

SUSTAINABLE COMPANIES WIN

- and the reason is clear

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UCL
SCHOOL OF
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Let me start with the most uncomfortable number in this room

100%

of EL members are independently certified
under the EL Responsible Gaming
Framework

38%

of European lotteries surveyed had
an environmental policy in place

56%

calculated their greenhouse gas
emissions at all

You have already proved, as an industry, that you can change human behaviour at scale.

You have simply not decided to do it for the other half of the problem.

That is the whole argument of this keynote.

Three questions, thirty minutes

An outside view - from the science, to the capital, to what leaders actually do

01

Has the ground
really moved?

The state of the science, the money already committed, and why geography now changes the conversation.

02

What actually drives
the business case?

Regulation, reputation, cost, capital and growth - and the gap between what firms say and what they fund.

03

What do the winners
do differently?

How sustainability becomes strategy, why timing decides leadership, and the one thing to do next.

Industry-agnostic evidence. Four moments where I will point it straight at your sector.

01

The ground has moved

From warning to accounting



THE SCIENCE

For thirty years this was a warning. It is now a set of accounts.

The signal in 2025 was unambiguous

Not a new warning - a new baseline

1.43°C

Global mean temperature above pre-industrial levels in 2025 - the second or third warmest year on record

11 of 11

The last eleven years, 2015 to 2025, are the eleven warmest ever recorded

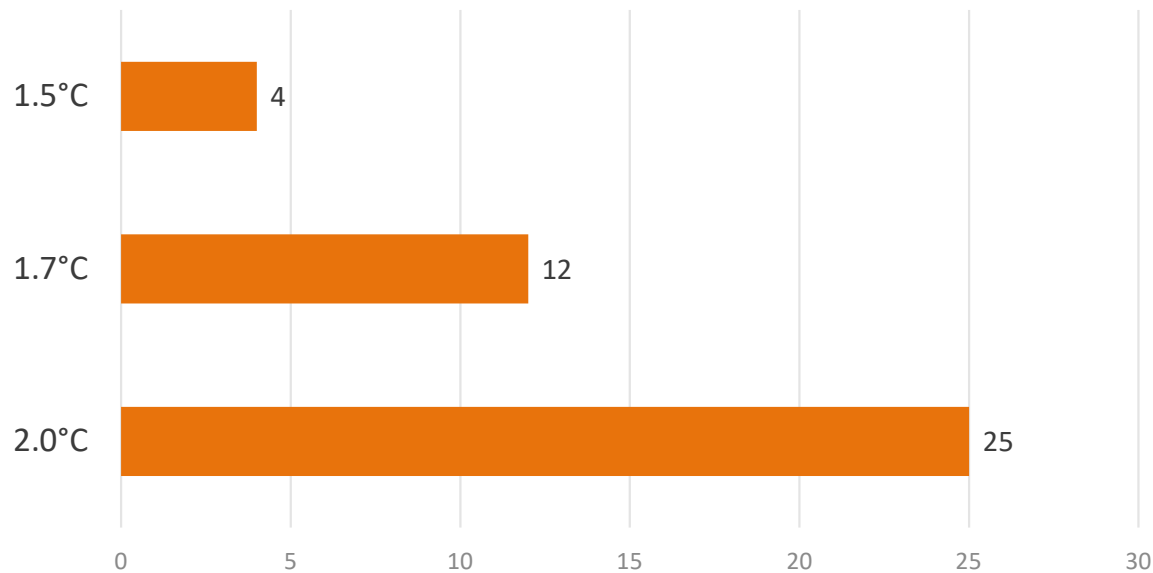
Record high

Earth's energy imbalance, now tracked as a headline indicator. Over 90% of the excess heat goes into the ocean

The planet is not simply warmer. It is absorbing heat faster than at any point in the observational record.

The budget maths

What is left, expressed in years rather than gigatonnes



38.1 GtCO₂

Fossil CO₂ emissions in 2025 - a record, up 1.1% on 2024.

170 GtCO₂

All that remains for a 50% chance of holding 1.5°C. At today's rate it is gone before 2030.

Every strategic plan in this room has a horizon beyond the budget it depends on.



THE CONSEQUENCE

Valencia, 2024. The cost of a 1.4-degree world stopped being a scenario.

And the bill is already arriving

Climate risk stopped being a scenario and became a balance-sheet item

\$220bn

Global economic losses from natural catastrophes in 2025

\$107bn

Insured losses - the sixth consecutive year above \$100bn

92%

Share of insured losses from wildfires, storms and floods - a record

\$424bn

The protection gap: losses nobody had insured

For a CFO this is no longer an environmental discussion. It is cost of capital, insurability and asset life.

“But we are not a carbon-heavy industry.”

PROVOCATION 1 · Four reasons that argument no longer protects you

1

Your footprint is not your balance sheet

Scope 3 runs through printing, retail estates, logistics, marketing and data centres. Digital play moves emissions, it does not delete them.

2

Insurability is industry-blind

Repricing of property, business interruption and venue cover reaches you whatever your emissions profile looks like.

3

Regulation follows the value chain

Thresholds are simplified, but disclosure travels down supply chains. Your customers, partners and lenders will ask before your regulator does.

4

Low footprint plus high reach

The best impact-per-euro position in the economy is a business with small emissions and enormous influence. That is you.

The reframe. A small footprint is not an excuse to do less. It is the cheapest leadership position available to any industry in this room.

The geopolitics of sustainability

Same direction, four different languages - and this room speaks all of them

Europe

Ambition preserved, reporting simplified. The Omnibus lifts CSRD and CS3D thresholds to the largest firms only - fewer reporters, same direction of travel.

Simplification, not abandonment

United States

Federal deregulation is accelerating. Yet state policy, corporate procurement and cheap solar keep the capital flowing regardless.

Political risk, not technology risk

China

CO₂ flat or falling for close to two years. Clean technology drove more than a third of 2025 economic growth; NEV exports more than doubled.

Industrial policy as climate policy

Gulf & Middle East

Sustainability is entering the conversation through capital and mega-projects. Ambition is currently running well ahead of substance.

Narrative ahead of delivery

The takeaway. Sustainability is now mainstream everywhere. What changes by region is the volume of the conversation, not the direction of the economy.

02

What actually drives the business case

The retreat is in the language, not in the capital



THE MONEY

Follow the capital, not the press release.

Two stories, one year

Both are true - only one of them moves capital

What the headlines say

- Shell, Enbridge and Aker BP walk away from the Science Based Targets initiative
- Volvo drops its all-electric-by-2030 goal; Air New Zealand abandons its 2030 target
- The EU Omnibus lifts CSRD thresholds to 1,000+ employees and €450m turnover
- The US revokes the endangerment finding underpinning federal climate rules

What the data says

- 10,000 companies now hold validated science-based targets - 2,800 added in 2025 alone
- Clean energy investment sets another record in 2026: around \$2.2 trillion
- China's CO₂ has been flat or falling for close to two years
- Most firms muted the message, not the mandate: they stopped publicising, not investing

Greenhushing is not the opposite of greenwashing. It is what action looks like when talking about it stops paying.



THE TEST

Changing colour is not the same as changing shape.

What corporate sustainability actually means

It is not CSR with a bigger budget

“An integral approach to business aimed at **enhancing competitive positioning and profitability** through the sustained creation of shared value, co-creation with stakeholders, and the integration of ESG factors in decision-making.”

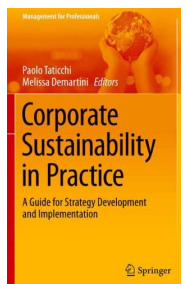
If your sustainability strategy would survive being read out at a competitor's board meeting, **it is not a strategy**.

Purpose — why the business exists

Shared value — not philanthropy

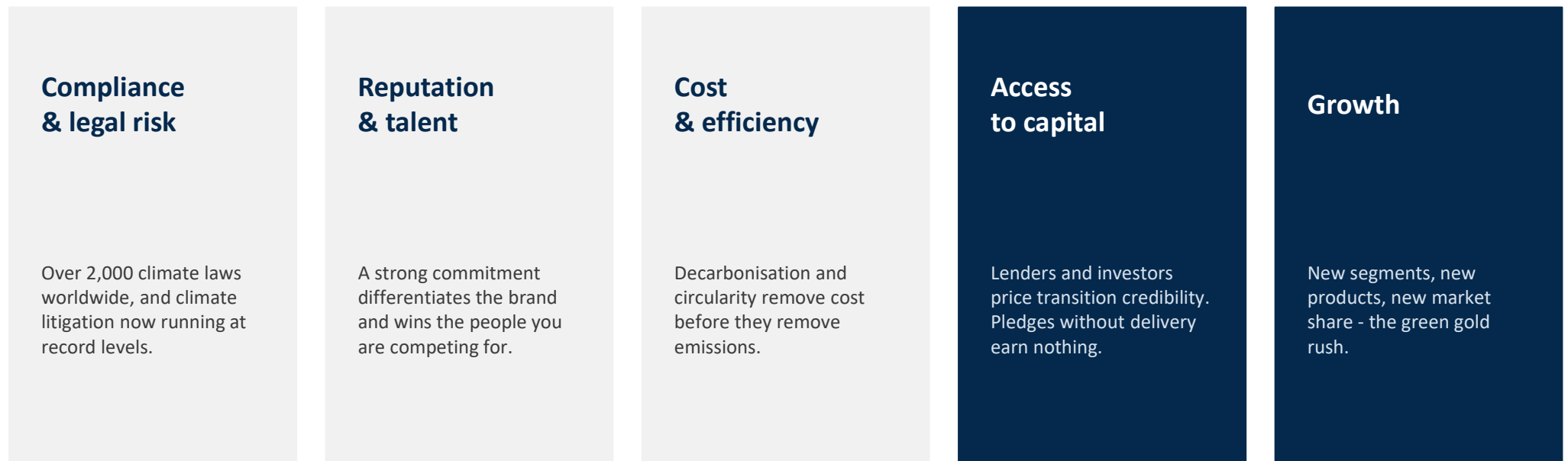
ESG in decisions — not in reporting

Competitiveness — the stated objective



Five forces behind the business case

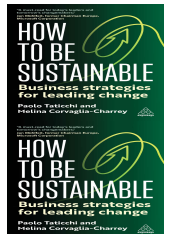
Sustainable transformation as a source of competitive advantage and resilience



Three of these are defensive.

Two of them are where the money is - and they are the two most organisations under-resource.

Source: Taticchi & Corvaglia-Charrey (2025), How to be Sustainable - shortlisted, Thinkers50 Distinguished Achievement Awards 2025



Sustainability pays - but only when it is real

Three findings that separate the delivered from the declared

25%

of large companies report substantial financial benefit from decarbonisation. More than half believe they can cut 10-40% of emissions at a net cost saving.

Lower

cost of capital for firms that cut carbon intensity and disclose transparently. Firms making green pledges without action show no such benefit.

10-15%

material cost savings from circular offerings - take-back, remanufacturing, reuse - while holding or improving margin.

The rule. The market pays for delivery, not for declaration. That is why the quiet operators are outperforming the loud ones.

Sources: McKinsey (2024); study of 2,100 companies reported in Science Daily (2024); McKinsey circularity analysis (2023)

You are not a carbon problem. You are a distribution network.

PROVOCATION 2 · The asset on your balance sheet that nobody has valued

\$441bn

in annual sales across the regulated global lottery and sports betting sector

\$109bn

returned to good causes worldwide in a single year

71 lotteries

across 40 countries in EL alone - €29.4bn to society in Europe

Italy only

40,000+ retail outlets · 50m adults within reach for the Italian omnichannel operators



No other consumer brand in your countries has this reach. Responsible gaming already proved you can use it to change behaviour.

Sources: WLA Annual Review 2025 (FY2024); EL Annual Report 2025; Istat 2025: Resident population of legal gaming age + AI-generated ballpark estimates

03

What the winners do differently

Timing, integration, and the courage to move in the quiet phase

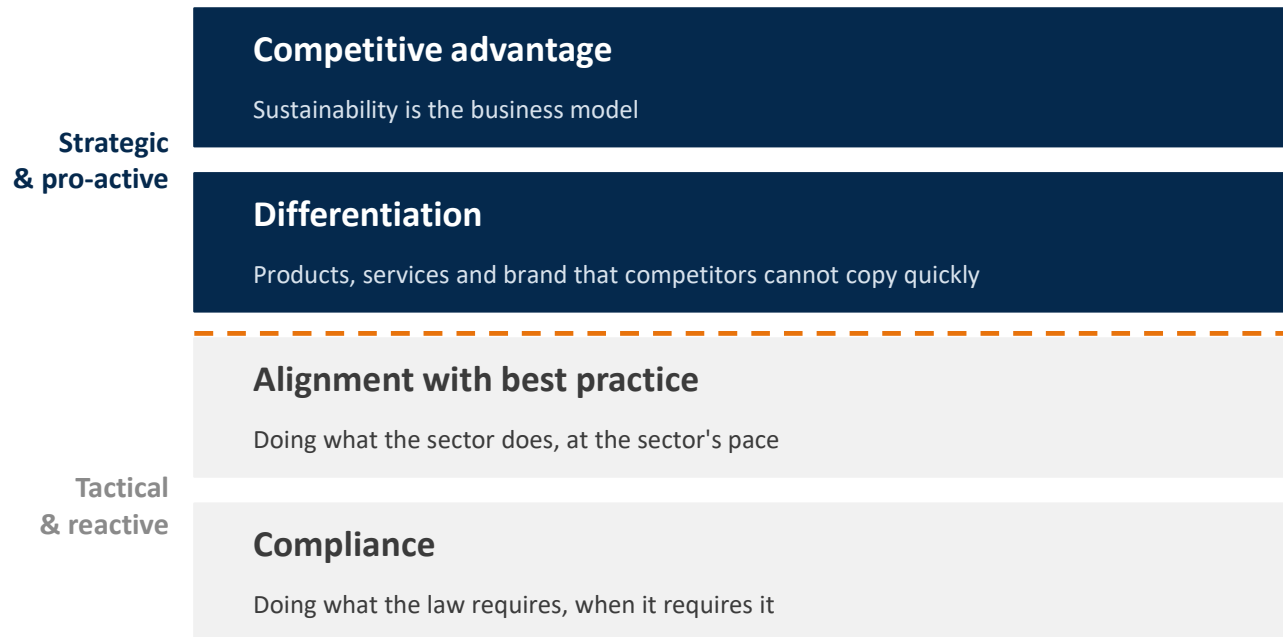


Nobody is disrupted while they are still winning.

Every incumbent that lost a transition had a market-leading year immediately before it began.

The ambition ladder

From reactive ESG hygiene to strategic value creation



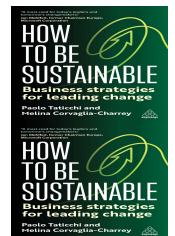
Where most of this sector sits today.

Responsible gaming has reached the top of this ladder: it is regulated, certified, measured and, for the best operators, a genuine differentiator.

The environmental agenda is still on the bottom two rungs.

The interesting question is not whether you will climb it. It is whether you climb it before or after your competitors do.

Source: Taticchi & Corvaglia-Charrey (2025), How to be Sustainable



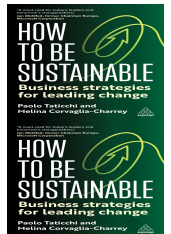
Sustainability-oriented innovation

The stages every serious transformation passes through - in this order



*Most organisations stop at stage two.
The advantage is created at stages four and five
- and stage five is available to an industry that already writes its own standards.*

Source: adapted from Nidumolu, Prahalad & Rangaswami (2009)



Why the quiet phase decides leadership

New UCL research: the Law of Technological Disruption

1

Euphoria

Direction right, timing wrong.
Expectations run ahead of the
technology.

2

Reaction

Disappointment is mistaken for
failure. Capital retreats, politics
hesitates.

3

Quiet Evolution

The technology becomes
economically superior - unnoticed.
The Inception Point.

4

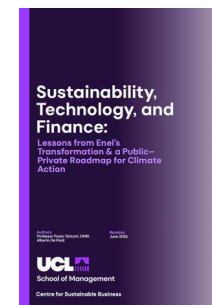
Transformation

Adoption turns non-linear.
Recognition arrives after the
advantage is taken.

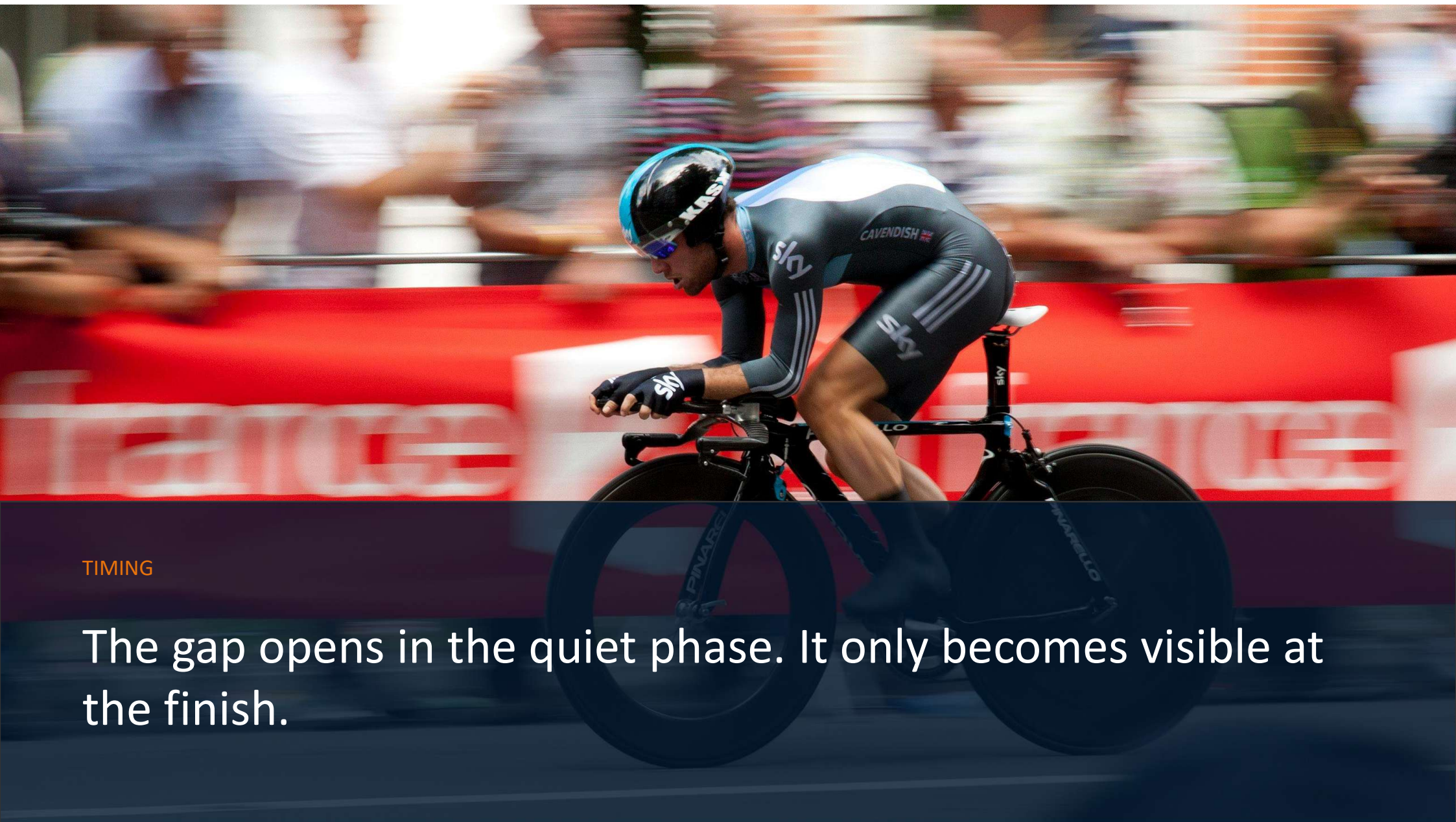
▲ We are here

Clean energy crossed its Inception Point years ago - the moment a technology becomes economically superior before society recognises it. Enel read that moment between 2014 and 2018 and rebuilt its generation mix from 25% renewable to nearly 65%.

Reaction is not reversal. Economics wins late, but it wins.



Source: Taticchi & De Paoli (2026), Sustainability, Technology and Finance - UCL Centre for Sustainable Business White Paper



TIMING

The gap opens in the quiet phase. It only becomes visible at the finish.

If you take one thing from this stage

Put a verified Scope 1, 2 and 3 baseline on your CEO's desk within twelve months.

Why this one

Several EL lotteries already use the shared carbon measurement tool, and a significant number of members are inside the Environmental Initiative. The infrastructure exists. What is missing is the decision.

You cannot manage - or monetise - a competitive advantage you have never counted.

And if you want to lead

Give one campaign slot a year to the sustainability conversation with your players.

You reach more citizens in a single week than most of your governments reach in a year. Nobody in your market can educate at that scale. Very few of you are using it.

Measure first. Then use the reach. In that order - because the second one without the first is exactly the greenwashing your regulators are now writing rules about.

Three things to take away

1 The science has moved from warning to accounting.

Four years of carbon budget at current emissions. Every strategy horizon in this room now sits beyond it, and the losses are already on balance sheets.

2 The retreat is in the language, not in the capital.

10,000 companies with validated targets, two dollars of clean investment for every fossil dollar. Do not confuse the volume of the conversation with the direction of the economy.

3 In your sector, leadership is decided by reach, not by footprint.

You are the rare industry whose impact is almost entirely upstream of its emissions. That makes the environmental agenda cheaper for you than for anyone else - and more visible.

The winners are not the companies that promise to be sustainable. They are the ones that turn it into decisions, innovations and measurable results.

**In 2030, leaders will be remembered
not for what they promised,
but for what they delivered.**

Thank you.

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