value through profit or loss mainly comprise dedicated bond funds (€198 million), which the Group intends to hold to maturity.

The vast majority of the Group's financial investments remain highly liquid in the very short term.

Other non-current financial assets mainly include the Euromillions and Eurodreams deposit (2023: €8 million; 2022: €7 million), which is measured at fair value through profit or loss, and the deposit in relation to the ZEturf trust agreement.

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In millions of euros	Cash flows						Non-cash flows					31.12.2023	
	31.12.2022	Issue of long-term debt	Repayment of financial debt	Change in overdrafts	Lease payments – IFRS 16	Other ⁽¹⁾	Total cash flows	Change in cons. scope	Currency translation differences	Reclassification current/non-current financial debt	Other ⁽²⁾		Total non-cash flows
Non-current financial debt	400.3		-269.9				-269.9	252.5	0.7	-31.3	0.0	221.9	352.4
Non-current lease liabilities	28.4						0.0	2.3	0.1	-9.1	12.0	5.3	33.7
Other financial liabilities	2.4						0.0	3.6		7.4	-2.7	8.3	10.6
Non-current derivatives liabilities	0.0						0.0				0.7	0.7	0.8
Total non-current financial liabilities	431.1	0.0	-269.9	0.0	0.0	0.0	-269.9	258.3	0.8	-33.0	10.0	236.1	397.5
Current financial debt	27.7		-27.9				-27.9	0.0		31.3	0.9	32.2	31.8
Current lease liabilities	9.3				-8.2		-8.2	0.8		9.1		9.9	11.0
Current derivatives	0.3						0.0				-0.3	-0.3	0.0
Bank overdrafts	2.5			-2.5			-2.5					0.0	0.0
Other financial liabilities	34.6		0.0			3.1	3.1	18.2		-7.4	-0.5	10.3	48.0
Total current financial liabilities	74.4	0.0	-27.9	-2.5	-8.2	3.1	-35.5	19.0	0.0	33.0	0.1	52.1	90.8
TOTAL FINANCIAL LIABILITIES	505.5	0.0	-297.8	-2.5	-8.2	3.1	-305.4	277.3	0.8	0.0	10.1	288.2	488.3

(1) Change in deposits and sureties received

(2) Mainly linked to new leases recognised under IFRS 16 during the period.

Current and non-current financial debt of €432 million (2022: €463 million) essentially consisted of:

- a loan of €306 million (net of €3 million issuance costs) to fund the securing of the exclusive operating rights, of which €287 million is non-current and €19 million is current. The loan was taken out on 1 April 2020 and had a nominal value of €380 million. It is repayable over 20 years and bears interest at a variable rate linked to Euribor. Interest rate hedges have been put in place, covering €166 million until June 2026 and €49 million until September 2027;
- a €64 million loan for the acquisition of the Group's head office, of which €56 million is non-current and €8 million is current. The nominal value of the loan was €120 million. It bears interest at a fixed rate and is repayable over the period until 24 November 2031;
- a £9 million loan (€10 million), of which £3 million is current and £6 million is non-current, taken out in May 2019 for the acquisition of Sporting Group. The nominal value was €100 million. It bears interest at a floating interest (Sonia) and is repayable in two tranches in 2024 and 2025.

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In millions of euros	2023						Total
	Under one year	More than one year	More than 2 years	More than 3 years	More than 4 years	More than 5 years	
Financial debt	31.8	27.0	35.7	27.0	26.8	235.8	384.2
Payment of interest	16.0	15.0	13.8	12.7	11.6	62.3	131.4
Lease liabilities	11.0	11.8	8.1	3.4	2.7	7.8	44.7
Other financial liabilities	48.0	5.9	0.1	0.1	0.2	4.3	58.7
Bank overdrafts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Derivatives (net)	0.0	-0.1	-8.1	-3.0	0.7	0.0	-10.5
TOTAL CONTRACTUAL MATURITIES	106.9	59.6	49.6	40.1	42.0	310.3	608.5

In millions of euros	2022						Total
	Under one year	More than one year	More than 2 years	More than 3 years	More than 4 years	More than 5 years	
Financial debt	27.7	36.4	27.1	46.9	27.2	262.6	428.0
Payment of interest	11.9	11.1	10.3	9.3	8.4	48.4	99.3
Lease liabilities	9.3	8.8	8.0	4.5	2.1	5.0	37.8
Other financial liabilities	34.6	0.7	0.6	0.2	0.1	0.8	37.0
Bank overdrafts	2.5	0.0	0.0	0.0	0.0	0.0	2.5
Derivatives (net)	-0.4	-0.2	0.0	-13.9	-4.9	0.0	-19.5
TOTAL CONTRACTUAL MATURITIES	85.6	56.8	46.0	46.9	32.9	316.8	585.1

9.2 CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of sight deposits and short-term money-market investments that are fully liquid, have a maturity of three months or less on the acquisition date, and have a negligible risk of change in value, in accordance with the criteria set out in IAS 7.

Term deposits are measured at amortised cost and tested with regard to their expected credit losses.

On initial recognition and on subsequent measurement, securities measured at fair value through profit or loss are marked to market using prices quoted on organised markets at the reporting date.

Overdrafts are recognised as current financial liabilities.

In millions of euros	31.12.2023	31.12.2022
Investments, cash equivalents	406.4	353.0
Bank accounts and other	132.2	160.4
CASH AND CASH EQUIVALENTS	538.6	513.4

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Investments classified as cash equivalents include interest-bearing term or sight deposits (2023: €50 million; 2022: €42 million) and UCITS fund units (2023: €356 million; 2022: €311 million). They include the Euromillions/Eurodreams fund (2023: €70 million; 2022: €105 million).

The change in cash and cash equivalents is detailed in Note 9.3.

The Group is not aware of any major restrictions that would limit its access to the assets of any of the subsidiaries it controls.

9.3 CASH FLOWS

The movement in provisions in 2023 was affected by the reversal of two provisions of €2.3 million and €7.5 million in respect of the disputes with former agent-brokers.

The settlement terms for working capital items in 2023 were comparable to 2022:

- weekly settlement of distribution network receivables and payables;
- monthly payment of public levies, except unclaimed prizes;
- annual payment of advances on public levies (in December) and unclaimed prizes (paid to the State in the first half of the next year).

In 2023, the €59 million increase in operating working capital was mainly driven by an increase in public levies in connection to the good business momentum in December, and by the increase in unclaimed prizes at the year-end.

In 2022, the €64 million decrease in operating working capital was mainly due to the increase in net receivables from the distribution network, following a negative calendar effect and a higher level of stakes at the period end, and the fact that some large prizes won by players at the end of 2021 were cashed out in 2022.

Acquisitions of property, plant and equipment and intangible assets, net of corresponding payables and advances, amounted to €125 million in 2023⁽¹⁾ (2022: €104 million).⁽²⁾ They mainly concerned IT and back office developments and PoS gaming terminals. The proportion of investments made outside France is marginal.

Acquisitions of €212 million in investments in 2022 represent the price paid for ZEturf and PLI (including cash).

Acquisitions of €43 million in investments in 2022 represent the price paid for L'Addition and Aleda (including cash).

The Group completed the disposal of Sporting Group's B2C business in 2023, which gave rise to a cash receipt of €10 million.

The change in current and non-current financial assets (2023: +€304 million inflow) is due to the significant rise in interest rates in 2023, which led the Group to focus its investments on term deposits in order to optimise returns and improve liquidity.

The €60 million deposit paid under the secured trust agreement, which was intended to protect the credit balances of online players, was repaid in September 2022 and replaced by a bank guarantee.

A payment of €10 million was received following the final liquidation in 2022 of the Sporting Group companies, which had ceased operations. It is disclosed in cash flows from investing.

The repayment of €298 million of financial debt in 2023 mainly concerns the repayment of the borrowings acquired in connection with the PLI and ZEturf acquisition, together with the current portion of existing borrowings. During 2023, the Group also made a voluntary early repayment of €15 million (€17 million) of the borrowings taken out in connection with the Sporting Group acquisition.

The repayment of €72 million of financial debt in 2022 mainly concerns the current portion of borrowings (€27 million) and the voluntary early repayment of €31 million (€37 million) of the borrowings taken out in connection with the Sporting Group acquisition.

Other cash flows from financing activities mainly relate to treasury shares held in connection with a liquidity agreement and the performance share scheme.

The participating Euromillions and Eurodreams⁽³⁾ lotteries have established a trust governed by English law to cover counterparty and default risks. It is managed by a trustee, The Law Debenture Trust Corporation. FDJ deposits collateral in a fund, which is managed by the trustee (which has sole authority to execute payments). FDJ's share of these amounts, which are held exclusively for the benefit of Euromillions and Eurodreams winners, was €70 million at 31 December 2023 (2022: €105 million). This sum is presented in cash and cash equivalents.

(1) €116 million before liabilities relating to non-current assets and payments in advance.

(2) €97 million before liabilities relating to non-current assets and payments in advance.

(3) An Post (Ireland), Camelot (United Kingdom), FDJ, Belgian National Lottery, Luxembourg National Lottery, Österreichische Lotterien (Austria), Santa Casa (Portugal), Swisslos (Switzerland), Loterie Romande (Switzerland).

9.4 NET FINANCIAL INCOME/(EXPENSE)

Includes:

- borrowing costs;
- income from financial investments;
- change in the value of derivatives;
- foreign exchange gains or losses.

In millions of euros	31.12.2023	31.12.2022
Cost of debt	-13.8	-6.6
Gains on disposals	25.7	-
Interest on investments	19.1	4.0
Derivatives (income)	-	-
Financial income on securities valued at fair value through profit or loss	14.1	8.4
Foreign exchange gains	0.9	2.6
Other financial income	8.0	0.9
Financial income	67.7	15.8
Derivatives (expenses)	-0.2	-2.1
Financial expenses on securities valued at fair value through profit or loss	-9.1	-28.5
Foreign exchange losses	-0.9	-4.1
Other financial expenses	-1.0	-0.8
Financial expenses	-11.1	-38.0
NET FINANCIAL INCOME/(EXPENSE)	42.7	-28.7

The cost of financial debt mainly comprises the interest expense on the loans taken out to secure the exclusive operating rights and to acquire the registered office and Sporting Group.

The changes in gains and losses on securities valued at fair value through profit or loss (2023: €5 million increase; 2022: €20 million decrease) resulted from the movements in the financial markets, which rose in 2023 after having fallen in 2022. The figure for 2023 includes the rise of €7 million in the value of the dedicated bond funds maturing in 2024. The Group intends to hold these assets to maturity. They will be

repaid at their nominal value, and will thus revert to their initial valuation.

Amid a very difficult global environment for tech in 2023, with declining investments in start-ups and falling valuations, the fair value of the investments via FDJ Ventures shrank by €5 million.

FDJ is exposed to foreign exchange risks, mainly on the US dollar and the pound sterling. Foreign exchange gains and losses result from currency translation differences on unhedged financial assets and liabilities.

9.5 FINANCIAL RISK MANAGEMENT POLICY

In the management of its cash surplus, the Group faces three main categories of risk:

- credit risk (related to counterparty default risk);
- liquidity risk (in the event the Group is unable to meet its payment obligations);

- interest rate risk (mainly related to rises in interest rates);
- market risk.

A description of these risks is provided below, along with the initiatives taken by the Group to limit their impact.

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9.5.1 Credit risk from investments and derivatives

The credit risk or counterparty risk on investments and derivatives is monitored by the Treasury Committee, which includes the Finance Director and members of the Treasury and Financing Department. This risk can be defined as the loss that the Group would bear in the event that a counterparty defaults on its obligations to the Group.

For financial investments and derivatives, the Group's policy is to limit transactions to a maximum amount per authorised counterparty, weighted according to the nature of the risks. The list of authorised counterparties is established by the Treasury Committee. Their

selection is based on their rating and the maturity of the transaction. It is reviewed periodically, at least once every six months. If a counterparty is downgraded below the minimum rating, the Treasury Committee decides whether to maintain the existing transactions to maturity.

The Group considers that the risk of counterparty default with a potentially material impact on its financial position and results is limited, due to the policy in place for managing counterparties and more particularly given the minimum long-term rating stipulated for these transactions.

In millions of euros	31.12.2023	31.12.2022
Non-current financial assets at amortised cost	200.0	395.0
Non-current assets at fair value through profit or loss (excluding innovation funds)	256.5	374.3
Non-current derivatives	11.2	19.0
Total non-current financial assets (excluding innovation funds)	467.7	788.3
Current financial assets at amortised cost	186.6	192.2
Current financial assets valued at fair value through profit or loss	24.4	14.1
Current derivatives	0.0	0.7
Total current investment securities	211.1	207.0
Investments, cash equivalents	406.4	353.0
TOTAL INVESTMENTS (EXCLUDING INNOVATION FUNDS)	1,085.2	1,348.3

As at 31 December 2023, investments principally comprised:

- UCITS and similar assets of €564 million (2022: €615 million);
- investments with counterparties of €507 million (2022: €712 million). These comprise €434 million in term

deposits (2022: €607 million), €73 million in EMTNs (2022: €85 million). At the end of 2022, they also included interest-bearing sight deposits of €20 million;

- derivatives of €11 million (2022: €20 million);
- accrued interest of €2 million (2022: €2 million).

Credit risk on investments with counterparties may be broken down as follows:

Amounts receivable	Investments with counterparties at 31.12.2023 (in millions of euros)	Number of counterparties by size of exposure			
		€0-€25 million	€25-€50 million	€50-€100 million	€100-€150 million
AA/Financial institutions	129	-	1	1	-
A/Financial institutions	364	2	5	1	-
TOTAL	493				

9.5.2 Liquidity risk

Liquidity risk is defined as the Group's inability to meet its financial obligations at a reasonable cost. It includes in particular counterparty risks on certain games, the amounts of which may potentially be high and must be covered by cash that can be mobilised quickly. They are also covered by insurance (see Note 4.4.1 – "Management of counterparty risk").

FDJ's exposure to liquidity risk is limited, since under the Group's cash management policy at least 20% of financial investments must be held in money market instruments and at least 80% of financial investments must be held in money market instruments and other investments maturing within three years.

The Treasury Committee, headed by the Finance Director, monitors the liquidity position on a monthly basis and ensures compliance with defined limits.

The amounts invested in short-term instruments and bonds maturing within three years are consistent with FDJ's cash management policy.

During the year ended 31 December 2023, financial investments averaged €1,622 million. Loans taken out with banks totalled €386 million. This comprised:

- €309 million (excluding issuance costs) related to the financing for the exclusive operating rights payment;
- €64 million of debt related to the purchase of the Group's head office;
- €10 million of debt related to the acquisition of Sporting Group.

Most of the short-term instruments and bonds maturing in three years or less can be recovered, without penalty or capital risk, following a notice period of 32 calendar days.

Furthermore, unused confirmed credit lines of €150 million have been in place since February 2021, maturing at various points up to February 2026.

The Group has determined it can meet its obligations over the next 12 months as from the review date of the annual financial statements by the Board of Directors. This estimate takes into account the level of investments as of December 31, 2023, as well as forecasts of activity, repayment of financial debts and investments including the future impact of the acquisition of Kindred which will be carried out by mobilizing a large share of the Group's liquidity and via a bridging loan which will subsequently be refinanced.

9.5.3 Interest rate risk

The interest rate risk of a financial asset is the risk of generating a capital loss on a security or incurring an additional cost due to changes in interest rates. The interest rate risk of a financial liability is the risk of incurring an additional cost due to changes in interest rates.

The Group's exposure to interest rate fluctuations is associated with future financial investments and floating-

rate borrowings. The Group implements a dynamic interest rate risk management policy supervised by the Treasury Committee. The aim of the policy is to ensure a minimum return on financial investments over a maximum of five years, and to hedge the interest rate risk on loans at a reasonable cost.

Sensitivity to interest rate risk arises from fixed income investments (bonds and negotiable debt instruments), interest rate derivatives and floating-rate debt.

At 31 December 2023, investments totalling €110 million were directly exposed to this risk; their purpose is to offset the effects of a possible rise in the interest rates payable on variable-rate borrowings. A 1% increase or decrease across the entire yield curve would have no material impact on the fair value of the investments. The borrowings incurred (excluding issuance costs) in connection with the exclusive operating rights payment (€309 million) and the acquisition of Sporting Group (€10 million) bear interest at variable rates.

Although the significant interest rate rises that occurred in 2022 increased financing costs, the increase in interest costs was substantially limited by the existence of hedges covering 65% of the borrowings taken out to obtain the exclusive operating rights. At the same time, the unhedged portion of this loan (€108 million) is matched by variable-rate investments, further limiting interest rate sensitivity.

A 1% increase across the entire yield curve would have an impact of less than €1 million.

9.5.4 Market risk

Market risk is the risk of generating a capital loss on a security or incurring an additional cost due to changes in interest rates.

The Group is exposed to market risk in connection with movements in its financial investments.

The Group implements an investment strategy aimed at mitigating this risk. The main component of this strategy is the definition of an asset allocation regulating the amounts that may be invested in each major asset class.

This allocation sets upper limits on assets exposed to risk:

- no more than 4% of total assets may be invested in equities or similar instruments;
- no more than 8% of assets may be invested in "diversification" instruments (convertible bonds, senior loans, real estate, etc.);
- no more than 8% of assets may be invested in bonds with a time to maturity in excess of three years.

At least 80% of assets must be invested in money-market and bond investments with a time to maturity of three years or less.

In addition to these allocation rules, rules on geographic diversification are also applied. The strategies employed must ensure that volatility of the portfolio is materially lower than market volatility.

At 31 December 2023, investments subject to market risk amounted to €709 million (2022: €709 million).

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9.6 FAIR VALUE OF FINANCIAL INSTRUMENTS

Financial instruments consist of:

- assets: all financial investments (classified as non-current financial assets, current financial assets, and cash and cash equivalents), all business-related loans and receivables, derivatives and bank accounts;
- liabilities: all payables (business-related payables, derivatives and financial debt).

Financial assets and liabilities are recognised at fair value.

In millions of euros	IFRS 9 category and valuation	31.12.2023 31.12.2022		
		Fair value	Fair value	
Cash	Fair value through profit or loss	Level 1	132.2	160.4
Cash equivalents			406.4	353.0
	<i>Loans and receivables at amortised cost</i>	<i>Level 2</i>	336.4	247.6
	<i>Fair value through profit or loss</i>	<i>Level 2</i>	70.0	105.4
Non-current financial assets	-		559.9	867.0
<i>of which non-current financial assets at amortised cost</i>	<i>Loans and receivables at amortised cost</i>	<i>Level 2</i>	200.0	395.0
<i>of which non-current financial assets at fair value through profit or loss</i>	<i>Fair value through profit or loss</i>	<i>Level 2</i>	256.0	374.3
<i>of which non-consolidated securities (innovation fund)</i>	<i>Fair value through profit or loss</i>	<i>Level 2</i>	49.6	52.7
<i>of which non-consolidated securities (innovation fund)</i>	<i>Fair value through profit or loss</i>	<i>Level 3</i>	22.5	16.2
<i>of which other non-current financial assets</i>	<i>Loans and receivables at amortised cost</i>	<i>Level 2</i>	31.7	28.8
Current financial assets	-	Level 2	265.4	207.7
<i>of which current financial assets at fair value through profit or loss</i>	<i>Fair value through profit or loss</i>	<i>Level 2</i>	24.4	14.1
<i>of which current financial assets at amortised cost</i>	<i>Loans and receivables at amortised cost</i>	<i>Level 2</i>	186.6	192.2
<i>of which current derivatives</i>	<i>Fair value through OCI</i>	<i>Level 2</i>	0.0	0.7
<i>of which deposits and guarantees</i>	<i>Loans and receivables at amortised cost</i>	<i>Level 2</i>	54.3	0.7
Trade and distribution network receivables (net value)			559.5	465.8
<i>of which trade receivables</i>	<i>Loans and receivables at amortised cost</i>	<i>Level 2</i>	109.2	72.7
<i>of which distribution network receivables</i>	<i>Loans and receivables at amortised cost</i>	<i>Level 2</i>	450.3	393.1
Other operating assets (excluding tax and social security receivables and prepaid expenses)		-	193.8	202.4
TOTAL FINANCIAL INSTRUMENTS – ASSETS			2,117.3	2,256.2
Non-current financial liabilities	Financial liabilities at amortised cost	Level 2	397.5	431.1
Trade and distribution network payables			478.5	465.7
<i>of which suppliers</i>	<i>Financial liabilities at amortised cost</i>	<i>Level 2</i>	190.4	201.9
<i>of which distribution network payables</i>	<i>Financial liabilities at amortised cost</i>	<i>Level 2</i>	288.1	263.8
Current player funds	Financial liabilities at amortised cost	Level 2	319.7	304.6
Winnings payable/Player balances	Financial liabilities at amortised cost	Level 2	363.3	319.8
Other operating liabilities excluding tax and social security receivables and prepaid income	Financial liabilities at amortised cost	Level 2	93.4	78.2
Other current financial liabilities	Financial liabilities at amortised cost	Level 2	90.8	74.4
TOTAL FINANCIAL INSTRUMENTS – LIABILITIES			1,741.7	1,673.9

Level 1: Prices quoted in active markets.

Level 2: Use of directly or indirectly observable market data other than the quoted price of an identical instrument (data corroborated by the market: yield curve, swap rates, multiples method, etc.).

Level 3: Measurement techniques based on unobservable data such as projections or internal data.

Note 10 Investments in joint ventures

In millions of euros	Total
Value of securities at 31.12.2021	20.6
Change in scope	-
Share of net income for 2022	1.1
Dividends	-2.7
Currency translation differences	-0.7
Value of securities at 31.12.2022	18.3
Change in scope	0.1
Share of net income for 2023	2.1
Dividends	-0.7
Currency translation differences	-0.8
VALUE OF SECURITIES AT 31.12.2023	19.1

The amount of current and non-current financial assets and liabilities relating to the holdings in joint ventures is not material.

10.1 SOCIÉTÉ DE GESTION DE L'ÉCHAPPÉE (SGE)

SGE manages the Groupama-FDJ cycling team. A 50% share in SGE was sold to Groupama on 6 December 2018; since then, the company has been accounted for using the equity method. Responsibility for dealing with ethical issues, defining the sports programme and managing all activities associated with amateur cycling remains with the association L'Échappée, which is separate from SGE. An expense of €8 million was recorded on the sponsorship contract between FDJ and SGE in 2023 (2022: €8 million).

10.2 LOTTERIES ENTERTAINMENT INNOVATION ALLIANCE (LEIA)

The Group holds a 20% stake in the Norwegian company Lotteries Entertainment Innovation Alliance AS, a digital gaming distribution platform located in Norway. The other shareholders are Danske Lotterie Spile, Denmark (20%), Norsk Tipping, Norway (20%), Veikkaus, Finland (20%) and Svenska Spel, Sweden (20%). The Group's business relationship with the company generated net income of €2.4 million in 2023 (2022: around €2.3 million).

10.3 BEIJING ZHONGCAI PRINTING (BZP)

The Group holds a 46.25% stake in Beijing ZhongCai Printing Co. Ltd (BZP), a lottery ticket printing company in China. It is accounted for using the equity method. The remaining 53.75% is held by CWL (China Welfare Lottery).

The Group had no material business relations with BZP in 2023 and 2022. BZP paid dividends to FDJ Group, net of currency effects and withholding taxes, of €1 million in 2023 (2022: €3 million).

10.4 SERVICES AUX LOTERIES EN EUROPE (SLE)

The Group holds, via FDJ SA and PLI, a 32.99% stake in the joint venture Services aux Loteries en Europe (SLE), a Belgian limited cooperative company located in Brussels which was established in October 2003 to organise joint operations in connection with the Euromillions and Eurodreams games (draws, centralised combinations, calculation of winnings and organisation of funds transfers between operators for prize payouts). The Company is jointly owned by the ten participating lotteries. In 2023, the Group earned income of €3 million from its business relations with SLE (2022: €2 million).

10.5 NATIONAL LOTTERIES COMMON SERVICES (NLCS)

The Group holds a 50% stake in the joint venture National Lotteries Common Services (NLCS), a French company established in February 2013 with the aim of pooling the expertise and resources of different lotteries in relation to sports betting. The other shareholder is the Portuguese state lottery SCML (Santa Casa de la Misericordia de Lisboa). No transactions with this company had a material impact on the Group. The Group's business relationship with the company generated net income of €1 million in 2023 (2022: nil).

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Note 11 Assets (and liabilities) held for sale

Assets and liabilities that qualify as "held for sale" are presented separately from other assets and liabilities in the statement of financial position. An impairment is

recognised when the realisable value is lower than the net carrying amount.

The Group began a sale process in respect of the B2B assets operated by Sporting Group in late 2023. As the estimated realisable value was higher than the carrying amount of the assets held for sale, no remeasurement was recognised in the financial statements at 31 December 2023, in accordance with IFRS 5.

The assets and liabilities held for disposal in the Group's financial statements at 31 December 2022 were the Sporting Group B2C assets, which were sold in November 2023.

Note 12 Income tax expense

Income tax comprises the current tax expense and deferred tax expense. It is recognised in the income statement except insofar as it relates to items that are recognised in other comprehensive income, in which case it is recognised in other comprehensive income.

The tax rates used are those enacted or substantively enacted for each tax jurisdiction at the end of the reporting period.

Current tax is the amount of tax due for the period. Deferred tax arises from temporary differences between

the carrying amounts of assets and liabilities and their tax bases, as well as from tax loss carryforwards. It is determined using the liability method. A deferred tax asset is only recognised insofar as it is probable that the Group will have future taxable profits against which to offset this asset in the foreseeable future or, beyond that, deferred tax liabilities of the same maturity. Deferred tax assets and liabilities are netted in the statement of financial position by tax entity.

12.1 INCOME TAX EXPENSE

In millions of euros	31.12.2023	31.12.2022
Deferred tax	0.0	-4.2
Current tax	-141.0	-109.1
TOTAL INCOME TAX EXPENSE	-141.0	-113.3

The change in the tax expense in 2023 resulted mainly from the rise in the taxable base. The effective tax rate was 25.0% (2022: 27.0%).

12.2 CURRENT TAX ASSETS AND LIABILITIES

In millions of euros	31.12.2023	31.12.2022
Current tax assets	14.1	27.0
Current tax liabilities	7.4	1.3

Current tax assets and liabilities mainly comprise the net amount of income tax instalments paid and the income tax expense payable for the period.

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12.3 DEFERRED TAX

In millions of euros	31.12.2023		31.12.2022	
	Assets	Liabilities	Assets	Liabilities
Non-deductible provisions	12.8		9.6	
Temporarily non-deductible expenses	10.0		7.3	
Other sources of temporary differences ⁽¹⁾	6.5	-113.5	7.2	-59.0
Tax loss carryforwards	0.6	-0.7		
Total deferred tax	29.9	-114.1	24.1	-59.0
NET DEFERRED TAX		-84.2		-34.9

(1) The other sources of temporary differences primarily concern accelerated depreciation and amortisation. Deferred tax assets at 31 December 2023 include a deferred tax liability of €10 million on right-of-use assets and a deferred tax asset of €11 million on the associated lease liabilities (IFRS 16).

In addition, loss carryforwards of €20 million are not recognised in the Group's financial statements due to uncertainty as to their future recovery.

12.4 RECONCILIATION OF THE THEORETICAL TAX RATE AND THE EFFECTIVE TAX RATE

In millions of euros	2023	2022
Consolidated accounting profit before tax excluding income from joint ventures	563.9	420.1
Theoretical standard income tax rate	25.8%	25.8%
Theoretical income tax expense	145.6	108.5
Effects of items generating differences from theoretical tax expense:		
– Permanent differences	-5.9	-1.8
– Effect of tax rates (differences between countries and application of reduced rates) on current and deferred tax	-5.3	-5.1
– Tax credits	-2.5	-1.0
– Taxable losses net of utilisations	6.6	13.1
– Other items	2.4	-0.4
Total differences between effective tax and theoretical tax	-4.6	4.9
EFFECTIVE INCOME TAX EXPENSE	141.0	113.3
Effective tax rate	25.0%	27.0%

In 2023, the difference between the theoretical and effective tax rates related mainly to application of tax breaks on software and the tax losses of foreign subsidiaries. In 2022, the difference between the theoretical and effective tax rates related mainly to the tax losses of foreign subsidiaries.

Tax credits relate mainly to R&D tax credit and sponsorship activities.

The Group's effective tax rate for the 2023 financial year is 25%, compared to 27% for the 2022 financial year.

The international tax reform developed by the OECD, known as "Pillar 2", aimed in particular at establishing a minimum tax rate of 15%, will come into force in France from the 2024 financial year. Based on current regulations of the countries in which the Group operates, the financial consequences should be limited.

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Note 13 Earnings per share

Earnings per share are calculated according to the rules laid down in IAS 33.

The figure is obtained from the weighted average number of shares outstanding during the year, excluding the weighted number of treasury shares deducted from the equity.

Basic earnings per share are calculated by dividing net profit attributable to holders of ordinary shares by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share are calculated by dividing net profit attributable to holders of ordinary shares by the weighted average number of ordinary shares outstanding during the period, adjusted for the impact of any potential dilutive ordinary shares.

If including deferred equity instruments in the calculation of diluted earnings per share generates an anti-dilutive effect, they are excluded from the calculation.

	31.12.2023	31.12.2022
Net profit attributable to owners of the parent (<i>in millions of euros</i>)	425.1	307.9
Weighted average number of ordinary shares* over the period	190,806,384	190,816,794
Effect of dilutive instruments (performance shares)	0	0
Weighted average number of ordinary shares (diluted) over the period	190,806,384	190,816,794
Basic earnings per share (<i>in euros</i>)	2.23	1.61
Diluted earnings per share (<i>in euros</i>)	2.23	1.61

* Net of treasury shares.

FDJ considers that it has acquired the shares previously held by Soficoma. However, in view of the ongoing litigation with Soficoma, the weighted average number of ordinary shares does not take this transaction into account (see Note 14 below).

Note 14 Equity

14.1 SHARE CAPITAL

FDJ has share capital of €76,400,000, consisting of 191,000,000 fully subscribed and paid-up shares each with a par value of €0.40.

A breakdown of share ownership is provided in Note 1.1.

14.2 TREASURY SHARES ⁽¹⁾

Treasury shares are recorded at their acquisition cost as a deduction from equity. Gains and losses on sales of treasury shares, net of tax, are charged directly to equity and do not contribute to the income for the period.

A share purchase and sale programme authorised by the Board of Directors at its meeting of 19 December 2019 has been implemented, pursuant to the authorisation granted by the General Meeting of Shareholders of 4 November 2019, for the purpose of concluding a liquidity agreement in accordance with the rules laid down by the Autorité des marchés financiers (AMF). The maximum amount of €6 million has been allocated to the liquidity agreement, which runs until 19 December 2023.

Shares are also purchased in connection with the performance share awards made on 30 June 2021, 26 April 2022 and 27 April 2023.

At 31 December 2023, there were 384,810 treasury shares, representing a deduction of €13.7 million from consolidated equity (2022: 185,319 shares representing a deduction of €6.7 million).

(1) Note that 5,730,000 of the Company's shares are the subject of litigation with Soficoma before the Aix-en-Provence Court of Appeal (see Note 16 "Proceedings and other disputes"). FDJ considers that it purchased these shares on 18 May 2017. The General Meeting of Shareholders of 18 June 2018 resolved to cancel the shares in question, on condition that the application made to the Commercial Court is granted, i.e. that the Court finds that (i) Soficoma, pursuant to Article 15(b) of the Articles of Association, was required to sell its shares within three months of the meeting of the Board of Directors that found it to be in breach of the conditions governing its capacity to remain a shareholder of FDJ, (ii) FDJ has satisfied its obligation to pay the price of the shares by depositing the price with the Caisse des Dépôts et Consignations, (iii) Soficoma forfeited its status of shareholder on the date of that deposit, i.e. on 18 May 2017, and (iv) FDJ is authorised to enter the transfer of those shares from Soficoma to FDJ in its registers.

14.3 RESERVES

The Group's business of organising and operating gambling activities involves specific risks and commitments which must be anticipated through appropriate coverage.

Until early 2022, rare risks (very low frequency of occurrence with a very high amount – multiple game events occurring over a given period) and extreme risks (extremely low frequency of occurrence, very high amount) were covered by a statutory reserve. Following an updated evaluation of these risks and the associated insurance cover, the shareholders of FDJ resolved at the Combined Ordinary and Extraordinary General Meeting of 26 April 2022 to abolish the statutory reserve and cover the residual risks via the

optional reserve. The €97 million balance (including a €5 million increase made immediately prior to the transfer) was therefore transferred to the optional reserve.

14.4 PAYMENT OF DIVIDENDS

The dividend in respect of 2023, which will be submitted to the vote at the General Meeting of Shareholders of 25 April 2024 approving the financial statements for the year ended 31 December 2023, is €340 million, or €1.78 per share.

- Dividends in respect of the year ended 31 December 2022, as approved by the General Meeting of 27 April 2023, amounted to €262 million, i.e. €1.37 per share. They were paid on 9 May 2023.

Note 15 Related-party transactions

15.1 FRENCH STATE

Due to the strict regulatory control referred to above (Section 1.2), the French State is considered to be a related party in the sense of IAS 24.

The associated amounts recorded in the income statement and the statement of financial position are as follows:

In millions of euros		31.12.2023	31.12.2022
Statement of financial position – Assets	Exclusive operating rights (gross value)	380.0	380.0
Statement of financial position – Assets	Advance payment of public levies	193.7	202.2
In millions of euros		31.12.2023	31.12.2022
Statement of financial position – Liabilities	Public levies (including unclaimed prizes)	596.8	459.0
In millions of euros		31.12.2023	31.12.2022
Income statement	Public levies	4,191.6	4,147.4

Transactions between FDJ and all public sector entities are carried out under normal market conditions.

15.2 OTHER RELATED PARTIES

Transactions between FDJ and its fully consolidated subsidiaries, which are related parties, are eliminated on consolidation and are not described in this note.

On 15 December 2016, the Board of Directors elected to renew the FDJ Corporate Foundation for a term of five years from 5 January 2018 until 2 January 2023. The multi-year action plan provided for €19.5 million, of which €7 million

was donated in 2016, €8 million in 2017, €3 million in 2019 and €1.5 million in 2021.

On 16 December 2021, the Board of Directors elected to renew the FDJ Corporate Foundation for a term of five years from 3 January 2023, with a €25 million multi-year action plan for the period from 2023 to 2027. The amount committed by FDJ is covered by a bank guarantee.

No material transactions have been entered into with any member of the management bodies having a significant influence on the Group.

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15.3 EXECUTIVE COMPENSATION

The compensation of senior executives forms part of the information provided in respect of related parties.

The main executive managers sit on the Group Management Committee, which has 21 members.

In the consolidated income statement, executive compensation is limited to the following items:

In millions of euros	31.12.2023	31.12.2022
Short-term employee benefits	7.2	6.7
Long-term employee benefits	3.0	2.0
TOTAL	10.3	8.7

Short-term benefits include all forms of compensation. Other long-term benefits include post-employment benefits (retirement benefits and health coverage), long-service awards and performance shares.

The fair value of the free shares awarded during the period to the principal executives under the share-based payment schemes was €3.3 million.

Post-employment benefits do not apply to corporate directors (the Chairwoman & CEO and the Deputy CEO), given their status as civil servants on secondment.

Note 16 Ongoing legal proceedings and other disputes (see Note 7)

LEGAL PROCEEDINGS BROUGHT BY 83 AGENT-BROKERS

Members of the French gaming retailers' syndicate (UNDJ – Union nationale des diffuseurs de jeux) sued La Française des Jeux in May 2012 before the Commercial Court of Nanterre, requesting that the 2003 rider to the agent-broker contract be terminated by a court decision. The case was heard on 19 September 2023, with judgment due to be handed down 13 December 2023. By judgment dated 13 December 2023, the Nanterre Commercial Court dismissed the claims of the 83 agent-brokers and ordered them each to pay the sum of €800 to La Française des Jeux under Article 700 of the French Code of Civil Procedure, i.e. a total of €66,400. The decision is not yet final, as the time limit for appeals has not yet passed.

SOFICOMA PROCEEDINGS

On 23 May 2017, FDJ filed a lawsuit against Soficoma, a non-trading company, requesting a finding that Soficoma had lost its status as a shareholder of FDJ. On 23 May 2019, the Commercial Court of Marseille granted FDJ's application. Soficoma appealed this ruling on 20 June 2019 to the Court of Appeal of Aix-en-Provence. By a judgment dated 17 November 2022, the Court of Appeal of Aix-en-Provence upheld the ruling of the Commercial Court of Marseille in its entirety and dismissed all claims against the French Republic, represented by the Agence des participations de l'État. Soficoma filed an appeal to the Court of Cassation on 13 December 2022. The matter is ongoing and the parties are exchanging statements of position.

Concurrently, Soficoma filed a lawsuit against FDJ on 27 December 2017 in the Commercial Court of Nanterre, requesting confirmation of its status as a shareholder in FDJ and an order against FDJ for the payment of its dividends. Proceedings are stayed due to the case currently pending before the Court of Appeal of Aix-en-Provence.

PROCEEDINGS BEFORE THE COUNCIL OF STATE

In a letter dated 20 May 2021, the Council of State called on FDJ to present observations in a proceeding initiated in December 2019 by four claimants. These applicants – The Betting and Gaming Council, Betclik Enterprises Limited, the European Gaming and Betting Association and SPS Betting France Limited – have brought fourteen actions for ultra vires against Ordinance no. 2019-1015 of 2 October 2019 reforming the regulation of games of gambling and chance, Decree no. 2019-1060 of 17 October 2019 on the terms of application of strict State control over the company La Française des Jeux, Decree no. 2019-1061 of 17 October 2019 on the framework for the gaming offer of La Française des Jeux and Pari Mutuel Urbain, Decree no. 2019-1105 of 30 October 2019 on the transfer to the private sector of the majority of the share capital of the société anonyme La Française des Jeux, the Order of 6 November 2019 setting the terms of the transfer to the private sector of the majority of the share capital of the company La Française des jeux, the Order of 20 November 2019 setting the price and terms of allocation for shares in the company La Française des Jeux, Decree no. 2019-1563 of 30 December 2019 on the approval of the articles of association of the company La Française des Jeux and Decree no. 2020-494 of 28 April 2020 on the terms of provision of the gaming offer and gaming data. The applicants seek the annulment of the statutory instruments reforming the regulation of gambling games.

In five judgments dated 14 April 2023 and one judgment dated 12 July 2023, the Council of State held that the exclusive rights granted to FDJ were justified on grounds of public order and the control of addiction risks, that the 25-year term of the exclusive rights granted to FDJ was not excessive, that the granting of exclusive rights to FDJ was compliant with European law and that there were no grounds to apply to the European Court of Justice for a preliminary ruling. With regard to the amount of the consideration paid by FDJ to the State in exchange for the exclusive rights, the Council of State stayed the proceedings and will rule after the European Commission has issued its

decision on this matter.

PROCEEDINGS BEFORE THE EUROPEAN COMMISSION

Following the privatisation of FDJ, two complaints were lodged with the European Commission, recorded by the Commission as State aid cases SA. 56399 and SA. 56634, for the alleged granting of State aid in the form of guarantees, preferential tax treatment, and the granting of exclusive rights for insufficient remuneration. The complainants were the Association française des jeux en ligne (AFJEL), in a complaint dated 31 January 2020, and The Betting and Gaming Council (BGC), in a complaint dated 5 March 2020.

On 26 July 2021, the European Commission announced that it would conduct a detailed investigation of France regarding the adequacy of the €380 million payment made in "remuneration of the exclusive rights awarded" for point-of-sale sports betting and for lottery. The Commission's decision to open the investigation was published on 3 December 2021 in the list of State aid cases on its website and in the Official Journal of the European Union. The decision sets out the grounds that led it to query the arrangements from the perspective of the law on State aid. The case is ongoing and the parties are exchanging statements of position. FDJ submitted its observations to the European Commission on 3 January 2022. No timetable has yet been announced by the Commission.

The Commission closed the matter of the guarantee by a decision handed down on 3 December 2021, confirming that there was no guarantee in the sense of State aid. With respect to the matter of preferential tax treatment, the preliminary inquiry in response to the complaints remains ongoing.

TAX AUDIT

A tax audit is currently being performed on FDJ SA for the fiscal years 2020 to 2022.

The tax authority is querying the company's use of revenue (Net Gaming Revenue) as a basis for the calculation of the contribution on added value (CVAE) and is thus disputing the deductibility of public levies and VAT. The amount in question for 2020 is approximately €53 million before tax (including late-payment interest). The company and its advisors firmly reject the position adopted by the tax authority in its interim proposed adjustment and believe that there are sound arguments to support the treatment currently applied. The Group has therefore not recognised any provision for risk as at 31 December 2023.

Furthermore, the company has filed for a repayment of overpaid VAT in relation to lottery and sports betting transactions in the French overseas departments (which benefit from reduced VAT rather than the rate applied of 20%) during the period not yet time-barred, i.e. from December 2020 onwards.

As the Group considers that the risk of non-repayment is small, income of €20.8 million before tax has been recognised in the financial statements for 2023. This comprises €14.1 million for the 2021 and 2022 financial years, disclosed within other non-recurring operating income, and €6.7 million for 2023, disclosed within revenue.

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Note 17 Off-balance-sheet commitments

Other commitments are detailed in the table below:

In millions of euros	31.12.2023	31.12.2022
Commitments given		
Deposits and first-demand guarantees	45.1	38.0
Sponsorship agreement	6.1	15.6
Investment funds	59.0	47.1
Performance bonds*	162.4	203.4
Image rights for cyclists and commitment to the association L'Échappée	0.2	1.0
Property rent	6.6	3.3
Mortgage on goods acquired	68.2	77.4
Pledged intangible assets	4.4	0.4
Pledged receivables	-	0.8
Contractual undertakings for the sale of property, plant and equipment and intangible assets	4.8	-
Other commitments given	0.0	0.9
TOTAL COMMITMENTS GIVEN	356.8	387.9
Commitments received		
Performance bonds and commitments to return advance payments	200.4	172.7
Guarantees for remittance of stakes and payment of winnings	545.8	498.8
Counterparty risk insurance	130.0	130.0
Confirmed credit facilities	150.0	150.0
Online players insurance	110.0	110.0
TOTAL COMMITMENTS RECEIVED	1,136.2	1,061.5

* Includes printing contracts worth €38.3 million in 2023 (2022: €59.5 million).

17.1 COMMITMENTS GIVEN

The performance bonds given represent irrevocable purchase commitments made by the Group to its suppliers.

The mortgage allocation commitment taken out by the Group in 2016 (including the principal, interest and related amounts) concerned the purchase of its head office.

Investment funds are mainly venture capital funds geared towards supporting the development of start-ups in activities close to FDJ's core business. These funds include Partech and Raise, as well as CVC V13 (in partnership with Séreña), Level-up (specialising in e-sports), Trust e-sport, OneRagtime – ARIA, Origins and Sista Fund.

17.2 COMMITMENTS RECEIVED

Guarantees received for the remittance of stakes and payment of winnings relate to the financial guarantees provided by new retailers doing business with FDJ. Newly approved retailers are required to provide a financial guarantee to cover the risk of payment defaults. Under this system, retailers provide their guarantees directly to FDJ, which is responsible for debt collection.

The commitment of €130 million comprises the aggregate insurance cover for the counterparty risk on lottery games, as

from 1 January 2020, following the reform of FDJ's tax and regulatory framework, which put an end to the counterparty fund system.

The commitment of €110 million concerns a surety agreement that guarantees the repayment of all funds due to players holding online accounts. The agreement covers a maximum amount of €110 million. It is provided by three leading European insurance companies and renews automatically on an annual basis.

Unused confirmed credit lines of €150 million have been in place since February 2021, maturing at various points up to February 2026.

17.3 RECIPROCAL COMMITMENTS

At the end of 2020, as part of the partnership between FDJ and Groupama via Société de Gestion de l'Échappée (50% owned by each shareholder), FDJ and Groupama signed reciprocal pledges to buy and sell the remaining SGE shares.

In connection with the acquisition of L'Addition, FDJ and the vendor signed undertakings respectively to buy and sell the remaining 5% of L'Addition shares still held by the vendor. The commitment was reflected in the recognition of a liability in the statement of financial position.

17.4 SCHEDULE OF LEASE COMMITMENTS

Lease commitments at 31 December 2023 and 31 December 2022 were payable as follows:

In millions of euros	31.12.2023	31.12.2022
Less than 1 year	2.3	1.2
Less than 5 years	4.3	2.1
More than 5 years	-	-
Lease commitments*	6.6	3.3

* Lease commitments relate to vehicles and low-value leases that are not included in IFRS 16 lease liabilities (see Note 6.2).

IFRS 16 lease liabilities totalled €45 million at 31 December 2023 (2022: €38 million).

Note 18 Other post-closing events

On 1 February 2024, the French competition authority indicated that an appeal had been lodged with the Council of State against the decision of 15 September 2023 authorising the ZEturf/FDJ transaction. The appellant has

three months from 11 December 2023 to submit evidence and claims in support of the appeal. FDJ has no further information at this stage.

Note 19 Scope of consolidation

The ownership interest (the share of the consolidated entity held directly or indirectly by the Group) is identical to the percentage of control for all controlled entities.

Name of entity	Head-quarters	Activity	Consolidation method 2023 ^(a)	Consolidation method 2022 ^(a)	Percentage of interest 2023	Percentage of interest 2022
La Française des Jeux	France	Organisation of lottery games and sports betting	FC	FC	100%	100%
FDJ Gaming Solutions France (FGS France)	France	Development and supply of digital lottery technologies	FC	FC	100%	100%
FDJ Gaming Solutions (FGS)	France	Holding	FC	FC	100%	100%
Beijing ZhongCai Printing	China	Printing of lottery tickets	EM	EM	46.25%	46.25%
La Pacifique des Jeux	France	Operation of games of chance in French Polynesia	FC	FC	99.99%	99.99%
FDJ Développement	France	Distribution of lottery and betting games in the French Antilles and Guiana	FC	FC	100%	100%
La Française d'Images	France	Technical audiovisual services	FC	FC	100%	100%
Société de Gestion de l'Échappée	France	Management and promotion of a cycling team	EM	EM	50%	50%
FDP	France	Distribution of lottery and betting games in mainland France	FC	FC	100%	100%
Services aux Loteries en Europe	Belgium	Provision of services for national lottery agents in connection with the operation of Euromillions	EM	EM	32.99%	26.57%
FDJ Gaming Solutions UK (FGS UK)	United Kingdom	Development of sports betting technology	FC	FC	100%	100%
National Lotteries Common Services (NLCS)	France	Provision of services associated with the operation of sports betting	EM	EM	50.00%	50.00%
Lotteries Entertainment Innovation Alliance AS (LEIA)	Norway	Operation of digital gaming platforms	EM	EM	20.00%	20.00%

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Name of entity	Head-quarters	Activity	Consolidation method 2023 ⁽¹⁾	Consolidation method 2022 ⁽¹⁾	Percentage of interest 2023	Percentage of interest 2022
Online Betting and Gaming Holding	France	Holding	FC	FC	100%	100%
Online Betting and Gaming France	France	Organisation of sports betting	FC	FC	100%	100%
Sporting Group Holdings Limited (formerly Sporting Index Holdings Ltd)	United Kingdom	Holding	FC	FC	100%	100%
Sporting Index Ltd	United Kingdom	Sports betting (fixed and variable odds)	-	FC	-	100%
Sporting Solutions Services Limited (formerly SPIN Services Ltd)	United Kingdom	Development of sports betting technology	FC	FC	100%	100%
Spin Services Canada Inc.	Canada	Development of sports betting technology	FC	FC	100%	100%
FGS Canada	Canada	Development of sports betting technology	FC	FC	100%	100%
FDJ Services	France	Finance and payment services	FC	FC	100%	100%
DVRT 13	France	Entertainment services	FC	FC	100%	100%
FGS New Market	France	Development of sports betting technology	FC	FC	100%	100%
Sporting Solution America Inc.	United States	Development of sports betting technology	FC	FC	100%	100%
FDJ Services Holding	France	Finance and payment services	FC	FC	100%	100%
Adstellam (L'Addition)	France	Finance and payment services	FC	FC	95%	95%
Aleda	France	Finance and payment services	FC	FC	100%	100%
RBP Luxembourg	Luxembourg	Holding	FC	-	100%	-
ZEturf France	Malta	Organisation of sports and horse-race betting	FC	-	100%	-
ZEtote System	Malta	Development and supply of digital sports betting technologies	FC	-	100%	-
MasseCom SAS	France	Development and supply of digital sports betting technologies	FC	-	100%	-
TURF Belgium SA	Belgium	Organisation of sports and horse-race betting	FC	-	100%	-
ZEbetting & Gaming Nederland NV	Netherlands	Organisation of sports and horse-race betting	FC	-	100%	-
ZEbetting & Gaming España SA	Spain	Organisation of sports and horse-race betting	FC	-	100%	-
ZEbetting & Gaming Banen B.V.	Netherlands	Organisation of sports and horse-race betting	FC	-	100%	-
ZEbetting & Gaming B.V.	Netherlands	Organisation of sports and horse-race betting	FC	-	100%	-
ZEturf GBL	Mauritius	Organisation of sports and horse-race betting	FC	-	51%	-
Turf Data Selection SARL	France	Development and supply of digital sports betting technologies	EM	-	50%	-
Premier Lotteries Ireland Holding DAC	Ireland	Holding	FC	-	100%	-
Premier Lotteries Ireland Midco DAC	Ireland	Holding	FC	-	100%	-
Premier Lotteries Ireland DAC	Ireland	Organisation of lottery games	FC	-	100%	-

(1) Full consolidation (FC) – Companies over which the Group has exclusive control; Equity method (EM) – Companies over which the Group has significant influence or joint control.

Changes in the consolidation scope are described in Note 3.1.

Note 20 Statutory Auditors' fees

The Statutory Auditors' fees for 2023 and 2022 were as follows:

In thousands of euros	31.12.2023			
	Audit services		Non-audit services	
	Pricewaterhouse Coopers Audit	Deloitte & Associés	Pricewaterhouse Coopers Audit	Deloitte & Associés
FDJ (issuer)	525	515	75	84
Subsidiaries (controlled entities)	81	194	-	23
STATUTORY AUDITORS' FEES	606	709	75	107

In addition, missions were carried out in 2023 by other entities of the PWC network as part of M&A projects for 682 thousand euros.

In thousands of euros	31.12.2022			
	Audit services		Non-audit services	
	Pricewaterhouse Coopers Audit	Deloitte & Associés	Pricewaterhouse Coopers Audit	Deloitte & Associés
FDJ (issuer)	462	449	50	108
Subsidiaries (controlled entities)	135	146	-	-
STATUTORY AUDITORS' FEES	597	595	50	108

Non-audit services in 2023, as in 2022, mainly concerned the independent third party review of the non-financial performance report, work on internal controls and various certifications.

Statutory Auditor's report on the consolidated financial statements

6.2 Statutory Auditor's report on the consolidated financial statements

(For the year ended 31 December 2023)

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

OPINION

In compliance with the engagement entrusted to us pursuant to your General Meeting, we have audited the accompanying consolidated financial statements of La Française des Jeux for the year ended 31 December 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group at 31 December 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit and Risks Committee.

BASIS FOR OPINION

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for Statutory Auditors for the period from 1 January 2023 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by Article 5(1) of Regulation (EU) No. 537/2014.

Justification of assessments – Key audit matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgement, were the most significant in our audit of the consolidated financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the consolidated financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the consolidated financial statements.

INFORMATION SYSTEMS, AUTOMATED PROCESSING AND CONTROLS RELATED TO THE RECOGNITION OF NET GAMING REVENUE (SEE NOTE 4.1. TO THE CONSOLIDATED FINANCIAL STATEMENTS)

Description of risk

The Group's main activity consists in developing and operating lottery games and sports betting within a highly regulated framework. This activity is characterised by a high volume of low-value individual transactions. La Française des Jeux's remuneration (net gaming revenue – NGR) is based on the players' stakes placed at points of sale and online, after deducting the prize winners' share as well as public levies at variable rates depending on the games. The Group's revenue for 2023 amounted to €2.62 billion, of which €2.48 billion derived from NGR.

The processing of gaming transactions, their recognition according to the methods described in Note 4.1 to the consolidated financial statements and the determination of NGR are highly automated. They are based on a highly complex information system specific to La Française des Jeux, which covers all the steps in the processing of games from the validation of gaming transactions at points of sale and online to the recognition of the different components of NGR.

Given the high volume of transactions processed, the significance of automated processing in determining and recognising the different components of NGR and the reliability of the internal controls organised by management in a regulated environment, we deemed the information systems, automated processing and controls related to the recognition of NGR to be a key audit matter.

How our audit addressed this risk

With the assistance of our information systems specialists, we gained an understanding of the process for recognising the various stakes and components of NGR and assessed the design and effectiveness of the internal control system relating, in particular, to the information systems and automated processing underlying NGR recognition.

Our work consisted primarily in:

- familiarising ourselves with the internal control procedures, identifying the most relevant manual and automated controls for our audit and testing their design and operational efficiency;

- testing the effectiveness of the IT general controls of each application system used as part of the recognition of the components of NGR and which we deemed of key importance to our audit, notably including access management, change management and operations management;
- evaluating the effectiveness of the interfaces linked to the transactions and relevant for recognising flows from stakes to NGR;
- analysing material changes and unexpected trends observed, if any, in the allocation of the various components of NGR.

SPECIFIC VERIFICATIONS

As required by legal and regulatory provisions and in accordance with professional standards applicable in France, we have also performed the specific verifications on the information pertaining to the Group presented in the Board of Directors' management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the Group management report includes the consolidated non-financial performance statement required under Article L.225-102-1 of the French Commercial Code. However, in accordance with Article L.823-10 of the French Commercial Code, we have not verified the fair presentation and consistency with the consolidated financial statements of the information given in that statement, which will be the subject of a report by an independent third party.

OTHER VERIFICATIONS AND INFORMATION PURSUANT TO LEGAL AND REGULATORY REQUIREMENTS

Presentation of the consolidated financial statements to be included in the annual financial report

In accordance with professional standards applicable to the Statutory Auditors' procedures for annual and consolidated financial statements presented according to the European single electronic reporting format, we have verified that the presentation of the consolidated financial statements to be included in the annual financial report referred to in paragraph I of Article L.451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and prepared under the Chairwoman and Chief Executive Officer's responsibility, complies with this format, as defined by European Delegated Regulation No. 2019/815 of 17 December 2018.

As it relates to the consolidated financial statements, our work included verifying that the markups in the financial statements comply with the format defined by the aforementioned Regulation.

On the basis of our work, we conclude that the presentation of the consolidated financial statements to be included in the annual financial report complies, in all material respects, with the European single electronic reporting format.

Due to the technical limitations inherent in the macro-tagging of the consolidated financial statements in the European single electronic reporting format, the content of certain tags in the notes to the financial statements may not be rendered identically to the consolidated financial statements attached to this report.

In addition, it is not our responsibility to ensure that the consolidated financial statements to be included by the Company in the annual financial report filed with the AMF correspond to those on which we carried out our work.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of La Française des Jeux by the General Meetings held on 25 May 2016 for PricewaterhouseCoopers Audit and on 3 June 2003 for Deloitte & Associés.

At 31 December 2023, PricewaterhouseCoopers Audit and Deloitte & Associés were in the eighth and twenty-first consecutive year of their engagement, respectively, and the fifth year since the Group's securities were admitted to trading on a regulated market.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for preparing consolidated financial statements giving a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and for implementing the internal control procedures it deems necessary for the preparation of consolidated financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit and Risks Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

RESPONSIBILITIES OF THE STATUTORY AUDITORS RELATING TO THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Objective and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these consolidated financial statements.

As specified in Article L.821-55 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgement throughout the audit.

Statutory Auditor's report on the consolidated financial statements

They also:

- identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the consolidated financial statements;
- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the consolidated financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The Statutory Auditors are responsible for the management, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed thereon.

Report to the Audit and Risks Committee

We submit a report to the Audit and Risks Committee which includes, in particular, a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit and Risks Committee includes the risks of material misstatement that, in our professional judgement, were the most significant for the audit of the consolidated financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit and Risks Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in Articles L.821-27 to L.821-34 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit and Risks Committee.

Neuilly-sur-Seine and Paris-La Défense, 22 February 2024

The Statutory Auditors

PricewaterhouseCoopers Audit
Jean-Paul Collignon

Deloitte & Associés
Nadège Pineau

6.3 Parent company financial statements for the year ended 31 December 2023

6.3.1 Parent company financial statements

The financial statements are presented in millions of euros, rounded to the nearest hundred thousand. Rounding differences may occur between the different statements.

Unless otherwise stated, all amounts are in millions of euros.

6.3.2 Income statement

In millions of euros	Note	31.12.2023	31.12.2022
Gross gaming revenue	3.1	6,614.3	6,525.5
Public levies	3.1	-4,179.9	-4,147.1
Net gaming revenue	3.1	2,434.4	2,378.4
Revenue from other activities	3.1	32.5	27.9
Revenue	3.1	2,466.9	2,406.3
Capitalised development expenses	3.2	62.9	56.1
Reversals of provisions and transfers of expenses		20.3	14.1
Other operating income		1.0	1.0
Total operating income		2,551.2	2,477.6
Inventory purchases used		-42.3	-36.6
Purchases and external expenses	3.2	-1,599.2	-1,592.1
Taxes		-18.8	-20.7
Personnel expenses	4	-221.1	-192.4
Depreciation and amortisation	5	-89.9	-94.9
Provisions	6	-49.8	-33.9
Other operating expenses		-23.7	-19.5
Total operating expenses		-2,044.6	-1,990.1
Operating profit	3.2	506.6	487.5
Total financial income		102.4	28.8
Total financial expenses		-28.3	-56.3
Net financial income	7.4	74.1	-27.5
Recurring profit		580.7	460.0
Total non-recurring income		96.4	46.5
Total non-recurring expenses		-124.8	-74.4
Net non-recurring loss	8	-28.4	-27.9
Employee profit-sharing and incentives	4.2	-32.5	-28.6
Income tax expense	9	-122.7	-99.4
NET PROFIT	10	397.0	304.0

Gross gaming revenue (GGR) is the benchmark for the level of business in the gaming sector. To ensure improved comparability, the presentation of FDJ's income statement is now aligned with this aggregate, which corresponds to stakes less winnings plus the GGR of other activities.

Parent company financial statements for the year ended 31 December 2023

6.3.3 Balance sheet

ASSETS

In millions of euros	Note	31.12.2023		31.12.2022
		Gross	Amortisation, depreciation and provisions	Net
Exclusive operating rights	5.1	380.0	70.1	309.9
Other intangible assets	5.2	461.2	287.3	173.9
Property, plant and equipment	5.3	709.6	395.0	314.6
Non-current financial assets	7.1	813.7	98.3	715.4
Fixed assets		2,364.5	850.7	1,513.7
Inventories	3.3.6	19.2		19.2
Advances and payments on account		7.9		7.9
Trade and distribution network receivables	3.3.1	488.1	17.1	471.0
Other receivables	3.3.2	341.4	34.2	307.2
Transferable securities and similar receivables	7.3	654.3	5.6	648.7
Cash and cash equivalents	7.3	476.5		476.5
Prepaid expenses	3.5	23.0		23.0
Current assets		2,010.3	56.9	1,953.4
Expenses deferred over multiple periods		3.6		3.6
Unrealised exchange gains		0.2		0.2
TOTAL ASSETS		4,378.6	907.6	3,471.0

LIABILITIES

In millions of euros	Note	31.12.2023	31.12.2022
Share capital		76.4	76.4
Legal reserve		7.6	7.6
Optional reserve		453.6	411.0
Retained earnings		0.4	0.2
Net profit for the period		397.0	304.0
Regulated provisions		169.5	139.9
Equity	10	1,104.6	939.2
Provisions for risks		3.3	2.6
Provisions for liabilities		72.4	66.3
Provisions for risks and liabilities	4.3 and 6.1	75.6	68.9
Loans from credit institutions	7.3	384.0	427.1
Trade and distribution network payables	3.3.3	488.8	462.6
Public levies and winnings payable and distributable	3.3.4	1,172.2	1,064.9
Other payables	3.3.5	205.6	181.1
Prepaid income (stakes)	3.5	40.0	32.6
Payables		2,290.6	2,168.3
Unrealised exchange losses		0.1	0.2
TOTAL LIABILITIES		3,471.0	3,176.6

6.3.4 Notes to the parent company financial statements

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Unless otherwise stated, all amounts are in millions of euros.

Note 1 Overview of the Company

1.1 GENERAL INFORMATION

La Française des Jeux (FDJ) is a public limited company (*société anonyme*) governed by French law, subject to all regulations on commercial companies in France, and in particular the provisions of the French Commercial Code, in accordance with the provisions of the legal framework as described in Note 1.2. Its registered office is located at 3/7, quai du Point du Jour, 92650 Boulogne-Billancourt. It has been admitted to trading on the Euronext Paris market since 21 November 2019. As at 31 December 2023, its share ownership structure can be broken down as follows: the French State (20%), veterans' associations ⁽¹⁾ (15%), employee share investment funds (4%), Predica (5%) and other holdings of less than 5%, including French and international institutional investors and private shareholders. The State exerts strict control over the Company. As a result, the appointment of the Chairman, Chief Executive Officer and Deputy Chief Executive Officers, as well as any threshold-crossing of 10% or a multiple of 10% of the share capital, are subject to approval by the Ministers for the Budget and the Economy.

As at 31 December 2023, the Group runs a gaming operation and distribution business in France (metropolitan and overseas departments), four French overseas territories and Monaco. It operates internationally, mainly through its equity investments in the following companies:

- Premier Lotteries Ireland, the operator holding the exclusive rights to run the Irish National Lottery at points of sale and online;
- ZEturf group, an online horse-race and sports betting operator with offices in Belgium, the Netherlands, Mauritius and Malta, operating mainly in France;
- Sporting Group, a UK group which provides betting and risk management services to sports betting operators;
- Beijing Zhongcai Printing (BZP), a Chinese company that prints lottery tickets;
- Services aux Loteries en Europe (SLE), a Belgian cooperative established to hold and administer draws for participating lotteries in connection with Euromillions;
- Lotteries Entertainment Innovation Alliance AS (LEIA), a Norwegian company that operates a digital gaming platform;
- FGS Canada, a Canadian company that develops sports betting technology.

1.2 REGULATORY ENVIRONMENT OF THE COMPANY

FDJ operates in the gaming sector, an highly regulated industry under strict State control.

Gaming in France is generally prohibited, subject to restricted exemptions. The online sports betting and online poker businesses, which are open to competition, are governed notably by Law No. 2010-476 of 12 May 2010 and conducted within the framework of a five-year agreement. FDJ's licence for sports betting was last renewed by the ANJ in 2020, while its licence for online poker was granted by the ANJ in October 2022. ZEturf, which FDJ acquired in 2023, also holds licences for online horse-race and sports betting.

The Pacte Law of 23 May 2019 confirmed FDJ's exclusive rights to operate online and point-of-sale lottery games (draw games and instant games) and point-of-sale sports betting activities for a period of 25 years. It also defines the basis, rates and territorial scope of the public levies on all lottery games and sports betting, regulates the payout ratios for lottery games and sets upper limits on payouts for online and point-of-sale sports betting.

Applicable regulations set goals for FDJ to prevent the development of addiction and underage gambling; ensure the integrity, security and reliability of gaming operations; funnel demand into a channel controlled by the State; prevent the risk of fraudulent or criminal gambling operations particularly for money-laundering purposes; and help combat illegal gambling and manipulation of competitions or sports events in connection with betting.

1.3 HIGHLIGHTS

1.3.1 Highlights of the financial year

Lottery, sports betting and online gaming open to competition

Sound fundamentals in lottery: revenue of €1,938 million is up by 1.1%, or +4.9% if Euromillions and Amigo are excluded

- **Successful animation of the instant games portfolio**, such as the launches and relaunches of Carré Or in January, Club Color in March, As de Cœur in October and Mission Nature in November.
- **Successful launch of Eurodreams in partnership with eight other European lotteries**

This game, whose first draw took place on 6 November, gives players the chance to win €20,000 a month for 30 years at tier 1 and €2,000 a month for five years at tier 2.

EuroDreams is a success, especially online, as this game has the highest digitisation rate of draw games.

(1) Union des blessés de la face et de la tête (UBFT) and Fédération nationale André Maginot (FNAM)

- **Low number of high jackpot Euromillions draws (> €75 million)**

After a 2022 financial year that had recorded a record number of high jackpot Euromillions draws (43), 2023 was marked by the low number of these draws (23), particularly in the second semester (8 draws vs. 27 in 2022), which affected overall stakes given the strong attraction of such jackpots. Nevertheless, stakes on high jackpots offered in 2023 reached all-time highs.

As Euromillions is a game with a high stakes-to-revenue conversion rate, it was particularly affected by the low number of high-jackpot draws. The same applies to the performance of online lottery, which has a high digitalisation rate.

Net gaming revenue (NGR)⁽¹⁾ from online lottery games increased by more than 10%, and by more than 17% excluding Euromillions. This performance was mainly due to a further increase in the number of players. More than 5 million players played an FDJ online lottery game at least once a year.

In terms of responsible gaming, the target of generating less than 2% of gross gaming revenue from online lottery games with high-risk players was achieved in 2023.

- **New Amigo formula**

Amigo, a point-of-sale game with a draw every 5 minutes, was relaunched in early June 2023 with a revised formula in accordance with the decision of the French regulator (Autorité nationale des jeux). This revision notably concerns the reduction in the number of draws (with a suspension of 15 minutes per hour between 6:00 and 14:00) and the maximum amount per bet (€8 vs. €20). Since its relaunch, Amigo's business has stabilised at a level down by around -25% compared to the same period in 2022.

Good momentum in sports betting and online gaming open to competition, bolstered by presence in all gaming segments

FDJ has historically been present in point-of-sale and online sports betting, online poker since the end of 2022 and online horse-race betting since the acquisition of ZEturf at the end of 2023.

Sports betting and online gaming open to competition reaffirmed their strong momentum with revenue up by 8.4% (excluding ZEturf).

This performance was driven by a persistently buoyant sports betting market, particularly benefiting from the momentum generated by the FIFA World Cup at the end of 2022. For the third consecutive year, ParionsSport En Ligne has gained market shares. Revenue growth is also explained by the first consolidation of ZEturf in the fourth quarter and sporting results favourable to the operator, in particular during the Champions League and Ligue 1. In addition, the poker offer is a success, with nearly 20% of online sports betting players also playing it.

Strong growth in online business: net gaming revenue (NGR) up 18.8% to nearly 13% of the total, compared to more than 11% in 2022.

Strong momentum in the Group's online activities, both in lottery and in sports betting and online gaming open to competition, enabled FDJ to record an 18.8% rise in online net gaming revenue, which now represents almost 13% of NGR, compared to 11% in 2022. Excluding the integration of PLI and ZEturf in the fourth quarter, the annual increase in NGR for online gaming activities would have been +13.9%.

Confirmation of the exclusive rights of La Française des Jeux by the Council of State

Following a referral in December 2019 by an association and several gambling companies, the French Council of State ruled, on 14 April 2023, that La Française des Jeux's exclusive rights comply with European Union law. It also ruled that the twenty-five-year term of its exclusive rights, defined in the framework of the Pacte Law, is not excessive.

Concerning the equalisation payment of €380 million paid to the State in respect of its exclusive rights, the Council of State will decide after the European Commission's decision on the appropriateness of this sum, following its State aid investigation launched in July 2021.

External growth transactions

Premier Lotteries Ireland (PLI)

On 3 November 2023, FDJ finalised the acquisition of 100% of the share capital of Premier Lotteries Ireland, which holds exclusive rights to operate the Irish National Lottery until 2034, after the authorisation from the Irish National Lottery regulator. This transaction is part of FDJ's strategic ambition to become an international B2C operator and FDJ thus operates a foreign lottery for the first time.

PLI's strategic plan aims to accelerate its growth and increase its profitability by sharing the best practices of the two operators so as to capitalise on FDJ's experience to run PLI's instant games portfolio, boost the draw game player base, and continue to improve the digital experience of Irish players.

ZEturf

The acquisition of the ZEturf group, an online horse-race betting and online sports betting operator under the ZEBet brand, was finalised on 29 September 2023 following the authorisation from the French Competition Authority.

ZEturf rounds out FDJ's online betting offering, which has become the fourth largest operator in the French sports betting and online gaming open to competition market, with a market share of more than 10%.

In order to take full advantage of the merger with ZEturf and the synergies within its competitive online activity, the FDJ Group will adopt a new organisation for this activity, in line with the commitments made to the Competition Authority.

(1) NGR is gross gaming revenue (GGR = stakes less player payout) less public levies.

Parent company financial statements for the year ended 31 December 2023

1.3.2 Significant post-closing events

On 22 January 2024, FDJ announced that it was launching a tender offer for Kindred, one of Europe's leading online betting and gaming companies, to implement its ambition to become an international gaming operator, and thus create a European champion.

This offer is made at a price of SEK 130 per share listed on Nasdaq Stockholm, and corresponds to an enterprise value of Kindred of €2.6 billion.

The transaction takes the form of a public tender offer, which will open on 20 February 2024 for a period of nine months.

The completion of the takeover bid will remain subject in particular to obtaining regulatory authorisations and the acquisition by FDJ of at least 90% of Kindred's share capital.

FDJ will finance the acquisition by drawing on a large portion of its own cash reserves, together with a bridging loan from leading French banks. The FDJ Group reiterates its medium-term target of a debt ratio (net financial debt / recurring EBITDA) of not more than 2x. It intends to refinance the bridging loan at attractive market rates and will target an investment-grade rating.

Note 2 Accounting standards and policies

2.1 BASIS FOR PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of FDJ are prepared in accordance with ANC Regulation 2014-03 on the General Chart of Accounts and in accordance with the French Commercial Code and the subsequent opinions and recommendations of the ANC.

The notes to these parent company financial statements describe the accounting policies in the same sections as the comments on the figures themselves, to make them easier to understand for the reader.

The Board of Directors approved the parent company financial statements for the year ended 31 December 2023 at its meeting of 14 February 2024.

2.2 ACCOUNTING POLICIES

Unless otherwise noted, these policies have been applied consistently to all periods presented. The financial statements have been prepared on a going concern basis in accordance with the independence of financial periods. They have been drawn up on the historical cost basis.

2.2.1 Foreign currency translation

The financial statements are presented in euros, FDJ's functional currency. They are presented in millions of euros, unless otherwise stated.

Where currency hedges are in place, income and expenses in a foreign currency are recorded at their equivalent value in euros at the hedging rate. In the absence of currency hedges, they are recognised at their equivalent value in euros on the transaction date.

Payables and receivables in foreign currency carried on the balance sheet at the year-end are translated at the closing rate. Differences arising on translation are recognised in the balance sheet under "Currency translation differences". Any unrealised exchange losses are subject to a provision, except in cases in which a hedging contract has been taken out.

2.2.2 Estimates and judgements

The preparation of financial statements requires the use of estimates and assumptions to determine the value of assets and liabilities, assess positive and negative risks, and measure income and expenses at the reporting date.

Due to the uncertainties inherent in any valuation process, FDJ reviews its estimates based on regularly updated information. The future results of the transactions concerned may differ from these estimates.

Material estimates made by FDJ mainly cover the following items:

- discount rate and initial assumptions for employee benefits (Note 4.3);
- assessment and quantification of legal risks to determine provisions for risks and litigations (Notes 6 and 11);
- the useful lives and recoverable value of intangible assets, property, plant and equipment, equity interests and portfolio fixed assets (Notes 5 and 7);
- assessment of the risk associated with non-recovery of past-due payments for the purpose of measuring the recoverable value of receivables from the distribution network (Note 3.3);
- measurement assumptions used to value performance shares (recurring EBITDA, profit per share, probability of achieving targets, risk-free rate, share price) (Note 4.4).

Note 3 Operating data

3.1 NET GAMING REVENUE AND OTHER REVENUE

Revenue is made up of net gaming revenue (NGR, as set out below) and revenue from other activities.

Gross gaming revenue (GGR)

GGR is the difference between stakes and player payout. For poker, the GGR takes the form of a commission levied on stakes.

Public levies

Under the Pacte Law, the tax and social charges applicable to lottery games and sports betting are levied on the basis of the GGR, except in locations where local tax regulations apply (French overseas territories and the Principality of Monaco).

Public levies on gaming (excluding corporation tax) are charged at the following rates:

As % of GGR	Loto®/Euromillions	Other lottery games
ANS	5.1%	5.1%
CSG	6.2%	6.2%
CRDS	2.2%	2.2%
General State Budget	54.5%	42.0%
TOTAL	68.0%	55.5%

As % of GGR	PoS sports betting	Online sports betting
Tax levies on sports betting	27.9%	33.7%
ANS	6.6%	10.6%
Social security levies on sports betting	6.6%	10.6%
TOTAL	41.1%	54.9%

Online poker is taxed on the basis of stakes. The overall charge comprises a tax levy of 1.8% of stakes (capped at €0.90 per deal for cash games) and a social security levy of 0.2% of stakes (capped at €0.10 per deal for cash games)⁽¹⁾.

General State Budget

Public levies intended for the General State Budget are governed by Article 138 of **Law No. 2019-486 of 22 May 2019 on business growth and transformation (Pacte Law)**.

Social security levies on lottery games (CRDS and CSG)

The social security levies are the CRDS (Contribution au remboursement de la dette sociale – social security debt repayment contribution) and the CSG (Contribution sociale généralisée – general social contribution).

CRDS: imposed by Article 18 of Order no. 96-50 of 24 January 1996, as amended by Article 138 of **Law No. 2019-486 of 22 May 2019 on business growth and transformation**.

CSG: imposed by Articles L. 136-7-1 and L. 136-8 of the French Social Security Code, as amended by Article 138 of **Law No. 2019-486 of 22 May 2019 on business growth and transformation**.

Tax and social security levies specific to sports betting

Tax levy: imposed by Articles 302 bis ZH, ZK and ZL of the French Tax Code, as amended by Article 138 of **Law No. 2019-486 of 22 May 2019 on business growth and transformation**.

Social security levy: imposed by Article L. 137-21 of the French Social Security Code, as amended by Article 138 of **Law No. 2019-486 of 22 May 2019 on business growth and transformation**.

(1) A cash game is a hand of poker played with real money, as opposed to a tournament game, where players join by paying an entry fee and play with chips that have no monetary value.

Parent company financial statements for the year ended 31 December 2023

National Sports Agency (Agence nationale du sport – ANS)

Levy imposed by Articles 1609 (29) and 1609 (30) of the French General Tax Code, as amended by Article 138 of **Law No. 2019-486 of 22 May 2019 on business growth and transformation** and Article 46 of Law No. 2011-1977 of 28 December 2011 (2012 Budget Law), subject respectively to upper limits of €72 million and €35 million (for the entire sports betting market) above which the payments are allocated to the General State Budget.

VAT

VAT, as governed by Chapter 1 of Title II of Book 1 of the General Tax Code, is charged on net gaming revenue at the rate in force in metropolitan France and the French overseas departments.

Net gaming revenue (NGR)

FDJ is a service provider that develops and operates lottery games and sports betting in a highly regulated environment. The revenue earned by FDJ for the organisation and placement of games is called net gaming revenue or NGR.

NGR is gross gaming revenue less public levies. It thus varies according to the payout ratio for each game (margin effect) and according to the volume of stakes wagered in each game category (volume and mix effects).

NGR is recognised once FDJ has met all its obligations. Performance obligations vary by type of game:

- for **draw games**, FDJ's service is completed when it has recorded the placing of the stakes, held the draw that determines the winning numbers, calculated the winnings and published the results and prizes.
- for **instant games** sold at points of sale, FDJ recognises stakes as income when a given number of tickets has been sold, i.e. when said tickets are placed in the gaming terminals. Accordingly, the sale is recognised before the booklet (batch of tickets), which has a value of between €150 and €300, is completely used up. Given how fast the booklets are sold, revenue recognised on a per-unit basis would be very close to the amount of revenue recorded in the financial statements. Online sales are recognised as soon as the player's stake is recorded;
- for **sports betting**, the principles are similar to draw games. FDJ has met its obligations when, once the sporting event has taken place, the winnings have been calculated and the results and prizes have been published. For poker, FDJ has met its obligations when the tournament or the hand ends.

NGR is thus gaming revenue net of the winnings paid or payable to players and net of the levies collected on behalf of the French State.

The processing of gaming operations, their accounting and the determination of NGR are very highly automated. They rely on a complex IT system, which handles all game operations from the validation of stakes at points of sale and online to the recognition of NGR.

In millions of euros	31.12.2023	31.12.2022	Change %
Gross gaming revenue (GGR)	6,614.3	6,525.5	1%
Public levies	-4,179.9	-4,147.1	1%
Net gaming revenue (NGR)	2,434.4	2,378.3	2%
Revenue from other activities	32.5	27.9	16%
REVENUE	2,466.9	2,406.3	3%

Revenue was €2,466.9 million, a rise of 3%.

Revenue from other activities essentially derives from the re-invoicing of costs to subsidiaries. It totalled €32.5 million, €4.6 million higher than in 2022.

3.2 OPERATING PROFIT

Operating profit was €506.6 million, €19.1 million higher than in 2022.

Owing to the continued high level of investment in the Company's digital and commercial transformation, capitalised development expenses were €62.9 million, €6.8 million higher than in 2022.

Operating expenses linked to the remuneration of the offline distribution network (retailers and commercial sectors, including FDP) were €1,092.7 million, essentially unchanged relative to 2022.

Other purchases and external expenses (€506.5 million) were also virtually unchanged, rising by 1%.

Additions to provisions were €15.8 million higher than in 2022. This was essentially due to the increase in employee-related provisions, notably in relation to the early retirement scheme.

3.3 WORKING CAPITAL

Receivables

Receivables are recognised at their nominal value. They are impaired if the debtor's situation indicates that the amount may not be recoverable.

Stakes collected from players, net of prizes paid out to players and commissions, are collected weekly from game retailers by direct debit. Stakes are recorded as assets, while prizes and fees are taken to liabilities.

Player funds

Player funds include pooled top prizes and winnings on pooled sports betting and traditional pooled draw games, as well as top prizes and winnings from additional games.

Other game organisation funds (e.g. rollover funds or super jackpot funds) contain sums that are carried forward to subsequent draws if there is no prize winner for certain classes of prize, as provided for in the rules of the games concerned.

Inventories

Inventories are valued at the lower of cost (determined using the "first in, first out" method) and net realisable value (estimated selling price net of associated selling costs). They are impaired in line with their technical or commercial obsolescence.

Inventories predominantly comprise gaming materials, i.e. scratch cards for instant games.

3.3.1 Trade and distribution network receivables

In millions of euros	31.12.2023			31.12.2022		
	Gross	Impairments	Net	Gross	Impairments	Net
Distribution network receivables	471.8	16.7	455.0	423.0	16.0	407.0
Trade receivables	16.4	0.4	16.0	16.4	-	16.4
Subsidiary current accounts*				67.0	15.0	52.0
TOTAL TRADE AND DISTRIBUTION NETWORK RECEIVABLES	488.1	17.1	471.0	506.3	31.0	475.3

* To improve clarity, subsidiary current accounts were reclassified to "Other receivables" in 2023.

Stakes collected from players, net of prizes paid out to players and commissions, are collected weekly from the distribution network by direct debit. Stakes are recorded as assets, while prizes and fees are taken to liabilities.

Distribution network receivables represent stakes paid to retailers at the end of the year but not yet debited from the retailers by FDJ. The year-end amount varies, depending on

the day of the week on which 31 December falls. The growth in the amount in 2023 is due to a calendar effect and to an increase in stakes wagered during the final few days of the year. These receivables also include receivables in connection with the online poker activity launched in late 2022.

Receivables are due within one year.

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3.3.2 Other receivables

In millions of euros	31.12.2023			31.12.2022		
	Gross	Impairments	Net	Gross	Impairments	Net
Other operating receivables	65.4	0.1	65.3	53.1	0.1	53.1
Advance payments on State levies	193.7	-	193.7	202.2	-	202.2
Subsidiary current accounts*	82.3	34.1	48.2			
TOTAL OTHER ACCOUNTS RECEIVABLE	341.4	34.2	307.2	255.3	0.1	255.3

* To improve clarity, subsidiary current accounts were reclassified to "Other receivables" in 2023.

Other receivables mainly include the December advance payment on public levies, as provided for by the Pacte Law. This advance payment decreased by €8.5 million relative to 2022.

Other operating receivables have risen mainly as a result of an increase in tax receivables.

Impairments on subsidiary current accounts mainly concern the current account with Sporting Group Holdings Ltd, the parent company of the Sporting group.

3.3.3 Trade and distribution network payables

In millions of euros	31.12.2023	31.12.2022
Trade accounts payable	169.2	169.1
Distribution network payables	319.6	293.5
TOTAL TRADE AND DISTRIBUTION NETWORK PAYABLES	488.8	462.6

Amounts payable to the distribution network consist of prizes paid to players by retailers and network commissions for the year-end period. These amounts are paid weekly. The year-end amount varies, depending on the day of the week on which 31 December falls. This calendar effect, together

with a higher level of business during the final few days of the year, is the main reason for the change in 2023.

Trade and distribution network payables are due within one year.

3.3.4 Public levies and winnings payable and distributable

In millions of euros	31.12.2023	31.12.2022
Public levies	594.1	458.9
Winnings payable and distributable (including player funds)	578.1	606.0
TOTAL	1,172.2	1,064.9

Public levies comprise amounts payable to the State, social security agencies, local authorities and other public bodies (see 3.1).

In millions of euros	31.12.2023	31.12.2022
Liabilities – General State budget	267.1	235.1
Liabilities – Sports betting levies	74.0	62.0
Liabilities – Other public levies	51.3	44.7
Sub-total	392.3	341.8
Unclaimed prizes	201.8	117.2
TOTAL PUBLIC LEVIES	594.1	459.0

The change in public levies liabilities (excluding unclaimed prizes) between the two year-ends reflects the movement in the gross gaming revenue of the various ranges of games.

Unclaimed prizes rose by €84.6 million between the two year-ends, mainly due to the issue schedule for scratch card games. Public levies are paid over on a monthly basis, except in the case of unclaimed prizes, which are paid during the first half of the next financial period.

Winnings payable and distributable were €578.1 million at 31 December 2023 (2022: €606.0 million). The fall of €27.9 million is mainly due to the fall in winnings payable on scratch card games due to the rollover of game issues.

These amounts are payable within one year.

3.3.5 Other payables

Other payables mainly comprise tax and social security payables and credit balances on subsidiary current accounts.

3.3.6 Inventories

Inventories are valued at the lower of cost (determined using the "first in, first out" method) and net realisable value (estimated selling price net of associated selling costs). They are impaired in line with their technical or commercial obsolescence.

Inventories had a gross value of €19.2 million and consisted of game materials.

3.4 RECEIVABLES AND PAYABLES WITH SUBSIDIARIES AND EQUITY INVESTMENTS

In millions of euros At 31 December 2023	Receivables			Payables	
	Advances and payments on account	Trade receivables	Gross current account receivable	Trade payables	Current account payable
1 – Subsidiaries (≥ 50%):	0.0	6.0	30.8	17.8	35.4
FGS (FDJ Gaming Solutions)	-	-	-	0.6	2.2
La Pacifique des Jeux	-	0.1	-	0.3	-
La Française d'Images	-	0.2	5.9	4.0	-
FDJ Services	-	0.5	-	-	5.9
DVRT 13	-	0.2	2.1	-	-
FDP	-	0.7	-	12.7	25.8
FDJ Développement	-	-	-	0.2	1.5
NLCS	-	4.3	-	-	-
FDJ Services Holding	-	-	22.7	-	-
RBP Luxembourg	-	-	0.1	-	-
2 – Equity investments (> 10% and < 50%):	0.0	1.6	0.0	0.0	0.0
Services aux Loteries en Europe	-	-	-	-	-
Société de Gestion de l'Échappée	-	0.2	-	-	-
LEIA (Lotteries Entertainment Innovation Alliance)	-	1.4	-	-	-
TOTAL	0.0	11.1	30.8	17.8	53.4

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3.5 PREPAID INCOME

In millions of euros	31.12.2023	31.12.2022
Prepaid income (prepaid stakes)	40.0	32.6

Prepaid income comprises stakes wagered in one year for draws or events taking place in the subsequent year. The change between the two period ends is attributable to the draw calendar.

3.6 PREPAID EXPENSES

In millions of euros	31.12.2023	31.12.2022
Prepaid expenses	23.0	20.6

Prepaid expenses of €23 million mainly related to insurance premiums, rental expenses, IT maintenance and sponsorship agreements.

Note 4 Personnel expenses and employee benefits

4.1 AVERAGE WORKFORCE DURING THE PERIOD

The full-time equivalent (FTE) workforce during the financial year, all types of contracts combined, was 1,938, compared with 1,767 in 2022, breaking down as 1,625 managers, 202 non-managers and 111 apprentices or professional training contracts.

4.2 EMPLOYEE PROFIT-SHARING AND INCENTIVES

An exceptional profit-sharing agreement was signed for 2021, 2022 and 2023 on 29 June 2021. The provision for employee profit-sharing and incentives was €32.5 million in 2023, €4 million higher than the figure for 2022 due to the improvement in Group results.

4.3 EMPLOYEE BENEFITS

Employee benefits include short-term and long-term benefits.

Short-term benefits are composed of paid leave, sickness leave, bonuses and other benefits. They are recognised as expenses for the period and within operating liabilities.

Long-term benefits comprise:

- retirement benefits (defined-benefit scheme), which are post-employment benefits determined on the basis of employees' salaries and years of service at the end of their career. The contributions paid are recognised in social security expenses for the financial year. A provision is recognised for retirement obligations, which are administered under a defined benefit plan;
- health cover, also a post-employment benefit. FDJ employees continue to receive healthcare coverage when they retire (or in the event of disability/redundancy), in accordance with the requirements of the Evin Law of 31 December 1989 and the national inter-occupational collective bargaining agreement of 11 January 2008. The scheme for current and former employees is in deficit and represents a liability;
- long-service awards. Long-service awards consist of days of paid leave and are subject to social security charges. The annual expense is equal to the net change in the obligation, including any actuarial gains or losses.

- the early retirement leave agreement, which constitutes a post-employment benefit. FDJ employees aged 57 or above with five or more years of service in the Group can choose to take early retirement. FDJ pays them between 60% and 90% of their salary for a period of up to three years. The agreement took effect on 1 September 2022 and is valid for three years.

To determine the present value of the defined benefit plan obligation, the Group uses the projected unit credit method, a retrospective method involving projections of final salaries on retirement. The obligations are measured annually, taking account of seniority, life expectancy, employee turnover by category, benefits negotiated under collective bargaining agreements, and economic assumptions such as inflation and the discount rate. The discount rate used is based on the iBoxx € Corporate AA+ index.

The expense recognised in the income statement for the year incorporates:

- additional benefits earned by employees;
- the change in the discounted value of benefits existing at the start of the year, taking account of the passage of time;
- the impact of any plan amendments or new plans over the year.

Actuarial gains or losses resulting from changes in assumptions or experience adjustments are recognised where they exceed 10% of the value of the obligations. They are then amortised over the average remaining period of employment of the plan beneficiaries.

Expenses related to defined benefit plans are recorded in the income statement as follows:

- current service cost, which reflects the increase in obligations stemming from the acquisition of an additional year of seniority, is recognised in operating profit;
- the net financial expense for the period is recognised under "financial expenses". It is determined by applying the discount rate to the amount recognised in the

statement of financial position at the beginning of the period, taking into account any variation during the period resulting from contributions paid and benefit payments.

The overall obligation in relation to FDJ's net commitments is recognised in the balance sheet under "Provisions for risks and charges", except for the accumulated actuarial gains or losses, which represent off-balance-sheet commitments.

In 2021, the calculation of retirement benefits was adjusted to take account of the method for recognising certain defined benefit obligations over time authorised by the ANC pursuant to the decision of the IFRS IC.

In millions of euros	31.12.2022	Increases	Reversals		31.12.2023
			Utilised	Not utilised	
Retirement benefits	23.7	2.3	0.5	4.5	21.0
Healthcare costs	9.2	0.2	-	0.1	9.3
Long-service awards	6.0	1.1	0.1	0.2	6.7
Early retirement leave	7.8	13.6	2.1	0.9	18.5
Long-term and post-employment benefits	46.6	17.2	2.7	5.6	55.5
Other provisions for employee-related risks and liabilities	10.1	13.7	5.5	0.9	17.4
TOTAL	56.7	30.9	8.2	6.5	72.9
Operating profit		28.3	8.1	5.7	
Financial income		1.5	0.1	0.7	
Non-recurring income		1.0	0.0	0.1	

The main assumptions used in relation to employee benefits are as follows:

	31.12.2023	31.12.2022
Discount rate	3.20%	3.70%
Wage growth*	3.00%	3.00%
of which inflation	2.10%	2.20%
Employee turnover rate*		
– management	0.95%	0.95%
– non-management	0.57%	0.57%
Mortality table	INSEE TH-TF 2000-2002	INSEE TH-TF 2000-2002

* Age-adjusted.

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The change in the total obligation and the provision for long-term benefits, and the net expense for the period, break down as follows:

Change in obligation	31.12.2023	31.12.2022
Actuarial obligation at the beginning of the period	37.2	43.1
Establishment of early retirement provision	-	7.5
Change in population	2.0	-
Scheme amendments	0.9	-
Current service cost	0.5	2.8
Interest on the actuarial obligation	1.1	0.3
Off-balance sheet items (actuarial gains/losses, costs for past service, etc.)	7.6	-15.8
Transfers	-0.0	0.1
Benefits paid	-2.7	-0.8
Actuarial obligation at the end of the period	46.6	37.2
Accumulated actuarial losses	-8.9	-9.4
PROVISION AT 31 DECEMBER	55.5	46.6

Accumulated actuarial losses are an off-balance sheet commitment.

The French pension reform has no material effect on FDJ's long-term obligations.

The results of sensitivity tests indicate that a 100 bp increase or decrease in the discount rate would lead respectively to a decrease of 8.6% or an increase of 10.3% in the actuarial obligation for retirement benefits.

Change in provision	31.12.2023	31.12.2022
Opening provision	46.6	38.1
Establishment of early retirement provision	-	7.8
Change in population	2.0	-
Current service cost	0.5	2.9
Interest on the actuarial obligation	0.9	0.3
Amortisation of actuarial gains and losses	7.9	-1.8
Benefits paid	-2.7	-0.8
Transfers	0.3	0.2
Net expense	8.8	8.6
<i>Operating profit</i>	7.3	8.0
<i>Financial income</i>	1.5	0.6
PROVISION AT 31 DECEMBER	55.5	46.6

Other provisions for risks and liabilities are primarily related to employee departures and labour disputes.

4.4 SHARE-BASED PAYMENT

Three performance-based share schemes are in operation. Shares have been allocated to the Chairwoman and CEO, the Deputy CEO and certain FDJ SA employees. Over the term of the plans, an amount representative of the benefit granted to the beneficiaries plus the employer's social security contribution is recorded in personnel expenses, equal to 20% of the value of the shares on their acquisition date, based on the price at which the shares are purchased in the market (applied as a reduction of the value of shares held, or as an estimate of the future purchase price based on the quoted price on the last stock exchange trading day of the year). The expense is recognised over the course of the vesting periods of the plans and, during those periods, may be corrected during that three-year period for departures, dismissals or changes in the estimated probability of achieving the performance criteria.

The value of the performance share entitlements was measured on the basis of the purchase price of shares on the

market, in accordance with the principles set out above. Entitlements to 446,459 shares (estimate as at 31 December 2023) have been awarded under the three plans to the corporate directors and certain employees. The entitlements have a vesting period of three years from the date of attribution and are conditional on continued service with the Group during that period. Share awards are subject to the achievement of performance targets (recurring EBITDA, profit per share, total shareholder return for FDJ shareholders, sustainable development target). If these targets are not met, the number of shares delivered and the expense will be reduced. In the event of outperformance, the number of shares delivered will be increased, up to a maximum of 145% of the entitlements awarded.

The performance targets are assessed over three financial years, starting in the year in which the shares are awarded. The shares are delivered in the year after the three-year period, i.e. shares awarded in 2021 will be delivered in 2024, shares awarded in 2022 will be delivered in 2025 and shares awarded in 2023 will be delivered in 2026.

During the year, the Company purchased 139,000 shares for a total of €5.1 million for distribution to the beneficiaries when the plans mature. A total expense of €5.4 million was recorded in 2023 in respect of the three plans.

Note 5 Property, plant and equipment and intangible assets

5.1 EXCLUSIVE OPERATING RIGHTS

FDJ secured exclusive rights to operate lottery activities both online and in the offline distribution network, and to operate sports betting activities in the offline distribution network, for

a period of 25 years. Amounting to €380 million, this asset is being amortised over this term from 23 May 2019, the date of enactment of the Pacte Law (Law No. 2019-486).

Cumulative amortisation of €70.1 million had been charged to this asset as at 31 December 2023.

5.2 OTHER INTANGIBLE ASSETS

Intangible assets are measured at their cost of acquisition or production. They mainly comprise software programs purchased and the development costs incurred to bring them into use.

Research and development costs and intangible assets in progress

Research expenses incurred by the Company for proprietary activities are recognised as expenses as and when incurred.

Development costs are capitalised, provided they relate to projects with serious prospects for technical success and economic viability. These include the value of internal man-days and subcontracting. They cover internally

developed projects aimed mainly at digitising and expanding the product and service range, both online and in points of sale.

Software

Software is initially recognised at cost, comprising the purchase price and incidental costs.

Intangible assets in progress and other intangible assets

Intangible assets in progress represent the development costs (see above) of assets not yet commissioned. Other intangible assets are initially recognised at cost, comprising the purchase price and incidental costs.

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Amortisation

Intangible assets are amortised on a straight-line basis over their estimated useful lives, unless those lives are indefinite. Development costs are amortised on a straight-line basis over the expected useful life of the asset, starting at the commissioning date. Development costs are amortised on a straight-line basis over a period of between three and 15 years, with an average of five years. Assets relating to online-only lottery games and to sports betting open to competition are amortised over three years. Software is amortised over a period of five years.

These periods are reviewed at the end of each financial year. Any change in the expected useful life or the expected rate of consumption of the future economic benefits represented by the asset is taken into account prospectively.

Impairment of intangible assets

When there is an indication of impairment, the Company conducts impairment testing on the relevant assets. The value in use and the net carrying amount are then compared, and the asset is impaired if the value in use falls below the net carrying amount.

	31.12.2023			31.12.2022		
	Gross	Amortisation and impairments	Net	Gross	Amortisation and impairments	Net
In millions of euros						
Exclusive operating rights	380.0	-70.1	309.9	380.0	-54.9	325.1
Brands, trademarks and similar assets	39.6	-29.5	10.1	39.6	-20.8	18.8
Research and development expenditure	277.6	-184.8	92.8	205.2	-156.0	49.2
Software	75.3	-72.6	2.8	75.1	-71.3	3.8
Other intangible assets	1.2	-0.4	0.8	0.4	-	0.4
Assets in progress	67.5	0.0	67.5	76.9	-	76.9
TOTAL EXCLUSIVE OPERATING RIGHTS AND OTHER INTANGIBLE ASSETS	841.2	357.4	483.8	777.2	-302.5	474.7

	31.12.2022	Acquisitions	Disposals	Reclassifications	31.12.2023
		Impairments	Reversals		
In millions of euros					
Exclusive operating rights	380.0	-	-	-	380.0
Brands, trademarks and similar assets	39.6	-	-	-	39.6
Research and development expenditure	205.2	-	-	72.4	277.6
Software	75.1	0.2	-	-	75.3
Other intangible assets	0.4	0.8	-	-	1.2
Assets in progress	76.8	63.0	-	-72.4	67.5
Gross amounts	777.2	64.0	0.0	0.0	841.2
Amort. / Impairment – Exclusive operating rights	54.9	15.2	-	-	70.1
Amort. / Impairment – Brands, trademarks and similar assets	20.8	8.7	-	-	29.5
Amort. / Impairment – Development expenses	155.5	29.4	0.2	-	184.8
Amort. / Impairment – Software	71.3	1.3	-	-	72.6
Amort. / Impairment – Other intangible assets	-	0.4	-	-	0.4
Amortisation and impairments	302.5	55.0	0.2	0.0	357.4
NET INTANGIBLE ASSETS	474.7	9.0	0.2	0.0	483.8

The main increase concerns research and development expenditure (see Note 3.2).

5.3 PROPERTY, PLANT AND EQUIPMENT

Initial measurement

Property, plant and equipment are recognised at acquisition cost (purchase price plus incidental costs). Where individual components of property, plant and equipment have different useful lives, they are recognised as separate assets.

Depreciation

Property, plant and equipment are depreciated on a straight-line basis, apart from IT equipment, which is depreciated using the reducing balance method. The estimated useful lives are as follows:

- 20 to 60 years for buildings;
- 10 to 30 years for building improvements;

- 5 to 8 years for PoS terminals;
- 5 to 10 years for furniture and equipment.

The residual values and useful lives of the assets are reviewed, and modified if necessary, at the end of each financial year.

Borrowing costs

Borrowing costs incurred to finance major investments during the construction period are considered part of the acquisition cost.

Impairment of property, plant and equipment

See accounting policies for intangible assets, Note 5.2.

In millions of euros	31.12.2023			31.12.2022		
	Gross	Depreciation and impairments	Net	Gross	Depreciation and impairments	Net
Land and improvements	98.5	-1.5	97.0	98.3	-1.5	96.9
Buildings	162.5	-41.2	121.3	157.9	-34.7	123.2
Technical installations, materials, equipment	197.0	-170.2	26.8	187.7	-159.1	28.6
Other property, plant and equipment	228.9	-182.2	46.7	223.3	-178.3	44.9
Property, plant and equipment in progress	20.1	0.0	20.1	13.6	-	13.6
Advances and payments on account	2.6	0.0	2.6	3.1	-	3.1
TOTAL PROPERTY, PLANT AND EQUIPMENT	709.6	-395.0	314.6	684.0	-373.6	310.4

In millions of euros	31.12.2022	Acquisitions	Disposals	Reclassifications	31.12.2023
		Impairments	Reversals		
Land and improvements	98.3	0.2	-	-	98.5
Buildings	157.9	4.2	-	0.4	162.5
Technical installations, materials, equipment	187.7	9.4	-0.8	0.7	197.0
Other property, plant and equipment	223.3	14.6	-14.1	5.1	228.9
Property, plant and equipment in progress	13.7	11.1	-	-4.7	20.1
Advances and payments on account	3.1	1.0	-	-1.5	2.6
Gross amounts	684.0	40.5	-14.9	0.0	709.6
Dep. / Impairment – Land and improvements	1.5	-	-	-	1.5
Dep. / Impairment – Buildings	34.7	6.5	-	-	41.2
Dep. / Impairment – Technical installations, materials, equipment	159.1	11.9	-0.8	-	170.2
Dep. / Impairment – Other property, plant and equipment	178.4	16.6	-12.8	-	182.2
Dep. / Impairment – Property, plant and equipment in progress	-	-	-	-	-
Dep. / Impairment – Advances and payments on account	-	-	-	-	-
Depreciation and impairments	373.6	35.0	-13.6	-	395.0
NET PROPERTY, PLANT AND EQUIPMENT	310.4	5.5	-1.3	-	314.6

Acquisitions relate mainly to IT and network equipment.

Disposals and scrapping mainly concern fully depreciated point-of-sale equipment.

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Note 6 Other provisions

A provision is recognised if, at the close of the financial year, the Company has an obligation to a third party arising from a past event, the settlement of which is expected to result in an outflow of resources from the Company without receiving equivalent or greater resources in return, and the amount of which can be

estimated reliably. The amount given is the best estimate of the risk.

With the exception of the provisions for employee benefits, provisions are not discounted.

Other provisions

In millions of euros	Note	31.12.2022	Increases	Reversals		31.12.2023
				Utilised	Not utilised	
Provisions related to personnel	4.3	56.7	30.9	8.2	6.5	72.9
Other provisions for risks and liabilities		12.2	0.9	0.2	10.2	2.8
TOTAL PROVISIONS FOR RISKS AND LIABILITIES		68.9	31.8	8.3	16.7	75.6
<i>Operating profit</i>			28.3	8.1	5.7	
<i>Financial income / expenses</i>			1.7	-	0.7	
<i>Non-recurring income / expenses</i>			1.7	0.2	10.3	

Other provisions for risks and liabilities are primarily related to ongoing litigation and other legal disputes (Note 11).

The change since 31 December 2022 mainly concerns reversals in relation to the disputes with agent-brokers.

Note 7 Borrowings, financial assets and cash

Equity investments

The gross value of equity investments is the purchase price excluding acquisition-related costs, which are recorded under expenses. An impairment test is conducted at each period-end to compare the carrying amount of the instruments with their value in use, taking account of the current and projected profitability of the subsidiary in question, determined on the basis of the present value of future cash flows or the share of equity held, or on the basis of an analysis carried out by external experts using a multi-criteria approach to capital valuation as adjusted for the Company's net debt. An impairment is recorded if the value in use falls below the carrying amount, firstly on the equity interest, then if necessary on the related receivables and lastly on the current accounts with the entity in question.

Portfolio fixed assets

Portfolio fixed assets are recorded on the balance sheet at historical cost. An impairment is recognised if their value in use at the period-end is lower than the net carrying

amount. The value in use is determined on the basis of market values. For the innovation funds, if no market value is available, the value in use is based on the net asset value of each fund.

Transferable securities

Transferable securities are recorded on the balance sheet at historical cost. However, if an impairment is recognised if their market value is less than their carrying amount at the reporting date (with the exception of securities with guaranteed capital and securities with a maturity of less than six months). Market value is determined (i) for listed securities, by reference to the stock market price at the year-end, and (ii) for unlisted securities, by reference to the most recent net asset value published or the estimated realisable value.

Borrowings

Borrowings are recorded at their repayment value. The issuance costs of borrowings are amortised on a straight-line basis over the term of the loan.

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7.1 EQUITY INVESTMENTS AND RECEIVABLES RELATED TO INVESTMENTS

In millions of euros	31.12.2022	Increase	Decrease	31.12.2023
Equity investments	230.9	528.3	-34.0	725.2
Related receivables	0.0	12.3	0.0	12.3
Impairment of equity interests and related receivables	-98.0	-4.4	4.5	-97.8
NET AMOUNT	132.9	536.3	-29.5	639.7

The change in equity interests is due to:

- the acquisition of ZEturf for €169 million, including a price uplift of €8.6 million. The acquisition was completed on 29 September 2023, following the conditional granting of operating approval by the French competition authority. FDJ also has a receivable of €12.3 million in relation to its interest in the ZEturf group.
- the acquisition of Premier Lotteries Ireland (PLI) for €354 million, including the repayment of €240 million in external debt, capitalised as part of the acquisition cost. The acquisition was completed on 3 November 2023 following the granting of approval by the Irish lottery regulator.
- the sale of the shares in Adstellam (L'Addition) to FDJ Services Holding for €34 million.
- a €5 million capital increase at FDJ Services.

In millions of euros	Equity at 31.12.2023	Share capital	Share of capital held by FDJ	Carrying amount of securities held		Current account and receivables related to investments	Revenue 2023	Profit/(loss) 2023	Dividends collected in 2023
				Gross	Net				
1 – Subsidiaries (≥ 50%):				724.9	618.3	7.7	143.7	19.3	17.6
FDJ Gaming Solutions	12.7	76.3	100.00%	145.2	53.2	-2.2	-	0.6	-
La Pacifique des Jeux	1.4	0.0	99.99%	1.3	1.3	-	7.0	1.7	1.6
La Française d'Images	0.6	0.2	100.00%	0.3	0.3	5.9	16.8	0.6	-
FDP	4.3	0.0	100.00%	4.4	4.4	-25.8	90.0	16.0	16.0
FDJ Développement	1.5	0.2	100.00%	0.3	0.3	-1.5	2.4	0.1	-
FDJ Services	13.1	3.5	100.00%	14.5	8.7	-5.9	10.5	-4.4	-
DVRT 13	-1.3	0.1	100.00%	0.1	-	2.1	0.6	-1.0	-
NLCS	0.8	0.2	50.00%	0.1	0.1	-	16.4	0.1	-
FGS New Markets	-	0.0	100.00%	-	-	-	-	-	-
FDJ Services Holding	35.5	35.5	100.00%	35.5	35.5	22.7	-	-0.9	-
RBP Luxembourg	-	0.0	95.94%	168.8	168.8	12.3	-	-	-
PLI Holding	-	0.0	100.00%	354.4	354.4	-	-	-	-
2 – Equity investments (> 10% and < 50%):				0.4	0.4		34.6	0.1	0
Services aux Loteries en Europe	0.9	0.4	26.57%	0.2	0.2	-	5.1	0.1	-
Société de Gestion de l'Échappée	0.7	0.1	50.00%	0.1	0.1	-	21.9	-0.2	-
Lotteries Entertainment Innovation Alliance	1.5	0.5	20.00%	0.1	0.1	-	7.6	0.2	-
TOTAL				725.2	627.4	7.7	178.3	19.4	17.6

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7.2 LOANS AND OTHER FINANCIAL ASSETS

In millions of euros	31.12.2023			31.12.2022
	Gross	Impairments	Net	
Portfolio fixed assets	49.8	-0.5	49.3	41.5
Security deposits	10.8	-	10.8	9.3
Treasury shares	15.6	-	15.6	15.6
TOTAL	76.2	-0.5	75.7	66.4

Portfolio fixed assets mainly comprise investments in innovation funds geared towards supporting the development of start-ups in activities close to FDJ's core business.

Other security deposits mainly concern the Euromillions and Eurodreams guarantee deposits.

In 2017, FDJ repurchased the shares previously held by Soficom, which disputes the loss of its status as a shareholder (see Note 11). The price of the shares (€15.6 million) was paid to the Caisse des Dépôts et Consignations.

7.3 CASH AND CASH EQUIVALENTS AND FINANCIAL LIABILITIES

In millions of euros	31.12.2023			31.12.2022
	Gross	Impairments	Net	Net
Shares in investment funds	579.3	-3.3	576.0	606.4
Transferable debt securities	75.0	-2.3	72.7	90.0
Total transferable securities	654.3	-5.6	648.7	696.4
Cash and cash equivalents	476.5		476.5	720.9
TOTAL GROSS CASH	1,130.8	-5.6	1,125.2	1,417.3

Net cash decreased by €292.1 million during the period to €1,125.2 million.

Long-term debt of €384.0 million (2022: €427.1 million) includes a loan taken out during 2020 to fund the payment for the exclusive rights, of which €309 million was outstanding at the end of 2023, a loan taken out in 2019 for the acquisition of Sporting Group, of which €10 million remained outstanding, and €64 million of debt in relation of the acquisition of the Group's headquarters.

The loan taken out for the acquisition of the new headquarters is at a fixed rate and matures on 29 November 2031, with payments due on 29 May and 29 November of each year starting in 2017.

The balance of the loan taken out for the acquisition of Sporting Group was £9 million, or €10 million (2022: €27 million). This floating-rate loan is repayable in a single instalment on 15 May 2024, repayment of one third of the debt having been deferred by two years. The company made an early repayment of £15 million (€17 million) during 2023.

A syndicated loan to finance the payment made to secure the exclusive operating rights was established on 1 April 2020 with a syndicate of banks (Bred Banque Populaire, Caisse d'Epargne Ile-de-France, Caisse d'Epargne Hauts-de-France, Caisse Régionale de Crédit Agricole de Paris et d'Ile-de-France and Crédit Lyonnais). The initial nominal amount of the loan was €380 million. It is subject to regular repayments, bears interest at a floating rate and has a term of twenty years. A six-year hedge has been taken out, covering nearly 50% of the debt.

The main features of the loan are:

- repayment in quarterly instalments;
- voluntary early repayment without penalty possible after 18 months;
- compulsory early repayment in the event of loss of the exclusive rights, loss of the French State's close control, or a change of control (i.e. if the State's shareholding falls below 10% of the share capital and/or a third party comes to hold more than 33.33% of the share capital or voting rights);
- a variable interest margin based on the Group's consolidated debt ratio.

In 2023, the Company repaid €19 million in accordance with the schedule of instalments.

7.4 NET FINANCIAL INCOME/EXPENSE

In 2022, the net financial expense was impacted by impairment charges of €23.9 million on equity investments, essentially in connection with FGS Holding.

If items related to subsidiaries and equity investments are excluded, the company recorded net financial income of €56.4 million for the year (2022: expense of €21.2 million).

The change mainly relates to transferable securities, which in 2023 yielded €33.3 million in disposal proceeds (2022: €0.1 million), returns of €18.6 million (2022: €4 million) and a net impairment reversal of €12.5 million (2022: net impairment charge of €16.7 million). This improvement is the result of substantially better market conditions in 2023 relative to 2022, as well as an optimised investment policy.

In millions of euros	31.12.2023	31.12.2022
Interest and similar income	30.2	6.3
Dividends received	18.1	17.9
Reversals of provisions and transfers of charges	19.4	4.4
Realised exchange gains	1.4	-
Net proceeds from the sale of transferable securities	33.3	0.1
Total financial income	102.4	28.8
Interest and similar expenses	18.3	7.2
Amortisation and provisions	7.4	42.5
Realised exchange losses	0.5	3.9
Net expenses on the sale of transferable securities	2.0	2.6
Total financial expense	28.3	56.3
FINANCIAL INCOME	74.1	-27.5
Amount related to subsidiaries and equity investments	17.7	-6.4

Financial risk management policy

In the management of its cash surplus, the Group faces four main categories of risk:

- credit risk (related to counterparty default risk);
- liquidity risk (in the event that FDJ SA is unable to meet its payment obligations);
- interest rate risk (mainly related to rises in interest rates);
- market risk.

A description of these risks is provided below, along with the actions taken to limit their impact.

Credit risk on investments and derivatives

The credit risk or counterparty risk on investments and derivatives is monitored by the Treasury Committee, which includes the Finance Director and members of the Treasury and Investments Department. This risk can be defined as the loss that the Company would bear in the

event that a counterparty defaults on its obligations to the Company.

For financial investments and derivatives, FDJ's policy is to limit transactions to a maximum amount per authorised counterparty, weighted according to the nature of the risks. The list of authorised counterparties is established by the Treasury Committee. Their selection is based on their rating and the maturity of the transaction. It is reviewed periodically, at least once every six months. If a counterparty is downgraded below the minimum rating, the Treasury Committee decides whether to maintain the existing transactions to maturity.

The Company considers that the risk of counterparty default with a potentially material impact on its financial position and results is limited, due to the policy in place for managing counterparties and more particularly given the minimum long-term rating stipulated for these transactions.

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As at 31 December 2023, investments principally comprised:

- UCITS and similar assets of €564 million (2022: €615 million) and investments with counterparties of €507 million (2022: €712 million). These comprise €434 million in term deposits (2022: €607 million) and €73 million in EMTNs (2022: €85 million). The 2022 figure also included interest-bearing sight deposits of €20 million;

- derivatives of €11 million (2022: €20 million);
- accrued interest of €2 million (2022: €2 million).

Credit risk on investments with counterparties may be broken down as follows:

Amounts receivable	Investments with counterparties at 31.12.2023 (in millions of euros)	Number of counterparties by size of exposure			
		€0-€25 million	€25-€50 million	€50-€100 million	€100-€150 million
AA/Financial institutions	129	-	1	1	-
A/Financial institutions	364	2	5	1	-
TOTAL	493				

Credit risk on trade receivables

FDJ considers the risk of retailer default with a potentially material impact on its financial position and results to be limited due to its credit risk mitigation policy, which requires all new retailers to provide a guarantee issued by a bank or insurance company or a security deposit in cash.

Liquidity risk

Liquidity risk is defined as FDJ's inability to meet its financial obligations at a reasonable cost. It includes in particular the counterparty risk on certain games, the amounts of which may be high and must be covered by cash that can be mobilised immediately. They are also hedged.

FDJ's exposure to liquidity risk is limited, since under the Company's cash management policy at least 20% of financial investments must be held in money market instruments and at least 80% of financial investments must be held in money market instruments and other short-term investments.

The Treasury Committee, headed by the Finance Director, monitors the liquidity position on a monthly basis and ensures compliance with defined limits.

The amounts invested in short-term instruments are consistent with FDJ's cash management policy.

During the year ended 31 December 2023, financial investments averaged €1,622 million. Loans taken out with banks totalled €384 million. This comprised:

- €310 million (excluding issuance costs) related to the financing for the exclusive operating rights payment;
- €64 million of debt related to the purchase of the Group's head office;
- €10 million of debt related to the acquisition of Sporting Group.

Most of the short-term instruments can be recovered, without penalty or capital risk, following a notice period of 32 calendar days.

Furthermore, unused confirmed credit lines of €150 million have been in place since February 2021, repayable at various points up to February 2026.

The Company has determined it can meet its obligations over the next 12 months as from the review date of the annual financial statements by the Board of Directors. This estimation takes account of the level of financial investments at 31 December 2023, as well as business, investment and debt repayment forecasts, including the future impact of the Kindred acquisition, for which the Company intends to utilise a large portion of its cash reserves and an initial bridging loan which will subsequently be refinanced.

Interest rate risk

The interest rate risk of a financial asset is the risk of generating a capital loss on a security or incurring an additional cost due to changes in interest rates. The interest rate risk of a financial liability is the risk of incurring an additional cost due to changes in interest rates.

FDJ's exposure to interest rate fluctuations is associated with future financial investments and floating-rate borrowings. FDJ implements a dynamic interest rate risk management policy supervised by the Treasury Committee. The aim of the policy is to ensure a minimum return on financial investments over a maximum of five years, and to hedge the interest rate risk on loans at a reasonable cost.

Sensitivity to interest rate risk arises from fixed income investments (bonds and negotiable debt instruments), interest rate derivatives and floating-rate debt.

At 31 December 2023, investments totalling €110 million were directly exposed to this risk; their purpose is to offset the effects of a possible rise in the interest rates payable on variable-rate borrowings. A 1% increase or decrease across the entire yield curve would have no material impact on the fair value of the investments. The borrowings incurred in connection with the exclusive operating rights payment (€310 million) and the acquisition of Sporting Group (€10 million) bear interest at variable rates.

Although the significant interest rate rises that have occurred since 2022 have increased financing costs, the increase in interest costs has been substantially limited by the existence of hedges covering 65% of the borrowings taken out to obtain the exclusive operating rights. At the same time, the unhedged portion of these borrowings (€108 million) is matched by variable-rate investments, further limiting interest rate sensitivity.

A 1% increase across the entire yield curve would have an impact of less than €1 million.

Financial transactions with subsidiaries and equity investments had the following impact on the net financial expense:

In millions of euros	31.12.2023	31.12.2022
Dividends received	17.6	17.6
Provisions on investments and related receivables (net of reversals)	0.1	-24.0
NET FINANCIAL EXPENSE RELATED TO SUBSIDIARIES AND EQUITY INVESTMENTS	17.7	-6.4

Market risk

Market risk is the risk of generating a capital loss on a security or incurring an additional cost due to changes in interest rates.

The Company is exposed to market risk in connection with movements in its financial investments.

The Company implements an investment strategy aimed at mitigating this risk. The main component of this strategy is the definition of an asset allocation regulating the amounts that may be invested in each major asset class.

This allocation sets upper limits on assets exposed to risk:

- no more than 4% of total assets may be invested in equities or similar instruments;

- no more than 8% of assets may be invested in "diversification" instruments (convertible bonds, senior loans, real estate, etc.);
- no more than 8% of assets may be invested in bonds with a time to maturity in excess of three years.

At least 80% of assets must be invested in money-market and bond investments with a time to maturity of three years or less.

In addition to these allocation rules, rules on geographic diversification are also applied. The strategies employed must ensure that volatility of the portfolio is materially lower than market volatility.

At 31 December 2023, investments subject to market risk amounted to €709 million (2022: €709 million).

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Note 8 Net non-recurring loss

The net non-recurring loss is made up of income and expenses arising from events or transactions that are clearly separate from the ordinary activities of the business and are not expected to recur either frequently or regularly.

In millions of euros

At 31 December 2023

	Expenses	Income
TOTAL	-124.8	96.4
Non-recurring income and expenses in relation to operations	-21.6	15.1
Non-recurring income and expenses in relation to capital transactions	-34.1	34.2
Increases and reversals of depreciation, amortisation and provisions	-69.1	47.1
– <i>asset impairments</i>	-1.3	0.0
– <i>provisions for risks and liabilities (see Note 6)</i>	-1.7	10.6
– <i>regulated provisions (see Note 10)</i>	-66.1	36.5
NET NON-RECURRING LOSS	-28.4	

The net non-recurring loss is mainly made up of costs in relation to acquisitions, the VAT reimbursement in relation to lottery and sports betting operations in the French overseas departments in 2021 and 2022 (see Note 11), reversals of provisions for legal disputes and increases and

reversals of accelerated depreciation and amortisation charges (see Note 10). The sale of Adstellam (L'Addition) to FDJ Services Holding had no overall impact on the net non-recurring loss, as the shares were sold for their net carrying amount.

Note 9 Income tax expense

9.1 TAX CONSOLIDATION AGREEMENT

La Française des Jeux and certain subsidiaries in which it holds direct interests of more than 95% (FDJ Développement, FDJ Gaming Solutions, La Française d'Images, FDP, FDJ Services, DVRT 13, FGS France, FDJ Online Betting and Gaming France, FDJ Online Betting and Gaming Holding, Adstellam, Aleda, FDJ Services Holding and FGS New Markets) together form a tax consolidation group as defined in Articles 223A et seq. of the French General Tax Code. FDJ Online Betting and Gaming France, FDJ Online Betting and Gaming Holding, Adstellam, Aleda, FDJ Services Holding and FGS New Markets have joined this group since the 2022 financial year.

The tax position of the subsidiaries in question is not affected by the agreement: it is the same as it would be if they were taxed separately. The tax saving resulting from the difference between the tax recognised by each consolidated entity and the tax calculated on the basis of consolidated income is recognised by La Française des Jeux. The Company is liable to the French Treasury for the tax calculated on the total taxable income of the consolidated entities.

9.2 BREAKDOWN OF TAX EXPENSE

In millions of euros Year ended 31 December 2023	Recurring profit	Non-recurring income and expenses, employee profit-sharing and incentives
Accounting income before tax	580.7	-60.9
Taxable income	576.3	-60.3
FDJ tax	148.1	-19.4
Net profit before tax consolidation	432.6	-41.6
Effect of tax consolidation		-6.0
NET PROFIT		397.0

The tax saving resulting from the tax consolidation in 2023 stems mainly from the use of the 10% rule for software licences for FGS France.

FDJ SA also recognised the French research tax credit in its 2023 financial statements.

9.3 CONTINGENT TAXES

In millions of euros	31.12.2023	31.12.2022
Increase of future tax liability bases	209.6	172.7
Regulated provisions	169.5	139.9
Other items	40.1	32.8
Reduction of future income tax base	85.9	77.0
Employee benefits	30.3	32.9
Employee profit-sharing	20.4	20.0
Other items	23.1	22.0
Tax decrease	12.1	2.2

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Note 10 Equity

10.1 SHARE CAPITAL

FDJ has share capital of €76,400,000, consisting of 191,000,000 fully subscribed and paid-up shares with a par value of €0.40 each.

A breakdown of share ownership is provided in Note 11.

10.2 RESERVES

FDJ's reserves are made up of the legal reserve (€7.6 million) and the optional reserve (€453.6 million). The latter has increased by €42.6 million relative to 31 December 2022 following the allocation of the 2022 profit.

10.3 TREASURY SHARES ⁽¹⁾

Treasury shares are recorded as an asset on the balance sheet at their acquisition cost. Gains and losses on sales of these shares are recognised in net financial income and contribute to profit or loss for the year.

A share purchase and sale programme authorised by the Board of Directors at its meeting of 19 December 2019 has been implemented, pursuant to the authorisation granted by the General Meeting of Shareholders of 4 November 2019, for the purpose of concluding a liquidity agreement to facilitate trading in FDJ shares. The maximum

amount of €6 million has been allocated to the liquidity agreement, which runs until 19 December 2023.

This programme is covered by a liquidity agreement in accordance with the provisions laid down by the Autorité des marchés financiers (AMF).

Shares are also purchased in connection with the performance share awards made on 30 June 2021, 26 April 2022 and 27 April 2023.

At 31 December 2023, there were 384,810 treasury shares with a value of €13.7 million (2022: 185,319 shares with a value of €6.8 million).

10.4 PAYMENT OF DIVIDENDS

The dividend in respect of 2023, which will be submitted to the vote at the General Meeting of Shareholders of 25 April 2024 approving the financial statements for the year ended 31 December 2023, is €340 million, i.e. €1.78 per share.

The dividend in respect of 2022, which was submitted to the vote at the General Meeting of Shareholders of 27 April 2023 approving the financial statements for the year ended 31 December 2022, was €261.7 million, i.e. €1.37 per share. It was paid on 9 May 2023.

In millions of euros

EQUITY AS AT 31 DECEMBER 2022 BEFORE ALLOCATION OF 2022 NET PROFIT	939.2
Income allocated to dividends	-261.7
2023 profit	397.0
Retained earnings	0.4
Change in regulated provisions (accelerated depreciation and amortisation)	29.6
EQUITY AS AT 31 DECEMBER 2023 BEFORE ALLOCATION OF 2023 NET PROFIT	1,104.6

10.5 REGULATED PROVISIONS

Regulated provisions consist of accelerated depreciation and amortisation charges. The amount has increased, notably due to the increase in research and development expenditure capitalised during the period.

In millions of euros	31.12.2022	Increases	Reversals	31.12.2023
Accelerated depreciation and amortisation	139.9	66.1	36.5	169.5
TOTAL REGULATED PROVISIONS	139.9	66.1	36.5	169.5

(1) Note that 5,730,000 of the Company's shares are the subject of litigation with Soficoma before the Aix-en-Provence Court of Appeal (see Note 11 "Proceedings and other disputes"). FDJ considers that it purchased these shares on 18 May 2017. The General Meeting of Shareholders of 18 June 2018 resolved to cancel the shares in question, on condition that the application made to the Commercial Court is granted, i.e. that the Court finds that (i) Soficoma, pursuant to Article 15(b) of the Articles of Association, was required to sell its shares within three months of the meeting of the Board of Directors that found it to be in breach of the conditions governing its capacity to remain a shareholder of FDJ, (ii) FDJ has satisfied its obligation to pay the price of the shares by depositing the price with the Caisse des Dépôts et Consignations, (iii) Soficoma forfeited its status of shareholder on the date of that deposit, i.e. on 18 May 2017, and (iv) FDJ is authorised to enter the transfer of those shares from Soficoma to FDJ in its registers.

Note 11 Ongoing legal proceedings and other disputes

LEGAL PROCEEDINGS BROUGHT BY 83 AGENT-BROKERS

Members of the French gaming retailers' syndicate (UNDJ – Union nationale des diffuseurs de jeux) sued La Française des Jeux in May 2012 before the Commercial Court of Nanterre, requesting that the 2003 rider to the agent-broker contract be terminated by a court decision. The case was heard on 19 September 2023, with judgment due to be handed down 13 December 2023. By judgment dated 13 December 2023, the Nanterre Commercial Court dismissed the claims of the 83 agent-brokers and ordered them each to pay the sum of €800 to La Française des Jeux under Article 700 of the French Code of Civil Procedure, i.e. a total of €66,400. The decision is not yet final, as the time limit for appeals has not yet passed.

SOFICOMA PROCEEDINGS

On 23 May 2017, FDJ filed a lawsuit against Soficom, a non-trading company, requesting a finding that Soficom had lost its status as a shareholder of FDJ. On 23 May 2019, the Commercial Court of Marseille granted FDJ's application. Soficom appealed this ruling on 20 June 2019 to the Court of Appeal of Aix-en-Provence. By a judgment dated 17 November 2022, the Court of Appeal of Aix-en-Provence upheld the ruling of the Commercial Court of Marseille in its entirety and dismissed all claims against the French Republic, represented by the Agence des participations de l'État. Soficom filed an appeal to the Court of Cassation on 13 December 2022. The matter is ongoing and the parties are exchanging statements of position.

Concurrently, Soficom filed a lawsuit against FDJ on 27 December 2017 in the Commercial Court of Nanterre, requesting confirmation of its status as a shareholder in FDJ and an order against FDJ for the payment of its dividends. Proceedings are stayed due to the case currently pending before the Court of Appeal of Aix-en-Provence.

PROCEEDINGS BEFORE THE COUNCIL OF STATE

In a letter dated 20 May 2021, the Council of State called on FDJ to present observations in a proceeding initiated in December 2019 by four claimants. These applicants – The Betting and Gaming Council, Betclie Enterprises Limited, the European Gaming and Betting Association and SPS Betting France Limited – have brought fourteen actions for ultra vires against Ordinance no. 2019-1015 of 2 October 2019 reforming the regulation of games of gambling and chance, Decree No. 2019-1060 of 17 October 2019 on the terms of application of strict State control over the Company La Française des Jeux, Decree No. 2019-1061 of 17 October 2019 on the framework for the gaming offer of La Française des Jeux and Pari Mutuel Urbain, Decree No. 2019-1105 of 30 October 2019 on the transfer to the private sector of the majority of the share capital of the société anonyme La Française des Jeux, the Order of 6 November 2019 setting the terms of the transfer to the private sector of the majority of the share capital of the company La Française des Jeux, the Order of 20 November 2019 setting the price and terms of allocation for shares in the company La Française des Jeux, Decree no. 2019-1563 of 30 December 2019 on the approval of the articles of association of the company La Française des Jeux and Decree no. 2020-494 of 28 April 2020 on the terms of provision of the gaming offer and gaming data.

The applicants seek the annulment of the statutory instruments reforming the regulation of gambling games.

In five judgments dated 14 April 2023 and one judgment dated 12 July 2023, the Council of State held that FDJ's monopoly was justified on grounds of public order and the control of dependency risks, that the 25-year term of the exclusive rights granted to FDJ was not excessive, that FDJ's monopoly was compliant with European law and that there were no grounds to apply to the European Court of Justice for a preliminary ruling. With regard to the amount of the consideration paid by FDJ to the State in exchange for the exclusive rights, the Council of State stayed the proceedings and will rule after the European Commission has issued its decision on this matter.

PROCEEDINGS BEFORE THE EUROPEAN COMMISSION

Following the privatisation of FDJ, two complaints were lodged with the European Commission, recorded by the Commission as State aid cases SA. 56399 and SA. 56634, for the alleged granting of State aid in the form of guarantees, preferential tax treatment, and the granting of exclusive rights for insufficient remuneration. The complainants were the Association française des jeux en ligne (AFJEL), in a complaint dated 31 January 2020, and The Betting and Gaming Council (BGC), in a complaint dated 5 March 2020.

On 26 July 2021, the European Commission announced that it would conduct a detailed investigation of France regarding the adequacy of the €380 million payment made in "remuneration of the exclusive rights awarded" for point-of-sale sports betting and for lottery. The Commission's decision to open the investigation was published on 3 December 2021 in the list of state aid cases on its website and in the Official Journal of the European Union. The decision sets out the grounds that led it to query the arrangements from the perspective of the law on State aid. The case is ongoing and the parties are exchanging statements of position. FDJ submitted its observations to the European Commission on 3 January 2022. No timetable has yet been announced by the Commission.

The Commission closed the matter of the guarantee by a decision handed down on 3 December 2021, confirming that there was no guarantee in the sense of State aid. With respect to the matter of preferential tax treatment, the preliminary inquiry in response to the complaints remains ongoing.

TAX AUDIT

A tax audit is currently being performed on FDJ SA for the fiscal years 2020 to 2022.

The tax authority is querying the Company's use of revenue (net gaming revenue) as a basis for the calculation of the contribution on added value (CVAE) and is thus disputing the deductibility of public levies and VAT. The amount in question for 2020 is approximately €53 million before tax (including late-payment interest). The Company and its advisors firmly reject the position adopted by the tax authority in its interim proposed adjustment and believe that there are sound arguments to support the treatment currently applied. The Group has therefore not recognised any provision for risk as at 31 December 2023.

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Furthermore, the Company has filed for a repayment of overpaid VAT in relation to lottery and sports betting transactions in the French overseas departments (which benefit from reduced VAT rather than the rate applied of 20%) during the period not yet time-barred, i.e. from December 2020 onwards.

As FDJ considers that the risk of non-repayment is small, income of €20.8 million before tax has been recognised in the financial statements for 2023. This comprises €14.1 million for the 2021 and 2022 financial years, disclosed within other non-recurring operating expenses, and €6.7 million for 2023, disclosed within revenue.

Note 12 Other information

12.1 EXECUTIVE COMPENSATION

In 2023, the senior management (Corporate Directors) received a total of €1.1 million (2022: €0.9 million). This was made up exclusively of short-term benefits.

12.2 FRENCH STATE

The French State is no longer FDJ's majority shareholder, but nevertheless continues to exercise close control over it, with specific prerogatives including a right of veto granted to the Government commissioner over decisions taken in FDJ's governing bodies, approval by decree of the modifications of the Articles of Association of FDJ and also the obtaining of a licence from the ministers in charge of the economy and the budget, after consultation with the French gaming

regulatory authority (ANJ) for the appointment of a Chairman, CEO or Deputy CEO of FDJ.

The Exclusive Rights Decree of 17 October 2019 set ranges and/or caps on payout ratios by type of game, while Article 138 I° of the Pacte Law established a levy in favour of the French State, applicable on stakes wagered from 1 January 2020 and calculated on the basis of gross gaming revenue, i.e. stakes wagered less the amounts payable to winners. The rate of this levy is set at 54.5% for traditional draw games whose first-ranking winnings are distributed in pari-mutuel form, and at 42% for other lottery games. The terms and conditions for the annual collection of the levy will be set by decree.

The associated amounts recorded in the income statement and the statement of financial position for each of the last two years are as follows:

In millions of euros		31.12.2023	31.12.2022
Statement of financial position – Assets	Exclusive operating rights (gross value)	380.0	380.0
Statement of financial position – Assets	Advance payment of public levies	193.7	202.2
In millions of euros		31.12.2023	31.12.2022
Statement of financial position – Liabilities	Public levies (including unclaimed prizes)	594.1	459.0
In millions of euros		31.12.2023	31.12.2022
Income statement	Public levies	4,179.9	4,147.1

According to the agreement concluded between the French State and FDJ on 17 October 2019, when the exclusive rights expire or are terminated early, the assets strictly necessary for the operation of exclusive rights will revert to the State in exchange for compensation at the market value of the buildings and the net carrying amount of other fixed assets.

Transactions between FDJ and other public sector entities (France Télévisions, EDF, SNCF, La Poste etc.) are all carried out under normal market conditions.

12.3 TRANSACTIONS WITH OTHER RELATED PARTIES

Transactions with other related parties were carried out on an arm's length basis and mainly concerned transactions entered into between FDJ and its subsidiaries.

On 15 December 2016, the Board of Directors elected to renew the FDJ Corporate Foundation for a term of five years from 5 January 2018 until 2 January 2023. The multi-year action plan provides for €19.5 million, of which €7 million was donated in 2016, €8 million in 2017, €3 million in 2019 and €1.5 million in 2021.

On 16 December 2021, the Board of Directors elected to renew the FDJ Corporate Foundation for a term of five years from 3 January 2023, with a €25 million multi-year action plan for the period from 2023 to 2027. The amount committed by FDJ is covered by a bank guarantee.

Note 13 Details of accrued expenses and income

In millions of euros	31.12.2023	31.12.2022
Assets – Accrued income from suppliers and distribution network	4.1	5.2
Credit note receivable	4.1	5.2
Assets – Accrued income from customers and distribution network	454.6	409.4
Invoices not yet issued	454.6	409.4
Assets – Accrued income from banks	2.3	2.2
Interest receivable	2.3	2.2
TOTAL ASSETS	461.1	416.8
Liabilities – Accrued expenses due to suppliers and distribution network	423.8	407.1
Invoices not yet received	423.8	407.1
Liabilities – Accrued employee expenses	61.0	54.5
Paid leave	13.8	12.6
Time saving account	4.5	4.0
Variable share	10.2	9.6
Provision for incentives	12.3	8.8
Provision for profit-sharing	20.2	19.6
Liabilities – Expenses due to social security agencies	22.4	20.0
Expenses due	22.4	20.0
Liabilities – Accrued expenses	0.9	0.8
Other accrued expenses – HR	0.7	0.6
Other accrued expenses – Management	0.2	0.1
Liabilities – Miscellaneous accrued expenses	780.4	723.7
Miscellaneous accrued expenses	0.5	0.5
Unclaimed top prizes	7.8	3.3
Unclaimed prizes to be paid to the State	201.8	117.2
Booster/Super Jackpot funds	266.4	270.0
Prizes carried forward	37.5	31.3
Winnings payable	191.9	233.8
Other accrued winnings	1.8	1.6
Player balances	58.9	54.1
Player balances (blocked)	13.9	11.8
Liabilities – Accrued expenses due to banks	0.9	0.3
Interest payable	0.9	0.3
TOTAL LIABILITIES	1,289.5	1,206.4

Parent company financial statements for the year ended 31 December 2023

Note 14 Off-balance-sheet commitments

14.1 COMMITMENTS GIVEN

La Française des Jeux forms a tax consolidation group with the following entities, in which it holds interests of more than 95%: FDJ Développement, FDJ Gaming Solutions, La Française d'Images, FDP, FDJ Services, DVRT 13, FGS France, FDJ Online Betting and Gaming France, FDJ Online Betting and Gaming Holding, Adstellam, Aleda, FDJ Services Holding and FGS New Markets. The tax consolidation agreement

allows for offset payments to be made in the event that a subsidiary leaves the tax group or incurs additional tax expenses due to its membership of the Group. This compensation would correspond to the tax effect of losses arising during the tax consolidation period, which amounted to €1.4 million for La Française d'Images, €68.3 million for FDJ Gaming Solutions, €4.9 million for FDJ Services and €2.4 million for DVRT 13 at 31 December 2023.

Other commitments given are as follows:

In millions of euros	31.12.2023	31.12.2022
Mortgage on goods acquired	68.2	77.4
Performance bonds*	151.9	184.8
Sponsorship agreement	4.5	15.1
Accumulated actuarial losses (Note 4.3)	-8.9	-9.1
Sports Partnership	12.1	17.9
Investment funds	59.0	47.1
Operating leases	9.5	30.5
Joint surety undertaking under Aguesseau lease – FDI	6.9	8.2
First-demand guarantees	1.7	1.7
OLG contract guarantee (FGS)	10.2	10.4
French Tax administration contract guarantee	5.0	5.0
ACPR contract guarantee	10.0	10.0
Image rights for cyclists and commitment to the association L'Échappée	0.2	1.0
Other commitments given	339.0	399.8

* Including printing contracts: €38.3 million.

The performance bonds given represent irrevocable purchase commitments made by FDJ to its suppliers.

The mortgage allocation commitment was signed in connection with the loan taken out to purchase the Group's new head office. The balance outstanding on the loan is €68.2 million (principal, interest and charges).

Investment funds are mainly venture capital funds geared towards supporting the development of start-ups in activities close to FDJ's core business. These funds include Partech and Raise, as well as CVC V13 (in partnership with Séréna), Level-up (specialising in e-sports), Trust e-sport, OneRagtime – ARIA, Origins and Sista Fund.

14.2 COMMITMENTS RECEIVED

In millions of euros	31.12.2023	31.12.2022
Performance bonds and commitments to return payments on account	200.4	172.7
Counterparty risk insurance	130.0	130.0
Guarantees for remittance of stakes and payment of winnings	543.1	496.2
Confirmed overdraft facilities	150.0	150.0
Guarantee replacing the secured trust agreement	110.0	110.0
Commitments received	1,133.5	1,058.8

Guarantees received for the remittance of stakes and payment of winnings relate to the financial guarantees provided by new retailers doing business with FDJ. Newly approved retailers are required to provide a financial guarantee to cover the risk of payment defaults. Under this system, retailers provide their guarantees directly to FDJ, which is responsible for debt collection.

The commitment of €130 million comprises the aggregate insurance cover for the counterparty risk on lottery games, as from 1 January 2020, following the reform of FDJ's tax and

regulatory framework, which put an end to the counterparty fund system.

Unused confirmed lines of credit totalling €150 million have been in place since February 2021.

The commitment of €110 million concerns a surety agreement that guarantees the repayment of all funds due to players holding online accounts. The agreement covers a maximum amount of €110 million. It is provided by three leading European insurance companies and renews automatically on an annual basis.

14.3 RECIPROCAL COMMITMENTS

In millions of euros - Currency hedges	31.12.2023	31.12.2022
Forward purchases of US dollars with a maximum maturity at 25 September 2024 for an overall amount of:	30.3	34.0
Hedge forward sale sterling	-	

At the end of 2020, as part of the partnership between FDJ and Groupama via Société de Gestion de l'Échappée (50% owned by each shareholder), FDJ and Groupama signed reciprocal pledges to buy and sell the remaining SGE shares.

In connection with the acquisition of L'Addition, FDJ and the vendor signed undertakings respectively to buy and sell the

remaining 5% of the equity still held by the vendor. In connection with the acquisition of ZEturf group, mutual buy and sell undertakings were also signed with the vendor in respect of a past award of free shares which remain in the lock-up period.

Note 15 Other post-closing events

On 1 February 2024, the French competition authority indicated that an appeal had been lodged with the Council of State against the decision of 15 September 2023 authorising the ZEturf/FDJ transaction. The appellant has

three months from 11 December 2023 to submit evidence and claims in support of the appeal. FDJ has no further information at this stage.

6.4 Statutory Auditor's report on the financial statements

(For the year ended 31 December 2023)

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

OPINION

In compliance with the engagement entrusted to us by your General Meeting, we have audited the accompanying financial statements of La Française des Jeux for the year ended 31 December 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company at 31 December 2023 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit and Risks Committee.

BASIS FOR OPINION

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (Code de commerce) and the French Code of Ethics (Code de déontologie) for Statutory Auditors for the period from 1 January 2023 to the date of our report, and, in particular, we did not provide any non-audit services prohibited by Article 5(1) of Regulation (EU) No. 537/2014.

Justification of assessments– Key audit matters

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we inform you of the key audit matters relating to the risks of material misstatement that, in our professional judgement, were the most significant in our audit of the financial statements, as well as how we addressed those risks.

These matters were addressed as part of our audit of the financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the financial statements.

INFORMATION SYSTEMS, AUTOMATED PROCESSING AND CONTROLS RELATED TO THE RECOGNITION OF NET GAMING REVENUE (SEE NOTE 3.1 TO THE FINANCIAL STATEMENTS)

Description of risk

The Group's main activity consists in developing and operating lottery games and sports betting within a highly regulated framework. This activity is characterised by a high volume of low-value individual transactions. FDJ's remuneration (net gaming revenue – NGR) is based on the players' stakes placed at points of sale and online, after deducting the prize winners' share as well as public levies at variable rates depending on the games. The Company's revenue for 2023 amounted to €2.47 billion, of which €2.43 billion derived from NGR.

The processing of gaming transactions, their recognition according to the methods described in Note 3.1 to the financial statements and the determination of NGR are highly automated. They are based on a highly complex information system specific to FDJ, which covers all the steps in the processing of games from the validation of gaming transactions at points of sale and online to the recognition of the different components of NGR.

Given the high volume of transactions processed, the significance of automated processing in determining and recognising the different components of NGR and the reliability of the internal controls organised by management in a regulated environment, we deemed the information systems, automated processing and controls related to the recognition of NGR to be a key audit matter.

How our audit addressed this risk

With the assistance of our information systems specialists, we gained an understanding of the process for recognising the various stakes and components of NGR and assessed the design and effectiveness of the internal control system relating, in particular, to the information systems and automated processing underlying NGR recognition.

Our work consisted primarily in:

- familiarising ourselves with the internal control procedures, identifying the most relevant manual and automated controls for our audit and testing their design and operational efficiency;
- testing the effectiveness of the IT general controls of each application system used as part of the recognition of the components of NGR and which we deemed of key importance to our audit, notably including access management, change management and operations management;
- evaluating the effectiveness of the interfaces linked to the transactions and relevant for recognising flows from stakes to NGR;
- analysing material changes and unexpected trends observed, if any, in the allocation of the various components of NGR.

MEASURING EQUITY INVESTMENTS (SEE NOTE 7 TO THE FINANCIAL STATEMENTS)

Description of risk

At 31 December 2023, equity investments represented a net amount of €627.4 million in the balance sheet. Equity investments are recognised at historical cost excluding transaction expenses, which are expensed in the year in which they are incurred. They are measured on the basis of their value in use and an impairment loss is recognised if the value in use is less than the carrying amount.

As indicated in Note 7 to the financial statements, value in use is estimated by management based on the current and projected profitability of the subsidiary concerned, determined on the basis of discounted estimated cash flows or an analysis by external experts using a multi-criteria approach to measure the equity of the subsidiary, as adjusted for the Company's net debt or the share of net assets held by the Company.

Estimating the value in use of equity investments requires management to exercise judgement when selecting the inputs to be taken into account for each investment. Accordingly and due to the inherent degree of judgement required with regard to certain inputs, in particular the likelihood of management's projections materialising, we deemed the measurement of equity investments to be a key audit matter.

How our audit addressed this risk

We examined the assumptions used by management to measure equity investments, notably by:

- examining the methodology used to determine the value in use of the securities and assessing the appropriateness of the measurement inputs used (discount rates and long-term growth rates) with the support of our valuation experts, where applicable;
- assessing the reasonableness of future cash flow projections, including revenue growth rates and operating margin rates, based on our knowledge of the

relevant business segments and the strategic, economic and financial environment in which the subsidiaries operate, and comparing them with past performance and market data when available;

- performing sensitivity analyses on the key assumptions.

SPECIFIC VERIFICATIONS

In accordance with professional standards applicable in France, we have also performed the specific verifications required by French legal and regulatory provisions.

Information given in the management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Board of Directors' management report and in the other documents provided to the shareholders with respect to the Company's financial position and the financial statements.

We attest to the fair presentation and the consistency with the financial statements of the information about payment terms referred to in Article D.441-6 of the French Commercial Code.

Report on corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L.225-37-4, L.22-10-10 and L.22-10-9 of the French Commercial Code.

Concerning the information given in accordance with the requirements of Article L.22-10-9 of the French Commercial Code relating to remuneration and benefits paid or awarded to corporate officers and any other commitments made in their favour, we have verified its consistency with the financial statements or with the underlying information used to prepare these financial statements, and, where applicable, with the information obtained by the Company from controlled companies within its scope of consolidation. Based on this work, we attest to the accuracy and fair presentation of this information.

Concerning the information given in accordance with the requirements of Article L.22-10-11 of the French Commercial Code relating to those items the Company has deemed liable to have an impact in the event of a takeover bid or exchange offer, we have verified its consistency with the underlying documents that were disclosed to us. Based on this work, we have no matters to report with regard to this information.

Other information

In accordance with French law, we have verified that the required information concerning the identity of shareholders and holders of the voting rights has been properly disclosed in the management report.

OTHER VERIFICATIONS AND INFORMATION PURSUANT TO LEGAL AND REGULATORY REQUIREMENTS

Presentation of the financial statements to be included in the annual financial report

In accordance with professional standards applicable to the Statutory Auditors' procedures for annual and consolidated financial statements presented according to the European single electronic reporting format, we have verified that the presentation of the financial statements to be included in the annual financial report referred to in paragraph I of Article L.451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*) and prepared under the Chairwoman and Chief Executive Officer's responsibility, complies with this format, as defined by European Delegated Regulation No. 2019/815 of 17 December 2018.

On the basis of our work, we conclude that the presentation of the financial statements to be included in the annual financial report complies, in all material respects, with the European single electronic reporting format.

It is not our responsibility to ensure that the financial statements to be included by the Company in the annual financial report filed with the AMF correspond to those on which we carried out our work.

Appointment of the Statutory Auditors

We were appointed Statutory Auditors of La Française des Jeux by the General Meetings held on 25 May 2016 for PricewaterhouseCoopers Audit and on 3 June 2003 for Deloitte & Associés.

At 31 December 2023, PricewaterhouseCoopers Audit and Deloitte & Associés were in the eighth and twenty-first consecutive year of their engagement, respectively, and the fifth year since the Company's securities were admitted to trading on a regulated market.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

Management is responsible for preparing financial statements giving a true and fair view in accordance with French accounting principles, and for implementing the internal control procedures it deems necessary for the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit and Risks Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

RESPONSIBILITIES OF THE STATUTORY AUDITORS RELATING TO THE AUDIT OF THE FINANCIAL STATEMENTS

Objective and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these financial statements.

As specified in Article L.821-55 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgement throughout the audit. They also:

- identify and assess the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the financial statements;
- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit and Risks Committee

We submit a report to the Audit and Risks Committee, which includes, in particular, a description of the scope of the audit and the audit programme implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

Our report to the Audit and Risks Committee includes the risks of material misstatement that, in our professional judgement, were the most significant for the audit of the financial statements and which constitute the key audit matters that we are required to describe in this report.

We also provide the Audit and Risk Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France, as defined in particular in Articles L.821-27 to L.821-34 of the French Commercial Code and in the French Code of Ethics for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit and Risks Committee.

Neuilly-sur-Seine and Paris-La Défense, 22 February 2024

The Statutory Auditors

PricewaterhouseCoopers Audit
Jean-Paul Collignon

Deloitte & Associés
Nadège Pineau

6.5 Statutory Auditors' special report on related-party agreements

General Shareholders' Meeting held to approve the financial statements for the year ended 31 December 2023

This is a free translation into English of the Statutory Auditors' special report on related party agreements issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,

In our capacity as Statutory Auditors of La Française des Jeux, we hereby report to you on related-party agreements.

It is our responsibility to report to shareholders, based on the information provided to us, on the main terms and conditions of agreements that have been disclosed to us or that we may have identified as part of our engagement, as well as the reasons given as to why they are beneficial for the Company, without commenting on their relevance or substance or identifying any undisclosed agreements. Under the provisions of Article R.225-31 of the French Commercial Code (*Code de commerce*), it is the responsibility of the shareholders to determine whether the agreements are appropriate and should be approved.

Where applicable, it is also our responsibility to provide shareholders with the information required by Article R.225-31 of the French Commercial Code in relation to the implementation during the year of agreements already approved by the General Shareholders' Meeting.

We performed the procedures that we deemed necessary in accordance with professional standards applicable in France to such engagements. These procedures consisted in verifying that the information given to us is consistent with the underlying documents.

AGREEMENTS TO BE SUBMITTED FOR THE APPROVAL OF THE GENERAL SHAREHOLDERS' MEETING

Agreements authorised and entered into during the year

In accordance with Article L.225-40 of the French Commercial Code, we were informed of the following agreements entered into during the year and authorised in advance by the Board of Directors.

"GAGNER DU TERRAIN FDJ – 2023 EDITION" COOPERATION AGREEMENT WITH THE FRENCH NATIONAL SPORTS AGENCY (ANS)

Persons concerned:

- La Française des Jeux (hereinafter "FDJ"),
- The French National Sports Agency, a public interest group comprising French State representatives,
- The French State, as a shareholder of FDJ holding more than 10% of the voting rights, and Charles Sarrazin, director of FDJ representing the French State.

Nature, purpose and conditions

Since 2021, La Française des Jeux and the ANS have signed annual agreements as part of the "Gagnons du Terrain – FDJ" programme to define the terms and conditions of FDJ's action and budgetary commitment. This one-year

agreement was intended to be renewed and even extended so that FDJ, as a partner of the Organising Committee for the Olympic Games, could leave a positive and tangible legacy for the promotion of sport for everyone throughout France.

Consequently, following its initial renewal for the 2022 edition, the Board of Directors meeting of 14 February 2023 authorised the renewal of the same scheme for 2023.

The cooperation agreement was signed on 3 March 2023 for a one-year period. The scheme is fully funded by FDJ for an amount of €375,000 for 2023, with €350,000 allocated to the installation of the sports facilities and €25,000 allocated to the ANS to cover the management costs of the operation, in order to strengthen its involvement and achieve the target of funding 20 facilities in 2023. The balance from the 2021 and 2022 budgets was added to this, i.e., €199,000, bringing the total budget for 2023 to €574,000.

Reasons why the agreement is beneficial for the Company

FDJ has been supporting French sport for many years and has contributed to structuring the sector for over 40 years through its support for the ANS. FDJ is also an official partner of the Paris 2024 Olympic Games. This agreement aims to maximise the impact of the gaming sector in France and demonstrate the commitment of FDJ to the Paris 2024 Olympic Games.

Impact on income for the period

FDJ recognised an expense of €375,000 for the financial year in respect of the agreement signed in 2023.

"IMPACT 2024 CALL FOR PROJECTS - 2023 EDITION" COOPERATION AGREEMENT WITH THE FRENCH NATIONAL SPORTS AGENCY (ANS), THE PARIS 2024 ENDOWMENT FUND (FDD PARIS 2024), THE FRENCH NATIONAL OLYMPIC AND SPORTS COMMITTEE (CNOSF) AND THE FRENCH PARALYMPIC AND SPORTS COMMITTEE (CPSF)

Persons concerned:

- La Française des Jeux (hereinafter "FDJ"),
- The French National Sports Agency, a public interest group comprising French State representatives,
- The French State, as a shareholder of FDJ holding more than 10% of the voting rights, and Charles Sarrazin, director of FDJ representing the French State.

Nature, purpose and conditions:

In 2022, FDJ entered into an agreement with the ANS, the FDD Paris 2024, the CNOSF and the CPSF. The purpose of this agreement was to define the terms and conditions for the organisation of the "Impact 2024" call for projects and for the financial support of the winning projects. FDJ wished to be associated with the "Impact 2024" call for projects by creating a specific category for the development of women's sports.

In 2020 and 2021, the ANS, the Paris 2024 Organising Committee for the Olympic and Paralympic Games (Paris 2024), the CNOSF and the CPSF organised the first two editions of the Impact 2024 call for projects, which were operated by the ANS and funded by the FDD Paris 2024, the CNOSF and the CPSF.

As FDJ wished to continue its partnership for the 2023 edition, the Board of Directors meeting of 19 April 2023 authorised the conclusion of a new agreement for 2023, which was signed on 29 September 2023.

FDJ's financial commitment under this agreement is a grant of €100,000 to be paid before 30 September 2023. The total budget of the 2023 edition was €2,380,000.

Reasons why the agreement is beneficial for the Company

As part of the company's gender equality policy and its commitment to promoting and supporting women's sport, FDJ wished to get involved in the Paris 2024 "Legacy" initiative. FDJ and Paris 2024 have joined forces to launch the third *Sport féminin* barometer, which measures women's participation in sports in France.

Impact on income for the period

An operating expense of €100,000 was recognised during the year in respect of this agreement.

AGREEMENTS ALREADY APPROVED BY THE GENERAL SHAREHOLDERS' MEETING

Agreements approved in previous years

AGREEMENTS THAT WERE IMPLEMENTED DURING THE YEAR

In accordance with Article R.225-30 of the French Commercial Code, we were informed of the following agreements, approved by the General Shareholders' Meeting in previous years, which were implemented during the year.

AGREEMENT ENTERED INTO WITH THE FRENCH STATE ON FDJ'S EXCLUSIVE RIGHTS

Persons concerned:

- La Française des Jeux (hereinafter "FDJ"),
- The French State, a shareholder of FDJ, holding more than 10% of the voting rights, and the director representing the French State, E. Bossière.

Nature, purpose and conditions:

On 16 October 2019, the Board of Directors authorised FDJ to enter into an agreement (the "Convention") with the French State, the purpose of which was to anticipate the consequences of the occurrence of events likely to deteriorate the economic conditions for the operation of FDJ's exclusive rights (changes in laws or regulations) and to anticipate the end of the exclusive rights period.

The Convention was entered into on 17 October 2019 and terminates on 22 May 2044. On this date, the exclusive rights granted to FDJ pursuant to the Pacte Law will terminate.

The Convention provides that in the event of a significant change in legislation or regulations either directly related to

the taxation of lottery games or sports betting operated through the offline distribution network, or likely to affect such operation or, finally, reducing the scope or duration of the exclusive rights held by FDJ, the Group shall approach the French State in order to examine whether this change is likely to substantially deteriorate the economic conditions under which FDJ operates its business, assessed on a consolidated basis. If so, FDJ may propose to the French State the measures it deems necessary to enable it to continue its activities under economic conditions that are not substantially deteriorated. The French State undertakes to examine such proposal.

With respect to the provisions governing the consequences of termination of exclusive rights, the Convention provides that the assets strictly necessary for the operation of the exclusive rights are to be taken over by the French State in return for compensation amounting to the market value of the buildings and the net book value of other fixed assets. The list of these assets will be determined jointly by the French State and FDJ, within one year of the date of entry into force of the Convention.

Upon normal or early termination of the exclusive rights, FDJ guarantees to the French State or to any holder of the exclusive rights, the transfer or use, on a free-of-charge basis, of all copyrights, trademarks and trademark filing applications, rights to designs, logos, domain names, effective in France and relating to activities operated under exclusive rights. Similarly, for software and patents, upon normal or early termination of the exclusive rights, FDJ grants to the French State, or to the possible new holder of the exclusive rights, a free license to use the software and patents strictly necessary for the operation of these rights in France and owned by FDJ, for a limited period of 18 months from the expiry date of FDJ's exclusive rights.

The Convention also specifies that, upon normal or early termination of the exclusive rights, the French State and FDJ shall come together to examine the situation of employees assigned to the operation of exclusive rights and, in particular, the conditions for their reclassification and takeover, as the case may be, by the potential holder of the exclusive rights. To the extent feasible, FDJ reclassifies the employees in question.

The Convention terminates the convention currently in place between FDJ and the French State dated 29 December 1978, as amended, which now contains, as a result of successive amendments, only one residual provision relating to compensation for land, buildings, facilities and real property belonging to FDJ in the event of termination of the exclusive rights.

Reasons why the agreement is beneficial for the Company

This Convention should make it possible to anticipate the consequences of the occurrence of events likely to deteriorate the economic conditions for the operation of FDJ's exclusive rights (changes in laws or regulations) and the end of the exclusive rights period.

Impact on income for the period

This agreement had no impact on the financial statements for the year ended 31 December 2023.

Statutory Auditors' special report on related-party agreements

SET UP OF A SURETY BY FDJ IN VIEW OF THE SETTING UP OF A BANK GUARANTEE OF €19 MILLION GRANTED TO THE FRENCH TREASURY (DIRECTION GÉNÉRALE DES FINANCES PUBLIQUES – DGFIP)**Persons concerned:**

- La Française des Jeux (hereinafter "FDJ"),
- The French State, as a shareholder of FDJ holding more than 10% of the voting rights, and Schwan Badirou-Gafari, director of FDJ representing the French State.

Nature, purpose and conditions

On 23 July 2019, the Board of Directors authorised the setting up of a surety by FDJ for the purpose of securing a bank guarantee of €19 million granted to the DGFIP. In the event the DGFIP contract for the outsourcing of cash was awarded, FDJ is authorised to stand surety for the bank issuing the bank guarantee provided for under the contract, in order to counter-guarantee the bank guarantee granted by the bank to the DGFIP, in an amount of €19 million. The surety was granted for the duration of the contract and until July 2024 at least.

During 2020, a surety of €4 million, which was shown within off-balance sheet commitments given, was granted by FDJ. This surety was valid until 31 December 2021, and has been renewed:

- first for a term from 28 December 2021 to 31 December 2023, for an amount of €5 million, which is shown within off-balance sheet commitments in the 2021 financial statements;
- a second time for a further term from 29 December 2023 to 31 December 2025, for an amount of €5 million, which is shown within off-balance sheet commitments in the 2023 financial statements.

On 16 December 2021, the Board of Directors of FDJ authorised the amendment of the bank counter-guarantee (surety) granted by FDJ to the DGFIP, as requested by the bank, in order to cover FDJ Services' commitments before the issue of a new bank guarantee to the DGFIP.

Reasons why the agreement is beneficial for the Company

The setting up of the surety was one of the conditions set out in the call for tenders initiated by the DGFIP, in the event the DGFIP contract for the outsourcing of cash was awarded.

Impact on income for the period

This agreement had no impact on the financial statements for the year ended 31 December 2023.

JOINT GUARANTEE GIVEN BY FDJ TO ITS SUBSIDIARY FDJ SERVICES AS PART OF THE THREE-PARTY AGREEMENT BETWEEN MDB SERVICES AND THE DGFIP**Persons concerned:**

- La Française des Jeux (hereinafter "FDJ"),
- FDJ Services, a wholly-owned subsidiary of FDJ,
- The French State, a shareholder of FDJ holding more than 10% of the voting rights, and Charles Sarrazin, director of FDJ representing the French State.

Nature, purpose and conditions:

On 23 July 2019, the Board of Directors of FDJ authorised a three-party agreement between FDJ, MDB Services and the DGFIP, for a minimum term of five years, to outsource the collection of fines, local public sector collection invoices and taxes.

The Board of Directors meeting of 23 July 2019 also authorised the setting up of a surety by FDJ for the purpose of securing a bank guarantee of €19 million granted to the DGFIP. The surety was granted for the duration of the contract and until July 2024 at least.

On 15 April 2021, the Board of Directors of FDJ authorised the transfer of this contract for collection services on behalf of third parties from FDJ to its subsidiary FDJ Services, and authorised FDJ to be jointly and severally liable with FDJ Services in order to take over the rights and obligations of its subsidiary, as defined by the agreement that was transferred to it, in the event of default by FDJ Services.

This agreement provides for the payment to FDJ Services of a minimum amount of €3.50 per transaction and the balance of the project management services.

On 16 December 2021, the Board of Directors of FDJ authorised the amendment of the bank counter-guarantee (surety) granted by FDJ to the DGFIP, as requested by the bank, in order to cover FDJ Services' commitments before the issue of a new bank guarantee to the DGFIP. The first bank guarantee and the corresponding surety were valid until 31 December 2021 and were renewed on 28 December 2021 for a period ending on 31 December 2023.

Reasons why the agreement is beneficial for the Company

This agreement allowed for the transfer to its subsidiary FDJ Services of the contract for collection services provided on behalf of third parties, the purpose of which is to offer collection services on behalf of third parties and, in particular, payment services for public or private invoices.

Impact on income for the period

This agreement had no impact on the financial statements for the year ended 31 December 2023.

AGREEMENT ENTERED INTO WITH THE FRENCH ONLINE GAMBLING REGULATOR (AUTORITÉ DE RÉGULATION DES JEUX EN LIGNE – ARJEL), WHICH WAS REPLACED BY THE FRENCH NATIONAL GAMING AUTHORITY (ANJ), A FRENCH STATE PUBLIC BODY, AS FROM 23 JUNE 2020**Persons concerned:**

- La Française des Jeux (hereinafter "FDJ"),
- ARJEL, a French State public body, which was replaced by the French National Gaming Authority (ANJ), a French state public body, as from 23 June 2020,
- The French State, a shareholder of FDJ holding more than 10% of the voting rights, directors of FDJ representing the French State.

Nature, purpose and conditions

On 1 July 2015, the Board of Directors authorised FDJ to sign an agreement with the French Minister of Finance and Public Accounts and ARJEL providing for the free-of-charge exchange of information on preventing the betting-related manipulation of sporting competitions. The agreement was signed on 1 July 2015 and will continue indefinitely.

Since 23 June 2020, the ANJ has succeeded ARJEL as the co-contracting party to this agreement, in accordance with the terms of Article 49 of French government order No. 2019-1015, according to which: *"As of the first meeting of its board, the French National Gaming Authority shall succeed to the rights and obligations of the French online gambling regulator."*

Reasons why the agreement is beneficial for the Company

The agreement facilitates the implementation of a cross-alert system between ARJEL and FDJ for atypical and suspicious bets detected by the former on the online betting segment and/or the latter on the sports betting segment operated under exclusive rights in its offline distribution network. The agreement aims to enhance the effectiveness of measures to prevent betting-related match fixing. In accordance with the provisions applicable to the Company, the agreement constitutes a means for FDJ to monitor the integrity of gambling operations and combat fraud, money laundering and all related criminal activities.

Impact on income for the period

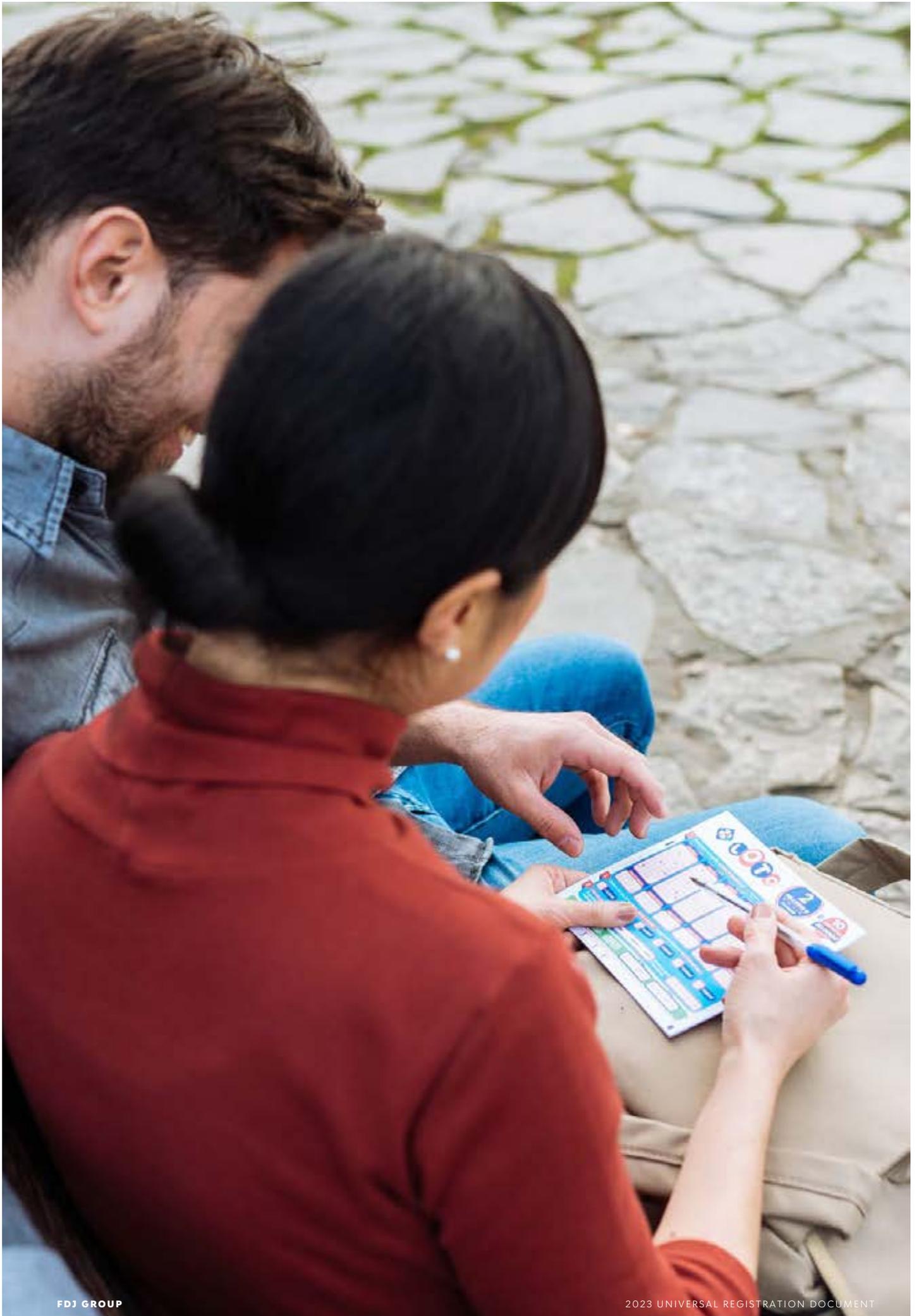
The expenses incurred in connection with securing the whistle-blowing and information exchange system with ARJEL are the only financial impacts for the Company.

Neuilly-sur-Seine and Paris-La Défense, 22 February 2024

The Statutory Auditors

PricewaterhouseCoopers Audit
Jean-Paul Collignon

Deloitte & Associés
Nadège Pineau



07 Information about the Company, its capital and shareholding structure

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Legal information about the Company

7.1 Legal information about the Company

7.1.1 Corporate name/trade name

The corporate name is "La Française des Jeux". Its trade name is "FDJ".

7.1.2 Trade and Companies Register and LEI

The Company is registered in the Trade and Companies Register of Nanterre under number 315 065 292. Its LEI number is 969500R4CLSQFTYYI535.

7.1.3 Date of incorporation and duration

The Company was incorporated on 19 December 1978 for a term of 99 years and registered on 19 February 1979. It will expire on 18 February 2078, unless it is dissolved early or its term is extended. The financial year begins on 1 January and ends on 31 December of each year.

7.1.4 Registered office, legal form, applicable legislation, telephone number and website

The Company's registered office is located at 3-7 Quai du Point du Jour, 92100 Boulogne-Billancourt, France.

The Company is a public limited company (*société anonyme*) governed by a Board of Directors.

The Company's telephone number is +33 (0)1 41 10 35 00.

The Company's website is www.groupefdj.com. Readers should note that the information on that website is not part of the Universal Registration Document.

As of the Date of the Universal Registration Document, FDJ is subject to Order no. 2014-948 of 20 August 2014 respecting the governance and capital transactions of companies with public shareholding and to the provisions of the French Commercial Code. For a description of the legislation governing FDJ's activities, see Chapter 1, section 1.5 "Regulatory environment" of this document.

7.1.5 Corporate purpose and raison d'être

7.1.5.1 Corporate purpose

The General Meeting of the Company's shareholders held on 4 November 2019 adopted the corporate purpose of the Company as follows:

"The purpose of the Company is the design, organisation and operation of gambling games, within the framework of the laws and regulations in force providing it with the necessary authorisations in this matter. More broadly, it can pursue any entertainment activity to the public's attention.

Its corporate purpose, in France and abroad, directly or indirectly, also consists of:

- *the provision of products and services in relation to the activities it operates, in particular provision of products and services through its technological assets, know-how or distribution network;*
- *the acquisition of stakes and any interests in any company whose corporate purpose relates to gambling activity or any other activity which tends to promote its development, whether alone, or in an association, joint-venture, grouping or company, with any other persons.*

It may pursue any real or personal property transactions and any commercial or financial transactions useful for the

accomplishment of the above purposes, or for any similar or related purposes, or any purpose that may facilitate the functioning or growth of the Company."

7.1.5.2 Raison d'être

The Combined General Meeting of Shareholders of 18 June 2020 decided to amend the Company's Articles of Association and to add a preamble prior to Article 1 in order to adopt a raison d'être of the Company. This is as follows:

" FDJ Group offers people who wish to experience the thrill of gaming and moments of emotion a wide range of responsibly-designed games. Gaming is our business, giving back to society is what drives us, and responsibility is our constant focus.

We promote recreational gaming by accompanying our customers, creating games with built-in integrity, and reducing the risks and consequences which arise from our activity. We actively help prevent addictive behaviour and underage gambling.

Faithful to the legacy of the French National Lottery – created to help wounded World War One soldiers – we continue to support social and community initiatives, and to fund good causes.

As key partners of local businesses, we ensure that our games and services are widely available through a dense network of neighbourhood retailers.

Thanks to our committed employees and capacity for innovation we are pursuing our goal of sustainable growth, underpinned by a responsible and socially useful business model, and close collaboration with our stakeholders."

7.1.6 Share capital

As at 31 December 2023, the Company's share capital totalled €76,400,000, divided into 191,000,000 ordinary shares with a nominal value of forty cents (€0.40) each, fully paid-up and all of the same class.

7.1.7 Employee incentives

7.1.7.1 Employee incentive and profit-sharing agreements

On 29 June 2018, FDJ signed with all its subsidiaries a framework agreement defining the arrangements for profit-sharing, incentives and employer contributions for the first time on the Group-wide level. This agreement is part of building a Group employee base, a factor in developing fairness for all and engagement of everyone in the Group.

In 2021, FDJ continued this trend by signing a new three-year Group profit-sharing agreement and, for the first time, a Group incentives framework agreement, concluded for three years.

Incentives

The aforementioned framework agreement states for each Group company that the total amount of incentives may reach up to 6% of the payroll concerned. The targets and criteria are negotiated each year, on an entity by entity basis.

At 31 December 2023, the Group paid a total of €10.8 million acquired in 2022, representing an average amount per beneficiary employee of around €3,900.

In addition, employees who pay all or part of their incentives into one of the savings plans (Group PEG and/or PERCOL), can benefit from an additional incentive contribution that can represent up to 4% of the total payroll.

Profit-sharing

The framework agreement of 29 June 2018, and the new 2021 agreement concluded for a period of three years, provide for an exceptional arrangement that is more favourable than the legal arrangement for calculating profit-sharing, which is calculated based on the Group's consolidated results. This Group profit-sharing agreement applies to all subsidiaries that are more than 50% owned by FDJ.

A Stakeholder Committee was created in 2020 to foster dialogue between the Group and organisations in its socioeconomic environment, and to monitor the implementation of commitments made following the publication of the *raison d'être* (for more information see Chapter 4 "Corporate Social Responsibility: Non-Financial Information Statement").

With regard to changes in the Company's share capital, see section 7.2.1.1 "Breakdown of share capital and voting rights", it being specified that the share capital has not changed over the past three years.

In 2023, the Group paid the amount of the profit-sharing acquired in 2022, i.e. €26 million, representing an average amount per beneficiary employee of around €9,500.

7.1.7.2 Employee savings schemes and employee shareholding policy

Employee savings

All Group employees have Company savings plans (PEG – *plan d'épargne Groupe*), in particular to hold the amounts saved as incentives and profit-sharing.

The vast majority of Group companies, namely those applying French law (FDJ, FDP, FDJ Développement, La Française d'Images and FDJ Gaming Solutions France), also allow for voluntary payments into the Company savings plan (PEG) to be matched in accordance with the rules laid down in the agreements (matching contribution of €900 gross per year for any employee paying in €300, €600 or €900).

With regard to retirement savings plans, a Group agreement was negotiated and signed in 2022 to set up a Group collective retirement savings plan (Group PERCOL) to replace the PERCO plans that existed in the following three entities: FDJ, FDP and FDJ Développement.

This agreement provides for the Group PERCOL to be funded by employee savings (profit-sharing and incentive schemes), days from the time savings account (CET) with a company contribution, free voluntary payments and programmed voluntary payments with a matching company contribution following an established grid (annual payments of €300 to €1,200 with a matching company contribution of 175% to 300%).

Initially, only three companies (FDJ, FDP and FGS France) had a time savings account (CET). In 2022, a Group agreement was signed to implement the CET in each of the Group's companies, with advantageous provisions for employees (repurchase of CET days, purchase of retirement contributions, etc.).

Legal information about the Company

Employee shareholders

Historically, only FDJ employees had access to an "Actionnariat" (shareholding) mutual fund.

A Group Shareholding fund (FCPE Actionnariat Groupe) was set up for all the Group's employees, in the context of the Pacte Law and the Employee Offering (ORS), when the Company was listed on the stock market in November 2019.

In 2021, FDJ's FCPE Actionnariat fund was absorbed by the FCPE Actionnariat Groupe fund.

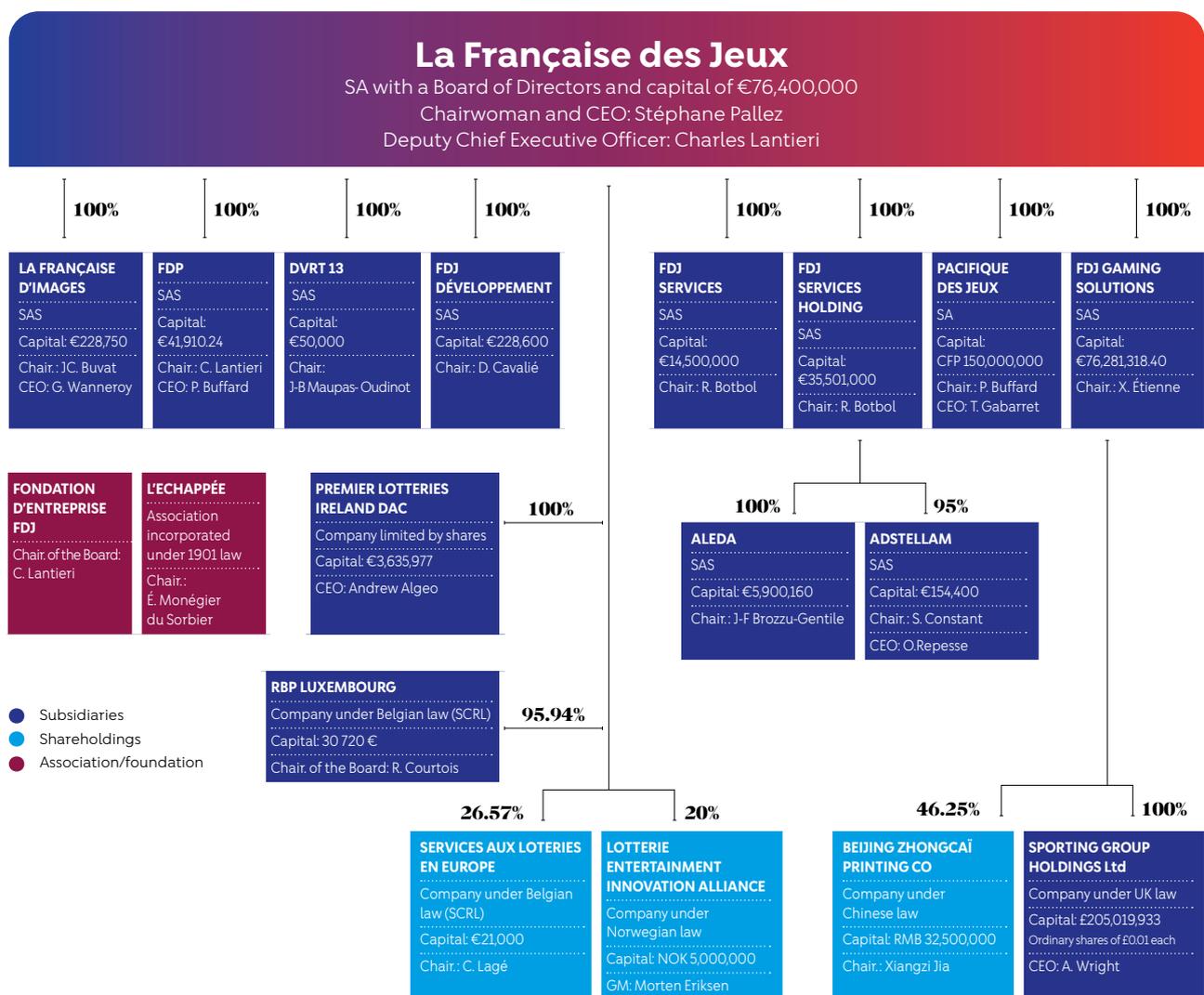
In addition, since the summer of 2021, this fund has also been open for any inflows, outflows and arbitrage transactions.

This fund can also, like the other funds of the Company savings plan (PEG), be funded by voluntary programmed and matching contributions (matching contribution of €900 per year with employee contributions of €300, €600 or €900 - see section 7.1.7.2 above).

7.1.8 Subsidiaries and shareholdings

7.1.8.1 Group organisation chart as at 31 December 2023

Below is the simplified Group organisation chart, including the main subsidiaries⁽¹⁾:



Main changes in the organisation chart in 2023:

- 100% stake acquired, on 3 November 2023, in Premier Lotteries Ireland DAC (PLI), the company holding the exclusive rights to operate the Irish National Lottery;
- acquisition of 95.94% of the parent company of ZEBet/ZETurf Group (RBP Luxembourg) with effect from 29 September 2023;
- disposal of the Sporting Group's B2C activity through the disposal of the subsidiary Sporting Index Ltd with effect from 6 November 2023.

(1) For the full organisation chart, please see Chapter 6, Consolidated financial statements, Note 19 and the institutional website of FDJ.

7.1.8.2 List of main direct and indirect subsidiaries and shareholdings

The table below summarises the list of the FDJ Group's main subsidiaries as of the date of the Universal Registration Document ⁽¹⁾:

Name of entity	Shareholder	Description of the business
Distribution of lottery and betting games		
FDP	100% owned by FDJ	Created in 2013 from the merger of 14 distribution companies, it has taken over nearly 60 sectors formerly operated by agent-brokers and is developing the relationship with the points of sale.
FDJ Développement	100% owned by FDJ	FDJ Développement is responsible for the commercial management and steering of the FDJ network in the French Antilles and French Guiana.
Pacifique des Jeux (PDJ)	100% owned by FDJ	PDJ is responsible for the commercial management and steering of the FDJ network in French Polynesia.
International activities		
Services aux Loteries en Europe (SLE)	26.57% owned by FDJ	SLE which carries out shared operations for the Euromillions and Eurodreams games run by FDJ and nine other European lotteries (Allwyn – UK, Loterias y Apuestas del Estado – Spain, Premier Lotteries Ireland DAC – Ireland, LNL Services – Belgium, Departamento de Jogos da Santa Casa da Misericórdia de Lisboa – Portugal, Österreichische Lotterien GmbH – Austria, Loterie de la Suisse Romande – Switzerland, Swisslos Interkantonale Landeslotterie – Switzerland, Œuvre Nationale de Secours Grande-Duchesse Charlotte – Luxembourg).
Lotteries Entertainment Innovation Alliance (LEIA)	20% owned by FDJ	LEIA is a company governed by Norwegian law, created on 1 October 2018, equally owned (20% each) by FDJ, Danske Lotterier Spil A/S, Veikkaus OY, Norsk Tipping AS and AB Svenska Spel, and operates the Interactive Factory game platform, (see section 6.1, Note 9.2 "Lotteries Entertainment Innovation Alliance AS (LEIA)").
FDJ Gaming Solutions (FGS)	100% owned by FDJ	FGS is a company under French law and the holding company for the Group's international activities. Its tasks consist in developing FDJ Group's strategic core technologies and marketing B2B services internationally.
FDJ Gaming Solutions France (FGS France)	100% owned by FDJ	FGS France is a company under French law that is responsible for developing digital lottery and point-of-sale technologies within the Group and for third-party operators throughout the world (see Chapter 1, section 1.3.3 "Technology function").
Sporting Group Holdings Ltd.	100% owned by FGS	Sporting Group Holdings Ltd is a company under UK law, acquired in May 2019 and based in the UK, South Africa, Canada and whose various subsidiaries are responsible for (i) the development of the Group's sports betting technology and for the benefit of third party operators worldwide, and (ii) the provision of services to sports betting operators. The spread betting activity was sold on 6 November 2023 (see section 1.3.3 "Technology function").
Premier Lotteries Ireland DAC	100% owned by FDJ	Premier Lotteries Ireland DAC joined the Group on 3 November 2023. This company holds the exclusive rights to operate the Irish National Lottery. To this end, it offers around 40 games, which are marketed through a diverse network of more than 5,300 points of sale and online, with more than 15% of online stakes.
RBP Luxembourg	95.94% owned by FDJ	Holding company under Luxembourg law acquired in September 2023. Holds shares in companies operating online horse-race and sports betting under the ZEturf and ZEBet brands in France and abroad: Spain, Netherlands, Belgium and Malta.
Beijing Zhong Cai Printing Co (BZP)	46.25% owned by FGS	BZP is a company under Chinese law whose activity is the printing of scratch cards (see Chapter 6, section 6.1 "Consolidated financial statements for the year ended 31 December 2023", Note 10.3 "Beijing Zhongcai Printing Co.>").

(1) For an exhaustive list of the FDJ Group's subsidiaries, please see Chapter 6, Consolidated financial statements, Note 19 and the institutional website of the FDJ Group.

Legal information about the Company

Name of entity	Shareholder	Description of the business
Audiovisual content production		
La Française d'Images	100% owned by FDJ	La Française d'Images produces audiovisual works, mainly to meet the Group's internal needs (Loto® and Euromillions draws, Keno; in addition to the production of films for seminars etc.) and is also responsible for managing the sets for programmes produced by FDJ. It works with all Euromillions partner lotteries.
Payment & Services		
FDJ Services	100% owned by FDJ	The activity of FDJ Services is the provision of payment services, including collection services on behalf of third parties, requiring authorisation* as a payment institution issued by the ACPR, which was obtained by a decision of the aforementioned authority dated 14 December 2021. On 23 December 2022, the ACPR granted FDJ Services an extension of its authorisation to collect bills on behalf of third parties.
Adstellam	95% owned by FDJ Services Holding	Adstellam joined the FDJ Group on 27 July 2022 in order to strengthen the diversification strategy of the Payment & Services business. It offers management, collection and payment solutions in the network of cafés, hotels and restaurants.
Aleda	100% owned by FDJ Services Holding	Aleda joined the FDJ Group on 17 November 2022 and, like Adstellam, strengthens the diversification strategy of the Payment & Services business. It offers management, collection, and payment solutions in the network of tobacconists and newsagents.
Entertainment		
DVRT 13	100% owned by FDJ	DVRT 13's main activities are consulting, design, production, marketing and distribution of entertainment and leisure products, offers, events and services, both physical and digital, for the general public or professionals in all sectors of activity. The Company is developing its activities in the eSports, mobile games, digital media content and experiential leisure sectors.

* Except for the French Treasury (DGFIP) activity carried out in 2021, which does not require ACPR approval.

7.1.8.3 FDJ Corporate Foundation

On 6 January 1993, FDJ incorporated the FDJ Corporate Foundation.

Over the 2018-2023 five-year period, the Foundation has supported numerous projects that have helped 300,000 beneficiaries.

On 16 December 2021, the Board of Directors of FDJ decided to renew the FDJ Corporate Foundation for an additional period of five years from 3 January 2023 until 3 January 2028. The multi-year action plan associated with this five-year period amounts to €25 million.

In addition, and in response to changes in French society and the Group's new challenges, the FDJ Corporate Foundation changed its purpose in 2022 and is now committed to promoting equal opportunity by supporting general interest projects for people in difficulty, for whatever reason (disability, economic, social, or cultural insecurity), so that they can realise their potential and express their talents. It is committed to supporting innovative projects for education and insertion in society, to be rolled out throughout the French territory, and to measure their social impact.

More than 120 community-based projects have received support from the FDJ Foundation.

7.1.8.4 Association L'Échappée

The association L'Échappée founded Société de Gestion de l'Échappée (see Chapter 6, section 6.1 "Consolidated financial statements for the year ended 31 December 2023", Note 10.1 "Société de Gestion de l'Échappée") pursuant to Article L.122-2 3 of the French Sport Code.

On 6 December 2018, the association sold all of its shares in Société de Gestion de l'Échappée which, as at the Date of the Universal Registration Document, is owned equally by FDJ and Groupama.

The association L'Échappée, which is affiliated with the French Cycling Federation, aims primarily to promote cycling as a sport as well as (i) the establishment of ethical rules and moral control of compliance with these rules, (ii) the management of all activities related to amateur cycling and (iii) the procurement and management of individual licences for the members of the Groupama-FDJ cycling team.

7.1.9 Main intra-group agreements

The main intra-group flows correspond to the flows resulting from the following intra-group agreements:

7.1.9.1 Cash-pooling agreement

On 2 September 2019, FDJ signed a cash-pooling agreement allowing it to manage the Group's cash by centralising its subsidiaries' requirements and surpluses.

7.1.9.2 Tax consolidation agreement

Along with certain subsidiaries held directly at more than 95% (FDP, FDJ Développement, La Française d'Images, FDJ Services, DVRT 13, FDJ Gaming Solutions and FDJ Gaming Solutions France, FDJ Online Betting and Gaming France, FDJ Online Betting and Gaming Holding, Adstellam, Aleda, FDJ Services Holding, FGS new markets), FDJ has formed a tax consolidation group as defined by Articles 223A et seq. of the French Tax Code.

7.1.9.3 Services agreements

FDJ provides consulting, support and expertise services on financial, legal and purchasing matters to certain subsidiaries. In exchange for the services provided, FDJ receives a flat-rate fee calculated either on a cost allocation key, or on the last known daily internal rate, increased by a margin rate for non-consolidated subsidiaries for tax purposes. These agreements are tacitly renewable for periods of one year.

These agreements concern the following subsidiaries: FGS France, DVRT 13, FDI, FDJ Services, Adstellam, Aleda, Société de Gestion de l'Échappée and National Lotteries Common Services.

7.2 Shareholding and share capital

7.2.1 Information on shareholding

7.2.1.1 Breakdown of share capital and voting rights

The General Meeting of Shareholders held on 4 November 2019 decided, subject to the condition precedent and with effect on the date of approval by the Financial Markets Authority of the prospectus for admission of FDJ's shares on the regulated exchange of Euronext Paris (i) to confer double

voting rights to registered shares held for over two years then (ii) divide the par value of Company shares by 955 by exchanging 191,000,000 new shares at a par value of €0.40 each for 200,000 old shares with a par value of €382.

As at 31 December 2023, the Company's share capital is allocated as follows:

FDJ ownership as at 31 December 2023	Number of shares	% of capital	% of voting rights	Number of voting rights
French State	39,074,508	20.46%	27.16%	78,149,016
Veterans' associations, together (UBFT share 10.1%) ⁽¹⁾	28,975,888	15.17%	19.88%	57,209,578
Total FDJ Group employee funds	7,153,951	3.75%	4.67%	13,429,898
Treasury shares	384,810	0.20%	n/a	n/a
Other (individual ownership below 5% as at 31 December 2023)	99,497,251	52.09%	37.41%	107,638,705
Company/Soficom ⁽²⁾	5,730,000	3.00%	3.98%	11,460,000
Predica and Crédit Agricole Assurances Retraites (CAAR)	10,183,592	5.33%	6.89%	19,843,214
TOTAL	191,000,000	100.00%	100.00%	288,175,108

(1) The group of veterans' associations comprises: FNAM, AMGYO, Union Fédérale, CARAC, France Mutualiste (making up the FNAM block) and UBFT and Ailes Brisées (making up the UBFT block).

(2) See section 7.3 "Legal and arbitration proceedings".

It should be noted that as at the Date of the Universal Registration Document there has been no significant change in the capital since the end of the financial year.

Shareholding and share capital

7.2.1.2 Agreements between shareholders

In accordance with Article L. 233-11 of the French Commercial Code, on 14 November 2019 the AMF was notified (with a supplemental letter received on 5 December 2019) by FNAM and UBFT of their finalisation of the terms and conditions of a shareholders' agreement constituting a concerted action within the meaning of Article L. 233-10 I of the French Commercial Code, in order to govern their relations within Française des Jeux (the "Shareholders' Agreement").

Under AMF opinion 219C2633, this Shareholders' Agreement, which came into effect on the date of the Company's IPO, has an initial term of 10 years, renewable in five-year periods.

The objectives pursued by FNAM and UBFT shall consist of implementing a common and sustainable policy towards FDJ, in order to preserve the common values that have animated the historical relations between FNAM and UBFT, as well as the asset value and the return on their respective holdings in FDJ, which condition the continuation of their general interest activities. This Shareholders' Agreement shall include provisions relating to governance and to securities transfers:

- FNAM and UBFT undertake to exercise their votes at the Board of Directors meetings and all their voting rights at shareholders meetings and, more generally, to do everything in their power to ensure that representatives of FNAM and UBFT sit on FDJ's Board of Directors;
- the parties to the Shareholders' Agreement shall consult each other in order to prepare for the meetings of the Board of Directors and the General Meetings of Shareholders of FDJ, and in particular with respect to strategic decisions relating to (i) the distribution policy and investment value protection, (ii) the determination of the strategy of FDJ and (iii) the governance and control of the financial statements;
- the parties agree not to transfer any shares if this would cause their equity stake in the Company to be lower than it was once the initial public offering had taken place, by the following percent:
 - a cumulative 10% within the two years following the IPO,
 - a cumulative 25% within the five years following the IPO,
 - a cumulative 50% at any point in the duration of the Shareholders' Agreement;
- for the entire duration of the agreement, the parties agree to not acquire or subscribe for shares of the Company, directly or indirectly, that would cause the parties to collectively own more than 29% of the Company's capital and/or voting rights at any point in the duration of the concerted action;
- unless otherwise stipulated, each party agrees to register all shares that it owns currently or subsequently, in a registered account;
- a mutual pre-emptive right applicable to certain transfers of the Company's shares is instituted between UBFT and FNAM and, if applicable, the FNAM block (see below).

In those same letters, the AMF received a shareholders' agreement entered into on 8 November 2019 between FNAM, the Union fédérale des associations françaises d'anciens combattants et victimes de guerre (the "Union Fédérale"), and the Association des mutilés de guerre des yeux et des oreilles (AMGYO) that counts as a concerted action between them with respect to the Company, to govern their relations within the Company.

On the same day, two mutual insurers for veterans, CARAC and France Mutualiste, signed this second agreement, thereby forming the "FNAM block" alongside FNAM, Union fédérale, and AMGYO.

This second agreement has an initial term of 10 years, renewable in five-year periods for a maximum duration of 25 years beginning 21 November 2019.

The objectives pursued by the FNAM block consist of enacting a shared, lasting policy with respect to the Company, in order to protect the earning potential of their stakes and ensure stable ownership for veterans' organisations, a historic stakeholder in the National Lottery.

This Shareholders' Agreement shall include provisions relating to governance and to securities transfers:

- FNAM is the FNAM block's representative on the Company's Board of Directors, and within it will defend the common interests of the FNAM block, and more generally speaking, veterans' organisations;
- FNAM will retain a dominant role within the FNAM block;
- the parties to the Shareholders' Agreement will cooperate to prepare for the Company's General Meeting of Shareholders, in particular on strategic decisions related to dividends, returning value to shareholders, and other important decisions;
- each member of the FNAM block commits to retaining 75% of its stake in the Company for the duration of the agreement, and for that duration, the members of the FNAM block will keep all of their shares in the Company in a registered account;
- subject to free transfers, a mutual pre-emptive right will be instituted within the FNAM block;
- in the event that FNAM wishes to give or sell more than 50% of its shares in the Company to a third party, then subject to the exercise of the aforementioned pre-emptive right, the other members of the FNAM block will have a tag-along right for all or some of their own shares, under the same conditions.

In those same letters, the AMF received a shareholders' agreement entered into on 24 October 2019 between UBFT and the association Ailes Brisées, which counts as a concerted action between them with respect to the Company, to govern their relations within the Company.

This Shareholders' Agreement has an initial duration of 10 years beginning 21 November 2019, renewable for a five-year period.

The goals pursued by UBFT and Ailes Brisées consist of enacting a shared, lasting policy with respect to the Company, in order to preserve the common values that guided their historic ties. This Shareholders' Agreement shall include provisions relating to governance and to securities transfers:

- UBFT and Ailes Brisées, if they believe it necessary, will cooperate in advance on draft resolutions included on the agenda of any General, Ordinary, Extraordinary, or Special Shareholders' Meeting of the Company;
- a mutual pre-emptive right applicable to certain transfers of the Company's shares has been instituted between UBFT and Ailes Brisées; this pre-emptive right granted to Ailes Brisées is a second-tier pre-emptive right, inferior to the pre-emptive right granted by UBFT to the FNAM block under the conditions of the Shareholders' Agreement entered into by UBFT and FNAM on 16 October 2019 (see above);

- unless otherwise stipulated, each party agrees to register all shares that it owns currently or subsequently, in a registered account.

In the same letters, the collective formed by the FNAM block, UBFT and Ailes Brisées, stated that it owned 28,233,690 shares of the Company, representing 53,939,425 voting rights, or 14.78% of its capital and 18.63%⁽¹⁾ of its voting rights (on the basis of share capital comprised of

191,000,000 company shares representing 289,508,341 voting rights).

In accordance with Article L. 233-7 of the French Commercial Code, by letter dated 28 July 2022, the collective formed by UBFT, Ailes Brisées and the FNAM block stated that it had exceeded the regulatory threshold of 15% of the capital of FDJ and that it owned 28,658,077 shares, i.e. 15% of the capital and 19.48% of the voting rights.

7.2.1.3 Shareholdings of Corporate Directors and transactions carried out by members of the Board of Directors involving company shares

Article 2.1 of the Rules of Procedure stipulates that:

"With the exception of directors representing employees, directors representing employee shareholders, the member of the Board representing the French State and members of the Board appointed upon proposal by the French State, each member of the Board must own at least 500 shares. Any director that does not own the requisite number of shares when appointed must acquire them within one year of being appointed.

The directors, as well as their permanent representatives, are required, within one month of their appointment to

these functions, to register or deposit with an authorised intermediary the shares belonging to themselves or to their non-emancipated minor children and issued by the Company itself, by its subsidiaries, by the Company of which the Company itself is the subsidiary, or by the other subsidiaries of the latter when these shares are admitted to trading on a regulated market, as well as the said shares which they may acquire during their term of office.

The Chairman of the Board of Directors, the Chief Executive Officer and the Deputy Chief Executive Officers, when they are also shareholders, are subject to the obligations mentioned in the previous paragraph."

As at 31 December 2023, the directors holding shares in the Company are as follows:

Directors	Number of shares
Stéphane Pallez	1,628
FNAM	8,159,100
UBFT	19,310,362
Predica	10,183,592
Fabienne Dulac	500
Xavier Girre	528
Françoise Gri	650
Philippe Lazare	1,000
Corinne Lejbowicz	1,120

7.2.1.4 Statement regarding control of the Company

As at 31 December 2023, the French State holds 20.46% of the Company's capital. Pursuant to the Pacte Law, the French State preserves close control over the Company (see Chapter 1, section 1.5 "Regulatory Environment").

7.2.1.5 Agreements that could lead to a change in control of the Company

As of the Date of the Universal Registration Document, there was no agreement in place whose implementation would result in a change in control of the Company.

(1) Calculated on the date of the threshold breach with a different denominator of number of voting rights from that used to calculate the percentage of voting rights of the collective at 31 December 2023.

Shareholding and share capital

7.2.1.6 Elements that could be relevant in the event of a public offering

Pursuant to Article L. 225-37-5 of the French Commercial Code, the following points may have an impact on a public offering:

Control mechanisms set out in a potential employee ownership system, when control rights are not exercised by that system

A company mutual fund (FCPE), the "FCPE Actionnariat FDJ", was created for the purposes of preserving and managing the shares acquired by company employees as part of its employee savings plan (PEE).

Another company mutual fund (FCPE), the "FCPE Actionnariat Groupe FDJ Invest", was created at the time of the offer reserved for employees when the Company was privatised through an initial public offering, for the purposes of preserving and managing the shares acquired by employees of the Company and of the companies participating in the Group savings plan (PEG) and the International Group savings plan (PEGI).

In the first quarter of 2021, the assets of the fund FCPE Actionnariat FDJ were transferred to the fund FCPE Actionnariat Groupe FDJ Invest, after approval by the AMF and informing unitholders.

The Supervisory Board of the fund "FCPE Actionnariat Groupe FDJ Invest" is made up of five employees representing unitholders, those employees themselves being unitholders, and three representatives of Management. The unitholder employee representatives have been chosen by the unitholders, from among the unitholders. The Supervisory Board exercises the voting rights attached to the shares held in the fund, and as such, appoints a representative to represent the fund at the Company's General Meeting of Shareholders.

Rules that apply to the appointment and replacement of Board of Directors members and to the amendment of the Company's Articles of Association

The terms for appointing and replacing Board of Directors members are detailed in Article 14 of the Company's Articles of Association, reproduced below:

"14.1 Directors elected with effect from the transfer of the majority of the Company's capital to the private sector and directors elected after that date shall be appointed for a period of no more than four years. Within that limit, the General Meeting can decide to appoint directors for different terms in order to stagger the length of their respective terms of office. The term of office of directors shall end at the end of the annual Ordinary General Meeting held in the year in which their term of office expires. Directors can be re-elected and are subject to the legislative and regulatory provisions applicable to the cumulative number of directorships held.

The number of directors over the age of 70 years may not exceed one third of the directors in office.

14.2 In the event of a vacancy due to the death or resignation of one or more directors appointed by the General Meeting, the Board of Directors can make provisional appointments between two General Meetings under the conditions laid down by the Commercial Code, save as regards: (i) the representative of the State, who is appointed as per Article 4 I of the 2014 Order and (ii) the directors representing the employees and the employee

shareholders, appointed in accordance with the legislative and regulatory provisions in force, as well as these Articles of Association. A director co-opted by the Board of Directors to replace an outgoing director shall only remain in office for the remainder of his predecessor's term of office. Appointments made by the Board shall be subject to ratification by the next Ordinary General Meeting. In the absence of ratification, resolutions passed and actions taken beforehand by the Board shall nevertheless remain valid.

In the event of a vacancy for the director representing employee shareholders, he shall be replaced under the conditions provided by Article 13.1 (a) above, this director being appointed by the Ordinary General Meeting for a further period of four years.

In the event of a vacancy for the director elected by employees, the vacancy will be filled in accordance with the provisions of Article L. 225-34 of the Commercial Code.

14.3 The General Meeting can at any time dismiss the directors that it has appointed."

The specific system for appointing the Chairman, the CEO, and Deputy Chief Executive Officers of the Company should be specified, in accordance with Article 20 of the Pacte Order of 2 October 2019 cited above. Indeed, in accordance with this Order, the assumption of office of the Chairman, the CEO and the Deputy Chief Executive Officers of FDJ shall be subject to prior licence by the Ministers in charge of the Budget and Finance, after consulting the French gaming regulatory authority (ANJ). Such licences may be withdrawn by decree of the competent Ministers, after consulting the French gaming regulatory authority (ANJ). Decree No. 2019-1060 of 17 October 2019 related to the terms of direct Government control of the Company provides that the Ministers have 30 days to respond when asked for approval. Failure by the Ministers in charge of the Economy and Budget to provide an answer by the end of such 30-day period amounts to a licence decision. Any refusal or withdrawal of authorisation shall be motivated and delivered after the person concerned has been invited to provide comments.

Furthermore, Article 18 of the same Order states that amendments to the Company's Articles of Association must be approved by decree.

Agreements to compensate members of the Board of Directors or employees if they resign or are dismissed without real and serious cause, or if their employment ends due to a public offering of purchase or exchange

No corporate agreement provides for such compensation. The compensation set out in the collective agreement is applied.

The executives who are members of the Group Management Committee benefit from a severance clause in their employment contract that exceeds the collective agreement.

Capital structure of the Company: see "7.2.1.1 Breakdown of share capital and voting rights".

Statutory restrictions on the exercise of voting rights and transfers of shares or clauses in agreements brought to the Company's attention pursuant to Article L. 233-11: see "7.2.1.2 Agreements between shareholders", "7.2.2.9: Legislative and regulatory provisions delaying, deferring or preventing a change of control", "7.2.2.10 Crossing of thresholds".

Direct or indirect stakes in capital pursuant to Articles L. 233-7 and L. 233-12: see "7.2.2.10 Crossing thresholds".

List of holders of all shares containing special control rights and description thereof: see "7.2.2.7 Voting rights".

Agreements entered into by the Company that are amended or terminated in the event of a change in control of the Company, unless such disclosure, other than in cases where disclosure is required by law, would be seriously prejudicial to its interests: see "7.2.1.5 Agreements that could lead to a change in control of the Company".

7.2.1.7 Terms of shareholder participation in the General Meetings of Shareholders

Article 24 of the Company's Articles of Association sets out the procedures for holding General Meetings:

General or Special Meetings shall be convened and shall deliberate under the conditions, in the forms and within the time limits provided by law.

Meetings shall take place at the registered office or in any other place specified in the notice of meeting.

Upon a decision of the Board of Directors, the conduct of meetings can be broadcast by any means of videoconferencing or remote transmission. If applicable, this shall be mentioned in the notice of meeting.

Meetings shall be chaired by the Chairman of the Board of Directors or, in his absence, by a director specially appointed for this purpose by the Board. Otherwise, the meeting itself shall elect its Chairman.

Meetings shall appoint a panel comprising the Chairman of the meeting, two scrutineers and a secretary, who need not be a shareholder.

The functions of scrutineers shall be performed by the two members of the meeting representing the largest number of votes, and in the event that they refuse to do so, by the members representing the next largest number of votes, until the role is accepted.

Article 25 of the Company's Articles of Association sets out the specific procedures for the participation of the shareholders in the General Meeting. These procedures are set out below.

All shareholders may participate in any meeting, either in person, physically or by mail, or by proxy, upon proof of identity and registration of their shares in their name or in the name of the intermediary registered on their behalf pursuant to the seventh paragraph of Article L. 228-1 of the French Commercial Code, no later than midnight, Paris time, on the second business day prior to the meeting, either in

the registered share accounts held by the Company or in the bearer share accounts held by an authorised intermediary. The entry or registration of shares in bearer accounts held by an authorised intermediary shall be proved by a certificate of shareholding issued by that intermediary within the time limits and under the conditions provided by the regulations in force.

If the Board of Directors so provides, shareholders participating in any General or Special Meeting, whether in person or through a representative, by videoconferencing or by means of electronic communication enabling them to be identified, such as the internet, shall be deemed to be present for the purposes of calculating the quorum and majority, according to the procedures defined by the Board in advance in accordance with the law and regulations in force.

If applicable, this competence and the address of the site arranged for this purpose shall be mentioned in the notice of meeting published in the Bulletin of Mandatory Legal Announcements (Bulletin des Annonces Légales Obligatoires).

Postal or proxy voting

Hard copy postal or proxy voting forms that have not effectively been received at the registered office of the Company or at the location specified in the notice of meeting no later than three days prior to the date of the general or special meeting shall be disregarded. This period may be shortened by decision of the Board of Directors.

Electronic forms for remote or proxy voting may be received by the Company up to one day before the meeting no later than 3pm Paris time.

Any shareholders who have cast their votes remotely, sent a proxy or requested their admission card or a certificate of shareholding, may nevertheless sell some or all of the shares for which they have cast their remote vote, sent a proxy or requested their admission card or a certificate of shareholding. However, if the sale occurs before the second working day preceding the meeting at midnight, Paris time, the Company, upon notification by the authorised intermediary account holder, will accordingly invalidate or modify, as the case may be, the vote cast remotely, proxy, admission card or certificate of shareholding.

Notwithstanding any convention to the contrary, no sale or transaction made after the second working day preceding the meeting at midnight, Paris time, regardless of the means used, shall be notified by the authorised intermediary or taken into consideration by the Company.

Shareholder representation

A shareholder may be represented under the conditions set by the laws and regulations in force.

7.2.2 Information about the share capital

7.2.2.1 Shares held by the Company or on its behalf

Shares held at 31 December 2023

Pursuant to the authorisations granted by the General Meeting, the Board of Directors implemented the share buyback programme during financial year 2023 as follows:

- **Liquidity contract**

As a reminder, FDJ has mandated a financial intermediary to act on its behalf on the Market, in order to promote the liquidity of transactions and the regularity of the quotation of the Securities and to avoid price shifts that are not justified by the market trend. This mandate became effective on 19 December 2019 and has been renewed for the following years. As of 31 December 2023, 95,810 shares were included in the liquidity contract.

- **Grant of performance shares to employees and corporate officers**

FDJ has mandated a financial intermediary to purchase its own shares on its behalf, with a view to subsequently allocating them to the beneficiaries of performance share plans (LTI). During financial year 2023, purchases were made as follows:

- under LTI 1 (2021-2023): from 22 March to 26 April 2023, FDJ acquired 32,000 shares;
- under LTI 2 (2022-2024): from 22 March to 26 April 2023, FDJ acquired 37,000 shares;
- under LTI 3 (2023-2025): from 1 June to 28 July 2023, FDJ acquired 70,000 shares.

In total, as of 31 December 2023, and taking into account the shares purchased during previous financial years under various LTI plans, the number of treasury shares held was 384,810. For details of transactions, see the tables in the section below entitled "Implementation of the share buyback programme".

Legal framework

In accordance with the provisions of Article 241-2 of the AMF's General Regulations and Regulation (EU) no. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, the purpose of this description is to describe FDJ's share buyback programme proposed to the Ordinary and Extraordinary General Meeting of 27 April 2023.

Maximum proportion of the capital to be acquired, maximum purchase price, maximum number and characteristics of shares that may be acquired under the share buyback programme

Maximum proportion of the Company's capital that may be bought back: 10% of the number of shares comprising the Company's share capital and 5% of the number of shares comprising the Company's share capital if they are acquired with a view to their retention and subsequent remittance in payment or exchange in the context of external growth

transactions. In accordance with Article L. 225-210 of the French Commercial Code, the number of shares held by the Company at any time may not exceed 10% of the shares comprising the Company's share capital at the relevant date.

Maximum purchase price per share: €70 excluding acquisition costs.

Maximum amount of the authorised programme: €700 million.

The securities that the Company proposes to acquire are exclusively ordinary shares.

Duration of the buyback programme

The authorisation would be granted for a period of 18 months from the approval of the resolution presented to the General Meeting.

Implementation of the share buyback programme

ANNUAL REVIEW OF TRANSACTIONS CARRIED OUT UNDER THE LIQUIDITY CONTRACT

Under the liquidity contract entrusted by the Company to Exane BNP Paribas, as at 31 December 2023, the following assets appeared on the liquidity account:

- 95,810 La Française des Jeux shares;
- €3,412,037.

During the first half of 2023, a total of:

- 388,403 shares were purchased for €14,662,787 (3,047 transactions);
- 352,263 shares were sold for €13,380,714 (3,131 transactions).

During the second half of 2023, a total of:

- 321,864 shares were purchased for €10,561,143 (2,522 transactions);
- 295,512 shares were sold for €9,712,545 (2,666 transactions).

As a reminder, as at 23 December 2019, the date of entry into force of the liquidity contract, the following assets appeared on the liquidity account: €3,000,000.

Annual review of share buyback transactions with a view to allocating performance shares

Under the mandate given by the Company to Société Générale, as at 31 December 2023, Société Générale purchased:

- 32,000 shares under the 2021 LTI for a total amount of €1,222,500;
- 37,000 shares under the 2022 LTI for a total amount of €1,413,516;
- 70,000 shares under the 2023 LTI for a total amount of €2,478,688.

A total of 139,000 shares were purchased for a total amount of €5,114,704.

New share buyback programme

The Annual Ordinary and Extraordinary General Meeting to be held on 25 April 2024 is invited to authorise the Board of Directors to implement a new share buyback programme and to adopt a new resolution authorising the Board of Directors to cancel shares:

The main conditions of these financial authorisations are described in the table below:

Purpose	Duration	Possible objectives of the Company's share buyback programme	Special ceiling	Price or terms of price determination
Authorisation to trade in the Company's shares	18 months	<ul style="list-style-type: none"> - Implementation of the Company's stock option plans. - Allocation or assignment of shares to employees. - Allocation of free shares to employees or Corporate Directors. - Cancellation of some or all of the shares repurchased in this manner. - Delivery of shares in the context of external growth transactions, mergers, demergers or contributions. - Transactions on the secondary market or the liquidity of the Company's shares through an investment services provider under a liquidity agreement in accordance with the Code of Ethics recognised by the AMF. 	<ul style="list-style-type: none"> - The Company may not hold a number of shares representing more than 10% of its share capital as adjusted to the result of transactions modifying it after this meeting. - The number of shares acquired for the purposes of retention or subsequent delivery in the context of a merger, demerger or contribution may not exceed 5% of the share capital. - Total amount allocated to the share buyback programme: €700m. 	Maximum purchase price per share: €70
Reduction of the Company's capital	18 months	Cancellation of treasury shares	No cancellation of more than 10% of capital per 24-month period	

7.2.2.2 Authorised unissued share capital

The Annual Ordinary and Extraordinary General Meeting is invited to grant the Board of Directors certain delegations of authority and powers, the summary of which is shown in the table below:

TABLE OF DELEGATIONS TO THE GENERAL MEETING OF 25 APRIL 2024

Resolution number	Type of authorisation	Authorised amount	Global Cap	Duration of the authorisation
[17]	Authorisation to be given to the Board of Directors to trade in the Company's shares under the terms of Article L. 22-10-62 of the French Commercial Code	Maximum purchase price per share: €70 excluding acquisition costs Cumulative amount of acquisitions: €700 million Maximum holding: 10% of the share capital	This amount constitutes an overall maximum limit allocated to the share buyback programme.	18 months
[18]	Authorisation to be granted to the Board of Directors to reduce the share capital by cancelling shares purchased by the Company pursuant to Article L. 22-10-62 of the French Commercial Code	Within the limit of 10% of the share capital in 24-month periods	n/a	18 months

Shareholding and share capital

Also listed below are the delegations of authority and powers granted by the General Meeting of Shareholders to the Board of Directors, and still in force at the Date of the Universal Registration Document:

AUTHORISATIONS GRANTED TO THE BOARD OF DIRECTORS BY THE GENERAL MEETING OF SHAREHOLDERS ON 27 APRIL 2023

Resolution number	Type of authorisation	Authorised amount	Global Cap	Duration of the authorisation	Use of the authorisations
13	Authorisation to be given to the Board of Directors to trade in the Company's shares under the terms of Article L. 22-10-62 of the French Commercial Code	Maximum purchase price per share: €70 excluding acquisition costs Cumulative amount of acquisitions: €700 million Maximum holding: 10% of the share capital	This amount constitutes an overall maximum limit allocated to the share buyback programme.	18 months	<p><i>Transactions carried out under the liquidity contract:</i></p> <ul style="list-style-type: none"> – Average share price: €33.877 – Total number of shares⁽¹⁾: 45,841 – Cumulative amount of acquisitions: €14,739,164.08 – Percentage of share capital held: non-significant as at 31 December 2023 <p><i>Transactions carried out with a view to granting performance shares:</i></p> <ul style="list-style-type: none"> – Average share price: €36.80 – Total number of shares⁽²⁾: 139,000 – Cumulative amount of acquisitions: €5,114,703.93 – Percentage of share capital held: non-significant as at 31 December 2023
14	Delegation of authority to the Board of Directors to issue ordinary shares and/or other securities giving immediate or deferred access to the share capital of the Company or one of its subsidiaries, with preferential subscription rights	20% of the share capital +€700m in nominal value of securities representing debt instruments Setting up a Global Cap of 20% of the share capital	The Global Cap of 20% constitutes a maximum Global Cap for share capital increases that may be carried out under this resolution and under the 15th, 16th, 17th, 18th, 20th, 21st and 22nd resolutions.	26 months	
15	Delegation of authority to the Board of Directors to issue ordinary shares and/or securities giving immediate or deferred access to the share capital of the Company or one of its subsidiaries without preferential subscription rights, by way of public offering (other than the offering referred to in paragraph 1 of Article L. 411-2 of the French Monetary and Financial Code)	10% of the share capital +€700m in nominal value of securities representing debt instruments	Deducted from the Global Cap of the 14th resolution	26 months	
16	Delegation of authority to the Board of Directors to issue ordinary shares and/or securities giving immediate and/or deferred access to the capital of the Company or one of its subsidiaries, without preferential subscription rights, by way of an offering referred to in section 1 of Article L. 411-2 of the French Monetary and Financial Code, intended exclusively for qualified investors and/or a restricted circle of investors	10% of the capital +€700m in nominal value of securities representing debt instruments	Deducted from the Global Cap of the 14th resolution and the sub-Cap of the 15th resolution	26 months	

Resolution number	Type of authorisation	Authorised amount	Global Cap	Duration of the authorisation	Use of the authorisations
17	Authorisation to be given to the Board of Directors, in the event of an issue without preferential subscription rights, to set the issue price in accordance with the terms approved by the General Meeting, within the limit of 10% of the capital per year	Relating to the 15th and 16th resolutions Within the limit of 10% of the share capital of the Company	Cap provided for in the resolution pursuant to which the issue is made, as well as the Global Cap set in the 14th resolution	26 months	
18	Delegation of authority to the Board of Directors to increase the number of securities to be issued in the event of a capital increase with or without preferential subscription rights	Limit provided by the applicable regulation (i.e. to date 15% of the initial issue)	Cap provided for in the resolution pursuant to which the issue is made, as well as the Global Cap set in the 14th resolution	26 months	
19	Delegation of authority to the Board of Directors to increase the share capital by incorporation of premiums, reserves, profits or other items	Cap fixed at the amount that can be legally incorporated	Not deducted from the Global Cap of the 14th resolution or any other cap	26 months	
20	Delegation of powers to the Board of Directors to issue ordinary shares and/or securities giving immediate or deferred access to the capital, without preferential subscription rights, in consideration for contributions in kind to the Company	Within the limit of 10% of the share capital of the Company	Deducted from the Global Cap of the 14th resolution and the sub-Cap of the 15th resolution	26 months	
21	Delegation of authority to the Board of Directors to issue ordinary shares or securities giving access to the capital of the Company, without preferential subscription rights, in the event of a public exchange offer initiated by the Company	Within the limit of 10% of the share capital of the Company	Deducted from the Global Cap of the 14th resolution and the sub-Cap of the 15th resolution	26 months	
22	Delegation of authority to be granted to the Board of Directors to increase the capital by issuing ordinary shares and/or securities giving access to the Company's capital reserved for members of employee savings plans, with cancellation of preferential rights in their favour, pursuant to Articles L. 3332-18 et seq. of the French Labour Code	Within the limit of 1% of the share capital of the Company	Deducted from the Global Cap of the 14th resolution and the sub-Cap of the 15th resolution	26 months	
23	Authorisation to be granted to the Board of Directors to reduce the share capital by cancelling shares purchased by the Company pursuant to Article L. 22-10-62 of the French Commercial Code	Within the limit of 10% of the share capital in 24-month periods	n/a	18 months	

(1) Total shares purchased and shares sold over the period.

(2) Total shares purchased during the period as no shares were sold in these transactions.

Shareholding and share capital

AUTHORISATIONS GRANTED TO THE BOARD OF DIRECTORS BY THE GENERAL MEETING OF SHAREHOLDERS ON 26 APRIL 2022

Resolution number	Type of authorisation	Authorised amount	Global Cap	Duration of the authorisation	Use of the authorisations
15	Authorisation to be granted to the Board of Directors to allocate, free of charge, subject to performance conditions, existing or future ordinary shares of the Company to eligible employees and Corporate Directors of the Company or its subsidiaries, without preferential subscription rights	Within the limit of 0.6% of the share capital of the Company Sub-cap of 0.09% of the share capital for executive corporate directors	n/a	38 months	<i>LTI 2022-2024</i> 174,764 shares allocated, i.e. approximately 0.091% of the Company's capital <i>LTI 2023-2025</i> 175,828 shares allocated, i.e. approximately 0.091% of the Company's capital

7.2.2.3 Other securities giving access to the share capital

As of the Date of the Universal Registration Document, the Company has not issued any securities giving access to the share capital other than the shares.

7.2.2.4 Changes in share capital

Below is a table summarising changes in the Company's shareholder base over the last two financial years:

Holders	For the year ended 31 December 2022			For the year ended 31 December 2023		
	Number of shares	% of capital	% of voting rights	Number of shares	% of capital	% of voting rights
French State	39,074,508	20.46%	27.11%	39,074,508	20.46%	27.16%
Veterans' associations, together (including UBFT's share 10.1%)	28,956,088	15.16%	19.82%	28,975,888	15.17%	19.88%
Total FDJ Group employee funds	7,249,634	3.80%	4.68%	7,153,951	3.75%	4.67%
Other (individual ownership below 5% as at 31 December of each year)	99,620,859	52.16%	37.52%	99,497,251	52.09%	37.41%
Treasury shares	185,319	n/a	n/a	384,810	0.20%	n/a
Company/Soficoma	5,730,000	3.00%	3.98%	5,730,000	3.00%	3.98%
Predica and CAAR	10,183,592	5.33%	6.88%	10,183,592	5.33%	6.89%
TOTAL	191,000,000	100%	100%	191,000,000	100%	100%

7.2.2.5 Options on the Company's share capital

As of the Date of the Universal Registration Document, there are no options on the Company's share capital. The Company is not aware of any pledge on a significant portion of its capital.

7.2.2.6 Non-equity securities

The Company has not issued any non-equity securities.

7.2.2.7 Voting rights

In accordance with Article 9, "Rights and obligations attached to the shares" in the Company's Articles of

Association, double voting rights relative to those of other shares, considering the percentage of capital that they represent, were granted effective 4 November 2019 to all fully paid shares which could be proven to be held in the registered account of the same shareholder for at least two years.

7.2.2.8 Changes in share capital and voting rights

The share capital may be increased, depreciated or reduced pursuant to the conditions and means provided for in the laws and regulations in force.

7.2.2.9 Legislative or regulatory provisions delaying, deferring or preventing a change of control

In accordance with the Pacte Law and the Order, regardless of its stake, the French State exercises close control over FDJ starting as from the date of transfer of the majority of FDJ's share capital to the private sector, which will take the form of:

- the obligation that the Chairman, Chief Executive Officer and Deputy Chief Executive Officers of FDJ be approved by the Ministers in charge of the Economy and the Budget (who may refuse to grant their approval solely for reasons relating to the existence of certain criminal convictions or the failure to comply with the objectives mentioned in the Order); and
- the obligation that shareholders, both individuals and corporate entities, acting alone or in concert, that wish to hold more than 10% or a multiple of 10% of share capital or voting rights of FDJ, obtain prior approval by the Ministers in charge of the Economy and the Budget (authorisation may be refused solely on grounds of protection of public order, the fight against money laundering and the financing of terrorism, the needs of public safety and the fight against excessive or pathological gambling).

7.2.2.10 Crossing of thresholds

• Crossing of legal thresholds

Pursuant to the provisions of the French Commercial Code, any individual or legal entity, acting alone or in concert, that comes to own a number of shares representing more than 5%, 10%, 15%, 20%, 30%, 33.3%, 50%, 66.6%, 90% or 95% of the share capital or voting rights must inform the Company, at the latest before the close of trading on the fourth trading day following the day on which the shareholding threshold is crossed, of the total number of shares or voting rights that he or she owns (Articles L. 233-7 and R. 233-1 of the French Commercial Code). They must also inform the AMF before the close of trading, no later than the fourth trading day after the shareholding threshold is crossed (Article 233-14 of the AMF General Regulation).

The AMF will make public any thresholds crossed.

To the best of the Company's knowledge, as at 31 December 2023, no other declaration of crossing the legal threshold has been made.

• Crossing of thresholds set by the Articles of Association

Pursuant to Article 11 of the Company's Articles of Association, in addition to declarations of crossing of legal thresholds, any individual or corporate entity, acting

alone or in concert, that comes to hold, or ceases to hold, directly or indirectly, a fraction of the share capital or voting rights of the Company:

- greater than or equal to 1% of share capital or voting rights of the Company, or any multiple of that percentage up to 5% of the share capital or voting rights; and
- greater than or equal to 0.5% of the share capital or voting rights of the Company, or any multiple of that percentage above 5% of the share capital or voting rights, including above the reporting thresholds stated in the laws and regulations in force, must inform the Company of the total number of shares and voting rights that it owns and of the securities giving access to the share capital and voting rights potentially attached thereto by means of a registered letter with acknowledgement of receipt sent to the registered office by the closing of the fourth trading day following the day that the threshold is crossed.

For the purpose of determining the thresholds referred to above, indirectly held shares or voting rights and shares or voting rights similar to the shares or voting rights held as defined by the provisions of Articles L. 233-7 et seq. of the French Commercial Code will be taken into account.

In the event that the provisions of this article are not observed, on a request recorded in the minutes of the General Meeting of Shareholders by one or several shareholders holding at least 5% of the share capital or voting rights of the Company, the shareholder who has not made the aforementioned declaration within the prescribed time shall be deprived of the voting right in any meeting of shareholders that would be held until the expiry of a period of two years following the date of a declaration of regularisation.

The Company reserves the right to inform the public and shareholders of the information notified to it, as well as, where applicable, the failure to comply with the aforementioned obligation by the person or entity in question.

7.2.2.11 Identification of holders of securities

In accordance with Article L. 228-2 of the French Commercial Code, for the purpose of identification of holders of bearer shares, the Company or its agent is entitled to request at any time, in return for compensation at its own expense, that either the central depository who keeps the account having issued the securities, or one or more of the intermediaries mentioned in Article L. 211-3 of the French Monetary and Financial Code directly, give information concerning the owners of its shares and securities conferring immediate or future voting rights in its own shareholders' meetings.

7.3 Legal and arbitration proceedings

The main disputes in which the Group is involved are detailed below. The Company is not aware of other governmental, judicial or arbitration procedures (including any procedure of which the Company is aware of, that is imminent or threatened), for the 12-month period preceding the Date of the Universal Registration Document, which

could have or have recently had material effects on the financial situation or profitability of the Group. As at the Date of the Universal Registration Document, when the amounts claimed against FDJ were very significant, FDJ has always been sentenced to pay much smaller amounts.

7.3.1 Agent-broker litigation related to FDJ's distribution network

Until 2015, FDJ used an intermediate distribution network of agent-brokers to market its games to the offline distribution network.

Over the past 20 years, the agreements entered into with each agent-broker have been subsequently amended, decreasing the number of sectors from over three hundred to one hundred in 2014. As a result of negotiations conducted in 2003, an amendment to the standard agent-broker agreement was signed that improved the efficiency of the distribution channel by reducing the number of geographical sectors. Seeking to continue streamlining and modernising its sales structure, FDJ entered into new negotiations with the agent-broker network in 2010 and 2011, but an agreement could not be reached.

In 2012, further modifications were made to its geographical sectors, following a severance package proposed by FDJ providing for an increased contractually stipulated compensation, and on the expiration of a number of agent-broker contracts, on their 66th birthday. The new geographical sectors resulted in the departure of 25 agent-brokers out of a total 133 agent-brokers.

In 2014, FDJ made the decision to restructure its distribution network and to implement its new sales policy. On 22 May 2014, it sent the agent-brokers a letter terminating their contracts with 18 to 30 months' notice and the payment of a contractual indemnity.

Individual dispute

Following the changes in sectoring implemented in 2012, one legal proceeding was brought by an agent-broker on an individual basis in 2015. This broker made claims based on FDJ's contractual liability for non-compliance with the provisions relating to the assignment of its contract and its potential resumption. The broker demanded the payment of an indemnity in excess of the stated contractual rate. The applicant agent-broker also considered FDJ's rejection of the assignee to be allegedly abusive. The dispute is currently pending before the Court of Cassation. In a judgment dated 16 December 2021, the Versailles Court of Appeal ruled that La Française des Jeux had been at fault by refusing to approve one of the proposed assignees and ordered La Française des Jeux to pay the increased indemnity requested by the assigning agent-broker, rather than the contractual indemnity, given La Française des Jeux's failure to fulfil its obligations as noted by the Court of Appeal. The Court of Appeal ordered La Française des Jeux to pay the

agent-broker the sum of €454,170 in damages. La Française des Jeux has appealed to the Court of Cassation against this decision. The case was heard on 24 October 2023. In a judgment dated 13 December 2023, the Court of Cassation dismissed the appeal lodged by La Française des Jeux against the appeal judgment, which has now become final.

Collective disputes

Agent-brokers also brought two collective proceedings.

83 agent-brokers dispute

On 16 May 2012, 106 agent-brokers initiated proceedings against FDJ before the Nanterre Commercial Court seeking a ruling on the court-ordered termination of the amendment implementing the sectoring agreement negotiated in 2003. Some agent-brokers withdrew from proceedings. 83 plaintiffs currently remain.

A stay was issued pending the decision to be taken in the UNDJ dispute described below.

On 11 December 2011, the French gaming retailers' syndicate (UNDJ - Union nationale des diffuseurs de jeux), the professional association representing the agent-brokers' interests, summoned FDJ to appear before the Paris Tribunal de Grande Instance Court seeking an order whereby the July 2003 amendment would be ruled invalid. The UNDJ claimed that the amendment created a significant imbalance between the rights and obligations of the parties and asked that FDJ be ordered to pay damages. In a judgment dated 27 March 2018, the Paris Tribunal de Grande Instance Court declared the UNDJ's claims inadmissible for lack of right of action and dismissed them. The UNDJ appealed against the decision. The Paris Court of Appeal declared the UNDJ's declaration of appeal invalid in an order dated 19 December 2018.

As the UNDJ dispute is now over, but only the question of the admissibility of the action by the professional association has been settled, the 83 agent-brokers filed a motion to reopen the case before the Nanterre Commercial Court on 21 February 2020 in order to have the merits of the dispute settled. The case was heard on 19 September 2023. The decision was issued on 13 December 2023 and dismissed the claims of the 83 agent-brokers, ordering them each to pay the sum of €800 to La Française des Jeux under Article 700 of the French Code of Civil Procedure, i.e. a total of €66,400. The 83 agent-brokers may appeal against this decision within one month of service of the decision.

4 agent-brokers dispute

On 28 June 2016, six retired agent-brokers summoned FDJ to appear before the Paris Commercial Court.

The brokers claimed that by improperly terminating the contracts of all active agent-brokers on 22 May 2014, FDJ made it impossible to assign the contracts of the brokers who were retiring. Their claim for damages is valued at four times the amount of the commissions perceived in the year preceding the termination. Since two agent-brokers withdrew from the proceedings, there are currently four claimants.

A stay was issued pending the decision to be taken in the 67 agent-brokers dispute described below.

On 6 August 2015, 67 agent-brokers summoned FDJ to appear before the Paris Commercial Court to challenge the termination of their contracts and to claim damages for failure to observe the notice period related to the seniority of the commercial relationship and brought an additional

claim related to the value of their sector, which was valued at four times the previous year's commissions. By judgment of 3 October 2016, the Court dismissed their claims in their entirety. On 23 November 2016, the agent-brokers appealed against this judgment to the Paris Court of Appeal, which upheld all provisions of the judgment in a decision dated 27 March 2019. On 14 June 2019, the agent-brokers then filed an appeal against this judgment in the Court of Cassation. In a decision dated 10 November 2021, the Court of Cassation rejected their appeal.

As the 67 agent-brokers dispute is now definitively over, the four agent-brokers filed a motion to reopen the case before the Nanterre Commercial Court on 17 June 2022. By decision dated 30 January 2023, the Nanterre Commercial Court dismissed all of the claims of the four agent-brokers and ordered them to pay the sum of €20,000 each under Article 700 of the French Code of Civil Procedure. The four agent-brokers did not appeal against this decision. This dispute is therefore now closed.

7.3.2 Soficoma dispute involving FDJ share ownership

Before the Company's IPO, the share capital of FDJ was strictly closed and reserved for five categories of individuals or corporate entities, all of which are listed in the Articles of Association. This list included partnerships or commercial companies whose capital is held exclusively by individuals or corporate entities with agent-broker status. The agent-brokers purchased a 3% stake in FDJ in 1988 through Soficoma, a company which was incorporated for that purpose.

The reorganisation of its distribution network caused FDJ to notify its agent-brokers on 22 May 2014 of the termination of their contracts. On 21 November 2016, the notice period for the termination of the most recent agent-brokers contracts expired. As of that date, FDJ no longer had agent-brokers in its network.

On 15 December 2016, the Board of Directors therefore found that Soficoma no longer met the requirements to be a shareholder of the Company and decided that FDJ should buy the shares held by Soficoma at a price of €2,607.99 per share, for a total of €15,647,940 which corresponded to the price set at the most recent FDJ General Meeting held on 25 May 2016, in accordance with Article 15 of FDJ's Articles of Association. Soficoma contested the requirement to sell its FDJ shares and rejected the sale. On 18 May 2017, FDJ registered the sale price at the Caisse des Dépôts et Consignations.

In this context, on 23 May 2017, FDJ summoned Soficoma to appear before the Marseille Commercial Court seeking a ruling that, pursuant to FDJ's Articles of Association, Soficoma was required to sell its 6,000 FDJ shares for a total price of €15,647,940 within three months of the decision of the Board of Directors stating that Soficoma had lost its status of FDJ shareholder on the date of registration of the sale price, and authorising the transcription of the share transfer in its records.

On 10 January 2018, Soficoma summoned the French State, represented by the Agence des Participations de l'Etat, to appear as a third party before the Marseille Commercial Court for abuse of its voting rights and requested that the decisions of the General Meetings of 27 May 2015, 25 May 2016 and 15 June 2017 be declared null and void. Soficoma further requested the convening of a new General Meeting in order to vote on a resolution setting the value of the FDJ shares, the

appointment of a proxy before the meeting for the purpose of voting at the General Meeting in lieu of the French State and the appointment of an expert before the meeting to value the shares comprising the capital of FDJ.

By decision dated 23 May 2019, the Marseille Commercial Court found that Soficoma no longer met the requirements to remain a shareholder of FDJ given the termination of the agent-broker contracts on 22 May 2014 and the expiry of the most recent notice period on 21 November 2016; declared that Soficoma was required to sell the 6,000 shares that it held to FDJ for a total price of €15,647,940 within the three-month period following the meeting of the Board of Directors on 15 December 2016; declared the undertaking to sell contained in the FDJ Articles of Association valid, found that Soficoma lost its status of FDJ shareholder as from the date of deposit of the funds with the Caisse des Dépôts et Consignations (18 May 2017) and authorised FDJ to transcribe in its records the transfer by Soficoma of the 6,000 shares to FDJ.

On 20 June 2019, Soficoma lodged an appeal against that decision before the Court of Appeal of Aix en Provence. By a judgment dated 17 November 2022, the Court of Appeal of Aix en Provence upheld the ruling in its entirety and dismissed all claims against the French Republic. Soficoma filed an appeal to the Court of Cassation on 13 December 2022. The matter is ongoing and the parties are exchanging statements of position.

In the meanwhile, on 27 December 2017 Soficoma summoned FDJ to appear before the Nanterre Commercial Court seeking confirmation of its FDJ shareholder status on the day of the Annual General Meeting of 15 June 2017 and ordering FDJ to pay it the sum of €3,720,000 corresponding to the amount of its dividends due for the 6,000 shares corresponding to its shareholding. A stay of proceedings was issued on the matter of dividends on 26 December 2018, pending the outcome of the dispute before the Marseille Commercial Court. In its conclusions of 9 April 2021, Soficoma requested that the case be reinstated on the grounds that the Marseille Commercial Court had ruled on the merits and updated the amount of dividends that would be due to it by requesting, in addition to the payment of dividends for the financial year ended 31 December 2016, that of the financial years ended 31 December 2017, 2018 and 2019. FDJ again requested a

Legal and arbitration proceedings

stay of proceedings pending the outcome of the main proceedings currently underway before the Court of Appeal of Aix en Provence. On 23 May 2022, the Commercial Court of Nanterre again stayed the proceedings. Soficom applied to the First President of the Court of Appeal of Versailles for permission to appeal this decision to stay proceedings.

By a summary order on 9 June 2022, the First President of the Court of Appeal of Versailles rejected Soficom's application.

As at the Date of the Universal Registration Document, and following the split of the Company's shares, these 6,000 shares represent 5,730,000 shares.

7.3.3 Administrative proceedings The Betting and Gaming Council, Betclik Enterprises Limited, European Gaming and Betting Association and SPS Betting France Limited relating to certain acts concerning FDJ's activities under exclusive rights

In a letter dated 20 May 2021, the Council of State called on FDJ to present observations in a proceeding initiated in December 2019 by four claimants. These applicants - The Betting and Gaming Council, Betclik Enterprises Limited, European Gaming and Betting Association and SPS Betting France Limited - brought fourteen actions for excess of power against Order no. 2019-1015 of 2 October 2019 reforming the regulation of gambling, Decree No. 2019-1060 of 17 October 2019 relating to the terms and conditions for the application of close State control over La Française des Jeux, Decree No. 2019-1061 of 17 October 2019 relating to the supervision of the gaming range of La Française des Jeux and Pari Mutuel Urbain, Decree No. 2019-1105 of 30 October 2019 deciding on the transfer to the private sector of the majority of the capital of the public limited company La Française des Jeux, the Order of 6 November 2019 setting the terms and conditions for the transfer to the private sector of the majority of the capital of La Française des Jeux, the Order of 20 November 2019 setting the price and terms of allocation of shares in La Française des Jeux,

Decree No. 2019-1563 of 30 December 2019 on the approval of the Articles of Association of La Française des Jeux and Decree No. 2020-494 of 28 April 2020 on the terms and conditions for making the gaming range and gaming data available. The applicants seek the annulment of the statutory instruments reforming the regulation of gambling games. In five judgments dated 14 April 2023 and one judgment dated 12 July 2023, the Council of State held that the exclusive rights granted to FDJ were justified on grounds of public order and the control of addiction risks, that the 25-year term of the exclusive rights granted to FDJ was not excessive, that the granting of exclusive rights to FDJ was compliant with European law and that there were no grounds to apply to the European Court of Justice for a preliminary ruling. With regard to the amount of the consideration paid by the FDJ to the French State in exchange for the exclusive rights, the Council of State suspended the proceedings and will decide after the European Commission has issued its decision on this matter.

7.3.4 European procedures

Following the privatisation of FDJ, two complaints were lodged with the European Commission, recorded as State aid cases SA. 56399 and SA. 56634, for the alleged granting of State aid in the form of guarantees, preferential tax treatment, and the granting of exclusive rights for insufficient remuneration. The complainants were the Association française des jeux en ligne (AFJEL), in a complaint dated 31 January 2020, and The Betting and Gaming Council (BGC), in a complaint dated 5 March 2020.

On 26 July 2021, the European Commission announced that it would conduct a detailed investigation of France regarding the adequacy of the €380 million payment made in "remuneration of the exclusive rights awarded" for point-of-sale sports betting and for lottery for a period of 25 years. The European Commission's decision to open the

investigation was published on 3 December 2021 in the list of State aid cases on its website and in the Official Journal of the European Union. The decision sets out the grounds that led it to query the arrangements from the perspective of the law on State aid. The case is ongoing and the parties are exchanging statements of position. FDJ submitted its observations to the European Commission on 3 January 2022. No timetable has yet been announced by the Commission.

The Commission closed the matter of the guarantee by a decision handed down on 3 December 2021, confirming that there was no guarantee in the sense of State aid. With respect to the matter of preferential tax treatment, the preliminary inquiry in response to the complaints remains ongoing.

7.3.5 Proceedings before the Council of State

On 1 February 2024, the French Competition Authority indicated that an appeal had been lodged with the Council of State against the decision of 15 September 2023 to authorise the ZEturf/La Française des Jeux transaction.

The appellant has three months from 11 December 2023 to submit evidence and claims in support of the appeal. La Française des Jeux has no further information at this stage.

7.4 FDJ and the stock market

7.4.1 Securities market

FDJ share overview

Corporate name	La Française des Jeux
ISIN code	FR0013451333
Mnemonic code	FDJ
Place of listing	Euronext Paris – compartment A
ICB classification	5752 Gambling
Main stock market and non-financial indices	SBF 120, CAC Mid 60, Euronext Vigeo France 20, Euro Stoxx 600, MSCI Europe, FTSE Euro
Share eligibility	Equity savings plan (PEA)
Nominal value	€0.40
Number of shares in circulation as at 31.12.2023	191,000,000
Share price as at 31.12.2023	€32.84
Stock market capitalisation as at 31.12.2023	€6,272,440,000 ⁽¹⁾

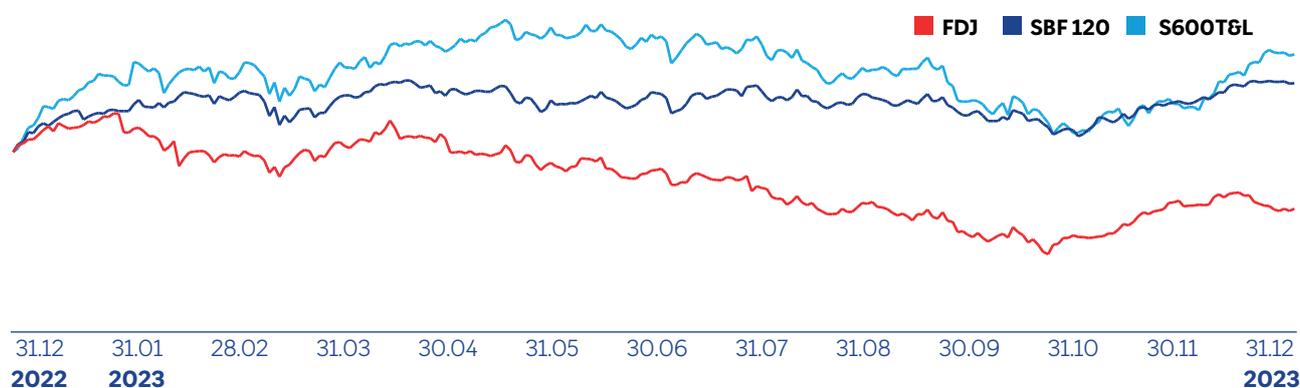
(1) At end-2023, FDJ was the 57th company in the SBF 120 in terms of stock market capitalisation.

Stock market data

2023 annual change

FDJ	- 13%
SBF 120	15%
Stoxx 600 Travel & Leisure	22%
As at 31 December 2023, the weight of the FDJ share is:	
– In the SBF 120	0.1954%
– In the CAC Mid 60	1.7346%
– In the Stoxx 600 Travel & Leisure	3.0581%

FDJ and the stock market

CHANGE IN FDJ'S SHARE PRICE OVER 2023 COMPARED TO THE SBF 120 INDEX AND THE STOXX 600 TRAVEL & LEISURE INDEX, ON 100 BASE VALUE AT 31 DECEMBER 2022**7.4.2 2024 financial calendar**

17 April 2024 (after trading) Revenue 1st quarter 2024 <i>Quiet period*: from 1 April 2024 before trading to 18 April after trading</i>	25 April 2024 General Meeting	25 July 2024 (after trading) Results 1st half 2024 <i>Quiet period*: from 24 June 2024 before trading to 26 July after trading</i>	17 October 2024 (after trading) Revenue 9 months 2024 <i>Quiet period*: from 30 September before trading to 18 October after trading</i>
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* Period during which the Company no longer interacts with financial analysts and institutional investors.

This calendar is given as an indication; it may be modified if necessary.

7.4.3 Communication with shareholders and investors

Since its IPO on 21 November 2019, FDJ has maintained a relationship of trust with its investors and shareholders, both individual and institutional, based on dialogue and transparency.

The Group informs its institutional and individual shareholders and, more broadly, the financial community about its activity and results, as well as about its strategy and outlook, on a regular and accurate basis, notably on the basis of the schedule of its periodic publications available on its website.

Today, FDJ is regularly monitored by more than 10 French and international analysts (<https://www.groupefdj.com/en/investors/analysts.html>).

In 2023, FDJ's General Management and the Investor Relations Department increased their interactions with French and international institutional investors and financial analysts, both through participation in numerous seminars and broker forums, by organising conference calls and roadshows as well as individual exchanges.

The publication of annual and half-yearly results, as well as first and third quarter revenue, are the subject of press releases distributed in French and English, and presentations to investors during dedicated conference calls. All of these

documents are simultaneously posted on the Group's website and transmitted through the usual regulatory channels (wire).

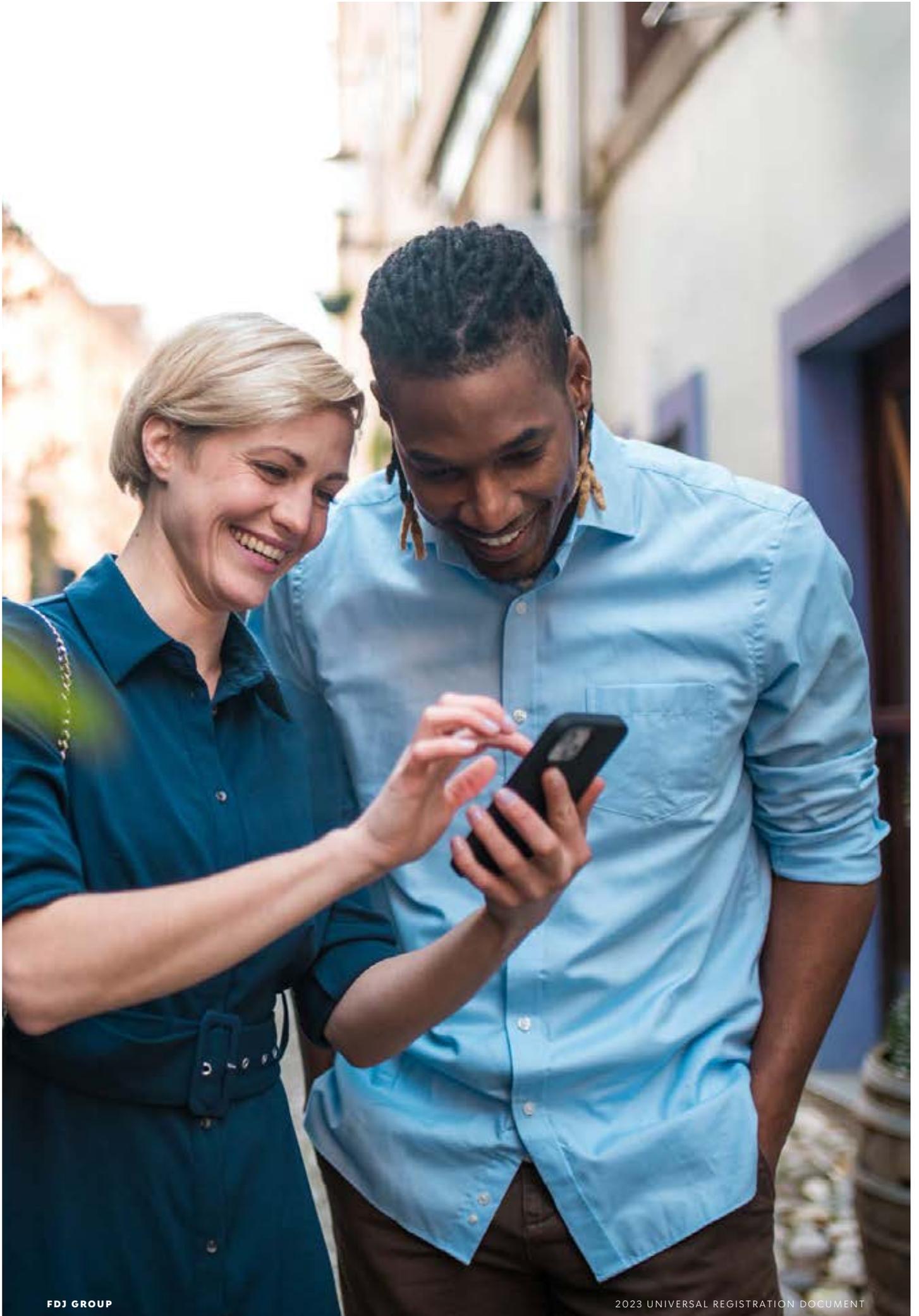
FDJ makes all financial information available to stock market stakeholders, in French and/or English, in the Investors section of its website: <https://www.groupefdj.com/en/investors.html>.

Dialogue with individual shareholders (nearly 400,000 at the end of 2023) is handled by a dedicated team attached to the Group Communications and Sponsorship Department. All information for individual shareholders, in English, can be found in the individual shareholders section: <https://www.groupefdj.com/en/shareholders.html>. It includes quarterly newsletters, information on how to become a shareholder and information on the Shareholders' Club, which has almost 16,000 members.

The General Meeting is held in person, with streaming available on the Group's website. Information and all documents relating to this event are also available on this website. Prior to the General Meeting, FDJ discusses with its shareholders, in particular, the main resolutions that will be presented.

For any questions, please contact the teams:

Investor relations	Individual shareholder relations
+33 (0)1 41 04 19 74	+33 (0)805 650 660
invest@fdj.com	contact@actionnaires-fdj.com



08 Additional Information

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Persons responsible

8.1 Persons responsible

8.1.1 Person responsible for the Universal Registration Document

Stéphane Pallez, Chairwoman and CEO of the Company.

8.1.2 Statement by the person responsible for the Universal Registration Document

"I hereby certify that the information contained in this Universal Registration Document is, to my knowledge, accurate and free from any omission likely to affect its import.

I certify that, to the best of my knowledge, the financial statements are prepared in accordance with applicable accounting standards and give a true and fair view of the assets, financial position and results of the Company and all the companies included in the consolidation, and that the items of the management report contained in this document, as specified in the cross-reference table in section 8.5.3, present a true and fair picture of business developments, the results and financial position of the Company and all the companies included in the consolidation, as well as a description of the main risks and uncertainties they face."

15 March 2024

Stéphane Pallez

Chairwoman and CEO

8.1.3 Expert reports and declarations of interest

Not applicable.

8.1.4 Financial reporting officer

Pascal Chaffard, Executive Vice-President, Finance, Performance and Strategy

8.2 Statutory Auditors

Deloitte & Associés

Member of the Compagnie régionale des commissaires aux comptes de Versailles

Represented by Nadège Pineau

Tour Majunga, 6 place de la Pyramide
92908 Paris-la-Défense Cedex

Deloitte & Associés was appointed as Statutory Auditor for the first time by the Annual General Meeting of Shareholders held on 3 June 2003. Its term was renewed most recently by the Annual General Meeting of 16 June 2021, for a period of six years, i.e. until the Ordinary General Meeting called to approve the financial statements for the year ending 31 December 2026.

PricewaterhouseCoopers Audit

Member of the Compagnie régionale des commissaires aux comptes de Versailles

Represented by Jean-Paul Collignon

63, rue de Villiers
92200 Neuilly-sur-Seine

PricewaterhouseCoopers Audit was appointed as Statutory Auditor for the first time by the Annual General Meeting of Shareholders held on 25 May 2016. Its term was renewed by the Annual General Meeting of 26 April 2022, for a period of six years, i.e. until the Ordinary General Meeting called to approve the financial statements for the year ending 31 December 2027.

8.3 Definitions

The terms below, used in this document, are defined as follows:

“Acceleration Business Unit” or “ABU”	means the Group’s adjacent activities under development: international and Payment & Services in points of sale.
“Licence”	means the authorisation granted by FDJ to a retailer for the promotion and marketing of all or some of its games and services at a point of sale. Distributors holding a licence act in the name and on behalf of FDJ in accordance with contractually agreed conditions.
“ANJ”	means the French gaming regulatory authority (Autorité nationale des jeux), an independent authority that regulates lottery, sports betting and horse-race betting activities, both online and in physical distribution networks, as well as online poker (see Note 1.5 “Regulatory environment” in Chapter 1 “Overview of the Group”).
“B2B”	means commercial and marketing activities carried out between businesses.
“B2C”	means commercial and marketing activities carried out between a business and a consumer.
“Business Unit” or “BU”	means one of the two core activities of FDJ: lottery, and sports betting and online gaming open to competition.
“Specification Document”	means the specification document (cahier des charges) of La Française des Jeux, approved by the Close Control Decree.
“Revenue”	means the combination of NGR and revenue from the Group’s other activities, mainly international services, and the Payment & Services business.
“Afep-Medef Code”	means the Corporate Governance Code established by Afep and Medef for publicly traded companies.
“Convention”	means the convention entered into between FDJ and the French State on 17 October 2019 in relation to the operation of lottery games distributed through offline and online networks, as well as sports betting games distributed through offline networks and approved by the Close Control Decree (see paragraph 1.5.1. “Exclusive rights regime and submission of FDJ to close control by the French State” of Chapter 1 “Overview of the Group”).
“Close Control Decree”	means Decree No. 2019-1060 of 17 October 2019 relating to the terms of implementation of the close control of the French State over FDJ.
“Exclusive Rights Decree”	means Decree No. 2019-1061 of 17 October 2019 relating to the supervision of the gaming offer of FDJ and PMU.
“Date of the Universal Registration Document”	means the date on which the Universal Registration Document was filed with the Autorité des marchés financiers.
“Universal Registration Document”	means this Universal Registration Document filed with the Autorité des marchés financiers.
“Exclusive rights”	means the authorisations to operate certain gaming activities exclusively issued by the competent authorities in France, thereby conferring a monopoly on the operation of these games on the operators who hold them, as opposed to gaming activities which may be open to competition on the basis of an approval issued by the ANJ.
“Group”	means the group of companies made up of FDJ and all of its subsidiaries.
“Extensive gaming”	means gaming by a large number of players making low level stakes.
“Draw games”	means games for which the element of chance, in the form of a draw, is shared by all players. They include traditional draw games, successive draw games and additional draw games.
“Instant games”	means games for which the element of chance is unique to each player. They include scratch games, instant risk games and other instant games.

Documents available to the public

"Responsible gaming"	means all measures aimed at preventing underage and excessive gambling (see Chapter 4, Note 4.6 "Responsible gaming").
"Occasional players"	means FDJ players who have stated that they play FDJ games less than once a month, according to the FDJ annual market survey (FDJ players are considered Occasional Players only if they state that they have played an FDJ game at least once during the past 12 months).
"Regular players"	means FDJ players who have stated that they play FDJ games at least once a month, according to the FDJ annual market survey.
"Pacte Law"	means Law No. 2019-486 of 22 May 2019 on business growth and transformation.
"Gaming market"	means each of the relevant gaming markets depending on the type of game, the distribution channel and the terms of the gaming offer (under exclusive rights or open to competition).
"Stake"	means the amount paid by the player in consideration for his or her participation in a game. In a point of sale, the stake is paid by the player to the distributor in the form of money or a promotional coupon. Online, the stake is paid via the customer's "electronic purse", which itself is filled by customer payments, winnings from previous games and promotional credits received (ecredits).
"Omnichannel"	means the strategy deployed by FDJ in the lottery sector to offer its players a unique gaming experience depending on whether they use the physical and/or digital distribution channels.
"Order"	means Order No. 2019-1015 of 2 October 2019 reforming the regulation of the gaming sector.
"Sports Betting"	means bets with a stake of monetary value where the potential winnings of the players depend on the accuracy of their predictions of the outcome of any genuine sports competition lawfully held in France or abroad.
"GGR" or "Gross gaming revenue"	see Chapter 5, Note 5.2.2.1 "Revenue".
"POS"	means the points of sale offering FDJ games.
"NGR" or "Net gaming revenue"	see Chapter 5, Note 5.2.2.1 "Revenue".
"Gaming sector"	means the activities developed by gaming operators as a whole, including lottery games, sports and horse-race betting, poker and casino games.
"PR" or "Payout ratio"	see Chapter 5, Note 5.2.2.1 "Revenue".
"Theoretical Payout Ratio"	means the theoretical percentage of stakes allocated to players.

8.4 Documents available to the public

The Articles of Association, minutes of General Meetings and other corporate documents of the Company, as well as historical financial information and any valuation or statement prepared by an expert at the request of the Company, to be made available to the shareholders in accordance with the regulations in force, may be consulted at the headquarters of the Company.

Regulated information within the meaning of the General Regulation of the Autorité des marchés financiers will also be available on the Company's website (www.groupefdj.com).

8.5 Cross-reference tables

8.5.1 Cross-reference table with the headings in Annexes 1 and 2 of Delegated Regulation (EU) 2019/980

This cross-reference table lists the main headings provided for in Annexes 1 and 2 of Commission Delegated Regulation (EU) 2019/980 of 14 March 2019, and references the sections of this Universal Registration Document where the information relating to each of those headings is mentioned.

Cross-reference table with the headings in Annexes 1 and 2 of Delegated Regulation (EU) 2019/980		Section of the URD
1	Persons responsible, third party information, experts' reports and competent authority approval	8.1
1.1	Persons responsible for the information	8.1
1.2	Declaration by the person responsible	8.1
1.3	Expert declarations and declarations of interest	8.1
1.4	Information sourced from a third party	n/a
1.5	Statement on the competent authority approving the document	Insert
2	Statutory Auditors	8.2
2.1	Information about the Statutory Auditors	8.2
2.2	Information relating to any resignation or non-reappointment of the Statutory Auditors	8.2
3	Risk factors	3
4	Information about the issuer	7
4.1	Legal and commercial name of the issuer	7.1.1
4.2	Place of registration of the issuer and its legal entity identifier	7.1.2
4.3	Date of incorporation and length of life of the issuer	7.1.3
4.4	Domicile and legal form of the issuer, legislation under which the issuer operates	7.1.4
5	Business overview	1
5.1	Principal activities	1.2
5.2	Principal markets	1.1
5.3	Important events in the development of the issuer's business	1.2
5.4	Description of the issuer's business strategy and objectives	Integrated report
5.5	Extent to which the issuer is dependent on patents or licences, industrial, commercial or financial contracts or new manufacturing processes	1.4
5.6	Basis for any statements made by the issuer regarding its competitive position	1.1
5.7	Investments	
5.7.1	<i>Description of the issuer's material investments</i>	5.5.1
5.7.2	<i>Description of any material investments of the issuer that are in progress, including their geographic distribution, and the investments the issuer plans to make</i>	5.5.2
5.7.3	<i>Information relating to the joint ventures and undertakings in which the issuer holds a proportion of the capital likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses</i>	7.1.8/6.1 (Note 10)
5.7.4	<i>Description of any environmental issues that may affect the issuer's utilisation of the tangible fixed assets</i>	4.11

Cross-reference tables

Cross-reference table with the headings in Annexes 1 and 2 of Delegated Regulation (EU) 2019/980		Section of the URD
6	Organisational structure	
6.1	Description of the Group	7.1.8
6.2	List of the issuer's significant subsidiaries	7.1.8
7	Operating and financial review	
7.1	Financial condition	
7.1.1	<i>Fair review of the development and performance of the issuer's business for the periods presented</i>	5.2, 5.6
7.1.2	<i>Indication of the issuer's likely future development and its activities in the field of research and development</i>	5.4, 5.7
7.2	Operating results	
7.2.1	<i>Events materially affecting the issuer's income from operations</i>	5.2, 5.6
7.2.2	<i>Explanations for material changes in net sales or revenues</i>	5.2, 5.6
8	Capital resources	
8.1	Information concerning the issuer's capital resources	5.2.3.1, 5.2.3.3
8.2	Sources and amounts, and narrative description of the issuer's cash flows	5.2.3.4
8.3	Information on the borrowing requirements and funding structure of the issuer	5.2.3.1, 5.2.3.2
8.4	Information regarding any restrictions on the use of capital resources that have materially affected, or could materially affect the issuer's operations	5.2.3.5
8.5	Information regarding the anticipated sources of funds needed for the Company to fulfil its commitments	5.2.3.6
9	Regulatory environment	
9.1	Description of the governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect the issuer's operations	1.5
10	Trend information	
10.1	Most significant trends in production, sales and inventory, and costs and selling prices since the end of the last financial year Significant change in the financial performance of the issuer	5.4
10.2	Known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects for at least the current financial year	5.4
11	Profit forecasts or estimates	5.4
12	Administrative, management and supervisory bodies and senior management	
12.1	Information concerning the members of the administrative and management bodies of the issuer	2.1.2
12.2	Conflicts of interest within administrative, management and supervisory bodies, and senior management	2.1.5
13	Remuneration and benefits	2.2
13.1	Amount of remuneration paid and benefits in kind granted	2.2
13.2	Total amounts set aside or accrued by the issuer or its subsidiaries to provide for pension, retirement or similar benefits	2.2
14	Board practices	
14.1	Date of expiration of the current terms of office	2.1.2
14.2	Service contracts for members of the administrative, management or supervisory bodies	2.1.4
14.3	Information about the issuer's Audit Committee and Remuneration Committee	2.1.2.3
14.4	Statement as to whether or not the issuer complies with the corporate governance regime(s) applicable to it	2.1.1
14.5	Potential material impacts on the corporate governance, including future changes in the Board and committees composition	2.1.3

Cross-reference table with the headings in Annexes 1 and 2 of Delegated Regulation (EU) 2019/980		Section of the URD
15	Employees	
15.1	Number of employees	4.8
15.2	Shareholdings and stock options	7.1.7.1/7.2.2.5
15.3	Description of any arrangements for involving the employees in the capital of the issuer	7.1.7.2
16	Major shareholders	
16.1	Shareholders holding more than 5% of the capital	7.2.1
16.2	Existence of different voting rights	7.2.2.7
16.3	Ownership or control of the issuer	7.2.1.4
16.4	Arrangements that may result in a change in control of the issuer	7.2.1.5
17	Related party transactions	
17.1	Details of related party transactions	5.9
18	Financial information concerning the issuer's assets, financial position and profits and losses	
18.1	Historical financial information	6.1/6.3
18.2	Interim and other financial information	n/a
18.3	Audited annual historical financial information	6.2/6.4
18.4	Pro forma financial information	n/a
18.5	Dividend policy	5.10
18.6	Legal and arbitration proceedings	7.3
18.7	Significant change in the issuer's financial position	5.2.2
19	Additional Information	
19.1	Share capital	7.2.2
19.1.1	<i>Amount of issued capital, and information for each class of share capital</i>	7.2.2.4
19.1.2	<i>Number and main characteristics of shares not representing capital</i>	7.2.2.4
19.1.3	<i>Number, book value and face value of shares in the issuer held by or on behalf of the issuer itself or by its subsidiaries</i>	7.2.2.1
19.1.4	<i>Amount of any convertible securities, exchangeable securities or securities with warrants</i>	n/a
19.1.5	<i>Information about and terms of any acquisition rights and/or obligations over authorised but unissued capital or an undertaking to increase the capital</i>	n/a
19.1.6	<i>Information about any capital of any member of the Group which is under option or agreed conditionally or unconditionally to be put under option</i>	n/a
19.1.7	History of share capital for the period covered by the historical financial information	7.2.2
19.2	Memorandum and articles of association	
19.2.1	<i>Description of the issuer's objects and purposes, and registration number</i>	7.1.2/7.1.5
19.2.2	<i>Description of the rights, preferences and restrictions attaching to each class of shares</i>	7.2.2
19.2.3	<i>Provisions of the issuer's articles of association, statutes, charter or bylaws that would have an effect of delaying, deferring or preventing a change in control of the issuer</i>	7.2.2.9
20	Material contracts	1.5/3.3
21	Documents available	8.4

Cross-reference tables

Pursuant to Article 19 of Regulation (EU) 2017/1129, the following information is included by reference in this Universal Registration Document:

- the consolidated financial statements, the annual financial statements and the corresponding audit reports, as well as the review of the Group's financial position and results, and the other items relating to the Company's financial statements, appearing on pages 93 to 128, and 257 to 354 of the Universal Registration Document R. 21-006 (<https://www.groupefdj.com/fr/investisseurs/publications-financieres.html> > DEU2020 - available in French only);
- the consolidated financial statements, the annual financial statements and the corresponding audit reports, as well as the review of the Group's financial position and results, and the other items relating to the company's financial statements, appearing on pages and 221 to 343 of the Universal Registration Document D. 22-0124 (<https://www.groupefdj.com/en/investors/financial-publications.html> > 2021 Universal Registration Document).

8.5.2 Cross-reference table with the annual financial report

The cross-reference table below identifies the information in this Universal Registration Document that constitutes the annual financial report in accordance with Articles L. 451-1-2 of the French Monetary and Financial Code and 222-3 of the General Regulation of the Autorité des marchés financiers.

Themes		URD
1	Declaration by the natural persons responsible for the annual financial report	8.1.2
2	Management report	
2.1	Objective and comprehensive analysis of the development of the Company's business, results and financial position, including its debt position, in relation to the volume and complexity of the business and/or the Group	5.2, 5.6
2.2	Foreseeable development of the Company and/or the Group	5.4
2.3	Key financial and non-financial indicators of the Company and the Group	5.2.4/4
2.4	Indicators on the financial risks related to the effects of climate change and presentation of the measures the Company is taking to reduce them by implementing a low-carbon strategy in all parts of its business	4.11.1, 6.8
2.5	Indications of its objectives and policies for hedging each major category of forecast transactions for which hedge accounting is used, as well as its exposure to price, credit, liquidity and treasury risks. These indications include the Company's use of financial instruments	6 (Notes 4.4 and 9.5 to the consolidated financial statements)
2.6	Main characteristics of the internal control and risk management procedures implemented by the Company for the preparation and processing of accounting and financial information	3.2.3
2.7	Description of the main risks and uncertainties facing the Company	3
2.8	Purchase and sale by the Company of its own shares (share buybacks)	5.8.1, 5.8.2
3	Financial statements and reports	
3.1	Parent company financial statements	6.3
3.2	Statutory Auditors' report on the parent company financial statements	6.4
3.3	Consolidated financial statements	6.1
3.4	Statutory Auditors' report on the consolidated financial statements	6.2

8.5.3 Cross-reference table with the management report (French Commercial Code)

The cross-reference table below identifies the information in this Universal Registration Document that constitutes the management report in accordance with the applicable legal and regulatory provisions, and Articles L. 225-100 et seq. of the French Commercial Code.

Themes	URD
1 Information on the Company's business	
1.2 Analysis of the development of the business, the results, the financial position and in particular the indebtedness of the Company and the Group	5.2, 5.6
1.3 Foreseeable development of the Company and/or the Group	5.4
1.4 Key financial and non-financial indicators of the Company and the Group	5.2.4/4
1.5 Significant post-balance sheet events of the Company and the Group	5.3
1.6 Indications of its objectives and policies for hedging each major category of forecast transactions for which hedge accounting is used, as well as its exposure to price, credit, liquidity and treasury risks. These indications include the Company's use of financial instruments	6 (Notes 4.4 and 9.5 to the consolidated financial statements)
1.7 Description of the main risks and uncertainties facing the Company and the Group	3
1.8 Indicators on the financial risks related to the effects of climate change and presentation of the measures the Company is taking to reduce them by implementing a low-carbon strategy in all parts of its business	4.11.1 and 8
1.9 Information on the R&D of the Company and the Group	5.7
1.10 Main characteristics of the internal control and risk management procedures implemented by the Company for the preparation and processing of accounting and financial information	3.2.3
1.11 Mention of existing branches	n/a
1.12 Activity and results of the Company as a whole, of the Company's subsidiaries and of the companies it controls by business line	5.2.2.5
2 Legal, financial and tax information on the Company	
2.1 Breakdown, identity of individuals and changes in shareholdings	5.8.1
2.2 Name of controlled companies participating in the Company's treasury stock and their share of the capital	n/a
2.3 Significant shareholdings acquired during the year in companies with their registered office in France	5.1
2.4 Disposal of cross-shareholdings	n/a
2.5 Share buyback	5.8.1
2.6 Purchase and sale by the Company of its own shares for allocation to its employees (share buyback)	5.8.2
2.7 Employee share ownership statement	5.8.1
2.8 Works Council opinion on changes in the economic or legal organisation	n/a
2.9 Table of results for the last five years	5.6.3
2.10 Result for the year and proposed allocation of the result	5.6.3
2.11 Issue of securities giving access to the capital – indication of the elements for calculating the adjustment; and – results of this adjustment	n/a
2.12 Amounts of dividends paid for the previous three years	5.6.3
2.13 Amount of non-tax-deductible expenses and charges	5.8.4

Cross-reference tables

Themes	URD	
2.14	Payment terms and breakdown of trade payables and receivables by due date	5.8.5
2.15	Injunctions or financial penalties for anti-competitive practices	n/a
2.16	Information on related party agreements whose effects continue to exist during the financial year	5.9.2
2.17	Changes in the presentation of the consolidated financial statements, valuation methods and scope of consolidation	6 (Notes 2.2 and 3.1 to the consolidated financial statements)
2.17	Securities acquired by employees within the framework of an employee buyout	n/a
3	Information on Corporate Directors	
3.1	In the event of the allocation of stock options, the information on which the Board of Directors based the decision: – either to prohibit executives from exercising their options before leaving office; – or to require them to keep all or part of the shares resulting from options already exercised in registered form until the end of their office (specifying the fraction thus determined)	n/a
3.2	Summary statement of transactions by executives and related persons in company securities	5.8.3
3.3	In the event of the allocation of free shares, the information on which the Board of Directors based the decision: – either to prohibit executives from selling the shares allocated to them free of charge before leaving office; – or to set the quantity of those shares that they are required to keep in registered form until they leave office (specifying the fraction thus determined)	7.2.1.3
4	The Company's CSR information	
4.1	Non-financial information statement	4
4.2	Information on facilities classified as being at risk	n/a
5	Other information	
5.1	Amount of loans with a maturity of less than two years granted by the Company, as ancillary to its main business, to micro-enterprises, SMEs or mid-sized companies with which it has economic links justifying such loans	n/a
5.2	Information on payments made to the authorities of each of the states or territories in which the Company carries out the following activities: exploration, prospecting, discovery, exploitation or extraction of hydrocarbons, coal and lignite, metal ores, stones, sands and clays, chemical minerals and mineral fertilisers, peat, salt or other mineral resources, or the exploitation of primary forests	n/a
5.3	Information on the use of the competitiveness and employment tax credit	n/a
5.4	Special report on share subscription or purchase options concerning share subscription or purchase options granted to Corporate Directors and employees	n/a
5.5	Special report on grants of free shares to Corporate Directors and employees during the year	n/a
5.6	Duty of care plan: – risk mapping to identify, analyse and prioritise risks; procedures for the regular assessment of the situation of subsidiaries, subcontractors or suppliers with which an established business relationship is maintained, with regard to risk mapping; – appropriate actions to mitigate risks or prevent serious harm; – mechanism for alerting and collecting reports on the existence or occurrence of risks, established in consultation with the representative trade unions in the Company; – system for monitoring the measures implemented and evaluating their effectiveness.	n/a

8.5.4 Cross-reference table with the corporate governance report

The cross-reference table below identifies the information in this Universal Registration Document that constitutes the corporate governance report as required by Articles L. 225-37 et seq. of the French Commercial Code.

Themes	Section of the URD
1 List of offices and positions held by each corporate director in any company during the year	2.1.2.2
2 Agreements entered into, directly or through an intermediary, between one of the Corporate Directors or a shareholder representing more than 10% of the capital and another company of which the former directly or indirectly owns more than half of the capital	n/a
3 Summary table of currently valid delegations of authority granted by the general meeting of shareholders in respect of capital increases and showing the use made of those delegations of authority during the year	7.2.2.2
4 Choice of management arrangements	2.1.2.1
5 Remuneration policy for managers and directors (say on pay)	2.2.1
6 Information on the remuneration of Corporate Directors (say on pay)	2.2.2
7 Equity ratio and information on remuneration differentials between Corporate Directors and employees	2.2.2.4
8 Remuneration and conditions of preparation and organisation of the work of the Board	2.1.2.2
9 Any limitations that the Board of Directors places on the powers of the Chief Executive Officer	2.1.2.2
10 Corporate Governance Code chosen and any provisions of the Code that have been set aside	2.1.1
11 Special arrangements for participation in general meetings	7.2.1.7
12 Information concerning items likely to have an impact in the event of a public takeover bid	7.2.1.6
13 Application of the principle of balanced representation of women and men on the Board of Directors or the Supervisory Board	2.1.2.2



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